

## Disclaimer

The unaudited standalone financial results for the quarter and nine months ended December 31, 2016 have been published in compliance with the Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporation) Regulations, 2012. Potential investors should not rely on such results for making any investment decision.

National Stock Exchange of India Limited is proposing, subject to receipt of requisite approvals, market conditions and other considerations, an initial public offer of its equity shares and has filed a draft red herring prospectus dated December 28, 2016 ("DRHP") with Securities and Exchange Board of India ("SEBI"). The DRHP is available on the website of SEBI as well as on website of the Managers, Citigroup Global Markets India Private Limited at <http://www.online.citibank.co.in/rhtm/citigroupglobalscreen1.htm>, JM Financial Institutional Securities Limited at [www.jmfi.com](http://www.jmfi.com), Kotak Mahindra Capital Company Limited at <http://www.investmentbank.kotak.com>, Morgan Stanley India Company Private Limited at <http://www.morganstanley.com/about-us/global-offices/india/>, HDFC Bank Limited at [www.hdfcbank.com](http://www.hdfcbank.com), ICICI Securities Limited at [www.icicisecurities.com](http://www.icicisecurities.com), IDFC Bank Limited at [www.idfcbank.com](http://www.idfcbank.com) and IIFL Holdings Limited at [www.iiflcap.com](http://www.iiflcap.com). Potential investors should note that investment in equity shares involves a high degree of risk and for details relating to such risk, see "Risk Factors" beginning on page 19 of the DRHP. Potential investors should not rely on the DRHP filed with SEBI for making any investment decision.

Any securities referred to herein have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), and may not be offered or sold in the United States absent registration or an exemption from registration under the Securities Act. There is no intention to register any securities referred to herein in the United States or to make a public offering of the securities in the United States.

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2016

(₹ in lakhs unless otherwise stated)

Sr. No. Particulars	Quarter ended			Nine months ended		
	31.12.2016 Unaudited	30.09.2016 Unaudited	31.12.2015 Unaudited	31.12.2016 Unaudited	31.12.2015 Unaudited	Year ended 31.03.2016 Unaudited
<b>1 Income from Operations</b>						
Income from operations	34,834	36,230	26,759	103,964	88,452	122,642
Other Operating Income	6,202	7,771	5,819	19,734	18,179	24,655
<b>Total Income from operations</b>	<b>41,036</b>	<b>44,001</b>	<b>32,578</b>	<b>123,698</b>	<b>106,631</b>	<b>147,297</b>
<b>2 Expenditure</b>						
(a) Employee benefits expense	2,422	2,741	2,555	8,294	7,831	10,629
(b) Clearing & settlement charges	2,466	2,526	2,142	7,398	7,365	9,854
(c) Repairs & maintenance - computers, trading & telecommunication systems	3,387	2,944	2,629	8,984	8,485	10,754
(d) Depreciation and amortisation expense	2,805	3,025	2,617	8,478	7,570	10,309
(e) Other expenses	8,417	6,990	6,332	23,119	18,544	26,566
<b>Total Expenses</b>	<b>19,497</b>	<b>18,226</b>	<b>16,275</b>	<b>56,273</b>	<b>49,795</b>	<b>68,112</b>
<b>3 Profit from Operations before other income and exceptional items (1-2)</b>	<b>21,539</b>	<b>25,775</b>	<b>16,303</b>	<b>67,425</b>	<b>56,836</b>	<b>79,185</b>
4 Other Income	8,792	28,796	10,554	50,132	46,589	55,737
<b>5 Profit from ordinary activities before exceptional items (3+4)</b>	<b>30,331</b>	<b>54,571</b>	<b>26,857</b>	<b>117,557</b>	<b>103,425</b>	<b>134,922</b>
6 Contribution to Core Settlement guarantee fund (Core SGF) ( Note 4)	-	(7,785)	-	(13,407)	(6,700)	(76,152)
<b>7 Profit from ordinary activities before Tax (5-6)</b>	<b>30,331</b>	<b>46,786</b>	<b>26,857</b>	<b>104,150</b>	<b>96,725</b>	<b>58,770</b>
8 Tax expenses						
(a) Current tax	10,400	8,500	8,600	27,100	27,600	14,500
(b) Deferred tax	329	850	95	1,223	623	703
<b>9 Net Profit from ordinary activities after tax (7-8)</b>	<b>19,602</b>	<b>37,436</b>	<b>18,162</b>	<b>75,827</b>	<b>68,502</b>	<b>43,567</b>
10 Other Comprehensive Income (net of tax)						
(a) Items that will be reclassified to profit or loss	(986)	1,432	(1,225)	1,290	(1,245)	(521)
(b) Items that will not be reclassified to profit or loss	75	73	224	31	2,198	1,606
<b>Total Other Comprehensive Income (net of tax)</b>	<b>(911)</b>	<b>1,505</b>	<b>(1,001)</b>	<b>1,321</b>	<b>953</b>	<b>1,085</b>
<b>11 Net Profit for the period (9-10)</b>	<b>18,691</b>	<b>38,941</b>	<b>17,161</b>	<b>77,148</b>	<b>69,455</b>	<b>44,652</b>
12 Paid-up equity share capital (Face value ₹ 1 per share)	4,950	4,500	4,500	4,950	4,500	4,500
13 Reserves (excluding Revaluation Reserve)						567,573
14 Earnings per Share (EPS) (₹ ₹ 1 each) #						
(a) - Basic and Diluted (₹)	3.96 *	7.56 *	3.67 *	15.32 *	13.84 *	8.80
Before contribution to Core Settlement Guarantee Fund						
(a) - Basic and Diluted (₹)	3.96 *	8.59 *	3.67 *	17.09 *	14.72 *	18.86

\* Not annualised

# - Earning per share of all comparative periods presented have been restated as per Ind AS 33 on account of the bonus issue and sub division of equity shares ( Refer note : 5)

Notes :

- The above standalone financial results for the quarter and nine months ended December 31, 2016 has been reviewed by the Audit Committee and approved by the Board of Directors in its meeting held on February 3, 2017. The financial results for the quarter and nine months ended December 31, 2016 have been reviewed by the Joint Statutory auditors of the Company. Financial information for the quarter and nine months ended December 31, 2015 and audited figures for the year ended March 31, 2016 as per IGAAP (previously reported) have been restated as required in terms of Indian Accounting Standards (Ind AS) for the purpose of these results and have also been reviewed by the Statutory Auditors.
- The company has adopted Ind AS and accordingly, above financial results have been prepared in accordance with the recognition and measurement principles of Ind AS prescribed under section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder. The date of transition to Ind AS is April 1, 2015. The impact of transition has been accounted for in the opening reserves and the comparative periods have been restated accordingly.
- 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 CEO Incharge of the Company. The Company operates only in one Business Segment i.e. facilitating trading in securities and the activities incidental thereto within India, hence does not have any reportable Segments as per Indian Accounting Standard 108 "Operating Segments".
- On June 20, 2012, Securities Exchange Board of India ("SEBI") notified Securities Contracts (Regulations) (Stock Exchanges and Clearing Corporations) Regulations, 2012 ("the Regulations") to regulate recognition, ownership and governance in stock exchanges and clearing corporations in India. In accordance with Regulation 33 of the Regulations, every recognized stock exchange was required to transfer twenty five percent (25%) of its annual profits every year to a Settlement Guarantee Fund ("SGF") of the recognized clearing corporation(s) which clears and settles trades executed on that stock exchange to guarantee settlement of trades. Subsequently, SEBI in its press release No.66/2012 dated June 21, 2012 made an announcement about expert committee being formed to inter-alia look into the norms for adequacy of the core corpus of the SGF and it's sourcing, including transfer of profits by stock exchanges to SGF in the long run. As a matter of prudence, the Company had recorded the provisional appropriation from reserves at 25% of its annual profit after tax in its financial statements.  
  
On August 27, 2014, SEBI vide its circular no. CIR/MRD/DRMNP/25/2014 issued norms relating to Core Settlement Guarantee Fund ("Core SGF") and contribution requirements by recognised stock exchange to Core SGF maintained by clearing corporations. As per the circular, stock exchange contribution to Core SGF shall be at least 25% of the Minimum Required Contribution ("MRC") determined by clearing corporation. The contribution towards Core SGF is eligible to be adjusted against twenty five percent transfer of profits by stock exchange under the Regulations. Accordingly, the Company had recorded a provisional appropriation of Rs. 52,719 lakhs as at March 31, 2015 (net of Rs. 17,000 lakhs for contribution to MRC of Core SGF for the year ended March 31, 2015).  
  
On May 4, 2016, SEBI in its circular no. SEBI/HO/MRD/DRMNP/CIR/2016/54 notified that the provisions made by stock exchange towards the transfer of profits to SGF until March 31, 2015 shall be transferred to the Core SGF maintained by the clearing corporation within one month of the date of issuance of the notification. Further, as per the circular, SEBI will notify the amounts to be transferred by the stock exchange to the Core SGF maintained by the clearing corporation in respect of the period from April 01, 2015 till the date of amendment of the Regulations by SEBI. Accordingly, the provisional appropriations made out of reserves aggregating to Rs. 52,719 lakhs disclosed as provision in the Balance Sheet of the Company as on March 31, 2015 was reversed and an expense of Rs. 52,719 lakhs was recorded in the Statement of Profit and Loss for the year ended March 31, 2016. During the year ended March 31, 2016, the Company had also recorded an expense of Rs. 16,333 lakhs (net of Rs. 7,100 lakhs for contribution to MRC of Core SGF for the year ended March 31, 2016) in its Statement of Profit and Loss and other current liability of Rs. 69,052 lakhs in its Balance Sheet as of March 31, 2016. During the nine months ended December 31, 2015, the Company had recorded the provisional appropriation from reserves being the contribution to the SGF amounting to Rs. 11,379 lakhs. Subsequently, the same was revised and treated as a charge against the profit and loss for the year ended March 31, 2016.
- Effective August 29, 2016, SEBI has amended Regulation 33 of SECC Regulations, 2012 and the Company is now required to contribute only towards the MRC of Core SGF. Accordingly, during the nine months ended December 31, 2016, the Company has recorded an expense of Rs.12,107 lakhs pro-rata based on profits till the date of amendment of the Regulations (net of Rs.1,300 lakhs for contribution to MRC of Core SGF for the nine months ended December 31, 2016) and Rs. 6,700 lakhs as contribution to MRC of Core SGF for the nine months ended December 31, 2015, in its Statement of Profit and Loss and disclosed Rs.28,439 lakhs as the amount payable to Core SGF as other current liability in its condensed Balance Sheet as of December 31, 2016.
- The Board of directors of the company in their meeting held on October 4, 2016 had recommended issue of Bonus equity shares in the proportion of 1 (one) bonus share of ₹ 10/- (Rupees Ten each) for every existing 10 (Ten) fully paid up equity shares of ₹ 10 each, which was approved by the shareholders in the general meeting held on November 10, 2016. The record date for issue of bonus shares was November 23, 2016. Also the board of directors had recommended the sub-division of equity shares of ₹ 10 each, into equity shares having a face value of ₹ 1. The same was approved by the shareholders in the general meeting held on November 10, 2016 and also approved by SEBI on November 27, 2016. Accordingly, basic and diluted earning per share figures for the current period and those of the prior periods has been restated and is based on the new weighted average number of shares.
- The Board of Directors of the Company at their meeting held on October 4, 2016 declared and paid an interim dividend of ₹ 79.50 (795%) per equity share of ₹ 10/- each.
- In view of the complaints received by SEBI relating to unfair access of NSE's Colocation facility, SEBI directed the Company to carry out an investigation including forensic examination by an independent external agency. Accordingly, as directed by SEBI, the Company has deposited an amount of ₹ 21,441 lakhs towards rack charges, connectivity charges and revenues generated from the co-location facility in the nature of transaction charges on trade orders placed through the co-location facility for the period from September 2016 till December 2016, in respect of the co-location facility in a separate bank account effective September 1, 2016.

8 Reconciliation of Financial Results as reported under Ind AS and erstwhile Indian GAAP

**Reconciliation of total comprehensive income**

	(₹ in lakhs)		
	For the quarter ended 31.12.2015	For the nine months ended 31.12.2015	For the year ended 31.03.2016
<b>Profit after tax as per previous GAAP</b>	<b>18,000</b>	<b>67,934</b>	<b>43,932</b>
<i>Adjustments:</i>			
Fair valuation of Investments through profit and loss account	(168)	327	(706)
Amortisation of debt instruments	150	381	156
Re-measurement of the defined benefit obligation	32	160	210
Maintenance charges recognised on straightline basis	(14)	(42)	(55)
Obligations under Finance Lease	(14)	(39)	(53)
Prior period adjustment	95	49	258
Tax effects of adjustments on Profit & Loss	81	(268)	(175)
<b>Profit after tax as per Ind AS</b>	<b>18,162</b>	<b>68,502</b>	<b>43,567</b>
Other Comprehensive Income			
<b>Total Other Comprehensive Income, net of tax</b>	<b>(1,001)</b>	<b>953</b>	<b>1,085</b>
<b>Total Comprehensive Income as per Ind AS</b>	<b>17,161</b>	<b>69,455</b>	<b>44,652</b>

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

Under the authority of the Board of Directors

Place : Mumbai  
Date : February 3, 2017



May prosperity always bloom

J. RAVICHANDRAN  
CEO Incharge