



NATIONAL STOCK EXCHANGE OF INDIA LIMITED

CIN : U67120MH1992PLC069769



## STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2019

Sr. No. Particulars	(Rs. in crores unless otherwise stated)			31.03.2019 Audited
	Quarter ended			
	30.06.2019 Unaudited	31.03.2019 Unaudited	30.06.2018 Unaudited	
<b>1 Income</b>				
(a) Revenue from operations	818.59	808.70	706.06	3,027.79
(b) Other Income	120.66	143.21	109.73	486.78
<b>Total Income</b>	<b>939.25</b>	<b>951.91</b>	<b>815.79</b>	<b>3,514.57</b>
<b>2 Expenses</b>				
(a) Employee benefits expense	101.78	85.69	73.46	306.39
(b) Depreciation and amortisation expense	40.64	36.67	33.85	142.02
(c) Other expenses	186.50	297.75	136.16	786.72
<b>Total expenses</b>	<b>328.92</b>	<b>420.11</b>	<b>243.47</b>	<b>1,215.13</b>
<b>3 Profit before, share of net profits of investments accounted by using equity method, profit on sale of investments in associates and tax (1-2)</b>	<b>610.33</b>	<b>531.80</b>	<b>572.32</b>	<b>2,299.44</b>
4 Share of net profit of associates accounted by using equity method	28.45	30.95	29.60	107.03
<b>5 Profit before profit on sale of investment in associate and tax (3+4)</b>	<b>638.78</b>	<b>562.75</b>	<b>601.92</b>	<b>2,406.47</b>
6 Profit on sale of investment in associate	-	-	-	169.74
<b>7 Profit before tax (5+6)</b>	<b>638.78</b>	<b>562.75</b>	<b>601.92</b>	<b>2,576.21</b>
8 Less: Income Tax expense				
(a) Current tax	216.50	185.54	190.23	857.84
(b) Deferred tax	(3.71)	12.49	15.77	10.33
<b>Total Tax expenses</b>	<b>212.79</b>	<b>198.03</b>	<b>206.00</b>	<b>868.17</b>
<b>9 Profit for the period / year (7-8)</b>	<b>425.99</b>	<b>364.72</b>	<b>395.92</b>	<b>1,708.04</b>
<b>10 Other Comprehensive Income</b>				
(a) <i>Items that will be reclassified to profit or loss (net of tax)</i>				
Changes in fair value of FVOCI debt instruments	11.91	(0.50)	(11.69)	2.87
Changes in foreign currency translation reserve	0.02	(0.62)	5.37	6.20
(b) <i>Items that will not be reclassified to profit or loss (net of tax)</i>				
Remeasurements of post-employment benefit obligations	(2.47)	(0.90)	(0.75)	(2.91)
Changes in fair value of FVOCI equity instruments	2.06	11.21	(8.35)	(1.09)
<b>Total other comprehensive income / (loss) for the period / year, net of taxes</b>	<b>11.52</b>	<b>9.19</b>	<b>(15.42)</b>	<b>5.07</b>
<b>11 Total comprehensive income for the period / year (9+10)</b>	<b>437.51</b>	<b>373.91</b>	<b>380.50</b>	<b>1,713.11</b>
<b>12 Profit attributable to :</b>				
Owners of National Stock Exchange of India Limited	426.11	364.72	395.92	1,708.04
Non-Controlling Interests	(0.12)	0.00	-	0.00
<b>13 Other comprehensive income/(loss) attributable to :</b>				
Owners of National Stock Exchange of India Limited	11.52	9.19	(15.42)	5.07
Non-Controlling Interests	-	0.00	-	0.00
14 Paid-up equity share capital (Face value Re. 1 per share)	49.50	49.50	49.50	49.50
15 Reserves (excluding Revaluation Reserve)				7,737.39
16 Earnings per equity share (EPS) ( Face Value Re. 1 each) - Basic and Diluted (Rs.)	8.61 *	7.37 *	8.00*	34.51

\* Not annualised

## Notes :

1 The above consolidated Unaudited Financial Results for the quarter ended June 30, 2019 have been reviewed by the Audit Committee and approved by the Board of Directors in its meeting held on August 1, 2019. The financial results for the quarter ended June 30, 2019 were reviewed by the Statutory Auditors of the Company.

The consolidated figures for the corresponding quarter ended June 30, 2018 and quarter ended March 31, 2019 as reported in these financial results have been approved by the Holding Company Board of Directors, but have not been subject to review.

The figures for the quarter ended March 31, 2019 are the balancing figures in respect of the full financial year 2018-19 and the published year to date figures upto third quarter of the financial year 2018-19.

## 2 : 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 Company. The Group has identified the following segments i.e. Trading Services, Clearing Services, Data Feed, Index licensing 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 derivative and commodity derivative segments.

3: **Data feed services** : This part of business offers services related to dissemination of price, volume, order book and trade data relating to securities and various indices to the stock and commodity brokers.

4: **Index licensing fees** : This part of the business is primary provider of indices and related products and services to various participants in capital market in india.

5: **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.

6: Other segments includes End to End Solution, E-learning Solutions, Web Trading, IT services, IT Process Support charges, Software application development, and IT security services. The results of these operations are included in the "all other segments". This column includes head office and group services.

The above business segments have been identified considering :

- 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, 2019				For the quarter ended 31st March 2019				For the quarter ended 30th June 2018				For the year ended 31st March 2019			
	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	625.90	10.14	615.76	436.34	604.71	11.70	593.01	352.34	586.21	9.39	576.82	444.08	2,450.45	41.31	2,409.14	1,674.96
Clearing Services	83.37	37.01	46.36	23.65	74.31	36.25	38.06	20.45	79.67	32.78	46.89	29.46	318.86	139.67	179.19	103.15
Data feed Services	29.04	5.60	23.44	23.20	21.55	0.14	21.41	0.07	21.55	0.31	21.24	20.11	91.34	0.48	90.86	86.97
Index Licensing Services	25.28	4.51	20.77	18.69	22.50	4.15	18.35	15.51	20.96	3.41	17.55	(1.39)	88.32	15.42	72.90	43.34
Strategic Investments	64.25	57.99	6.26	5.68	283.78	274.62	9.16	8.66	4.08	-	4.08	3.50	313.36	282.99	30.37	28.49
Other Segments	120.63	14.63	106.00	(17.74)	187.90	59.19	128.71	(7.94)	67.85	28.37	39.48	(32.87)	372.81	127.48	245.33	(122.89)
<b>Total</b>	<b>948.47</b>	<b>129.88</b>	<b>818.59</b>	<b>489.82</b>	<b>1,194.75</b>	<b>386.05</b>	<b>808.70</b>	<b>389.09</b>	<b>780.32</b>	<b>74.26</b>	<b>706.06</b>	<b>462.89</b>	<b>3,635.14</b>	<b>607.35</b>	<b>3,027.79</b>	<b>1,814.02</b>
Add: Unallocable income (Net of Expenses)				66.17				101.69				71.62				338.30
Add: Interest income				54.34				41.02				37.81				147.12
<b>Profit before, share of net profits of investments accounted by using equity method, profit on sale of investments in associates and tax</b>				<b>610.33</b>				<b>531.80</b>				<b>572.32</b>				<b>2,299.44</b>
Add: Share of profit (net) of Associates accounted by using equity method				28.45				30.95				29.60				107.03
<b>Profit before tax</b>				<b>638.78</b>				<b>562.75</b>				<b>601.92</b>				<b>2,406.47</b>
Add: Profit on sale of investment in associate				-				-				-				169.74
<b>Profit before Tax</b>				<b>638.78</b>				<b>562.75</b>				<b>601.92</b>				<b>2,576.21</b>
<b>Less: Tax Expense:</b>																
Current Tax				(216.50)				(185.54)				(190.23)				(857.84)
Deferred Tax				3.71				(12.49)				(15.77)				(10.33)
<b>Total Tax Expenses</b>				<b>(212.79)</b>				<b>(198.03)</b>				<b>(206.00)</b>				<b>(868.17)</b>
<b>Net profit after tax</b>				<b>425.99</b>				<b>364.72</b>				<b>395.92</b>				<b>1,708.04</b>

**(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.

Segments	For the Quarter ended 30th June, 2019	For the Quarter ended 31st March, 2019	For the Quarter ended 30th June, 2018	For the year ended 31st March, 2019
Trading Services	2,971.84	2,365.34	2,163.93	2,365.34
Clearing Services *	8,351.53	10,045.48	7,560.61	10,045.48
Datafeed Services	2.24	9.04	3.33	9.04
Index Licensing Services	20.56	17.89	18.84	17.89
Strategic Investments	870.68	805.09	762.69	805.09
Other Segments	327.21	289.65	175.51	289.65
<b>Total Segment Assets</b>	<b>12,544.06</b>	<b>13,532.49</b>	<b>10,684.91</b>	<b>13,532.49</b>
Unallocable Assets	6,464.59	6,445.89	7,284.23	6,445.89
<b>Total Assets</b>	<b>19,008.65</b>	<b>19,978.38</b>	<b>17,969.14</b>	<b>19,978.38</b>

There are no non current assets situated outside India.

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:

Particulars	For the Quarter ended 30th June, 2019	For the Quarter ended 31st March, 2019	For the Quarter ended 30th June, 2018	For the year ended 31st March, 2019
Contribution to Core SGF	2,871.59	2,786.92	2,501.18	2,786.92
Contribution to SGF - Commodity Derivatives	250.00	250.00	-	250.00
Contribution to Core SGF - NSE IFSC CC	7.93	8.01	7.29	8.01

**(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.

Segments	For the Quarter ended 30th June, 2019	For the Quarter ended 31st March, 2019	For the Quarter ended 30th June, 2018	For the year ended 31st March, 2019
Trading Services	2,193.12	1,785.29	2,305.34	1,785.29
Clearing Services	7,934.77	9,954.37	7,530.41	9,954.37
Datafeed Services	15.39	10.54	18.42	10.54
Index Licensing Services	11.51	1.78	26.08	1.78
Strategic Investments	0.05	0.15	0.28	0.15
Other Segments	128.19	128.78	133.88	128.78
<b>Total Segment Liabilities</b>	<b>10,283.03</b>	<b>11,880.91</b>	<b>10,014.41</b>	<b>11,880.91</b>
Unallocable Liabilities	527.74	309.11	250.47	309.11
Core Settlement Guarantee Fund	(3,143.43)	(3,057.58)	(2,521.05)	(3,057.58)
<b>Total Liabilities</b>	<b>7,667.34</b>	<b>9,132.44</b>	<b>7,743.83</b>	<b>9,132.44</b>

3 a) In case of NSE Clearing Limited (NCL), Securities and Exchange Board of India, 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, 2019 is Rs.2871.59 crores comprising of: a) Rs.734.46 crores contributed by NCL by appropriating reserves / profits b) Rs.376.15 crores received from NSE towards Core SGF c) Member's contribution to Core SGF amounting to Rs. 361.93 crores is utilised out of the amount received from NSE towards 25% of its annual profits upto August 2015 d) The balance amount of 25% of Exchange profits amounting to Rs. 327.51 crores is credited to Core SGF e) Rs.60.04 crores, Rs.28.35 crores and Rs.26.07 crores adjusted towards incremental requirement of Minimum Required Corpus (MRC) from the interest accrual on the cash contribution by NCL, NSE and NSE's Contribution on behalf of members respectively. In addition to the above, Fines & penalties collected by NCL amounting to Rs.521.14 crores and an amount of Rs 435.93 crores being Income from investments of Core SGF funds have been credited to Core SGF.

b) In case of NSE IFSC Clearing Corporation (NICCL), SEBI vide circular no. SEBI/HO/MRD/DSA/ CIR / P/2016/125 dated November 28, 2016 has issued norms to set up a fund and minimum corpus of such fund to guarantee the settlement of trades executed in the stock exchanges in International Financial Service Centre (IFSC). Accordingly, total Core SGF as on June 30, 2019 of NICCL is Rs.7.93 crores comprising of Rs.7.79 crores contributed by NCL by appropriating reserves / profits, Fines & penalties collected by NICCL amounting to Rs.0.02 crores and an amount of Rs 0.12 crores being Income from investments of Core SGF funds have been credited to Core SGF. Further, NICCL's contribution to its Core SGF for the quarter ended June 2019, March 2019 and June 2018 amounted to Rs. NIL, Rs.0.50 Crores and Rs. NIL respectively. ( for year ended March 31, 2019 Rs.0.50 crores).

c) During FY 2018-19, NCL received approval from SEBI to start clearing & settlement activities in Commodity Derivatives and commenced operations w.e.f. October 12, 2018. As required by SEBI, an amount of Rs.250 crores 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 crores. towards the same.

4 During the current quarter ended June 30, 2019 NCL has commenced Clearing & Settlement activities for Capital market segment under interoperability framework as prescribed by SEBI.

5 Securities and Exchange Board of India (SEBI) had directed NSE to carry out an investigation including forensic examination by independent external agencies in respect of certain aspects of NSE's Colocation facility. NSE got the investigation carried out and submitted the reports to SEBI. Further, SEBI had 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. Accordingly, as of June 30, 2019, an amount of Rs. 2540.52 crores (March 31, 2019 Rs. 2258.71 crores) was transferred to a separate bank account and have been invested. These investments along with accruals thereon have been shown under restricted / earmarked investments and bank balances.

Three show cause notices were issued by SEBI to the Company and to some of its employees, including former employees, in respect of the preferential access to tick by tick data in Company's Colocation facility, Dark Fibre point to point connectivity and Governance and related matters which were responded to. Further, 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 has returned the Consent Application filed by NSE and has passed orders in respect of all the three show cause notices. In the first order, it has passed a direction on NSE inter alia to disgorge an amount of Rs.624.89 crores 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 the Company from raising funds from the 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 crores along with interest at the rate of 12% p.a. from September 11, 2015 till the actual date of payment along with other non-monetary and restrictive directions and in the third order it has passed certain non-monetary and remedial directions on NSE. Additionally, NSE has also received Adjudication notices covering the above three orders which are currently pending for hearing before SEBI.

The Company having received the orders passed by SEBI sought legal advice thereon and preferred an appeal against the said SEBI Orders. Hon'ble SAT vide its interim order has stayed the disgorgement of the amount, however it directed the Company to transfer the amount of Rs. 624.89 crores in the Colocation matter and Rs. 62.58 crores in the Dark Fibre matter totaling to Rs. 687.47 crores to SEBI which has been remitted by the Company on June 13, 2019 out of the total earmarked investments as indicated above. Accordingly, as on June 30, 2019 the total earmarked investment including income accrued thereon stood at Rs. 1984.70 crores (March 31, 2019 Rs. 2424.42 crores). Further, the Company is also directed to continue to transfer all revenues emanating from its co-location facility to a separate bank account. Further, with respect to Governance and related matters, Hon'ble SAT vide its interim order has kept the directions passed in the SEBI order in abeyance.

The Company believes that it has strong grounds to contest the above orders including monetary liability (including from pending adjudication proceedings) raised by SEBI. Accordingly, no provision for any liability in this regard is considered necessary in the financial results as of and for the quarter ended June 30, 2019.

6 Effective April 1, 2019, the Group adopted Ind AS 116 "Leases", applied to all contracts existing on April 1, 2019 using the simplified approach. Accordingly, comparative information for the previous periods have not be retrospectively adjusted. On transition, the adoption of the new standard resulted in recognition of Right-of-Use-asset (ROU) and corresponding lease liability of Rs. 54.72 crores. Additionally, existing assets and related obligation in respect of finance leases have been reclassified and presented as part of ROU and lease liability amounting to Rs. 77.32 crores and Rs. 11.40 crores, respectively. The adoption of this new standard did not have any impact on the opening equity as of April 1, 2019 and neither have a material impact on the results for the current quarter ended June 30, 2019.

7 During the previous period / year ended March 31, 2019, NSEIT Limited had acquired Aujas Network Private Limited on 22nd March, 2019. The consolidated figures of the Group for the current quarter ended June 30, 2019, includes Aujas Network Private Limited, and accordingly to that extent figures of previous period ended June 30,2018 are not comparable.

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

For and on behalf of the Board of Directors

Place : Mumbai  
Date : August 1, 2019

Vikram Limaye  
Managing Director & CEO  
DIN : 00488534