

Price Waterhouse & Co Chartered Accountants LLP

To
The Board of Directors
National Stock Exchange of India Limited
Exchange Plaza, C-1, Block- G,
Bandra Kurla Complex,
Bandra (East),
Mumbai- 400 051.

1. We have reviewed the consolidated unaudited financial results of National Stock Exchange of India Limited (the "Parent"), its subsidiaries (the parent and its subsidiaries hereinafter referred to as the "Group") and associate companies for the quarter ended June 30, 2023, which are included in the accompanying Consolidated Unaudited Financial Results (the "Statement"). The Statement is being submitted by the Parent pursuant to the requirement of Regulation 33 of the Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018 (the "SECC Regulations") read with Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations"), which has been initiated by us for identification purposes.
2. This Statement, which is the responsibility of the Parent's Management and has been approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

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Price Waterhouse & Co. (a Partnership Firm) converted into Price Waterhouse & Co Chartered Accountants LLP (a Limited Liability Partnership with LLP Identity no: LLPIN AAC-4362) with effect from July 7, 2014. Post its conversion to Price Waterhouse & Co Chartered Accountants LLP, its ICAI registration number is 304026E/E-300009 (ICAI registration number before conversion was 304026E)

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4. The Statement includes the results of the following entities:

Sr. No.	Name	Nature of Relationship
1	NSE Clearing Limited	Subsidiary Company
2	NSE Investments Limited	Subsidiary Company
3	NSE IFSC Limited	Subsidiary Company
4	NSE IFSC Clearing Corporation Limited	Subsidiary Company
5	NSEIT Limited	Subsidiary Company
6	NSE Data & Analytics Limited	Subsidiary Company
7	NSE Indices Limited	Subsidiary Company
8	NSE Infotech Services Limited	Subsidiary Company
9	NSE IT (US) Inc.	Subsidiary Company
10	Aujas Cybersecurity Limited	Subsidiary Company
11	NSE Academy Limited	Subsidiary Company
12	TalentSprint Private Limited	Subsidiary Company
13	Cogencis Information Services Limited	Subsidiary Company
14	CXIO Technologies Private Limited	Subsidiary Company
15	TalentSprint Inc.	Subsidiary Company
16	NSE Foundation	Subsidiary Company
17	National Securities Depository Limited	Associate Company
18	India International Bullion Holding IFSC Limited	Associate Company
19	Power Exchange India Limited	Associate Company
20	Protean eGov Technologies Limited	Associate Company
21	Market Simplified India Limited	Associate Company
22	Receivables Exchange of India Limited	Associate Company
23	Indian Gas Exchange Limited	Associate Company
24	Capital Quant Solutions Private Limited	Associate Company

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the other auditors referred to in paragraphs 7 and 8 below, nothing has come to our attention that causes us to believe that the accompanying Statement has not been prepared in all material respects in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India and has not disclosed the information required to be disclosed in terms of Regulation 33 of the SECC Regulations read with Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We draw your attention to Note 2 to the Statement, relating to the matters with the Securities and Exchange Board of India ("SEBI"). SEBI issued orders on April 30, 2019, wherein disgorgement/demand aggregating Rs. 687.47 crores (excluding interest thereon at 12% p.a. from April 1, 2014, till the actual date of payment for one order and from September 11, 2015, till the actual date of payment for second order) had been raised against the Parent pursuant to an investigation conducted in relation to preferential access to tick-by-tick data at the Parent's Colocation facility, Dark Fiber point to point connectivity and Governance and related matters ("Orders"). SEBI further directed the Parent to undertake certain remedial measures, actions and imposed restrictions ("Other Directives"). The Parent also received Adjudication notices covering identical matters, facts, circumstances and grounds as stated in each of the above Orders ("the Adjudication Matters"). Adjudication hearings before SEBI were completed for the Adjudication Matters and SEBI levied penalty of Rs. 1 crore each for the Colocation facility matter and the Governance matter, and Rs. 7 crores for the Dark Fiber point to point connectivity matter ("the Adjudication Orders"). The Parent had deposited Rs 1,107.47 crores with

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SEBI in respect of these Orders and appealed to contest the aforesaid Orders, including the Adjudication Orders with the Hon'ble Securities Appellate Tribunal ("SAT"). In respect of the preferential access to tick-by-tick data at the Parent's Colocation facility matter, Hon'ble SAT passed an order dated January 23, 2023, upholding the Other Directives of SEBI, setting aside the SEBI direction for disgorgement of an amount of Rs.624.89 crores (along with interest at the rate of 12% p.a.) and imposing a penalty of Rs. 100 crores on the Parent as a deterrent for the lack of due diligence and other lapses in compliance. The Parent had recognized such penalty amount of Rs 100 crores. In this regard, SEBI filed an appeal before the Hon'ble Supreme Court, which directed SEBI to refund Rs. 300 crores to the Parent vide its order dated March 20, 2023. In case SEBI's appeal is allowed by the Hon'ble Supreme Court, the Parent is required to repay such amount of Rs. 300 crores to SEBI. SAT vide order dated July 13, 2023, quashed the SEBI Adjudication order of levying monetary penalty of Rs. 1 crore in relation to the preferential access to tick-by-tick data at the Parent's Colocation facility. The Dark Fiber point to point connectivity, Governance related matters and the Adjudication Matters relating to Dark Fiber Connectivity and Governance related matters continue to be under appeal before with Hon'ble SAT. The future outcome of the above matters is uncertain at this stage. Based on the legal opinion obtained by the Parent, except for the penalty amount of Rs 100 crores as mentioned above, no provision for any liability has been recognized towards the above matters in the Statement, which continue to be disclosed as a contingent liability. Our conclusion is not modified in respect of this matter.

7. We did not review the interim financial information of one subsidiary and consolidated interim financial information of two subsidiaries included in the Statement, whose interim financial information reflect total revenues of Rs.0.99 crore and Rs. 696.41 crore, total net profit/(loss) after tax of Rs. (25.80) crore and Rs. 255.21 crore and total comprehensive income/(loss) of Rs. (26.02) crore and Rs. 261.79 crore respectively, for the quarter ended June 30, 2023, as considered in the consolidated unaudited financial results. The consolidated unaudited financial results also include the Group's share of net loss after tax of Rs. 1.22 crore and total comprehensive loss of Rs. 1.28 crore for the quarter ended June 30, 2023, respectively, as considered in the consolidated unaudited financial results, in respect of one associate company whose interim financial information have not been reviewed by us. These interim financial information have been reviewed by other auditors in accordance with SRE 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" and their reports dated July 12, 2023, July 21, 2023, and July 25, 2023, vide which they have issued an unmodified conclusion, have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associate company is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above. Our conclusion on the Statement is not modified in respect of this matter.
8. Further, in respect of one subsidiary included in the Statement, whose interim financial information reflect total income from donations of Rs. Nil, total excess of expenditure over income after tax of Rs. 2.07 crores and total comprehensive loss of Rs. 2.09 crores for the quarter ended June 30, 2023, as considered in the Statement has been jointly audited by Price Waterhouse & Co Chartered Accountants LLP, auditor of Parent Company along with other joint auditor of the subsidiary. This interim financial information has been reviewed by us along with the joint auditor in accordance with SRE 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" vide our joint review report dated July 21, 2023, on which we have jointly issued an unmodified opinion.
9. The consolidated unaudited financial results include the interim financial information of one subsidiary which has not been reviewed by their auditors, whose interim financial information reflects total revenue of Rs. 0.01 crore, total net loss after tax of Rs. 0.01 crore and total comprehensive loss of Rs. 0.01 crore for the quarter ended June 30, 2023, as considered in the Statement. The Statement also include the Group's share of net profit after tax of Rs. 23.84 crore and total comprehensive income of Rs. 22.87 crore for the quarter ended June 30, 2023, respectively, as considered in the Statement, in respect of five associate companies, based on their interim financial information which have not been reviewed by their auditors. The Statement does not include the Group's share of total comprehensive income/loss in respect of two associate companies in which the investment

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of Rs. 21.62 crores made by the Group has been fully impaired. According to the information and explanations given to us by the Management, these interim financial information are not material to the Group. Our conclusion on the Statement is not modified in respect of this matter.

For Price Waterhouse & Co. Chartered Accountants LLP.
Firm Registration Number: 304026E/ E - 300009



Amit Borkar
Partner
Membership Number 109846
UDIN: 23109846BGYFLX3411

Place: Pune
Date: July 27, 2023



NATIONAL STOCK EXCHANGE OF INDIA LIMITED

CIN : U67120MH1992PLC069769



STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2023

(Rs. in crores unless otherwise stated)

Sr. No. Particulars	Quarter ended			
	30.06.2023 Unaudited	31.03.2023 Refer note 1	30.06.2022 Unaudited	31.03.2023 Audited
Continuing Operations				
1 Income				
(a) Revenue from operations	2,987.11	3,453.19	2,641.93	11,856.23
(b) Other Income	369.73	311.46	107.25	909.13
Total Income	3,356.84	3,764.65	2,749.18	12,765.36
2 Expenses				
(a) Employee benefits expense	113.72	97.12	95.07	366.05
(b) Depreciation and amortisation expense	103.45	101.84	91.77	384.06
(c) Other expenses	565.60	594.46	357.22	1,858.72
Total expenses (excluding contribution to Core settlement guarantee fund (Core SGF))	782.77	793.42	544.06	2,608.83
3 Profit before exceptional items, contribution to Core settlement guarantee fund (Core SGF), Share of net profits of associates accounted for using equity method and Tax from Continuing Operations (1-2)	2,574.07	2,971.23	2,205.12	10,156.53
4 Share of net profits of associates accounted for using equity method	22.63	25.02	17.32	88.50
5 Profit before exceptional items, contribution to Core settlement guarantee fund (Core SGF) and Tax (3+4)	2,596.70	2,996.25	2,222.44	10,245.03
6 Exceptional items				
Settlement amount paid to SEBI by NSE Clearing Limited (Refer note 4)	(22.88)	-	-	-
7 Profit after Exceptional items before contribution to Core settlement guarantee fund (Core SGF) and Tax (5-6)	2,573.82	2,996.25	2,222.44	10,245.03
8 Contribution to Core settlement guarantee fund (Core SGF) (Refer note 6)	(50.49)	(203.45)	-	(203.45)
9 Profit before tax from continuing operations (7-8)	2,523.33	2,792.80	2,222.44	10,041.58
10 Less: Income Tax expense				
(a) Current tax expense	565.89	713.82	496.66	2,521.01
(b) Deferred tax expense / (benefit)	75.45	(18.89)	(6.24)	18.69
Total tax expenses	641.34	694.93	490.42	2,539.70
11 Profit for the period / year from continuing operations (9-10)	1,881.99	2,097.87	1,732.02	7,501.88
12 Discontinued Operations (Refer note 10)				
(a) (Loss) from discontinued operations before tax	(33.02)	(20.20)	(41.00)	(127.97)
(b) Tax expense of discontinued operations	(5.01)	(10.79)	(1.94)	(17.92)
(c) (Loss) from discontinued operations (a-b)	(38.03)	(30.99)	(42.94)	(145.89)
13 Profit for the period / year (11+12)	1,843.96	2,066.88	1,689.08	7,355.99
14 Other Comprehensive Income				
(a) <i>Items that will be reclassified to profit or loss (net of tax)</i>				
Changes in fair value of FVOCI debt instruments	9.88	5.71	(29.48)	(21.60)
Changes in foreign currency translation reserve	(0.21)	(0.85)	4.46	7.28
Changes in foreign currency translation reserve pertaining to discontinued operations	(0.02)	0.07	0.10	0.26
(b) <i>Items that will not be reclassified to profit or loss (net of tax)</i>				
Remeasurements of post-employment benefit obligations	(4.06)	1.15	(1.51)	0.88
Remeasurements of post-employment benefit obligations pertaining to discontinued operations	(0.61)	(0.34)	(0.01)	(2.40)
Changes in fair value of FVOCI equity instruments	2.00	(2.67)	2.09	(4.52)
Share of other comprehensive income of associates accounted for using the equity method	(1.03)	(0.13)	0.97	2.05
Total other comprehensive income / (loss) for the period / year, net of taxes	5.95	2.94	(23.38)	(18.05)
15 Total comprehensive income for the period / year (13+14)	1,849.91	2,069.82	1,665.70	7,337.94
16 Profit attributable to :				
Owners of National Stock Exchange of India Limited	1,844.19	2,065.37	1,689.27	7,354.81
Non-Controlling Interests	(0.23)	1.51	(0.19)	1.18
17 Other comprehensive income attributable to :				
Owners of National Stock Exchange of India Limited	5.95	2.92	(23.38)	(18.04)
Non-Controlling Interests	0.00	0.02	0.00	(0.01)
18 Total comprehensive income attributable to :				
Owners of National Stock Exchange of India Limited	1,850.14	2,068.29	1,665.89	7,336.77
Non-Controlling Interests	(0.23)	1.53	(0.19)	1.17
19 Total comprehensive income attributable to owners of National Stock Exchange of India Limited arises from				
Continuing Operations	1,888.57	2,101.08	1,708.55	7,485.97
Discontinued Operations	(38.43)	(32.79)	(42.66)	(149.20)
20 Paid-up equity share capital (Face value Re. 1 per share)	49.50	49.50	49.50	49.50
21 Reserves (excluding Revaluation Reserve)				20,428.97
22 Earnings per equity share for profit from continuing operations attributable to owners of National Stock Exchange of India Limited (FV Re. 1 each)				
- Basic and Diluted (Rs.)	38.02*	42.38*	34.99*	151.55
23 Earnings per equity share for profit / losses from discontinued operations attributable to owners of National Stock Exchange of India Limited (FV Re. 1 each)				
- Basic and Diluted (Rs.)	(0.76)*	(0.66)*	(0.86)*	(2.97)
24 Earnings per equity share for profit from continuing and discontinued operations attributable to owners of National Stock Exchange of India Limited (FV Re. 1 each)				
- Basic and Diluted (Rs.)	37.26*	41.72*	34.13*	148.58

* Not annualised

Segment Information

(a) Description of segments and principal activities

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Company. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Managing Director and CEO of the Parent Company. The Group has identified the following segments i.e. Trading Services, Clearing Services and Strategic Investment as reporting segments based on the information reviewed by CODM.

1: **Trading Services** : This part of the business/offers services related to trading in equity, equity derivatives, debt, currency derivatives and commodity derivatives segments. Revenue includes transaction charges, listing & book building fees, revenue from data centre charges etc.

2: **Clearing Services** : This part of the business/offers clearing and settlement of the trades executed in the capital markets, future & options, currency derivatives and commodity derivatives segments.

3: **Strategic Investments** : This part of business is related to making or holding all strategic investments in the equity shares and / or other securities of various group companies.

4: **Other segments** includes results of operations from data feed services, data terminal services and index licensing services.

Until quarter ended December 31, 2022, data feed services and index licensing services were disclosed as separate reportable operating segments. During the quarter ended March 31, 2023, the Company has changed the composition of the reportable operating segments to include the data feed services and index licensing services in other segments. The corresponding items of segment information for earlier periods have been accordingly restated.

The above business segments have been identified

- the nature of products and services
- the differing risks
- the internal organisation and management structure, and
- the internal financial reporting systems.

The segment information presented is in accordance with the accounting policies adopted for preparing the consolidated financial statements of the Group. Segment revenues, expenses and results include inter-segment transfers. Such transfers are undertaken either at competitive market prices charged to unaffiliated customers for similar goods or at contracted rates. These transfers are eliminated on consolidation.

(b) Segment Revenue :

Transactions between segments are carried out at arms length and are eliminated on consolidation. Segment revenue is measured in the same way as in the statement of profit or loss. Revenue and expenses which relate to the enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as unallocable. The CODM primarily uses a measure of profit before tax to assess the performance of the operating segments.

Segments	For the quarter ended 30th June, 2023				For the quarter ended 31st March, 2023				For the quarter ended 30th June, 2022				For the year ended 31st March, 2023			
	Segment Revenue	Inter-segment revenue	Revenue from external customers	Segment Results	Segment Revenue	Inter-segment revenue	Revenue from external customers	Segment Results	Segment Revenue	Inter-segment revenue	Revenue from external customers	Segment Results	Segment Revenue	Inter-segment revenue	Revenue from external customers	Segment Results
Trading Services	2,833.56	22.68	2,810.88	2,138.96	3,295.31	15.11	3,280.20	2,610.26	2,488.03	13.50	2,474.53	2,016.38	11,182.55	60.19	11,122.36	8,916.13
Clearing Services	255.38	189.59	65.79	(7.52)	242.83	180.17	62.66	(16.29)	196.12	125.80	70.33	18.22	915.78	604.60	311.18	75.56
Strategic Investments	-	-	-	(1.34)	-	-	-	(3.63)	171.20	171.20	-	(0.71)	190.09	190.07	0.02	(8.87)
Other Segments	152.56	42.12	110.44	74.38	164.25	53.92	110.33	69.50	154.54	57.47	97.07	64.14	637.62	214.95	422.67	265.06
Total	3,241.50	254.39	2,987.11	2,204.48	3,702.39	249.20	3,453.19	2,659.84	3,009.89	367.96	2,641.93	2,098.03	12,926.04	1,069.81	11,856.23	9,247.88
Unallocable income (Net of Expenses)				188.78				171.91				29.08				496.25
Interest income				180.81				139.48				78.01				412.40
Profit before Exceptional items, contribution to Core settlement guarantee fund (Core SGF), Share of net profits of associates accounted for using equity method and Tax from Continuing Operations				2,574.07				2,971.23				2,205.12				10,156.53
Share of net profit of associates accounted by using equity method				22.63				25.02				17.32				88.50
Profit before Exceptional items and tax				2,596.70				2,996.25				2,222.44				10,245.03
Exceptional items																
Settlement amount paid to SEBI by NSE Clearing Limited				(22.88)				-				-				-
Profit after exceptional items before Contribution to Core SGF and tax				2,573.82				2,996.25				2,222.44				10,245.03
Contribution to Core settlement guarantee fund				(50.49)				(203.45)				-				(203.45)
Profit before Tax from continuing operations				2,523.33				2,792.80				2,222.44				10,041.58
Less: Income Tax Expense																
Current Tax expense				(565.89)				(713.82)				(496.66)				(2,521.01)
Deferred Tax expense / (benefit)				(75.45)				18.89				6.24				(18.69)
Total Tax Expenses				(641.34)				(694.93)				(490.42)				(2,539.70)
Profit from continuing operations				1,881.99				2,097.87				1,732.02				7,501.88
(Loss) from discontinued operations before tax				(33.02)				(20.20)				(41.00)				(127.97)
Tax Expense of discontinued operations				(5.01)				(10.79)				(1.94)				(17.92)
(Loss) from discontinued operations				(38.03)				(30.99)				(42.94)				(145.89)
Profit for the period / year				1,843.96				2,066.88				1,689.08				7,355.99

(c) Segment Assets :

Segment assets are measured in the same way as in the Balance Sheet. These assets are allocated based on the operations of the segment.

(Rs. Crs)			
Segments	30.06.2023	30.06.2022	31.03.2023
Trading Services	4,207.85	4,116.96	4,395.68
Clearing Services *	15,894.98	13,110.04	11,369.65
Strategic Investments	393.89	730.39	393.49
Other Segments	120.47	538.08	133.88
Total Segment Assets	20,617.19	18,495.47	16,292.70
Asset Classified as held for Sale	843.45	-	786.21
Unallocable Assets	23,703.15	17,094.86	19,485.43
Total Assets	45,163.79	35,590.33	36,564.34

Treasury investments held by the Group are not considered to be segment assets but are managed by the treasury function. Tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as unallocable. Interest income are not allocated to segments, as this type of activity is driven by the central treasury function, which manages the cash position of the Group.

* Segment Asset include amount pertaining to Core SGF maintained by NSE Clearing Limited and NSE IFSC Clearing Corporation Limited (NSE IFSC CC) as follows:

(Rs. Crs)			
Particulars	30.06.2023	30.06.2022	31.03.2023
Contribution to Core SGF	5,197.37	4,099.25	4,797.22
Contribution to SGF - Commodity Derivatives	250.00	250.00	250.00
Contribution to Core SGF - NSE IFSC CC	13.69	11.24	11.91

(d) Segment Liabilities

Segment liabilities are measured in the same way as in the financial statements. These liabilities are allocated based on the operations of the segment.

(Rs. Crs)			
Segments	30.06.2023	30.06.2022	31.03.2023
Trading Services	5,014.42	3,916.74	3,249.09
Clearing Services	15,806.68	12,890.72	11,033.64
Strategic Investments	7.93	1.08	6.31
Other Segments	91.53	501.68	33.79
Total Segment Liabilities	20,920.56	17,310.22	14,322.83
Liabilities directly associated with assets classified as held for Sale	431.35	-	421.54
Unallocable Liabilities	1,517.03	1,195.46	1,339.40
Core Settlement Guarantee Fund	(5,512.56)	(4,398.88)	(5,283.61)
Total Liabilities	17,356.38	14,106.80	10,800.16

Notes :-

1 The above Consolidated Unaudited Financial Results for the quarter ended June 30, 2023, have been reviewed by the Audit Committee in its meeting held on July 26, 2023 and approved by the Board of Directors in its meeting held on July 27, 2023. The financial results for the quarter ended June 30, 2023, were reviewed by the Statutory Auditors of the Company. The figures for the quarter ended March 31, 2023 are the balancing figures between audited figures in respect of full financial year and published year to date figures upto the third quarter of the respective financial year.

2 Securities and Exchange Board of India (SEBI) had directed National Stock Exchange of India Limited (NSE) to carry out an investigation including forensic examination by independent external agencies in respect of certain aspects of NSE's Colocation facility. Accordingly, investigations were carried out and the reports were submitted to SEBI. Further, SEBI in September 2016, directed that pending completion of the investigations, all revenues emanating from the colocation facility with effect from September 2016, be transferred to a separate bank account. In terms of the said directions, NSE continued to transfer the amount till May 2021, when SAT allowed the release of the amounts from such separate bank account (as further explained below).

Three separate show cause notices (SCN) on May 22, 2017, and July 03, 2018, were issued by SEBI to NSE and to some of its employees, including former employees, in respect of the alleged preferential access to tick-by-tick data in NSE's Colocation facility, Dark Fibre point to point connectivity and Governance and conflict of interest related matters which were responded to by NSE. NSE had also filed a Consent Application with SEBI on August 31, 2018, in respect of the said show cause notices. SEBI vide its letter dated April 30, 2019, returned the Consent Application filed by NSE and passed orders in respect of all the three show cause notices. In the first order, it passed a direction on NSE inter alia to disgorge an amount of Rs. 624.89 crore along with interest at the rate of 12% per annum from April 01, 2014, till the actual date of payment and certain non-monetary and restrictive directions prohibiting NSE from accessing securities market, through issuance of equity, debt or other securities for a period of six months from the date of the order; in the second order it passed a direction to deposit a sum of Rs. 62.58 crore along with interest at the rate of 12% p.a. from September 11, 2015, till the actual date of payment along with certain non-monetary and restrictive directions and in the third order it has passed certain non-monetary and remedial directions on NSE. Additionally, NSE also received Adjudication notices covering the above three orders for which NSE has filed its replies with SEBI. With respect to Adjudication notices pertaining to preferential access to tick-by-tick data at NSE's Colocation facility, Dark Fibre point to point connectivity and Governance and conflict of interest matters, SEBI has passed orders and vide the said orders levied monetary penalty of Rs. 1 crore, Rs. 7 crore and Rs. 1 crore, respectively.

NSE having received the orders passed by SEBI sought legal advice thereon and preferred an appeal with SAT. SAT vide its interim order has stayed the disgorgement of the amount, however it directed NSE to transfer the amount of Rs. 624.89 crore in the Colocation matter and Rs. 62.58 crore in the Dark Fibre matter totaling to Rs. 687.47 crore to SEBI which was remitted by NSE on June 13, 2019. Further, NSE was also directed by SAT to continue to transfer all revenues emanating from its co-location facility to a separate bank account. With respect to Governance and conflict of interest related matters, Hon'ble SAT vide its interim order has kept the directions passed in the SEBI order in abeyance.

While NSE's appeal in respect of the colocation matter had been heard by the Hon'ble SAT and the same was reserved for orders, NSE had, in the interim, filed an application with Hon'ble SAT to permit withdrawal of the amounts transferred to the separate account, as indicated above, and also to discontinue the transfer of all revenues emanating from its co-location facility to such separate bank account going forward. Hon'ble SAT heard the matter on May 17, 2021, and modified its earlier order dated May 22, 2019, and allowed NSE to withdraw the amounts previously transferred to such account, discontinue further transfer of future revenues and close the separate account. However, in order to balance the equities, Hon'ble SAT directed NSE to transfer an additional amount of Rs. 420 crore into an interest-bearing account with SEBI which was remitted by NSE on June 17, 2021. Accordingly, as on December 31, 2022, a total amount of Rs.1,107.47 crore had been deposited by NSE with SEBI. Hon'ble SAT further vide its order in June 2021, directed the parties for a refresher hearing which was concluded in November 2021.

Hon'ble SAT has passed order dated January 23, 2023, while upholding the non-monetary directives of SEBI has inter alia set aside the SEBI direction for disgorgement. Hon'ble SAT exercising its power has imposed a penalty of Rs. 100 crores on NSE as a deterrent for the lack of due diligence. NSE has duly provided for the said penalty in its financial statements for the year ended March 31, 2023 and the same got adjusted against the disgorgement amount already deposited by NSE.

SEBI preferred an Appeal against the SAT Order dated January 23, 2023, before the Hon'ble Supreme Court. The Hon'ble Supreme Court vide its order dated March 20, 2023, directed SEBI to refund to NSE Rs.300 Crores upon filing an undertaking to the effect that in case the Appeal of SEBI is allowed, then NSE will repay the entire amount to SEBI. NSE filed its undertaking with SEBI on March 28, 2023. The amount of Rs.300 Crores was received by NSE on April 21, 2023 and the same has been deposited in interest bearing account. The returnable date for the matter is in the month of September 2023.

SAT vide its order dated January 23, 2023 directed the Whole Time Member of SEBI to consider the charge of connivance and collusion of OPG and its Directors with any employee/officials of NSE. Accordingly, during the current quarter, NSE has received Show Cause Notice (SCN) dated May 17, 2023 on the said matter. NSE has filed the settlement application in response to the said SCN vide letter dated July 12, 2023. NSE is of the view that pending conclusion of this matter with SEBI, no provision /adjustment to this effect is required to be made in the financial statements for the quarter ended June 30, 2023.

With respect to adjudication orders, SAT, in an appeal filed by NSE stayed the penalty levied by SEBI in relation to Dark Fibre point to point connectivity and Governance and conflict of interest matters and as regards preferential access to tick-by-tick data at NSE's Colocation facility subsequent to the quarter ended June 30, 2023 SAT vide order dated July 12, 2023 quashed the SEBI order levying monetary penalty of Rs. 1 crore. Hearings in the Dark Fibre matter before SAT has been concluded and is now reserved for Orders.

NSE believes that it has strong grounds to contest each of the above orders including monetary liability (including from completed / pending adjudication proceedings) passed by SEBI. Accordingly, no provision for any liability in this regard is considered necessary in the financial results for the quarter ended June 30, 2023.

3 NSE was in receipt of Show Cause Notice issued by SEBI on October 9, 2019, and a Supplementary notice on December 16, 2019, alleging violation in relation to certain alleged irregularities in the appointment of Chief Strategic Advisor and his re-designation as 'Group Operating Officer and Advisor to MD' by the former Managing Director & Chief Executive Officer and the sharing of certain internal information pertaining to NSE with an alleged third party by former Managing Director & Chief Executive Officer. NSE filed a Settlement Application with SEBI on December 11, 2019, which was returned to NSE on October 27, 2020. During the year ended March 31, 2022, SEBI vide order dated February 11, 2022, levied penalty of Rs. 2 Crore which was paid by NSE. In this direction, certain investigating agencies have been making inquiries and seeking various information, data etc. from NSE, which is being provided.

4 On February 24, 2021, NSE's trading system was halted due to certain issues in the links with telecom service providers which in turn impacted the Storage Area Network (SAN) system of NSE, resulting in the primary SAN becoming inaccessible to the host servers. This also resulted in the risk management system of NSE Clearing Limited (NCL) and other systems such as clearing and settlement, index and surveillance systems becoming unavailable. NSE and NCL have submitted a root cause analysis of the incident to SEBI. SEBI vide its letter dated July 2, 2021, directed NSE and NCL to pay financial disincentive of Rs. 25 lakhs each. The said amount was paid by NSE on July 12, 2021, and NCL on July 14, 2021. Further, in this regard, SEBI has issued a show cause notice on August 11, 2021, to NSE, NCL and some of its employees alleging non-compliance with certain paragraphs of SEBI circular dated October 8, 2015, September 13, 2017, March 26, 2019, and Regulation 12(6) read with Regulation 7(3)(a), 7(3)(c) and 7(4)(g) of SECC Regulation 2018 for which detailed response was filed and hearing has been completed. In this regard, NSE and NCL have taken necessary remedial actions and both have filed consent application with SEBI on August 31, 2021 and September 03, 2021, respectively, against which, during the previous year, preliminary hearing on maintainability of the said consent application had taken place and the NSE and NCL has filed revised consent terms on March 19, 2023. SEBI accepted the revised terms for settlement of the same for payment of Rs. 49.67 crores by NSE and Rs.22.88 crores by NCL. NSE and NCL paid the settlement amount of Rs. 49.67 crores and Rs.22.88 crores (shown as exceptional item) respectively, in June 2023 and SEBI disposed of the proceedings of the show cause vide settlement order dated June 20, 2023 and June 28, 2023 and directed the individual noticees to comply with the non monetary settlement terms.

5 During the year ended March 31, 2023, NSE received a show cause notice vide letter dated February 28, 2023, from SEBI on the Trading Access Point (TAP) matter. NSE has filed the settlement application ("the application") in response to the said SCN vide letter dated April 28, 2023. The said application is in continuance of the earlier consent application filed by NSE during the financial year ended March 31, 2022. In the application, NSE has submitted its grounds of consent and has also stated that it is consenting without admission of liability or guilt and is willing to pay a fair sum in line with the settlement regulations. Thereafter, on July 10, 2023, NSE filed a detailed reply to the Show Cause Notice. NSE's management is of the view that pending the conclusion of this matter with SEBI, no provision / adjustment to this effect is required to be made in the financial results for the quarter ended June 30, 2023.

6 The Board of Directors of NSE in their meeting on March 23, 2023, approved the voluntary contribution of Rs. 203.45 crores at 2% of the transaction charges earned to the Core Settlement Guarantee Fund ("the Fund") to maintain corpus of the said Fund based on the assessment of the current trends in volumes and overall increase in market activities. Accordingly, NSE had recognized an expense of Rs. 203.45 Crores towards contribution to Core SGF, in the Statement of Profit and Loss for the year ended March 31, 2023. During the quarter ended June 30, 2023, NSE has recognised an expense of Rs. 50.49 crores towards contribution to Core SGF, in the result, of which Rs. 36 crores was paid during the quarter ended June 30, 2023 and balance Rs.14.49 crores paid on July 18, 2023 to the fund managed by NCL.

- 7 (a) In case of NCL, SEBI, vide circular CIR/MRD/DRMNP/25/2014 dated August 27, 2014, inter alia, has issued norms related to the computation and Minimum Required Contribution (MRC) to the Core Settlement Guarantee Fund by the Clearing Corporation (minimum 50%), Stock Exchange (minimum 25%) and members (maximum 25%). Further, SEBI vide circular CIR/CFD/FAC/62/2016 dated May 05, 2016, advised Stock Exchange to transfer 25% of its annual profits to Core SGF. Accordingly, total Core SGF as on June 30, 2023, is Rs.5,197.37 crores (as on March 31, 2023, Rs.4,797.23 crores).

Details of Core SGF as on June 30, 2023 is as follows: (Rs. in Crores)

Details of Core SGF as on June 30, 2023 is as follows:	(Rs. in crores)							Total
	CM	FO	CD	Debt	TRI Party	Commodity	Other	
NSE Clearing Ltd's contribution(NCL)	174.00	1,212.00	122.00	3.00	8.50	5.00	-	1,524.50
National Stock exchange of India Ltd 's (NSE) Contribution	87.00	606.00	48.00	1.00	8.50	2.50	200.20	953.20
Contribution by NSE on behalf of Member	87.00	606.00	61.00	-	-	2.50	-	756.50
BSE Limited 's Contribution	7.56	0.05	16.32	-	-	-	-	23.93
Metropolitan Stock Exchange of India 's Contribution	0.00	-	1.35	-	-	-	-	1.35
Penalty	276.20	1,221.79	52.23	-	-	0.17	-	1,550.39
Income on Investments	56.97	290.36	28.36	1.04	5.70	2.48	1.59	386.50
Others	1.00	-	-	-	-	-	-	1.00
Total	689.73	3,936.20	329.26	5.04	22.70	12.65	201.79	5,197.38

- NCL's own contribution to Core SGF appropriated out of profits during the quarter ended June 2023 : Rs. 41 crore, March 2023 : Rs. 210.35 crore and June 2022, Rs.NIL.(For the year ended March 2023, Rs. 267.89 crore)

An amount of Rs.199.45 crores received from NSE during the quarter to further augment the Core SGF has been included under 'Other' above.

- (b) In case of the subsidiary company NSE IFSC Clearing Corporation (NICCL), as per Regulation 31 of International Financial Services Centres Authority (Market Infrastructure Institutions) Regulations, 2021 notified on 12th April 2021, a recognised clearing corporation shall establish and maintain a Settlement Guarantee Fund to guarantee the settlement of trades executed in the stock exchanges in International Financial Service Centre (IFSC) and the fund shall have a corpus equivalent to at least the minimum required corpus as arrived at from the monthly stress test value or USD 1 million, whichever is higher.

Total Core SGF of Subsidiary NSE IFSC Clearing Corporation (NICCL) as on June 30, 2023 is Rs.13.68 crores (as on March 31, 2023: Rs.11.91 Crores)

	(Amount in Rs Crores)	
	30.06.2023	31.03.2023
Contribution by NICCL	13.21	10.65
Fines & Penalties	0.05	0.05
Income on investments	0.42	1.21
Total	13.68	11.91

- (c) NCL had received approval from SEBI to start clearing and settlement activities in Commodity Derivatives and commenced operations from October 12, 2018. As required by SEBI, an amount of Rs. 250 crore has been earmarked towards a separate fund to augment Settlement Guarantee Fund for Commodity Derivatives by way of appropriation from General Reserves. Further, NCL has also earmarked investments amounting to Rs. 250 crore towards the same.

- 8 During the year ended March 31, 2023, NCL has given additional bank guarantee of Rs.1,500 crore in favour of ICCL towards Inter Clearing Corporation collateral under interoperability framework as prescribed by SEBI. Total bank guarantee amount as on June 30, 2023, is Rs.5,500 crore, March 31, 2023, is Rs.4,000 crore and June 30, 2022, is Rs.4,000 crore.
- 9 NSE IFSC Limited (NSE IFSC) and NSE IFSC Clearing Corporation Limited (NICCL) on March 28, 2022, entered into an operational agreement with SGX India Connect IFSC Private Limited (SGX-SPV) and Singapore Exchange Derivatives Clearing Limited (SGX-DC) to operationalise the NSE IFSC-SGX Connect. As per this operational agreement, NICCL is required to provide collateral to SGX-DC for the due performance of its clearing obligations in respect of the trades placed by SGX-SPV on NSE IFSC. In this regard as at June 30, 2023, NICCL has availed Bank Guarantee facility from Standard Chartered Bank amounting to USD 50 million (Rs. 410.21 crores), (March 2023 : USD 20 million (Rs.163.10 crores), June 2022 : NIL) in respect of which NSE has provided corporate guarantee to the Standard Chartered Bank.
- 10 NSE Investments Limited vide its Board meeting held on February 1, 2023, has in-principle approved sale / divestment of Education Business and Technology Business. Pending required regulatory approvals, the management has classified the business operations of Education Business and Technology Business as discontinued operations as they meet the conditions as prescribed under Ind AS 105 - Non-current Assets Held for Sale and Discontinued Operations. Details of discontinued operations, Assets held for sale and liabilities directly associated with assets classified as held for sale is given below. Education Business is held through NSE Academy Limited, Talentsprint Private Limited & TalentSprint Inc. and Technology Business is held through NSEIT Limited, NSEIT (US) Inc., Aujas Cybersecurity Limited and CXIO Technologies Private Limited.

Particulars	Quarter ended			Year ended
	30.06.2023	31.03.2023	30.06.2022	31.03.2023
Total Income	244.25	255.15	171.61	861.66
Total Expenses	277.27	275.35	212.61	989.63
(Loss) from discontinued operations before tax	(33.02)	(20.20)	(41.00)	(127.97)
Tax expense of discontinued operations	5.01	10.79	1.94	17.92
(Loss) from discontinued operations (a-b)	(38.03)	(30.99)	(42.94)	(145.89)

Previous period financial information in relation to discontinued operations has been re-presented in the consolidated financial results as per the disclosure requirements of Ind AS 105 "Non-current Assets Held for Sale and Discontinued Operations".

- 11 Previous period's / year figures have been regrouped / reclassified wherever necessary to correspond with the current period classification / disclosure.

For and on behalf of the Board of Directors

Place : Mumbai
Date : July 27, 2023

Ashishkumar Chauhan
Managing Director & CEO
DIN : 00898469