KHANDELWAL JAIN & CO.
CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF NSE Clearing Limited (formerly known as National Securities Clearing Corporation Limited)

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **NSE Clearing Limited** (formerly known as National Securities Clearing Corporation Limited) ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Loss), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the standalone financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

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Key Audit Matter	How our audit addressed the key audit matter
Legal matters and uncertain tax positions As of March 31, 2021, the Company has various ongoing litigations on legal matters and proceedings with tax authorities involving uncertain direct and indirect tax positions. Refer note 33 and 34 to the standalone financial statements. <u>Uncertain direct and indirect tax positions</u> There are various direct and indirect tax cases against the Company, including disallowance of certain expenses under income tax, applicability of service tax on certain services etc. This is a key audit matter, as evaluation of these matters requires management judgement and estimation, interpretation of laws and regulations and application of relevant judicial precedents to determine the probability of outflow of economic resources, if any, provisions and related disclosures to be made in the standalone financial statements.	Our audit procedures related to legal matters and uncertain tax positions included– • Evaluating the design and operating effectiveness of controls over the recognition, measurement, presentation and disclosures made in the standalone financial statements in respect of these matters; • Obtaining details of litigations on legal matters and uncertain direct and indirect tax positions. • Reviewing orders and management responses thereto. • Inspecting the supporting documents to evaluate management's assessment of probability of outcome of ongoing proceedings, the magnitude of potential loss, if any, and testing related provisions and disclosures made in the standalone financial statements; • Reviewing expert's legal advice/opinion obtained by the Company's management for evaluating certain legal and tax matters; and • Evaluating competence and capabilities of the experts. Based on the above procedure, we noted that the Company has reviewed the above pending litigations and proceedings and has made adequate provisions, wherever required and disclosed the contingent liabilities, wherever applicable, in its standalone financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the **Annexure 'A'**, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143 (3) of the Act, based on our audit we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Loss, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.

   (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

   (e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.

   (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **Annexure 'B'**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

   (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

   In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

   (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

      (i) The Company has disclosed the impact of pending litigations as at March 31, 2021 on its financial position in its standalone financial statements - Refer Note 34 to the standalone financial statements.

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(ii) The Company did not have any long term contracts including derivatives contracts for which there were any material foreseeable losses - Refer Note 35 to the standalone financial statements.

(iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2021 - Refer Note 42 to the standalone financial statements.

For Khandelwal Jain & Co.
Chartered Accountants
Firm's Registration No. 105049W

(Narendra Jain)
Partner
Membership No. 048725
UDIN: 21048725AAAABS9215

Place: Mumbai
Date: May 05, 2021

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Annexure A to the Independent Auditor's Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirement's section of our report to the Members of **NSE Clearing Limited** of even date)

The Annexure referred to in the Independent Auditors' Report to the members of the Company on the financial statements for the year ended March 31, 2021. We report that:

i) a) The Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.

b) The Company has physically verified the fixed assets in accordance with a program of verification which in our opinion provides for physical verification of all fixed assets at reasonable intervals. We have been informed that no material discrepancies were noticed on such verification.

c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company does not hold any immovable property in its name.

ii) The Company is in the business of rendering services, and consequently, does not hold any inventory. Therefore, the provisions of clause 3(ii) of Companies (Auditor's Report) Order, 2016 are not applicable to the Company.

iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.

iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.

vi) The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company.

vii) (a) According to the information and explanations given to us and on the basis of records examined by us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Goods and Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and any other statutory dues, wherever applicable. According to the records of the Company, there were no undisputed amounts

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payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Goods and Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and any other statutory dues in arrears as at March 31, 2021 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, the dues of Income Tax, Sales Tax, Service Tax, Goods and Service Tax, Duty of Custom, Duty of Excise and Value Added Tax which have not been deposited on account of disputes and the forum where the dispute is pending are as under:

Sr. No.	Name of Statue	Nature of the Dues	Period to which the amount relates (Financial Year)	Amount (in crores)	Forum where the dispute is pending
1	Income Tax Act, 1961	Income Tax and Interest thereon	1996-97	0.06	Joint Commissioner of Income Tax
2	Income Tax Act, 1961	Income Tax and Interest thereon	2008-09	0.41	Assessing Officer
3	Income Tax Act, 1961	Income Tax and Interest thereon	2011-12	0.44	Commissioner of Income Tax (Appeals)
4	Income Tax Act, 1961	Income Tax and Interest thereon	2014-15	46.55	Commissioner of Income Tax (Appeals)
5	Income Tax Act, 1961	Income Tax and Interest thereon	2015-16	0.36	Assessing Officer
6	Income Tax Act, 1961	Income Tax and Interest thereon	2016-17	8.62	Commissioner of Income Tax (Appeals)
7	Income Tax Act, 1961	Income Tax and Interest thereon (Core SGF)	2017-18	338.37	Commissioner of Income Tax (Appeals), National Faceless Appeal Centre
8	Chapter V of Finance Act, 1944	Service Tax (including penalty)	July 2012 to June 2017	71.42*	'Customs, Excise and Service Tax Appellate Tribunal' (CESTAT)

* Plus applicable interest

viii) The Company has not taken any loan from banks, financial institutions or government and the Company has not issued any debentures. Therefore, the provisions of clause 3(viii) of Companies (Auditor's Report) Order, 2016 are not applicable to the Company.

ix) The Company has not taken any term loans and has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year. Therefore, the provisions of clause 3(ix) of Companies (Auditor's Report) Order, 2016 are not applicable to the Company.

MUMBAI

x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.

xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Companies Act.

xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of Companies (Auditor's Report) Order, 2016 are not applicable to the Company.

xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and section 188 of the Act, where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable Indian Accounting Standards.

xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Therefore, the provisions of clause 3(xiv) of Companies (Auditor's Report) Order, 2016 are not applicable to the Company.

xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Therefore, the provisions of clause 3(xv) of Companies (Auditor's Report) Order, 2016 are not applicable to the Company.

xvi) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Khandelwal Jain & Co.
Chartered Accountants
Firm's Registration No. 105049W

MUMBAI

(Narendra Jain)
Partner
Membership No. 048725
UDIN: 21048725AAAABS9215

Place: Mumbai
Date: May 05, 2021

Annexure B to the Independent Auditor's Report

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirement's section of our report to the Members of **NSE Clearing Limited** of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

We have audited the internal financial controls over financial reporting of **NSE Clearing Limited** ("the Company") as of March 31, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

KHANDELWAL JAIN & CO. MUMBAI

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Khandelwal Jain & Co.
Chartered Accountants
Firm's Registration No. 105049W

Narendra Jain

KHANDELWAL JAIN & COMPANY MUMBAI

(Narendra Jain)
Partner
Membership No. 048725
UDIN: 21048725AAAABS9215

Place: Mumbai
Date: May 05, 2021

NSE CLEARING LIMITED

(Formerly known as NATIONAL SECURITIES CLEARING CORPORATION LIMITED)

STANDALONE BALANCE SHEET AS AT MARCH 31, 2021

(Rs.in Crores)

	Particulars	Note No.	As at 31.03.2021	As at 31.03.2020
I	**ASSETS**			
1	**Non-current Assets**			
a	Property, Plant and Equipments	2	33.77	16.56
b	Capital work-in-progress	2	0.39	-
c	Other Intangible Assets	3	10.63	13.64
d	Intangible assets under development	3	1.36	63.48
e	Financial assets			
i	Investments	4	90.00	80.00
ii	Non-current bank balances	5	91.16	87.68
iii	Other Financial assets	6	1.30	2.45
			228.61	263.81
f	Income tax assets (net)	15	61.92	63.44
g	Other Non -current assets	7	0.00	0.00
	Total Non-current Assets		290.53	327.25
2	**Investments -Core Settlement Guarantee Fund**	11	3,528.30	3,149.13
3	**Investment earmarked towards SGF - Commodity derivatives**	5 & 8	250.00	250.00
4	**Current Assets**			
a	Financial Assets			
i	Investments	8	292.86	290.64
ii	Trade Receivables	9	58.34	14.29
iii	Cash and Cash equivalents*	10	9,022.00	9,064.72
iv	Bank balances other than cash and cash equivalents*	5	523.73	494.62
	* Includes Rs.8290.63 crores (March 20: Rs.8699.24 crores) pertaining to Settlement obligations and margin money from members			
v	Other Financial assets	6	74.18	67.45
			9,971.11	9,931.72
b	Other current assets	7	14.78	16.55
	Total Current Assets		9,985.89	9,948.27
	TOTAL ASSETS		14,054.72	13,674.65
II	**EQUITY AND LIABILITIES**			
1	**Equity**			
a	Equity Share capital	12 (a)	45.00	45.00
b	Other Equity	12 (b)	659.16	558.71
	Total Equity		704.16	603.71
2	**Core Settlement Guarantee Fund (Core SGF)**	27	3,528.30	3,149.13
3	**Settlement Guarantee Fund (SGF)- Commodity derivatives**	28	250.00	250.00
	Liabilities			
4	**Non-current liabilities**			
a	Provisions	19	9.61	8.36
b	Deferred tax liabilities (Net)	13 (c)	1.83	2.89
	Total Non-current Liabilities		11.44	11.25
5	**Current Liabilities**			
a	Financial Liabilities			
i	Deposits	16	918.28	838.26
ii	Trade payable to ;	17		
	Total Outstanding dues of micro enterprises and small enterprises		-	-
	Total Outstanding dues of creditors other than micro enterprises and small enterprises		16.57	11.64
iii	Other financial liabilities*	17	8,332.55	8,727.39
	* Includes Rs.8290.63 crores (March 20: Rs.8699.24 crores) pertaining to Settlement obligations and margin money from members	-		
			9,267.40	9,577.29
b	Provisions	19	6.99	7.31
c	Income tax liabilities (net)	14	95.83	45.67
d	Other current liabilities	18	190.60	30.29
	Total Current Liabilities		9,560.82	9,660.57
	Total Liabilities		13,350.56	13,070.94
	TOTAL EQUITY AND LIABILITIES		14,054.72	13,674.65
	Summary of significant accounting policies	1		

The accompanying notes are an integral part of the financial statements.

This is the Balance sheet referred to in our report of even date

For Khandelwal Jain & Co.
Chartered Accountants
Firm Registration No : 105049W

Narendra Jain

NARENDRA JAIN
Partner
Membership No.: 048725

Place : Mumbai
Date : May 05, 2021

KHANDELWAL JAIN & COMPANY MUMBAI CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors

HARUN R KHAN
Chairman
[DIN :07456806]

VIKRAM KOTHARI
Managing Director
[DIN : 07898773]

AMIT AMLANI
Chief Financial Officer

Chinag Nagda

CHIRAG NAGDA
Company Secretary

NSE CLEARING LIMITED MUMBAI

NSE CLEARING LIMITED

(Formerly known as NATIONAL SECURITIES CLEARING CORPORATION LIMITED)

STANDALONE STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2021

(Rs.in Crores)

Particulars	Notes	For the year ended 31.03.2021	For the year ended 31.03.2020
Income			
Revenue from operations	20	**501.74**	366.83
Other income	21	**53.17**	63.91
Other income			
Total Income		**554.91**	430.73
Expenses			
Employee benefits expense	22	**35.00**	33.80
Depreciation and amortisation expense	2 & 3	**13.40**	9.77
Other expenses	23	**112.91**	89.27
Total Expenses		**161.31**	132.84
Profit before exceptional item		**393.60**	297.90
Less : Exceptional Item			
Provision for Impairment of Intangible assets under development	37	**68.23**	-
Profit before tax		**325.37**	297.90
Less : Tax expenses	13		
Current tax		**115.84**	90.43
Tax for earlier year		-	0.38
Deferred tax		**(1.02)**	(6.19)
Total tax expenses		**114.82**	84.62
Profit for the year (A)		**210.55**	213.27
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurements of post-employment benefit obligations		**(0.15)**	(1.12)
Income tax relating to items that will not be reclassified to profit or loss			
Tax Remeasurements of post-employment benefit obligations		**0.04**	0.33
Total Other Comprehensive Income for the year (B)		**(0.11)**	(0.79)
Total Comprehensive Income for the year (A+B)		**210.44**	212.48
Earnings per Equity Share (FV Rs. 10 each) (before contributions to Core SGF)			
Basic (Rs.)	31	**46.79**	**47.39**
Diluted (Rs.)	31	**46.79**	**47.39**
Summary of significant accounting policies	1		

The accompanying notes are an integral part of the financial statements.

This is the Statement of Profit & loss referred to in our report of even date

For Khandelwal Jain & Co.
Chartered Accountants
Firm Registration No : 105049W

Narendra Jain

NARENDRA JAIN
Partner
Membership No.: 048725

KHANDELWAL JAIN & COMPANY * MUMBAI * CHARTERED ACCOUNTANTS

Place : Mumbai
Date : May 05, 2021

For and on behalf of the Board of Directors

HARUN R KHAN
Chairman
[DIN :07456806]

VIKRAM KOTHARI
Managing Director
[DIN : 07898773]

AMIT AMLANI
Chief Financial Officer

Chirag Nagda

CHIRAG NAGDA
Company Secretary

NSE CLEARING LIMITED * MUMBAI

NSE CLEARING LIMITED
(Formerly known as NATIONAL SECURITIES CLEARING CORPORATION LIMITED)

STANDALONE STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2021

Rs. in Crores

		For the year ended 31.03.2021	For the year ended 31.03.2020
A)	**CASHFLOW FROM OPERATING ACTIVITIES**		
	NET PROFIT BEFORE TAX	**325.37**	297.90
	Add/(Less) :- Adjustments for :		
	- Depreciation	**13.40**	9.77
	- Net gain on financial assets mandatorily measured at Fair Value through Profit or Loss	**(9.98)**	(10.06)
	- Provision for Impairment of Intangible assets under development	**68.23**	-
	Less : Adjustments for :		
	- Interest income on Bank deposit	**(39.93)**	(46.28)
	- Net gain on sale of investments mandatorily measured at Fair Value through Profit or Loss	**(1.38)**	(7.34)
	OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	**355.71**	243.99
	Adjustments for :		
	Decrease/(Increase) in Trade Receivable	**(44.05)**	(4.63)
	Increase / (Decrease) in Trade payables	**4.93**	(4.11)
	Decrease/(Increase) in other financial assets	**0.38**	4.82
	Decrease/(Increase) in Other Assets	**1.77**	(7.10)
	Increase / (Decrease) in Other Financial Liabilities	**(395.48)**	2,638.33
	Increase / (Decrease) in Provision	**0.78**	2.26
	Increase /(Decrease) in Other Liabilities	**160.31**	7.63
	Proceed of Deposit from Trading member / applicant	**253.61**	142.52
	Refund of deposit from trading members / applicant	**(173.56)**	(92.57)
	CASH GENERATED FROM OPERATIONS	**164.40**	2,931.13
	Contribution to Core SGF	**(28.20)**	-
	Direct Taxes paid (Net of Refunds)	**(55.95)**	(124.07)
	NET CASH FROM OPERATING ACTIVITIES - Total (A)	**80.25**	2,807.07
B)	**CASHFLOW FROM INVESTING ACTIVITIES**		
	Investment in Equity Share Capital of Subsidiary	**(10.00)**	(5.00)
	Purchase of Property, Plant and Equipment's/ Capital work-in-progress	**(33.46)**	(40.18)
	Interest received	**33.96**	40.71
	(Increase)/Decrease in Fixed deposit	**(32.60)**	(115.06)
	Purchases of Investment	**(167.13)**	(217.63)
	Sale of Investment	**176.26**	309.88
	NET CASH USED IN INVESTING ACTIVITIES - Total (B)	**(32.97)**	(27.28)
C)	**CASHFLOW FROM FINANCING ACTIVITIES**		
	Dividend Paid (inclusive of corporate dividend tax)	**(90.00)**	(97.65)
	NET CASH FROM FINANCING ACTIVITIES - Total (C)	**(90.00)**	(97.65)
	NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	**(42.72)**	2,682.14
	CASH AND CASH EQUIVALENTS : OPENING BALANCE*	**9,064.72**	6,382.58
	CLOSING CASH AND CASH EQUIVALENTS : CLOSING BALANCE*	**9,022.00**	9,064.72
	* Includes amount received from Settlement obligations and margin money from members (Refer to note 10 & 17)		
	NET INCREASE IN CASH AND CASH EQUIVALENT	**(42.72)**	2,682.14

Notes to Cash Flow Statement :

1 Cash and Cash equivalent represent bank balances and balances in fixed deposit accounts.

2 The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Ind-AS 7 on Statement of Cash Flow notified underCompanies (Indian Accounting Standards) Rules, 2015

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

The accompanying notes are an integral part of the financial statements.

This is the statement of cash flow referred to in our report of even date
For Khandelwal Jain & Co.
Chartered Accountants (FRN: 105049W)

Narendra Jain

NARENDRA JAIN
Partner
Membership No.: 048725

Place : Mumbai
Date : May 05, 2021

KHANDELWAL JAIN & COMPANY MUMBAI CHARTERED ACCOUNTANTS

HARUN R KHAN
Chairman
[DIN :07456806]

VIKRAM KOTHARI
Managing Director
[DIN : 07898773]

AMIT AMLANI
Chief Financial Officer

Chirag Nagda

CHIRAG NAGDA
Company Secretary

NSE CLEARING LIMITED MUMBAI

NSE Clearing Limited
(Formerly known as NATIONAL SECURITIES CLEARING CORPORATION LIMITED)

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2021.

(A) **Equity Share Capital**

	(Rs.in Crores)
Balance as at 01.04.2019	**45.00**
changes in equity share capital during the year	-
Balance as at 31.03.2020	**45.00**
changes in equity share capital during the year	-
Balance as at 31.03.2021	**45.00**

(B) **Other Equity** (Rs.in Crores)

	Reserves and Surplus			
	Capital Reserve	General reserve	Retained Earnings	Total
Balance at the 01.04.2019	10.00	244.71	189.16	443.87
Profit for the year			213.28	213.28
Other Comprehensive Income			(0.79)	(0.79)
Transaction with owners in their capacity as owners				
Dividends paid			(81.00)	(81.00)
Dividend Distribution Tax			(16.65)	(16.65)
Balance at the 01.04.2020	**10.00**	**244.71**	**303.99**	**558.71**
Profit for the year			210.55	210.55
Other Comprehensive Income			(0.11)	(0.11)
Contribution to core SGF (Refer Note 27)			(28.20)	(28.20)
Tax on contribution to Core SGF			8.21	8.21
Transaction with owners in their capacity as owners				
Dividend paid			(90.00)	(90.00)
Dividend Distribution Tax				-
Balance at the 31.03.2021	**10.00**	**244.71**	**404.45**	**659.16**

The accompanying notes are an integral part of the financial statements.

This is the statement of changes in equity referred to in our report of even date

For Khandelwal Jain & Co.
Chartered Accountants
Firm Registration No : 105049W

Narendra Jain

NARENDRA JAIN
Partner
Membership No.: 048725

Place : Mumbai
Date : May 05, 2021

For and on behalf of the Board of Directors

HARUN R KHAN
Chairman
[DIN :07456806]

VIKRAM KOTHARI
Managing Director
[DIN : 07898773]

AMIT AMLANI
Chief Financial Officer

CHIRAG NAGDA
Company Secretary

KHANDELWAL JAIN & COMPANY MUMBAI CHARTERED ACCOUNTANTS

NSE CLEARING LIMITED MUMBAI

Background and Significant Accounting Policies

Background

The NSE Clearing Limited (NCL) (formerly known as National Securities Clearing Corporation Limited), a wholly owned subsidiary of NSE, was incorporated in August 1995. It was the first clearing corporation to be established in the country and also the first clearing corporation in the country to introduce settlement guarantee. It was set up to bring and sustain confidence in clearing and settlement of securities, to promote and maintain, short and consistent settlement cycles, to provide counter-party risk guarantee, and to operate a tight risk containment system.

Note 1: Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these Ind As financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation

(i) Compliance with Ind AS

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act , 2013 ('Act') (to the extent notified) .The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Amendments thereto.

The financial statements for the year ended March 31, 2021 has been approved by the Board of directors of the Company in their meeting held on May 05, 2021.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities that is measured at fair value, and
- defined benefit plans - plan assets measured at fair

(b) Foreign currency translation and transactions

(i) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian currency (INR), which is the Company's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation

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NSE CLEARING LIMITED MUMBAI

differences on non-monetary assets and liabilities such as equity instruments held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equity investments classified as FVOCI are recognised in other comprehensive income.

Effective April 1, 2018 the company has adopted Appendix B to Ind AS 21- Foreign Currency Transactions and Advance Consideration which clarifies the date of transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income when an entity has received or paid advance consideration in a foreign currency. The effect on account of adoption of this amendment was insignificant.

(c) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of allowances, incentives, service taxes and amounts collected on behalf of third parties.

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Company's activities as described below. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Revenue is recognised in the period when the service is provided as per arrangements/agreements with the customers. The sources of revenue are:

(i) Clearing and Settlement charges, IT & support charges and processing charges are recognized on accrual basis as and when the services are rendered.

(ii) In respect of Members who have been declared as defaulters by the Company all amounts (dues) remaining to be recovered, net of available security and insurance cover available if any, till the date of being declared as defaulters are written off as bad debts. All subsequent recoveries are accounted when received.

Shortages arising after the date of declaration of default are written off as bad debts in the year in which it arises, after exhausting all remedies including forfeiture of securities and insurance cover available if any.

Other overdue amounts are provided for as doubtful debts or are written off as bad debts, if the same are considered doubtful/irrecoverable in the opinion of the management.

(iii) Penal Charges, in the year of declaration of default, in respect of shortages due from the respective member, are booked to the extent such charges are recoverable.

(iv) Other insurance claims are accounted on accrual basis when the claims become due and payable.

(v) Income excludes applicable taxes and other levies

(d) Income taxes

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Minimum Alternate Tax (MAT) paid in a year is charged to the Statement of Profit and Loss as current tax. The company recognizes MAT credit available as an asset only to the extent there is convincing evidence that the company will pay normal income tax during the specified period, i.e., the period for which MAT Credit is allowed to be carried forward. In the year in which the Company recognizes MAT Credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternate Tax under the Income Tax Act, 1961, the said asset is created by way of credit to the statement of Profit and Loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT Credit Entitlement" asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the sufficient period.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, associates and interest in joint arrangements where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(e) Leases

<u>**As a lessee**</u>

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of the contract. Ind AS 116 defines a lease as a contract, or a part of a contract, that convey as the right of use an asset (the underlying asset) for a period of time in exchange of consideration. To assess whether as contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expenses on a straight line basis over the term of the lease.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on straight line basis over the shorter of the lease term and useful life of the underlying assets.

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NSE CLEARING LIMITED MUMBAI

As a lessor

Lease for which the Company is a lessor is classified as finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. For operating leases, rental income is recognized on straight line basis over the term of the relevant lease.

(f) Impairment of assets

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

(g) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. These do not include bank balances earmarked/restricted for specific purposes.

Restricted cash:

Other bank balances comprise of Fixed deposits with maturity of more than three months and less than twelve months, other financial assets contains Fixed deposits with maturity of more than one year. This deposits are restricted balance and with lien for advances received from issuer of securities and advance received from defaulting members.

(h) Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

(i) Investments and other financial assets

(i) Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

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MUMBAI NSE CLEARING LIMITED

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the group classifies its debt instruments:

- **Amortised cost**: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.
- **Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.
- **Fair value through profit or loss:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

Equity instruments

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments continue to be recognised in profit or loss as other income when the Company's right to receive payments is established.

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NSE CLEARING LIMITED MUMBAI

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/ (losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

(iii) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(iv) De-recognition of financial assets

A financial asset is de-recognised only when

- The Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is de-recognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(v) Income recognition

Interest income

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial assets to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

Dividends

Dividends are recognised in profit and loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the group, and the amount of the dividend can be reliably measured.

(j) Financial liabilities

(i) Initial recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss.

(ii) Subsequent measurement

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NSE CLEARING LIMITED MUMBAI

Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the statement of profit and loss.

(iii) Derecognition

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

(k) Derivatives

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period.

(l) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

(m) Property, plant and equipment (including CWIP)

Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives or, in the case of certain leased furniture, fittings and equipment, the shorter lease term as follows:

Furniture and fixture	5 to 10 years
Office equipment	4 to 5 years
Electrical equipment	10 years
Computer systems office automation	3 years
Computer systems – others	4 years
Computer software	4 years
Telecommunication systems	4 years
Clearing and Settlement Systems	4 years

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NSE CLEARING LIMITED MUMBAI

The property, plant and equipment including land acquired under finance leases is depreciated over the asset's useful life or the lease term if there is no reasonable certainty that the Company will obtain ownership at the end of the lease term.

The useful lives have been determined based on technical evaluation done by the management's expert which are higher than those specified by Schedule II to the Companies Act, 2013, in order to reflect the actual usage of the assets. The residual values are not more than 5% of the original cost of the asset. The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/(losses).

Depreciation on assets purchased / disposed off during the year is provided on pro rata basis with reference to the date of additions / deductions.

Fixed assets whose aggregate cost is Rs. 5,000 or less are depreciated fully in the year of acquisition.

(n) Intangible assets

Costs associated with maintaining software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Company are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use
- management intends to complete the software and use or sell it
- there is an ability to use or sell the software
- it can be demonstrated how the software will generate probable future economic benefits
- adequate technical, financial and other resources to complete the development and to use or sell the software are available, and
- the expenditure attributable to the software during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software include employee costs and an appropriate portion of relevant overheads.

Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is available for use.

Standard packaged software products are written off in the year of purchase.

Computer software is amortised over a period of 4 years.

(o) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

(p) Provisions

Provisions for legal claims and discounts/incentives are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources

KHANDELWAL JAIN & COMPANY MUMBAI CHARTERED ACCOUNTANTS

NSE CLEARING LIMITED MUMBAI

will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions for restructuring are recognised by the Company when it has developed a detailed formal plan for restructuring and has raised a valid expectation in those affected that the Company will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

The measurement of provision for restructuring includes only direct expenditures arising from the restructuring, which are both necessarily entailed by the restructuring and not associated with the ongoing activities of the Company.

(q) Contingent Liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent liabilities are not disclosed in case the possibility of an outflow of resources embodying economic benefits is remote.

(r) Employee benefits

(i) Short-term obligations
Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are the amounts expected to be paid when the liabilities are settled. Short term employee benefits are recognised in statement of profit and loss in the year in which the related service is rendered. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other long-term employee benefit obligations
The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment obligations

The Company operates the following post-employment schemes:
(a) defined benefit plans such as gratuity, and
(b) defined contribution plans such as provident fund and superannuation.

Gratuity obligations

The Holding company has maintained a Group Gratuity Cum Life Assurance Scheme with the Life Insurance Corporation of India (LIC) towards which it annually contributes a sum determined by LIC. The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.
The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

(iv) Defined contribution plans

Provident fund
Provident Fund: The company is registered with Regional Provident Fund Office, Bandra, Mumbai, and both the employee and the employer make monthly contribution equal to 12% of the employee's basic salary respectively.

Superannuation
Superannuation benefits for employees designated as chief managers and above are covered by group policies with the Life Insurance Corporation of India maintained by the Holding Company. The contribution payable for the year is charged to revenue. There are no other obligations other than the annual contribution payable..

(v) Bonus plans

1. The Company recognises a liability and an expense for bonuses. The Company recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

2. SEBI has laid down certain norms in terms of the compensation policy for the key management personnel which are as under :
   A. The variable pay component will not exceed one third of the total pay.
   B. 50% of the variable pay will be paid on a deferred basis after three years.

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(s) Core Settlement Guarantee Funds

As per SEBI vide circular no. CIR/MRD/DRMNP/25/2014 dated August 27,2014 every recognised clearing corporation shall establish and maintain a Fund for each segment, to guarantee the settlement of trades executed in that respective segment of a recognised stock exchange. The Clearing Corporation shall have a fund called Core SGF for each segment of each Recognised Stock Exchange to guarantee the settlement of trades executed in the respective segment of the Stock Exchange. In the event of a clearing member(member) failing to honour settlement commitments, the Core SGF shall be used to fulfil the obligations of that member and complete the settlement without affecting the normal settlement process. The Core SGF shall be contributed by Clearing Corporation, Stock Exchanges and the clearing members, in a manner as prescribed by SEBI. This fund is represented by earmarked Core SGF investments. The income earned on such investments is credited to the respective contributor's funds and adjusted towards incremental requirement of Minimum Required Corpus (MRC) as per SEBI letter reference no. SEBI/HO/MRD/DRMNP/OW/P/2018/4559/1 dated February 12, 2018. Penalties and fines levied by the Company are transferred to Core SGF as Other Contributions.

(t) Contributed equity

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(u) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

(v) Earnings per share

(I) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the group
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(w) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest crores as per the requirement of Schedule III, unless otherwise stated.

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x) CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgements are:

Estimation of current tax expense and payable Note 13 and 14
Estimated useful life of intangible asset Note 3
Estimation of defined benefit obligation Note 26
Estimation of fair values of contingent liabilities refer Note 33

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

y) Recent pronouncements

The Ministry of Corporate affairs ("MCA") through a notification dated March 24, 2021, amended Schedule III of the Companies Act, 2013 which will be applicable effective April 1, 2021.Disclosure of shareholding of promoters in specified format.

- Disclosure of current maturities of Long term borrowings under the head short term borrowings
- Disclosure of ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development in specified format.
- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Financial Ratios to be disclosed along with explanation with respect to items included in numerator and denominator.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.
- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the standalone financial statements.

The Company will evaluate the above and give effect as required by law.

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Note 2 - Property, Plant and Equipments

	OFFICE EQUIPMENTS	FURNITURE AND FIXTURES	COMPUTER SYS - OFF AUTOM	TELECOM MUNICATION SYSTEMS	CLEARING AND SETTLEMENT SYSTEM	Total	Capital Work in Progress
Year ended March 31 , 2020							
Gross carrying amount							
Opening gross carrying amount	0.01	0.06	0.23	-	18.37	18.66	3.11
Exchnage differences	-	-	-	-	-	-	-
Additions	-	-	-	8.29	10.59	18.88	-
Disposals	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	(3.11)
Closing gross carrying amount	**-**	**0.06**	**0.23**	**8.29**	**28.96**	**37.54**	**-**
Accumulated depreciation							
Opening accumulated depreciation	0.00	0.06	0.16	-	15.28	15.50	-
Depreciation for the year	-	-	0.03	1.70	3.75	5.48	-
Disposals	-	-	-	-	-	-	-
Closing accumulated depreciation	**0.00**	**0.06**	**0.19**	**1.70**	**19.03**	**20.98**	**-**
Net carrying amount	**(0.00)**	**(0.00)**	**0.04**	**6.59**	**9.93**	**16.56**	**-**
Year ended March 31, 2021							
Gross carrying amount							
Opening gross carrying amount	-	0.06	0.23	8.29	28.96	37.54	-
Additions	-	-	0.01	4.44	20.84	25.30	0.39
Disposals	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-
Closing gross carrying amount	**-**	**0.06**	**0.24**	**12.73**	**49.80**	**62.84**	**0.39**
Accumulated depreciation							
Opening accumulated depreciation	0.00	0.06	0.19	1.70	19.03	20.98	-
Depreciation for the year	-	-	0.02	2.56	5.51	8.09	-
Disposals	-	-	-	-	-	-	-
Closing accumulated depreciation	**0.00**	**0.06**	**0.21**	**4.26**	**24.54**	**29.07**	**-**
Net carrying amount	**(0.00)**	**(0.00)**	**0.03**	**8.47**	**25.26**	**33.77**	**0.39**

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Note 3: Intangible Assets

(Rs. in Crores)

	COMPUTER SOFTWARE	Intangible assets under development
Year ended March 31 , 2020		
Gross carrying amount		
Opening gross carrying amount	17.39	49.48
Additions	10.28	23.98
Disposals	-	-
Transfers	-	(9.98)
Closing gross carrying amount	**27.67**	**63.48**
Accumulated Amortisation and impairment		
Opening accumulated Amortisation	9.74	-
Amortisation for the year	4.29	-
Disposals	-	-
Closing amortization	**14.03**	-
Net carrying amount	**13.64**	63.48
Year ended March 31, 2021		
Gross carrying amount		
Opening gross carrying amount	27.67	63.48
Exchnage differences	-	-
Additions	2.30	10.12
Disposals	-	
Transfers	-	(4.01)
Closing gross carrying amount	**29.97**	69.59
Accumulated Amortisation and impairment		
Opening accumulated Amortisation	14.03	-
Amortisation for the year	5.31	-
Provision for Impairment of Intangible assets under development (Refer Note 37)	-	(68.23)
Disposals	-	-
Closing amortization	**19.34**	1.36
Net carrying amount	**10.63**	**1.36**

Significant estimate: Useful life of intangible assets under development

The Company has completed the development of software that is used to in its various business processes. As at 31 March 2021, the net carrying amount of this software was Rs.10.63 crores (31 March 2020: Rs.13.64 crore). The Company estimates the useful life of the software to be 4 years based on the expected technical obsolescence of such assets. However, the actual useful life may be shorter or longer than 4 years, depending on technical innovations and competitor actions.

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Note 4 NON CURRENT INVESTMENTS

		31.03.2021		31.03.2020	
		Number of Units	(Rs. in Crores)	Number of Units	(Rs. in Crores)
I	**Investment in equity instruments (fully paid up)**				
	Unquoted equity instruments at cost				
	In subsidiary companies				
	NSE IFSC Clearing Corporation Limited **	9,00,00,000	90.00	8,00,00,000	80.00
	In Others				
	NSE Foundation (Section 8 Company) [* Re.1/- (Previous Year Re.1/-]	6,000	-*	6,000	-*
	Total equity instruments		90.00		80.00
	Aggregate amount of quoted investments and market value thereof		-		-
	Aggregate amount of unquoted investments		**90.00**		**80.00**

* Re 1/-

NSE Foundation was incorporated under section 8 of the Companies Act, 2013 and intends to apply its profits, if any, or other income in promoting its objects and any payment of dividend to its members is prohibited. Accordingly, the investment in the company had been written down to Re. 1/-. Accordingly, the Company had written off investment in NSE Foundation amounting to Rs. 59,999/- by debiting the Statement of Profit and Loss.

**Investment in Right issue of Rs.10.00 crores during the year (Previous year Rs. 5.00 Crores)

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5 **Other bank balances**

	Non-current 31.03.2021 (Rs. in Crores)	Non-current 31.03.2020	Current 31.03.2021 (Rs. in Crores)	Current 31.03.2020
Deposits with original maturity for more than 12 months #	91.16	87.68	435.37	381.15
Earmarked Deposits with original maturity for more than 12 months	785.96	627.85	1,897.33	1,976.49
Deposits with original maturity for more than 3 months but less than 12 months #	-	-	68.60	94.22
Earmarked Deposits with original maturity for more than 3 months but less than 12 months #	-	-	380.57	381.16
Earmarked Deposits with original maturity for less than 3 months			298.90	-
Earmarked Deposits with original maturity less than 12 months*	-	-	19.76	19.24
Total	877.12	715.53	3,100.53	2,852.26
Less :				
Amount disclosed under Core SGF Investments (note 11)	761.27	611.14	2,402.44	2,174.52
Amount disclosed under Investments -SGF for Commodity segment (refer Note 28)	24.69	16.71	174.36	183.12
Total	91.16	87.68	523.73	494.62

* Earmarked towards withheld payouts.

Other bank balances & Cash and cash equivalents Includes Rs.8290.63 crores (March 20: Rs.8699.24 crores) pertaining to Settlement obligations and margin money from members

6 **Others Financial Assets**

	Non-current 31.03.2021 (Rs. in Crores)	Non-current 31.03.2020	Current 31.03.2021 (Rs. in Crores)	Current 31.03.2020
Advances recoverable in cash				
Unsecured, considered good	-	-	0.20	0.24
Other loans and advances				
Security Deposits	0.22	0.22	-	-
Others				
Interest accured on Bank deposits	1.08	2.23	73.50	66.39
Other receivable	-	-	0.48	0.82
Total	1.30	2.45	74.18	67.45

7 **Others Assets**

	Non-current 31.03.2021 (Rs. in Crores)	Non-current 31.03.2020	Current 31.03.2021 (Rs. in Crores)	Current 31.03.2020
Balances with GST authorities	-	-	0.84	5.22
Deposits with GST authorities	-	-	2.78	2.78
Other receivable*	-	-	6.18	6.18
Prepaid expenses	0.00	0.00	4.98	2.37
Total	0.00	0.00	14.78	16.55

* Other receivable is Deposits with Supreme Court pursuant to its directives in a case filed by the Company with regard to sale of collateral securities with the company of a defaulter member.

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Note No. 8 CURRENT INVESTMENTS

	31.03.2021		31.03.2020	
	Number of Units	Rs. In crores	Number of Units	Rs. In crores
I Investment in mutual funds				
Un-quoted investments in mutual funds at FVPL				
UTI Liquid Fund - Cash Plan -Direct- Growth	35,777	12.06	76,270	24.80
Axis Liquid Fund -Direct - Growth	1,69,498	38.73	-	-
Edelweiss Liquid Fund - Direct - Growth	-	-	1,60,152	40.96
Mirae Asset Cash Management Fund - Direct Plan - Growth	86,796	18.85	1,85,766	38.91
LIC MF Liquid Fund - Direct - Growth	1,12,860	42.17	91,183	32.86
Templeton India Tma - Direct - Growth	-	-	76,651	22.87
Aditya Birla Sun Life Liquid Fund - Direct - Growth	11,97,511	39.70	2,85,867	9.14
HDFC Liquid Fund - Direct - Growth	1,31,057	53.02	1,48,170	57.88
ICICI Prudential Liquid - Direct Plan - Growth	5,51,531	16.81	11,66,657	34.27
HSBC Cash Fund Direct Growth	1,77,523	36.37	81,760	16.17
SBI Premier Liquid Fund - Direct - Growth	76,128	24.53	98,387	30.59
Nippon India LIQUID FUND - DIRECT - GROWTH	57,421	28.90	57,421	27.85
Idfc Cash Fund - Direct - Growth	1,31,446	32.68	-	-
Aditya Birla Sun Life Overnight Fund - Direct - Growth		-	41,695	4.50
Total mutual fund		**343.81**		**340.81**
Less :				
Amount disclosed under Investments -SGF for Commodity segment (refer Note 28)		50.95		50.17
Total current investments		**292.86**		**290.64**
Aggregate amount of quoted investments and market value thereof		-		-
Aggregate amount of unquoted investments		343.81		340.81

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9 **Trade receivables**

	Current	
	31.03.2021	31.03.2020
	(Rs. in Crores)	
Receivable from related parties (Refer to Note No. 30)	**20.91**	-
Others	**37.43**	14.29
Total	**58.34**	14.29
Break up of security details		
Trade Receivables considered good - Secured	-	-
Trade Receivables considered good - Unsecured	**58.34**	14.29
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables - credit impaired	-	-
Total	**58.34**	14.29

10 **Cash and cash equivalents**

	Current	
	31.03.2021	31.03.2020
	(Rs. in Crores)	
In current accounts #	**483.63**	173.68
Deposits held for the purpose of meeting short term cash commitments #	**8,710.70**	9,038.81
Deposits with original maturity of less than three months	**19.59**	-
Cash on hand	-	-
	9,213.92	9,212.49
Less :		
Amount disclosed under Core SGF Investments (note 11)	**191.92**	147.77
Total	**9,022.00**	9,064.72

Other bank balances & Cash and cash equivalents Includes Rs.8290.63 crores (March 20: Rs.8699.24 crores) pertaining to Settlement obligations and margin money from members

11 **Core SGF investments**

	31.03.2021	31.03.2020
	(Rs. in Crores)	
Fixed Deposits	**3,163.71**	2,785.66
Cash and cash equivalents	**191.92**	147.77
Accrued interest	**118.96**	172.06
Income Tax Assets	**53.72**	43.64
	3,528.30	3,149.13

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12 (a) **Share Capital**

	31.03.2021	31.03.2020
	(Rs. in Crores)	
Authorised		
4,50,00,000 (Previous Year :4,50,00,000) Equity Shares of Rs 10 each.	**45.00**	45.00
Issued, Subscribed and Paid-up		
4,50,00,000 (Previous Year :4,50,00,000) Equity Shares of Rs.10 each fully paid up. (all the above shares are held by the holding company- National Stock Exchange of India Limited and its nominees)	**45.00**	45.00
Total	**45.00**	45.00

Aggregrate number of bonus shares issued during the period of five years immediately preceeding the reporting date

Particulars	Aggregrate No. of Shares				
Equity Shares	2020-21	2019-20	2018-19	2017-18	2016-17
Fully paid up by way of Bonus Shares	-	-	-	-	-

There is no movement either in the number of shares or in amount between previous year and current year.

The company has only one class of equity shares having a par value of Rs.10/- per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Details of shareholders holding more than 5% share in the company

	31.03.2021		31.03.2020	
	No.	% holding	No.	% holding
National Stock Exchange of India Limited (Holding Company) and its nominees	**4,50,00,000**	**100%**	4,50,00,000	**100%**

Capital management

The Company considers the following components of its Balance Sheet to be managed capital:
Total equity (as shown in the balance sheet). – retained profit, other reserves, share capital

The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to our shareholders. The capital structure of the Company is based on **management's** judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the group may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Company aims to translate profitable growth to superior cash generation through efficient capital management. The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company's focus is on keeping strong total equity base to ensure independence, security, as well as a high financial flexibility for potential future borrowings, if required, without impacting the risk profile of the Company. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure. The Company is not subject to financial covenants in any of its significant financing agreements.

The management monitors the return on capital as well as the level of dividends to shareholders. The Company's goal is to continue to be able to return excess liquidity to shareholders by continuing to distribute dividends in future periods. Refer note 12B for the final dividends declared and paid.

Compliance with externally imposed capital requirements:

Compliance with externally imposed capital requirements:
Capital requirement of Company is regulated by Securities and Exchange Board of India (SEBI). As per Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2012, Clearing corporation shall have a minimum net worth of Rs.300 crores at all times.
Further, SEBI vide Regulation 14(3) of SECC Regulations 2018 adopted risk-based approach towards computation of capital and net worth requirement for Clearing Corporations(CC) to adequately cover counterparty credit risk, business risk, orderly Wind-down and operational & legal risk. As per Regulation 14(3) (c) of SECC Regulations 2018 every CC shall have a minimum net worth of Rs.100 crores or networth Computed as per the risk-based approach as may specified by SEBI from time to time, whichever is higher.
Accordingly, SEBI vide circular Ref No: SEBI/HO/MRD/DRMP/CIR/P/2019/55 dated April 10, 2019 issued granular norms related to computation of risked based capital and net worth requirement for CCs effective from FY2019-20. The networth requirement for the Company calculated as per the above SEBI circular is Rs.1083.76 crores based on audited financial statments for year ended March 31, 2020. Minimum requirement of Net worth is maintained throughout the year ended March 31, 2021.

Note 12 (b): Other equity

Other Equity (Rs.in Crores)

	Reserves and Surplus			
	Capital Reserve	General reserve	Retained Earnings	Total
Balance at the 01.04.2019	10.00	244.71	189.16	443.87
Profit for the year			213.28	213.28
Other Comprehensive Income			(0.79)	(0.79)
Transaction with owners in their capacity as owners				-
Dividends paid*			(81.00)	(81.00)
Dividend Distribution Tax*			(16.65)	(16.65)
Balance at the 01.04.2020	**10.00**	**244.71**	**303.99**	**558.71**
Profit for the Year			210.55	210.55
Other Comprehensive Income			(0.11)	(0.11)
Contribution to core SGF (Refer Note 27)			(28.20)	(28.20)
Tax on contribution to Core SGF			8.21	8.21
Transaction with owners in their capacity as owners				
Dividends paid #			(90.00)	(90.00)
Balance as at 31.03.2021	**10.00**	**244.71**	**404.45**	**659.16**

The Board of directors, in their meeting on May 05, 2021 proposed a dividend of Rs.10 per equity share. The proposal is subject to the approval of shareholders at the Annual General Meeting. The total dividend proposed for the year ended March 31, 2021 amounted to Rs.45.00 crores.

\# During the year ended March 31, 2021, the amount of per share dividend recognized as distribution to equity shareholders was Rs.20/- per equity share. The dividend paid during the year ended March 31, 2021 amounted to Rs.90.00 crore.

* During the year ended March 31, 2020, the amount of per share dividend recognized as distribution to equity shareholders was Rs.18/- per equity share. The dividend paid during the year ended March 31, 2020 amounted to Rs.81.00 crore excluding Dividend Distribution Tax of Rs.16.65 crores.

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13 **Income Tax**

a) **The major components of income tax expense statement of profit and loss**

	31.03.2021	31.03.2020
	(Rs. in Crores)	
Statement of profit and loss		
Current Tax		
Current tax on profit for the year	**115.84**	90.43
Adjustment for current tax of prior periods	-	0.38
Total current tax expense	**115.84**	90.81
Deferred tax expense (income)		
Decrease (increase) in deferred tax assets	**(0.23)**	0.01
(Decrease) increase in deferred tax liabilities	**(0.79)**	(6.20)
Total deferred tax expense (benefit)	**(1.02)**	(6.19)
Total for statement of profit and loss	**114.82**	84.62

	31.03.2021	31.03.2020
OCI section	(Rs. in Crores)	
Related to items recognised in OCI during in the year:		
Re-measurement of the defined benefit(liability) / asset	**0.04**	0.10
Income tax charged to Other Comprehensive Income	**0.04**	0.10

b) **Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate**

	31.03.2021	31.03.2020
	(Rs. in Crores)	
Profit before income tax expense	**325.37**	**297.90**
Tax rate (%)	**29.12%**	**29.12%**
Tax at the Indian Tax Rate	**94.75**	86.75
Tax effect of amounts which are not deductible (taxable) in calculating taxable income		
(Profit)/ Loss on sale of investments taxed at other than Statutory rate	**0.16**	(0.02)
Contribution to NSE Foundation towards CSR	**0.74**	0.66
Impact of tax rate reduction	-	(3.23)
Provision for Impairment of Intangible assets under development	**19.87**	-
Short Provision for previous years	-	0.38
Others	**(0.69)**	0.07
Tax on Perquisites [u/s 40(a)(v)]	***0.00***	0.01
Income Tax Expense	**114.82**	**84.62**

c) Deferred tax liabilities (net)

The balance comprises temporary differences attributable to:

Particulars	31.03.2021	31.03.2020
	(Rs. in Crores)	
Deferred income tax assets		
Financial Assets at Fair Value through OCI	-	-
Others	**3.52**	3.25
Total deferred tax assets (a)	**3.52**	3.25
Deferred income tax liabilities		
Property, plant and equipment and investment property	**0.46**	1.20
Financial Assets at Fair Value through profit and Loss	**4.89**	4.94
Contribution to Core Settlement Guarantee Fund		
Others		
Total deferred tax liabilities (b)	**5.35**	6.14
Net Deferred Tax Assets /(Liabilities) (a)-(b)	**(1.83)**	(2.89)

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d) **Movement in Deferred Tax Assets**

(Rs. in Crores)

Particulars	Property, plant and equipment	Financial Assets at Fair Value through profit and Loss	Financial Assets at Fair Value through OCI	Others (Gratuity, PBVP, LE)	Total
At 01 April 2019	-	-	-	**2.93**	**2.93**
					-
(Charged) / Credited					-
- to profit or loss	-	-	-	(0.00)	(0.00)
- to other comprehensive income	-	-	-	0.33	0.33
					-
At 31st March 2020	-		-	**3.25**	**3.25**
(Charged)/ Credited					
- to profit or loss	-	-	-	0.23	0.23
- to other comprehensive income	-	-	-	0.04	0.04
					-
At 31st March 2021	-	-	-	**3.52**	**3.52**

e) **Movement in Deferred Tax liabilities**

(Rs. in Crores)

Particulars	Property, plant and equipment	Financial Assets at Fair Value through profit and	Financial Assets at Fair Value through OCI	**Others**	Total
At 01 April 2019	**0.46**	**11.88**	-	-	**12.34**
Charged / (Credited)					
- to profit or loss	0.74	(6.94)	-		(6.20)
- to other comprehensive income	-	-	-	-	-
At 31st March 2020	**1.20**	**4.94**	-	-	**6.14**
Charged / (Credited)					
- to profit or loss	(0.74)	(0.05)	-	-	(0.79)
- to other comprehensive income	-	-	-	-	-
At 31st March 2021	**0.46**	**4.89**	-	-	**5.35**

f) The company recognizes MAT credit available as an asset only to the extent there is reasonable certainty that the company will pay normal income tax during the specified period. Accordingly, MAT credit entitlement not recognized in books of accounts till March 31, 2021 is Rs.119.29 crore out of which MAT credit entitlement to be carried forward is Rs.37.00 crore. Further, if even the MAT credit will be recognised the same will be directly credited to reserves and not the statement to profit & loss account as the same is arising out of contribution to Core SGF.

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		31.03.2021	31.03.2020
14	**Income tax liabilities (net)**	(Rs. in Crores)	
	Income Tax (Net of Advances)	95.82	45.66
	Fringe Benefit Tax (Net of Advances)	0.01	0.01
		95.83	45.67

		31.03.2021	31.03.2020
15	**Income tax assets (net)**	(Rs. in Crores)	
	Income Tax paid including TDS (Net of Provisions)	61.90	63.42
	Fringe Benefit Tax (Net of Provisions)	0.02	0.02
		61.92	63.44

		Current	
16	**Deposits (Unsecured)**	31.03.2021	31.03.2020
		(Rs. in Crores)	
	Security Deposit from Clearing Members	308.87	331.02
	Security Deposit in lieu of Bank Guarantee/securities	89.72	79.01
	Deposits from applicants for membership	2.14	2.23
	Deposits from Clearing Banks	517.55	426.00
	Total	918.28	838.26

		Current	
17	**Other financial liabilities**	31.03.2021	31.03.2020
		(Rs. in Crores)	
	Trade payables		
	Trade Payable to Micro and Small Enterprises	-	-
	Trade Payable to other than Micro and Small Enterprises	13.67	7.99
	Trade payables to related parties (ref to Note No.30)	2.90	3.65
		16.57	11.64
	Others		
	Margins From Members	4,148.93	6,352.44
	Settlement Obligations payable	4,141.70	2,346.80
	Creditor for Capital Expenditure	0.76	0.11
	Other liabilities	41.17	28.03
		8,332.55	8,727.39
		8,349.12	8,739.03

Trade payables include outstanding amounts of Rs. NIL (Previous Year: Rs. NIL) (including interest of Rs. Nil, (Previous Year Rs. Nil) payable to Micro Enterprises & Small Enterprises. Total outstanding dues to Micro Enterprises & Small Enterprises have been determined to the extent such parties have been identified on the basis of information available with the Company.

		Current	
18	**Other current liabilities**	31.03.2021	31.03.2020
		(Rs. in Crores)	
	Statutory payments	10.19	10.55
	Satmp Duty Payable	174.18	-
	Amount payable into Core SGF	4.24	18.09
	Advances from debtors	1.99	1.65
		190.60	30.29

		Non-current		Current	
19	**Provision employee benefits**	31.03.2021	31.03.2020	31.03.2021	31.03.2020
		(Rs. in Crores)		(Rs. in Crores)	
	Provisions for Leave encashments	-	-	1.88	2.08
	Provision for Gratuity	6.07	5.64	0.63	0.73
	Provision for variable pay and other allowances	3.54	2.72	4.48	4.50
		9.61	8.36	6.99	7.31

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20 **Revenue from operations**

(Rs. in Crores)

	For the year ended 31.03.2021	For the year ended 31.03.2020
Sale of Services		
Clearing & Settlement Charges	**291.95**	180.53
Other operating revenues		
Connect to NSE Services	**1.50**	0.68
Interest received	**202.25**	180.88
Processing Charges	**2.00**	3.69
Income from Usage Charges	**1.41**	1.04
Stamp Duty Facilitation charges	**2.63**	-
Total	**501.74**	366.83

Major Customer

Revenue from one major customer (related party) is Rs.263.34 crores (previous year Rs Rs.170.23 crores) which is more than 10% of the total revenue of the Company.

21 **Other income and other gains/(losses)**

Other income		
Interest Income :		
On Bank Deposits	**39.93**	46.28
On Income Tax Refund	**1.73**	-
On Others	**0.01**	0.01
	41.67	46.29
Miscellaneous Income	**0.14**	0.22
	41.81	46.51
Other gains/(losses)		
Net gain on financial assets mandatorily measured at Fair Value through Profit or Loss	**9.98**	10.06
Net gain on sale of investments mandatorily measured at Fair Value through Profit or Loss	**1.38**	7.34
	11.36	17.40
Total	**53.17**	63.91

22 **Employee benefits expenses**

Salaries, wages and bonus	**21.90**	21.03
Salaries, wages and bonus of Deputed Staff (Refer note No. 25)	**10.30**	9.82
Contribution to provident and other fund	**1.11**	0.96
Employees welfare expenses	**1.69**	1.99
Total	**35.00**	33.80

23 **Other expenses**

Space & Infrastructure Usage Charges	**4.65**	4.49
Common Usage Expenses	**22.65**	18.20
Insurance Premium	**0.22**	0.14
Printing, Stationery & Consumables	**0.48**	0.47
Auditors' Remuneration (refer note below)	**0.41**	0.45
Legal and Professional fees	**7.32**	7.90

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	For the year ended 31.03.2021	For the year ended 31.03.2020
Repairs & Maintenance :		
- On Building	**0.30**	0.51
- On Computer systems	**30.92**	20.97
- Others	**-**	-
IT Management & Consultancy Charges	**0.55**	0.45
Software Expenses	**17.46**	10.67
Directors' Sitting fees	**0.40**	0.33
Electricity expenses	**2.20**	3.12
Contribution to NSE foundation towards CSR (refer Note 40)	**5.06**	4.53
Other expenses	**20.29**	17.03
Total	**112.91**	89.27

Note :		
Payment to auditor		
As auditor :		
Audit fees	**0.16**	0.14
Tax audit fee	**0.04**	0.04
Limited review	**0.08**	0.08
In other capacity		
Taxation matters	**0.09**	0.15
Certification matters	**0.03**	0.03
Out of Pocket	**0.01**	0.01
Total	**0.41**	0.45

KHANDELWAL JAIN & COMPANY MUMBAI CHARTERED ACCOUNTANTS

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24 **Expenditure in foreign currency :**

Travelling Expenses: NIL (Previous Year ended March 31,2020 :NIL)

Others: Rs. 1.34 Crores (Previous Year ended March 31,2020 : Rs.0.62 Crores)

Capital payments : Rs.10.00 Crores (Previous Year ended March 31,2020 : Rs.5.19 Crores) including Equity Contribution of Rs.10.00 crores in wholly own Subsidiary Set up in special economic Zone(SEZ) (Previous Year ended March 31,2020 : Rs.5.00 crores) .

25 Payments to and provision for employees includes the amount reimbursed by the company to The National Stock Exchange of India Limited (NSEIL) in respect of employees made available to the company. Accordingly, necessary provisions as required for all retirement benefits and other long term employee benefits as per Ind AS 19 - Employee Benefits as notified under Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended , was carried out by NSEIL in respect of employees made available to the company.

26 Disclosure under Indian Accounting Standard 19 (Ind As 19) on Employee Benefit as notified under Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

i) Defined Benefit Plan :

Provident & Pension Fund: Company has contributed Rs. 0.64 Crores (previous year : Rs.0.71 crores) towards Provident & Pension Fund during the year ended March 31, 2021 to Employee Provident Fund Organisation.

Gratuity: The company provides for gratuity for employees as per Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of Gratuity is payable on retirement/termination of the emplyee's last drawn basic salary per month multiplied for the number of years of service.

A **Balance Sheet**

(i) **The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the period are as follows:**

(Rs. in Crores)

	31.03.2021	31.03.2020
Liability at the beginning of the year	**6.37**	4.44
Interest cost	**0.42**	0.33
Current service Cost	**0.47**	0.32
Transfers	**0.05**	0.16
Benefits paid	**(0.76)**	-
Actuarial (gains)/losses on obligations - due to change in demographic assumptions	-	-
Actuarial (gains)/losses on obligations - due to change in financial assumptions	**0.04**	0.98
Actuarial (gains)/losses on obligations - due to experience	**0.11**	0.14
Liability at the end of the year	**6.70**	6.37

(ii) **The net liability disclosed above relates to funded plans are as follows:**

(Rs. in Crores)

	31.03.2021	31.03.2020
Fair value of plan assets as at the end of the year	-	-
Liability as at the end of the year	**(6.70)**	(6.37)
Net (liability) / asset	**(6.70)**	(6.37)

(iii) **Balance sheet reconciliation**

(Rs. in Crores)

	31.03.2021	31.03.2020
Opening net liability	**6.37**	4.44
Expenses recognized in Statement of Profit or Loss	**0.89**	0.65
Expenses recognized in OCI	**0.15**	1.12
Net liability/(asset) transfer in	**0.05**	0.16
Benefits Paid	**(0.76)**	-
Amount recognised in the Balance Sheet	**6.70**	6.37

B **Statement of Profit & Loss**

(Rs. in Crores)

(i)

Net interest cost for current period		
	31.03.2021	31.03.2020
Interest cost	**0.42**	0.33
Interest income	-	-
Net interest cost for current period	**0.42**	0.33

(Rs. in Crores)

(ii)

Expenses recognised in the Statement of Profit & Loss		
	31.03.2021	31.03.2020
Current service cost	**0.47**	0.32
Net interest cost	**0.42**	0.33
Expenses recognised in the Statement of Profit & Loss	**0.89**	0.65

KHANDELWAL JAIN & COMPANY MUMBAI CHARTERED ACCOUNTANTS

NSE CLEARING LIMITED MUMBAI

(Rs. in Crores)

(iii) Expenses recognised in the Other Comprehensive Income	31.03.2021	31.03.2020
Re-measurement		
Expected return on plan assets	-	-
Actuarial (gain) or loss	0.15	1.12
Net (income)/expense for the period recognized in OCI	**0.15**	1.12

(Rs. in Crores)

C Sensitivity Analysis	31.03.2021	31.03.2020
Projected Benefit Obligation on Current Assumptions	**6.70**	6.37
Delta Effect of +1% Change in Rate of Discounting	**(0.41)**	(0.38)
Delta Effect of -1% Change in Rate of Discounting	**0.46**	0.42
Delta Effect of +1% Change in Rate of Salary Increase	**0.44**	0.41
Delta Effect of -1% Change in Rate of Salary Increase	**(0.40)**	(0.37)
Delta Effect of +1% Change in Rate of Employee Turnover	**(0.09)**	(0.08)
Delta Effect of +1% Change in Rate of Employee Turnover	**0.10**	0.09

D Significant actuarial assumptions are as follows:	31.03.2021	31.03.2020
Discount rate	**6.49%**	6.59%
Rate of return on plan assets	**N.A.**	N.A.
Salary escalation	**10.00%**	10.00%
Attrition rate	**12.00%**	12.00%

E **Maturity Analysis of Projected Benefit Obligation: From the Employer**

Projected Benefits Payable in Future Years From the Date of Reporting	**31.03.2021**	31.03.2020
1st Following Year	**0.63**	0.73
2nd Following Year	**0.63**	0.59
3rd Following Year	**0.62**	0.58
4th Following Year	**0.61**	0.57
5th Following Year	**0.65**	0.50
Sum of Years 6 To 10	**3.08**	2.74

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27 Securities and Exchange Board of India, vide circular CIR/MRD/DRMNP/25/2014 dated August 27, 2014, interlia, has issued norms related to the computation and contribution to the Core Settlement Guarantee Fund by the Clearing Corporation (minimum 50%), Stock Exchange (minimum 25%) and members (maximum 25%) and also norms issued under Interoperability Framework. 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.

I **Details of Core SGF a on March 31, 2021 are as follows :**

(Rs. in Crores)

Details of MRC of Core SGF	**CM**	**FO**	**CD**	**Debt**	**TRI Party**	**Commodity**	**Total**
NCL own contribution	77.96	593.00	75.20	3.00	8.50	5.00	**762.66**
Interest Adjusted towards NCL's Contribution	29.04	79.00	20.80	-	-	-	**128.84**
Contribution by NSE on behalf of Member	42.93	296.00	23.00	-	-	2.50	**364.43**
Interest Adjusted towards member's Contribution	10.07	40.00	25.00	-	-	-	**75.07**
Contribution by National Stock exchange of India (NSE)	40.65	297.00	24.00	1.00	8.50	2.50	**373.65**
Interest Adjusted towards NSE's Contribution	13.35	39.00	24.00	-	-	-	**76.35**
Contribution by BSE Limited (BSE)	4.36	0.05	10.55	-	-	-	**14.96**
Contribution by Metropolitan Stock Exchange of India (MSE)			1.01	-	-	-	**1.01**
Total	**218.36**	**1,344.05**	**203.56**	**4.00**	**17.00**	**10.00**	**1,796.97**
							-
Previous Year	214.00	1,248.00	112.00	**4.00**	17.00	10.00	1,605.00

II **Details of Core SGF as on March 31, 2020 are as follows :**

		CM	**FO**	**CD**	**Debt**	**TRI Party**	**Commodity**	**Other**	Total
I	Contribution to Corpus of Core SGF								
a	NCL own contribution	107.00	624.00	56.00	3.00	8.50	5.00	-	803.50
b	Contribution by NSE on behalf of Member	53.00	312.00	28.00	-	-	2.50	-	395.50
c	Contribution by NSE	54.00	312.00	28.00	1.00	8.50	2.50	327.51	733.51
1	**Total (a+b+c+d)**	**214.00**	**1,248.00**	**112.00**	**4.00**	17.00	**10.00**	**327.51**	**1,932.51**
2	Penalty*	64.94	550.95	30.89	-	-	0.03	-	646.81
3	Income on Investments*	26.79	420.24	27.26	0.87	2.27	0.85	91.52	569.81
	Grand Total (1+2+3)	**305.73**	**2,219.19**	**170.15**	**4.87**	19.27	**10.88**	**419.03**	**3,149.13**

III **Contribution made during the year 2020-21**

(Rs. In Crores)

Contribution during the year	**CM**	**FO**	**CD**	**Debt**	TRI Party	**Commodity**	**Other #**	**Total**
NCL own contribution								
Direct Contribution	-	-	28.20	-	0	-	-	28.20
Adjusted from Interest Income **	-	48.00	11.80	-			-	59.80
Total	-	**48.00**	**40.00**	-	-	-	-	**88.00**
								-
Contribution by NSE on behalf of Member								
Direct Contribution	-	-	-	-	-	-	-	
Contribution adjusted from NSE Other Contribution #	-		-	-	-	-	-	-
Adjusted from Interest Income **		24.00	20.00	-	-	-	-	44.00
Total	-	**24.00**	**20.00**	-	-	-	-	**44.00**
Contribution from Exchanges								
Contribution by NSE								
Direct Contribution	-	-	-	-	-	-	-	-
Adjusted agaisnt NSE's Own and member's contribution	-		-	-	-	-	-	-
Contribution adjusted from NSE Other Contribution #		-		-	-	-	-	-
Adjusted from Interest Income **		24.00	20.00	-	-	-	70.51	114.51
Excess Contribution transfer to Other Clearing Corporation***							(70.51)	(70.51)
Total	-	**24.00**	**20.00**	-	-	-	-	**44.00**
Contribution by BSE								
Direct Contribution	4.36	0.05	10.55	-	-	-	-	14.96
Total	**4.36**	**0.05**	**10.55**	-	-	-	-	**14.96**
Contribution by MSEI								
Direct Contribution	-	-	1.01	-	-	-	-	1.01
Total	-	-	**1.01**	-	-	-	-	**1.01**

Income during the period (Net Off adjustment towards MRC) **								Current year	Previous year
Penalty	46.00	170.16	6.75	-	-	0.04	-	222.95	161.10
Income on Investments	17.67	131.47	11.74	0.08	1.13	0.62	19.86	182.57	201.11
Less : Income adjusted against MRC**	-	96.00	19.94	-	-	-	31.86	147.80	18.00
Less : Income adjusted towards transfer of contribution to Other Clearing Corporation***							70.51	70.51	-
Income on Investments (Net Off adjustment towards MRC)	17.67	35.47	(8.20)	0.08	1.13	0.62	(82.51)	(35.75)	183.11

IV **Details of Core SGF a on March 31, 2021 are as follows :**

Out of the above the details of the Cash contributions and investment of the same are as follows.

(Rs. in Crores)

		CM	FO	CD	Debt	TRI Party	Commodity	Other #	Total
I	**Contribution to Corpus of Core SGF**								
a	NCL own contribution	107.00	672.00	96.00	3.00	8.50	5.00		891.50
b	Contribution by NSE on behalf of Member	53.00	336.00	48.00	-	-	2.50	-	439.50
c	Contribution by NSE	54.00	336.00	48.00	1.00	8.50	2.50	327.51	777.51
d	Contribution by BSE	4.36	0.05	10.55	-	-	-		14.96
e	Contribution by MSE	-	-	1.01	-	-	-		1.01
1	Total (a+b+c+d)	**218.36**	**1,344.05**	**203.56**	**4.00**	**17.00**	**10.00**	**327.51**	**2,124.48**
2	Penalty*	110.94	721.11	37.64	-	-	0.07	-	869.76
3	Income on Investments (After allocation towards MRC)*	44.46	455.71	19.06	0.95	3.40	1.47	9.01	534.06
	Grand Total (1+2+3)	**373.76**	**2,520.87**	**260.26**	**4.95**	**20.40**	**11.54**	**336.52**	**3,528.30**

		CM	FO	CD	Debt	TRI Party	Commodity	Other	Total
II	**Details of Investment**								
1	Fixed Deposit with Banks	327.23	2,263.15	227.26	0.90	19.21	7.87	318.09	3,163.71
2	Flexi Fixed Deposits	25.87	131.19	17.75	0.95	0.01	3.39		179.16
3	Balance in Bank Accounts	3.95	1.04	4.98	2.73	-	0.05	-	12.75
4	Accrued interest	11.78	86.99	7.54	0.11	0.93	0.15	11.45	118.95
5	Prepaid taxes	4.93	38.50	2.73	0.25	0.25	0.08	6.98	53.72
	Grand Total (1+2+3+4+5+6)	**373.76**	**2,520.87**	**260.26**	**4.95**	**20.40**	**11.54**	**336.52**	**3,528.30**
	Previous year	305.73	2,219.19	170.15	4.87	19.27	10.88	419.03	3,149.13

* Net of applicable corporate tax Rs. 9.38 Crores , if any, on cash basis.

\# Other contribution is balance amount of transfer from NSE pertain to 25% of NSE's Annual profits as contribution to Core SGF . SEBI vide circular CIR/CFD/FAC/62/2016 dated May 05, 2016 advised Stock Exchange to transfer 25% of its annual profits upto August 2015 to Core SGF and utilise the same for contribution required by Members and NSE.

** SEBI vide its letter reference no. SEBI/HO/MRD/DRMNP/OW/P/2018/4559/1 dated February 12, 2018 has clarified that "Clearing Corporations may adjust incremental requirement of Minimum Required Corpus (MRC) against the interest accrual on the cash contribution of respective contributors before taking additional contribution from them.

*** Further, as per circular dated SEBI/HO/MRD2/DCAP/CIR/P/2021/03 January 08, 2021, SEBI has allowed transfer of excess contribution made by Stock Exchanges from Core SGF of one Clearing Corporation to the Core SGF of another Clearing Corporation in inter-operable scenario. Accordingly, Rs.15.97 crores contribution of other stock exchanges received from respective clearing corporation and also a sum of Rs.70.51 crores of NSE contribution transfered to other clearing corporation.

28 TThe Company had 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, the Company has also earmarked investments amounting to Rs. 250 crores towards the same.

29 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 of the Company. The Company operates only in one Business Segment i.e. facilitating Clearing & Settlement in securities and the activities incidental thereto, hence does not have any reportable Segments as per Indian Accounting Standard 108 "Operating Segments".

30 In compliance with Indian Accounting Standard (Ind AS)-24 - "Related Party Disclosures" notified under section 133 of the Act read with Companies (Accounting Standards) Rules 2015 , the required disclosures are given in the table below:

(a) **Names of the related parties and related party relationship**

Sr. No.	Related Party	Nature of Relationship
1	National Stock Exchange of India Limited	Holding Company
2	NSE IFSC Clearing Corporation Ltd	Subsidiary
3	NSE Investments Limited (formerly NSE Strategic Investment Corporation Limited)	Fellow Subsidiary
4	NSE Foundation	Fellow Subsidiary
5	NSEIT Limited	Fellow Subsidiary's Subsidiary
6	NSE Data & Analytics Ltd (formerly DotEx International Limited)	Fellow Subsidiary's Subsidiary
7	NSE Indices Limites (formerly India Index Services & Products Limited)	Fellow Subsidiary's Subsidiary
8	NSE Infotech Services Limited	Fellow Subsidiary's Subsidiary
9	NSE Academy Limited	Fellow Subsidiary
10	NSE IFSC Limited	Fellow Subsidiary
11	NSE.IT (US) Inc.	Fellow Subsidiary's Subsidiary's Subsidiary
12	Aujas Cybersecurity Limited (Formerly known as Aujas Networks Limited /Aujas Networks Private Limited.)	Fellow Subsidiary's Subsidiary's Subsidiary
13	Talentsprint Private Limited (w.e.f. 10.11.2020)	Fellow Subsidiary's Subsidiary's Subsidiary
14	Cogencis Information Services Limited (w.e.f. 21.01.2021)	Fellow Subsidiary's Subsidiary's Subsidiary
15	National Securities Depository Limited	Holding Company's Associate
16	BFSI Sector Skill Council of India	Holding Company's Associate
17	Power Exchange India Limited	Associate of Fellow Subsidiary
18	NSDL e-Governance Infrastructure Limited (formerly known as National Securities Depository Limited)	Associate of Fellow Subsidiary
19	Market Simplified India Limited (formerly known as INXS Technologies Limited)	Associate of Fellow Subsidiary
20	Computer Age Management Services Private Limited (upto 04.02.2020)	Associate of Fellow Subsidiary
21	Receivables Exchange Of India Limited	Associate of Fellow Subsidiary
22	Indian Gas Exchange Limited (w.e.f. 16.03.2021)	Associate of Fellow Subsidiary
23	Capital Quant Solutions Private Limited (w.e.f. 03.03.2021)	Associate of Fellow Subsidiary's Subsidiary's Subsidiary
24	Mr. T. Venkata Rao - Managing Director (upto 06.11.2017)	Key Managerial Personnel
25	Mr. Vikram Kothari (Managing Director)	Key Managerial Personnel
26	Ms. Bhagyam Ramani (Director)	Key Managerial Personnel
27	Mr. C VR Rajendran (Director)	Key Managerial Personnel
28	Mr. Harun R Khan (Director)	Key Managerial Personnel
29	Mr. Salim Gangadharan (Director)	Key Managerial Personnel
30	Mr. N K Maini (Director)	Key Managerial Personnel
31	Mr.J Ravichandran (Director) (upto 16.07.2020)	Key Managerial Personnel
32	Mr. K. S. Somasundaram (w.e.f. 17.08.2020)	Key Managerial Personnel

(b) **Details of transaction (including GST wherever levied) with parties are as follows :**

(Rs. in Crores)

Name of the Related Party	Nature of Transactions	Year ended 31.03.2021	Year ended 31.03.2020
National Stock Exchange of India Ltd.	• Clearing and Settlement charges received	310.74	200.87
	• Usage charges Received	1.66	1.66
	• EBP Platform Usage charges Received	0.62	-
	• Usage charges paid	26.73	21.70
	• Reimbursement paid for expenses on staff on deputation	12.32	11.66
	• Reimbursement paid for other expenses incurred	46.29	39.66

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	• Reimbursement received for services Rendered	0.32	0.38
	• Space & Infrastructure usage Charges paid	5.48	5.29
	• Dividend paid	90.00	81.00
	• Outstanding balance – (Credit) / Debit	20.91	(0.04)

NSE IFSC Clearing Corporation Ltd	• Reimbursement paid for other expenses incurred	1.15	0.89
	• Investment in Equity Share	10.00	5.00
	• Outstanding balance – (Credit)	0.30	0.55
	• Investment in Equity Share	90.00	80.00

NSEIT Ltd.	• Repairs & Maintenance – Clearing & Computer systems	10.45	13.74
	• Outstanding balance – (Credit) / Debit	(2.84)	(3.56)

NSE Foundation	• Contribution towards CSR	5.06	4.53
	• Outstanding balance – (Credit) / Debit	-	-

National Securities Depository Limited	• Depository operation fees	0.18	0.28
	• Outstanding balance – (Credit) / Debit	(0.01)	-

Key Management Personnel (Mr. T Venkata Rao - Managing Director (upto 06.11.2017)	Short term employee Benefits* $	0.25	0.24
	Post - employment Benefits	-	-
	Long term employee Benefits	-	-

Key Management Personnel (Mr. Vikram Kothari- Managing Director (w.e.f.07.11.2017)	Short term employee Benefits *	1.63	1.42
	Post - employment Benefits **	0.05	0.05
	Long term employee Benefits*	0.23	0.21

Directors	Sitting fees/Committee sitting		
	Mr. Harun R Khan	0.39	0.30
	Mr. Salim Gangadharan	0.30	0.30
	Mr.N K Maini	0.31	0.26
	Mr. C VR Rajendran	0.29	0.31
	Ms.Bhagyam Ramani	0.40	0.29

* Includes amount paid towards Leave encashment, Medical allowance & Leave Travel allowance and 50% of the variable pay payable after 3 years subject to certain conditions.

$ pertaining to earleir years

** As the liabilities for define benefits plan are provided on actuarial basis for the Company as a whole, the amount pertaining to key managerial person are not included.

No commitments made during the years to associate concerns and vice versa

31 In accordance with Indian Accounting Standard (Ind AS) 33 - "**Earning per Share**" issued by the Institute of Chartered Accountants of India, the required disclosure is given below.

Basic and diluted earnings per share is computed by dividing the net profit attributable to equity shareholders for the year, by weighted average number of equity shares outstanding during the year.

	Year ended 31.03.2021	Year ended 31.03.2020
Net Profit attributable to Shareholders (Rs. In Crores)*	210.55	213.27
Weighted Average number of equity shares issued No. (in Crores)	4.50	4.50
Earnings per share of Rs. 10/- each (in Rs.) (Basic and diluted)	46.79	47.39

The Company does not have any outstanding dilutive potential equity shares. Consequently, the basic and diluted earning per share of the Company remain the same.

There are no instruments (including contingently issuable shares) issued that could potentially dilute basic earnings per share in the future.

32 **Capital and other commitments :**

Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for Rs.11.35 crores (Previous Year :Rs. 5.36 crores) and other Commitments Rs 11.83 crores (Previous Year :Rs.3.69 Crores)

33 **Contingent liabilities and Commitments :**

(i) Claims against company not acknowledged as debts: Rs. 6.34 Crores (Previous Year : Rs. 6.34 Crores)

(ii) A suit field against the Company for damages / compensation amounting to Rs.NIL (Previous Year : Rs. Nil).

(iii) On account of disputed demand of Income tax of Rs.66.62 Crores (Previous Year : Rs.67.10 Crores) and on account of disputed demand of Income tax pertaining to Core SGF amounting to Rs.338.37 Crores (Previous Year : Nil).

(iv) On account of disputed demand of Service tax Rs.74.20 Crores plus interest as applicable the Company has filed appeal before CESTAT. (Previous Year :Rs.74.20 crores plus interest and penalty, as applicable)

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(v) Bank Guarantee Rs.1000 Crores (Previous year Rs.500 Crores). (Also refer to Note 41)

Based on the legal opinion received by the company, Company is of the view that the above matters are not likely to have any material impact on financial position of the Company.

34 The Company's pending litigations comprise of claims against the Company and proceedings pending with Statutory and Tax Authorities. The Company has reviewed all its pending litigations and proceedings and has made adequate provisions, whenever required and disclosed the contingent liabilities, wherever applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a material impact on its financial position. (Refer note 33)

35 In accordance with the relevant provisions of the Companies Act, 2013, the Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses as of March 31, 2021 and March 31, 2020.

36 NCL encountered an incident on February 24, 2021 due to certain issues in the links with telecom service providers which in turn impacted the Storage Area Network (SAN) system of the Company, resulting in the primary SAN becoming inaccessible to the host servers. This also resulted in the risk management system and clearing & settlement system of the Company and other systems such as index and surveillance systems of NSE becoming unavailable leading to a decision to halt the Trading at NSE. The Company has submitted root cause analysis of the incident to SEBI.

37 Exceptional item represents provision for impairment of intangible assets under development amounting to Rs.68.23 crores pertaining to Clearing & Settlement System due to discontinuation of the project.

38 A **Fair value measurement**

(i) Fair Value Hierarchy:

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value and are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three level prescribed under the accounting standard. An explanation of each level follows underneath the table.

Rs. in crores

Financial Assets and Liabilities measured at Fair Value - recurring fair Value measurements At March 31, 2021	Notes	Level 1	Level 2	Level 3	Total March 31, 2021
Financial Assets					
Financial Investments at FVPL					
Mutual Fund - Growth Plan	8	292.86	-	-	292.86
Total Financial Assets		292.86	-		292.86

Financial Assets and Liabilities measured at Fair Value - recurring fair Value measurements At March 31, 2020	Notes	Level 1	Level 2	Level 3	Total March 31, 2020
Financial Assets					
Financial Investments at FVPL					
Mutual Fund - Growth Plan	8	290.64	-	-	290.64
Total Financial Assets		290.64	-	-	290.64

The fair value of financial instruments as referred to in note above have been classified into three categories depending on the inputs used in the valuation technique. The hierarachy gives the highest priority to quoted prices in active market for identical assets or liabilities (level 1 measurements) and lowest priority to unobservable inputs (level 3 measurements). The categories used are as follows :

- Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, exchange traded funds and mutual funds that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.
- Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, debentures, government securities and commercial papers) is determined using FIMMDA valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.
- Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities included in level 3.

There are no transfers between levels 1 and 2 during the period. The Company's policy is to recognise transfers into and transfers out of fair value hirerchy level as at the end of reporting period.

ii) Valuation technique used to determine fair value :

Specific valuation techniques used to value financial instruments include:

1) The use of quoted market prices or dealer quotes for similar instruments in case of quoted equity shares, exchange traded funds and mutual funds.

2) The fair value of the unlisted equity instruments is determined using the price / book multiple (P/B) multiple approach.

3) All of the resulting fair value estimates are included in level 2 except for unlisted equity securities, where the fair values have been determined as per 2 above.

(iii) Fair value measurements using significant unobservable inputs (level 3)

No item falling in level 3 during the restated period .

(iv) Valuation processes :

The finance department of the Company includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. This team reports directly to the chief financial officer (CFO).

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B Financial Instruments by category

Rs. In crores

	31-Mar-21		31-Mar-20	
	FVPL	Amortised Cost	FVPL	Amortised Cost
Financial Assets				
Investments				
Fixed Deposits	-	614.89	-	582.30
Mutual Funds	292.86	-	290.64	-
Trade receivables	-	58.34	-	14.29
Cash and Cash equivalents	-	9,022.00	-	9,064.72
Other financial assets	-	75.48	-	69.89
Total financial assets	**292.86**	**9,770.71**	290.64	9,731.19
Financial Liabilities				
Deposits	-	918.28	-	838.26
Trade payable	-	16.57	-	11.64
Other financial liabilities	-	8,332.55	-	8,727.39
Total financial Liabilities	-	**9,267.40**	-	9,577.29

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39 FINANCIAL RISK MANAGEMENT

The Company's business activities expose it to a variety of financial risks, namely liquidity risk, market risks and credit risk. The Company's senior management has the overall responsibility for the establishment and oversight of the Company's risk management framework. The Company has constituted a Risk Assessment & Review Committee (RARC), which is responsible for developing and monitoring the Company's risk management policies. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The RARC is supported by Treasury department among others, that provides assurance that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Treasury department activities are designed to:
- protect the Company's financial results and position from financial risks
- maintain market risks within acceptable parameters, while optimising returns; and
- protect the Company's financial investments, while maximising returns.

The Treasury department is responsible to maximise the return on companies internally generated funds.

A MANAGEMENT OF LIQUIDITY RISK

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's approach to managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions.

The Company maintains a conservative funding and investment strategy, with a positive cash balance throughout the year ended 31st March, 2021 and 31st March, 2020. This was the result of cash generated from operating activities and investing activities to provide the funds to service the financial liabilities on a day-to-day basis.

The Company's treasury department regularly monitors the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet operational needs. Any short term surplus cash generated by the operating entities, over and above the amount required for working capital management and other operational requirements, is retained as cash equivalents (to the extent required), other highly liquid investments and excess is invested in interest bearing term deposits and other highly marketable debt investments including the government securities with appropriate maturities to optimise the returns on investments while ensuring sufficient liquidity to meet its liabilities.

The following table shows the maturity analysis of the Company's financial liabilities based on contractually agreed undiscounted cash flows as at the Balance Sheet date.

	Carrying amount	Payable on demand	Less than 3 months	3-6 months	6-12 months	More than 12 months	Total
As at March 31, 2021							
Trade payables	16.57	-	16.57	-	-	-	16.57
Deposits	918.28	918.28	-	-	-	-	918.28
Creditor for Capital Expenditure	0.76	-	0.76	-	-	-	0.76
Margins From Members	4,148.93	4,148.93	-	-	-	-	4,148.93
Settlement Obligations payable	4,141.70	4,141.70	-	-	-	-	4,141.70
Other liabilities	41.17	-	41.17	-	-	-	41.17
As at March 31, 2020							
Trade payables	11.64	-	11.64	-	-	-	11.64
Deposits	838.26	838.26	-	-	-	-	838.26
Creditor for Capital Expenditure	0.11	-	0.11	-	-	-	0.11
Margins From Members	6,352.44	6352.44	-	-	-	-	6,352.44
Settlement Obligations payable	2,346.80	2346.80	-	-	-	-	2,346.80
Other liabilities	28.03	-	28.03	-	-	-	28.03

B MANAGEMENT OF MARKET RISK

The Company's size and operations result in it being exposed to the following market risks that arise from its use of financial instruments:

POTENTIAL IMPACT OF RISK	MANAGEMENT POLICY	SENSITIVITY TO RISK
1. PRICE RISK		
The Company is mainly exposed to the price risk due to its investment in mutual funds and exchange traded funds. The price risk arises due to uncertainties about the future market values of these investments. At 31st March, 2021, the exposure to price risk due to investment in mutual funds amounted to Rs. 343.81 crores (March 31, 2020: Rs. 340.81 crores).	In order to manage its price risk arising from investments in mutual funds, the Company diversifies its portfolio in accordance with the limits set by the risk management policies. The Treasury department maintains a list of approved financial instruments. The use of any new investment must be approved by the Chief Financial Officer.	As an estimation of the approximate impact of price risk, with respect to mutual funds and exchange traded funds , the Company has calculated the impact as follows. For mutual funds, a 0.25% increase in prices would have led to approximately an additional Rs. 0.86 crores gain in the Statement of Profit and Loss (FY 2019-20: Rs. 0.85 crores gain). A 0.25% decrease in prices would have led to an equal but opposite effect.

C MANAGEMENT OF CREDIT RISK

Credit risk is the risk of financial loss to the Company if a customer or counter-party fails to meet its contractual obligations.

Trade and other receivables

Concentrations of credit risk with respect to trade receivables are limited, due to the Company's customer base being large and diverse and also on account of member's deposits kept by the company as collateral which can be utilised in case of member default. Further, amount lying in Core settlement Guarantee fund (CSGF) is available for utilisation in case of settlement default by member. All trade receivables are reviewed and assessed for default on a quarterly basis.

Our historical experience of collecting receivables, supported by the level of default, is that credit risk is low.

Revenue from top customer is account for 90% (Previous Year 98%)

Other financial assets

The Company maintains exposure in cash and cash equivalents, term deposits with banks, investments in commercial papers, government securities, investments in mutual funds and exchange traded funds. The Company has diversified portfolio of investment with various number of counter-parties which have secure credit ratings hence the risk is reduced. Individual risk limits are set for each counter-party based on financial position, credit rating and past experience. Credit limits and concentration of exposures are actively monitored by the Company's Treasury department.

The Company's maximum exposure to credit risk as at March 31, 2021 and March 31, 2020 is the carrying value of each class of financial assets as disclosed in note no. 4,5,6 ,8 10 and 11.

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40 a) As per Section 135 of the Act, every Company having net worth of Rs. 500 crores or more or a Turnover of Rs. 1000 crores or more or a Net Profit of Rs. 5 crores or more during any financial year is required to spend at least 2% of its Average Net Profit made during the immediately 3 preceding financial years on the Corporate Social Responsibility (CSR) activities. Gross amount required to be spent by the Company is Rs. 5.06 Crores (Previous Year Rs.4.53 Crores) ,the details of spending is as given below:

b Amount spent / contribution to NSE Foundation towards CSR during the year on:

Rs. In crores

	Particulars		In Cash	Yet to be paid in Cash	Total
i	Construction / acquisition of any asset	Current Year	-	-	-
		Previous Year	-	-	-
ii	On purposes other than (i) above (through Contribution to NSE Foundation)	Current Year	5.06	-	5.06
	On purposes other than (i) above (through Contribution to NSE Foundation)	Previous Year	4.53	-	4.53

NSE Group incorporated NSE Foundation to undertake CSR activities for the Group. Accordingly, the Company has contributed an amount of Rs.5.06 crores (previous year Rs.4.53 Crores) to NSE Foundation to be spent on CSR activities as stated in the Group CSR policy which has been adopted by the Company as Company's CSR policy.

41 During the year, the company has given additional bank guarantee of Rs.500 crores (previous year Rs.500 crores) in favour of ICCL towards Inter CCP collateral under interoperatiability framework as prescribed by SEBI. Total bank guarantee amount as on March 31, 2021 is Rs.1000 crores (previous year Rs.500 crores).

42 For the year ended March 31, 2021 and March 31, 2020, the Company is not required to transfer any amount into the Investor Education & Protection Fund as required under relevant provisions of the Companies Act, 2013.

43 The Code on Social Security, 2020 (Code) relating to employee benefits during employment and post-employment benefits has received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code comes into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

44 The Coronavirus (COVID-19) outbreak is an unprecedented global situation, declared as a 'pandemic' by World Health Organisation. Based on the Company's current assessment, the impact of COVID-19 on its operations and the resultant financial performance is not likely to be significant. The Company has also made an assessment of its liquidity position for a period of at least one year from the balance sheet date, of the recoverability and carrying values of its assets and ability to pay its liabilities as they become due and effectiveness of internal financial controls as at the balance sheet date and is of the view that there is no material impact or adjustments required to be made in these financial statements. The impact assessment of COVID-19 may be different from that presently estimated and the Company will continue to evaluate any significant changes to its operations and its resultant impact on the financial performance.

45 Previous year figures have been regrouped / reclassified wherever necessary.

For Khandelwal Jain & Co.
Chartered Accountants
Firm Registration No : 105049W

Narendra Jain

NARENDRA JAIN
Partner
Membership No.: 048725

Place : Mumbai
Date : May 05, 2021

KHANDELWAL JAIN & COMPANY MUMBAI CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors

HARUN R KHAN
Chairman
[DIN :07456806]

VIKRAM KOTHARI
Managing Director
[DIN : 07898773]

AMIT AMLANI
Chief Financial Officer

CHIRAG NAGDA
Company Secretary

NSE CLEARING LIMITED MUMBAI

KHANDELWAL JAIN & CO.

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CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF NSE Clearing Limited (formerly known as National Securities Clearing Corporation Limited)

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **NSE Clearing Limited** (formerly known as National Securities Clearing Corporation Limited) ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Loss), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the standalone financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

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Key Audit Matter	How our audit addressed the key audit matter
Legal matters and uncertain tax positions As of March 31, 2021, the Company has various ongoing litigations on legal matters and proceedings with tax authorities involving uncertain direct and indirect tax positions. Refer note 33 and 34 to the standalone financial statements. Uncertain direct and indirect tax positions There are various direct and indirect tax cases against the Company, including disallowance of certain expenses under income tax, applicability of service tax on certain services etc. This is a key audit matter, as evaluation of these matters requires management judgement and estimation, interpretation of laws and regulations and application of relevant judicial precedents to determine the probability of outflow of economic resources, if any, provisions and related disclosures to be made in the standalone financial statements.	Our audit procedures related to legal matters and uncertain tax positions included– • Evaluating the design and operating effectiveness of controls over the recognition, measurement, presentation and disclosures made in the standalone financial statements in respect of these matters; • Obtaining details of litigations on legal matters and uncertain direct and indirect tax positions. • Reviewing orders and management responses thereto. • Inspecting the supporting documents to evaluate management's assessment of probability of outcome of ongoing proceedings, the magnitude of potential loss, if any, and testing related provisions and disclosures made in the standalone financial statements; • Reviewing expert's legal advice/opinion obtained by the Company's management for evaluating certain legal and tax matters; and • Evaluating competence and capabilities of the experts. Based on the above procedure, we noted that the Company has reviewed the above pending litigations and proceedings and has made adequate provisions, wherever required and disclosed the contingent liabilities, wherever applicable, in its standalone financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

KHANDELWAL JAIN & COMPANY MUMBAI CHARTERED ACCOUNTANTS

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the **Annexure 'A'**, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143 (3) of the Act, based on our audit we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Loss, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.

   (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

   (e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.

   (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **Annexure 'B'**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

   (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

   In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

   (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

      (i) The Company has disclosed the impact of pending litigations as at March 31, 2021 on its financial position in its standalone financial statements - Refer Note 34 to the standalone financial statements.

KHANDELWAL JAIN & COMPANY MUMBAI

(ii) The Company did not have any long term contracts including derivatives contracts for which there were any material foreseeable losses - Refer Note 35 to the standalone financial statements.

(iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2021 - Refer Note 42 to the standalone financial statements.

For Khandelwal Jain & Co.
Chartered Accountants
Firm's Registration No. 105049W

(Narendra Jain)
Partner
Membership No. 048725
UDIN: 21048725AAAABS9215

Place: Mumbai
Date: May 05, 2021

6-B&C, Pil Court, 6th Floor,
111, M. Karve Road, Churchgate,
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Tel.: (+91-22) 4311 5000
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Annexure A to the Independent Auditor's Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirement's section of our report to the Members of **NSE Clearing Limited** of even date)

The Annexure referred to in the Independent Auditors' Report to the members of the Company on the financial statements for the year ended March 31, 2021. We report that:

i) a) The Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.

b) The Company has physically verified the fixed assets in accordance with a program of verification which in our opinion provides for physical verification of all fixed assets at reasonable intervals. We have been informed that no material discrepancies were noticed on such verification.

c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company does not hold any immovable property in its name.

ii) The Company is in the business of rendering services, and consequently, does not hold any inventory. Therefore, the provisions of clause 3(ii) of Companies (Auditor's Report) Order, 2016 are not applicable to the Company.

iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.

iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.

vi) The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company.

vii) (a) According to the information and explanations given to us and on the basis of records examined by us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Goods and Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and any other statutory dues, wherever applicable. According to the records of the Company, there were no undisputed amounts

KHANDELWAL JAIN & CO. MUMBAI

payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Goods and Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and any other statutory dues in arrears as at March 31, 2021 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, the dues of Income Tax, Sales Tax, Service Tax, Goods and Service Tax, Duty of Custom, Duty of Excise and Value Added Tax which have not been deposited on account of disputes and the forum where the dispute is pending are as under:

Sr. No.	Name of Statue	Nature of the Dues	Period to which the amount relates (Financial Year)	Amount (in crores)	Forum where the dispute is pending
1	Income Tax Act, 1961	Income Tax and Interest thereon	1996-97	0.06	Joint Commissioner of Income Tax
2	Income Tax Act, 1961	Income Tax and Interest thereon	2008-09	0.41	Assessing Officer
3	Income Tax Act, 1961	Income Tax and Interest thereon	2011-12	0.44	Commissioner of Income Tax (Appeals)
4	Income Tax Act, 1961	Income Tax and Interest thereon	2014-15	46.55	Commissioner of Income Tax (Appeals)
5	Income Tax Act, 1961	Income Tax and Interest thereon	2015-16	0.36	Assessing Officer
6	Income Tax Act, 1961	Income Tax and Interest thereon	2016-17	8.62	Commissioner of Income Tax (Appeals)
7	Income Tax Act, 1961	Income Tax and Interest thereon (Core SGF)	2017-18	338.37	Commissioner of Income Tax (Appeals), National Faceless Appeal Centre
8	Chapter V of Finance Act, 1944	Service Tax (including penalty)	July 2012 to June 2017	71.42*	'Customs, Excise and Service Tax Appellate Tribunal' (CESTAT)

* Plus applicable interest

viii) The Company has not taken any loan from banks, financial institutions or government and the Company has not issued any debentures. Therefore, the provisions of clause 3(viii) of Companies (Auditor's Report) Order, 2016 are not applicable to the Company.

ix) The Company has not taken any term loans and has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year. Therefore, the provisions of clause 3(ix) of Companies (Auditor's Report) Order, 2016 are not applicable to the Company.

KHANDELWAL JAIN & COMPANY MUMBAI CHARTERED ACCOUNTANTS

x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.

xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Companies Act.

xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of Companies (Auditor's Report) Order, 2016 are not applicable to the Company.

xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and section 188 of the Act, where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable Indian Accounting Standards.

xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Therefore, the provisions of clause 3(xiv) of Companies (Auditor's Report) Order, 2016 are not applicable to the Company.

xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Therefore, the provisions of clause 3(xv) of Companies (Auditor's Report) Order, 2016 are not applicable to the Company.

xvi) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Khandelwal Jain & Co.
Chartered Accountants
Firm's Registration No. 105049W

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANTS

(Narendra Jain)
Partner
Membership No. 048725
UDIN: 21048725AAAABS9215

Place: Mumbai
Date: May 05, 2021

Website: www.kjco.net • E-mail: kjco@kjco.net

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111, M. Karve Road, Churchgate,
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Annexure B to the Independent Auditor's Report

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirement's section of our report to the Members of **NSE Clearing Limited** of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

We have audited the internal financial controls over financial reporting of **NSE Clearing Limited** ("the Company") as of March 31, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

KHANDELWAL JAIN & CO. MUMBAI

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Khandelwal Jain & Co.
Chartered Accountants
Firm's Registration No. 105049W

KHANDELWAL JAIN & COMPANY MUMBAI

(Narendra Jain)
Partner
Membership No. 048725
UDIN: 21048725AAAABS9215

Place: Mumbai
Date: May 05, 2021

NSE CLEARING LIMITED

(Formerly known as NATIONAL SECURITIES CLEARING CORPORATION LIMITED)

STANDALONE BALANCE SHEET AS AT MARCH 31, 2021

(Rs.in Crores)

	Particulars	Note No.	As at 31.03.2021	As at 31.03.2020
I	**ASSETS**			
1	**Non-current Assets**			
a	Property, Plant and Equipments	2	33.77	16.56
b	Capital work-in-progress	2	0.39	-
c	Other Intangible Assets	3	10.63	13.64
d	Intangible assets under development	3	1.36	63.48
e	Financial assets			
i	Investments	4	90.00	80.00
ii	Non-current bank balances	5	91.16	87.68
iii	Other Financial assets	6	1.30	2.45
			228.61	263.81
f	Income tax assets (net)	15	61.92	63.44
g	Other Non -current assets	7	0.00	0.00
	Total Non-current Assets		290.53	327.25
2	**Investments -Core Settlement Guarantee Fund**	11	3,528.30	3,149.13
3	**Investment earmarked towards SGF - Commodity derivatives**	5 & 8	250.00	250.00
4	**Current Assets**			
a	Financial Assets			
i	Investments	8	292.86	290.64
ii	Trade Receivables	9	58.34	14.29
iii	Cash and Cash equivalents*	10	9,022.00	9,064.72
iv	Bank balances other than cash and cash equivalents*	5	523.73	494.62
	* Includes Rs.8290.63 crores (March 20: Rs.8699.24 crores) pertaining to Settlement obligations and margin money from members			
v	Other Financial assets	6	74.18	67.45
			9,971.11	9,931.72
b	Other current assets	7	14.78	16.55
	Total Current Assets		9,985.89	9,948.27
	TOTAL ASSETS		14,054.72	13,674.65
II	**EQUITY AND LIABILITIES**			
1	**Equity**			
a	Equity Share capital	12 (a)	45.00	45.00
b	Other Equity	12 (b)	659.16	558.71
	Total Equity		704.16	603.71
2	**Core Settlement Guarantee Fund (Core SGF)**	27	3,528.30	3,149.13
3	**Settlement Guarantee Fund (SGF)- Commodity derivatives**	28	250.00	250.00
	Liabilities			
4	**Non-current liabilities**			
a	Provisions	19	9.61	8.36
b	Deferred tax liabilities (Net)	13 (c)	1.83	2.89
	Total Non-current Liabilities		11.44	11.25
5	**Current Liabilities**			
a	Financial Liabilities			
i	Deposits	16	918.28	838.26
ii	Trade payable to :	17		
	Total Outstanding dues of micro enterprises and small enterprises		-	-
	Total Outstanding dues of creditors other than micro enterprises and small enterprises		16.57	11.64
iii	Other financial liabilities*	17	8,332.55	8,727.39
	* Includes Rs.8290.63 crores (March 20: Rs.8699.24 crores) pertaining to Settlement obligations and margin money from members	-		
			9,267.40	9,577.29
b	Provisions	19	6.99	7.31
c	Income tax liabilities (net)	14	95.83	45.67
d	Other current liabilities	18	190.60	30.29
	Total Current Liabilities		9,560.82	9,660.57
	Total Liabilities		13,350.56	13,070.94
	TOTAL EQUITY AND LIABILITIES		14,054.72	13,674.65
	Summary of significant accounting policies	1		

The accompanying notes are an integral part of the financial statements.

This is the Balance sheet referred to in our report of even date
For Khandelwal Jain & Co.
Chartered Accountants
Firm Registration No : 105049W

NARENDRA JAIN
Partner
Membership No.: 048725

Place : Mumbai
Date : May 05, 2021

KHANDELWAL JAIN & COMPANY MUMBAI CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors

HARUN R KHAN
Chairman
[DIN :07456806]

VIKRAM KOTHARI
Managing Director
[DIN : 07898773]

AMIT AMLANI
Chief Financial Officer

CHIRAG NAGDA
Company Secretary

NSE CLEARING LIMITED MUMBAI

NSE CLEARING LIMITED

(Formerly known as NATIONAL SECURITIES CLEARING CORPORATION LIMITED)

STANDALONE STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2021

(Rs.in Crores)

Particulars	Notes	For the year ended 31.03.2021	For the year ended 31.03.2020
Income			
Revenue from operations	20	**501.74**	366.83
Other income	21	**53.17**	63.91
Other income			
Total Income		**554.91**	430.73
Expenses			
Employee benefits expense	22	**35.00**	33.80
Depreciation and amortisation expense	2 & 3	**13.40**	9.77
Other expenses	23	**112.91**	89.27
Total Expenses		**161.31**	132.84
Profit before exceptional item		**393.60**	297.90
Less : Exceptional Item			
Provision for Impairment of Intangible assets under development	37	**68.23**	-
Profit before tax		**325.37**	297.90
Less : Tax expenses	13		
Current tax		**115.84**	90.43
Tax for earlier year		-	0.38
Deferred tax		**(1.02)**	(6.19)
Total tax expenses		**114.82**	84.62
Profit for the year (A)		**210.55**	213.27
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurements of post-employment benefit obligations		**(0.15)**	(1.12)
Income tax relating to items that will not be reclassified to profit or loss			
Tax Remeasurements of post-employment benefit obligations		**0.04**	0.33
Total Other Comprehensive Income for the year (B)		**(0.11)**	(0.79)
Total Comprehensive Income for the year (A+B)		**210.44**	212.48
Earnings per Equity Share (FV Rs. 10 each) (before contributions to Core SGF)			
Basic (Rs.)	31	**46.79**	**47.39**
Diluted (Rs.)	31	**46.79**	**47.39**
Summary of significant accounting policies	1		

The accompanying notes are an integral part of the financial statements.

This is the Statement of Profit & loss referred to in our report of even date

For Khandelwal Jain & Co.
Chartered Accountants
Firm Registration No : 105049W

Narendra Jain

NARENDRA JAIN
Partner
Membership No.: 048725

KHANDELWAL JAIN & COMPANY MUMBAI CHARTERED ACCOUNTANTS

Place : Mumbai
Date : May 05, 2021

For and on behalf of the Board of Directors

HARUN R KHAN
Chairman
[DIN :07456806]

VIKRAM KOTHARI
Managing Director
[DIN : 07898773]

AMIT AMLANI
Chief Financial Officer

CHIRAG NAGDA
Company Secretary

NSE CLEARING LIMITED MUMBAI

NSE CLEARING LIMITED

(Formerly known as NATIONAL SECURITIES CLEARING CORPORATION LIMITED)

STANDALONE STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2021

Rs. in Crores

		For the year ended 31.03.2021	For the year ended 31.03.2020
A)	**CASHFLOW FROM OPERATING ACTIVITIES**		
	NET PROFIT BEFORE TAX	325.37	297.90
	Add/(Less) :- Adjustments for :		
	- Depreciation	13.40	9.77
	- Net gain on financial assets mandatorily measured at Fair Value through Profit or Loss	(9.98)	(10.06)
	- Provision for Impairment of Intangible assets under development	68.23	-
	Less : Adjustments for :		
	- Interest income on Bank deposit	(39.93)	(46.28)
	- Net gain on sale of investments mandatorily measured at Fair Value through Profit or Loss	(1.38)	(7.34)
	OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	355.71	243.99
	Adjustments for :		
	Decrease/(Increase) in Trade Receivable	(44.05)	(4.63)
	Increase / (Decrease) in Trade payables	4.93	(4.11)
	Decrease/(Increase) in other financial assets	0.38	4.82
	Decrease/(Increase) in Other Assets	1.77	(7.10)
	Increase / (Decrease) in Other Financial Liabilities	(395.48)	2,638.33
	Increase / (Decrease) in Provision	0.78	2.26
	Increase /(Decrease) in Other Liabilities	160.31	7.63
	Proceed of Deposit from Trading member / applicant	253.61	142.52
	Refund of deposit from trading members / applicant	(173.56)	(92.57)
	CASH GENERATED FROM OPERATIONS	164.40	2,931.13
	Contribution to Core SGF	(28.20)	-
	Direct Taxes paid (Net of Refunds)	(55.95)	(124.07)
	NET CASH FROM OPERATING ACTIVITIES - Total (A)	80.25	2,807.07
B)	**CASHFLOW FROM INVESTING ACTIVITIES**		
	Investment in Equity Share Capital of Subsidiary	(10.00)	(5.00)
	Purchase of Property, Plant and Equipment's/ Capital work-in-progress	(33.46)	(40.18)
	Interest received	33.96	40.71
	(Increase)/Decrease in Fixed deposit	(32.60)	(115.06)
	Purchases of Investment	(167.13)	(217.63)
	Sale of Investment	176.26	309.88
	NET CASH USED IN INVESTING ACTIVITIES - Total (B)	(32.97)	(27.28)
C)	**CASHFLOW FROM FINANCING ACTIVITIES**		
	Dividend Paid (inclusive of corporate dividend tax)	(90.00)	(97.65)
	NET CASH FROM FINANCING ACTIVITIES - Total (C)	(90.00)	(97.65)
	NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	(42.72)	2,682.14
	CASH AND CASH EQUIVALENTS : OPENING BALANCE*	9,064.72	6,382.58
	CLOSING CASH AND CASH EQUIVALENTS : CLOSING BALANCE*	9,022.00	9,064.72
	* Includes amount received from Settlement obligations and margin money from members (Refer to note 10 & 17)		
	NET INCREASE IN CASH AND CASH EQUIVALENT	(42.72)	2,682.14

Notes to Cash Flow Statement :

1. Cash and Cash equivalent represent bank balances and balances in fixed deposit accounts.
2. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Ind-AS 7 on Statement of Cash Flow notified underCompanies (Indian Accounting Standards) Rules, 2015
3. Previous year's figures have been regrouped/ reclassified wherever necessary to correspond with the current year classification / disclosure.

The accompanying notes are an integral part of the financial statements.

This is the statement of cash flow referred to in our report of even date
For Khandelwal Jain & Co.
Chartered Accountants (FRN: 105049W)

NARENDRA JAIN
Partner
Membership No.: 048725

Place : Mumbai
Date : May 05, 2021

KHANDELWAL JAIN & COMPANY MUMBAI CHARTERED ACCOUNTANTS

HARUN R KHAN
Chairman
[DIN :07456806]

VIKRAM KOTHARI
Managing Director
[DIN : 07898773]

AMIT AMLANI
Chief Financial Officer

CHIRAG NAGDA
Company Secretary

NSE CLEARING LIMITED MUMBAI

NSE Clearing Limited
(Formerly known as NATIONAL SECURITIES CLEARING CORPORATION LIMITED)

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2021.

(A) **Equity Share Capital**

	(Rs.in Crores)
Balance as at 01.04.2019	**45.00**
changes in equity share capital during the year	-
Balance as at 31.03.2020	**45.00**
changes in equity share capital during the year	-
Balance as at 31.03.2021	**45.00**

(B) **Other Equity** (Rs.in Crores)

	Reserves and Surplus			
	Capital Reserve	General reserve	Retained Earnings	Total
Balance at the 01.04.2019	10.00	244.71	189.16	443.87
Profit for the year			213.28	213.28
Other Comprehensive Income			(0.79)	(0.79)
Transaction with owners in their capacity as owners				
Dividends paid			(81.00)	(81.00)
Dividend Distribution Tax			(16.65)	(16.65)
Balance at the 01.04.2020	**10.00**	**244.71**	**303.99**	**558.71**
Profit for the year			210.55	210.55
Other Comprehensive Income			(0.11)	(0.11)
Contribution to core SGF (Refer Note 27)			(28.20)	(28.20)
Tax on contribution to Core SGF			8.21	8.21
Transaction with owners in their capacity as owners				
Dividend paid			(90.00)	(90.00)
Dividend Distribution Tax				-
Balance at the 31.03.2021	**10.00**	**244.71**	**404.45**	**659.16**

The accompanying notes are an integral part of the financial statements.

This is the statement of changes in equity referred to in our report of even date

For Khandelwal Jain & Co.
Chartered Accountants
Firm Registration No : 105049W

NARENDRA JAIN
Partner
Membership No.: 048725

Place : Mumbai
Date : May 05, 2021

For and on behalf of the Board of Directors

HARUN R KHAN
Chairman
[DIN :07456806]

VIKRAM KOTHARI
Managing Director
[DIN : 07898773]

AMIT AMLANI
Chief Financial Officer

CHIRAG NAGDA
Company Secretary

KHANDELWAL JAIN & COMPANY * CHARTERED ACCOUNTANTS * MUMBAI

NSE CLEARING LIMITED * MUMBAI

Background and Significant Accounting Policies

Background

The NSE Clearing Limited (NCL) (formerly known as National Securities Clearing Corporation Limited), a wholly owned subsidiary of NSE, was incorporated in August 1995. It was the first clearing corporation to be established in the country and also the first clearing corporation in the country to introduce settlement guarantee. It was set up to bring and sustain confidence in clearing and settlement of securities, to promote and maintain, short and consistent settlement cycles, to provide counter-party risk guarantee, and to operate a tight risk containment system.

Note 1: Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these Ind As financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation

(i) Compliance with Ind AS

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act , 2013 ('Act') (to the extent notified) .The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Amendments thereto.

The financial statements for the year ended March 31, 2021 has been approved by the Board of directors of the Company in their meeting held on May 05, 2021.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities that is measured at fair value, and
- defined benefit plans - plan assets measured at fair

(b) Foreign currency translation and transactions

(i) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian currency (INR), which is the Company's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equity instruments held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equity investments classified as FVOCI are recognised in other comprehensive income.

Effective April 1, 2018 the company has adopted Appendix B to Ind AS 21- Foreign Currency Transactions and Advance Consideration which clarifies the date of transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income when an entity has received or paid advance consideration in a foreign currency. The effect on account of adoption of this amendment was insignificant.

(c) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of allowances, incentives, service taxes and amounts collected on behalf of third parties.

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Company's activities as described below. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Revenue is recognised in the period when the service is provided as per arrangements/agreements with the customers. The sources of revenue are:

(i) Clearing and Settlement charges, IT & support charges and processing charges are recognized on accrual basis as and when the services are rendered.

(ii) In respect of Members who have been declared as defaulters by the Company all amounts (dues) remaining to be recovered, net of available security and insurance cover available if any, till the date of being declared as defaulters are written off as bad debts. All subsequent recoveries are accounted when received.
Shortages arising after the date of declaration of default are written off as bad debts in the year in which it arises, after exhausting all remedies including forfeiture of securities and insurance cover available if any.
Other overdue amounts are provided for as doubtful debts or are written off as bad debts, if the same are considered doubtful/irrecoverable in the opinion of the management.

(iii) Penal Charges, in the year of declaration of default, in respect of shortages due from the respective member, are booked to the extent such charges are recoverable.

(iv) Other insurance claims are accounted on accrual basis when the claims become due and payable.

(v) Income excludes applicable taxes and other levies

(d) Income taxes

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Minimum Alternate Tax (MAT) paid in a year is charged to the Statement of Profit and Loss as current tax. The company recognizes MAT credit available as an asset only to the extent there is convincing

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evidence that the company will pay normal income tax during the specified period, i.e., the period for which MAT Credit is allowed to be carried forward. In the year in which the Company recognizes MAT Credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternate Tax under the Income Tax Act, 1961, the said asset is created by way of credit to the statement of Profit and Loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT Credit Entitlement" asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the sufficient period.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, associates and interest in joint arrangements where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(e) Leases

As a lessee

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of the contract. Ind AS 116 defines a lease as a contract, or a part of a contract, that convey as the right of use an asset (the underlying asset) for a period of time in exchange of consideration. To assess whether as contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expenses on a straight line basis over the term of the lease.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on straight line basis over the shorter of the lease term and useful life of the underlying assets.

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As a lessor

Lease for which the Company is a lessor is classified as finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. For operating leases, rental income is recognized on straight line basis over the term of the relevant lease.

(f) Impairment of assets

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

(g) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. These do not include bank balances earmarked/restricted for specific purposes.

Restricted cash:

Other bank balances comprise of Fixed deposits with maturity of more than three months and less than twelve months, other financial assets contains Fixed deposits with maturity of more than one year. This deposits are restricted balance and with lien for advances received from issuer of securities and advance received from defaulting members.

(h) Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

(i) Investments and other financial assets

(i) Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

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For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the group classifies its debt instruments:

- **Amortised cost**: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.
- **Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.
- **Fair value through profit or loss:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

Equity instruments

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments continue to be recognised in profit or loss as other income when the Company's right to receive payments is established.

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Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/ (losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

(iii) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(iv) De-recognition of financial assets

A financial asset is de-recognised only when

- The Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is de-recognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(v) Income recognition

Interest income

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial assets to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

Dividends

Dividends are recognised in profit and loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the group, and the amount of the dividend can be reliably measured.

(j) Financial liabilities

(i) Initial recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss.

(ii) Subsequent measurement

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Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the statement of profit and loss.

(iii) Derecognition

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

(k) Derivatives

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period.

(l) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

(m) Property, plant and equipment (including CWIP)

Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives or, in the case of certain leased furniture, fittings and equipment, the shorter lease term as follows:

Furniture and fixture	5 to 10 years
Office equipment	4 to 5 years
Electrical equipment	10 years
Computer systems office automation	3 years
Computer systems – others	4 years
Computer software	4 years
Telecommunication systems	4 years
Clearing and Settlement Systems	4 years

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The property, plant and equipment including land acquired under finance leases is depreciated over the asset's useful life or the lease term if there is no reasonable certainty that the Company will obtain ownership at the end of the lease term.

The useful lives have been determined based on technical evaluation done by the management's expert which are higher than those specified by Schedule II to the Companies Act, 2013, in order to reflect the actual usage of the assets. The residual values are not more than 5% of the original cost of the asset. The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/(losses).

Depreciation on assets purchased / disposed off during the year is provided on pro rata basis with reference to the date of additions / deductions.

Fixed assets whose aggregate cost is Rs. 5,000 or less are depreciated fully in the year of acquisition.

(n) Intangible assets

Costs associated with maintaining software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Company are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use
- management intends to complete the software and use or sell it
- there is an ability to use or sell the software
- it can be demonstrated how the software will generate probable future economic benefits
- adequate technical, financial and other resources to complete the development and to use or sell the software are available, and
- the expenditure attributable to the software during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software include employee costs and an appropriate portion of relevant overheads.

Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is available for use.

Standard packaged software products are written off in the year of purchase.

Computer software is amortised over a period of 4 years.

(o) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

(p) Provisions

Provisions for legal claims and discounts/incentives are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources

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will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions for restructuring are recognised by the Company when it has developed a detailed formal plan for restructuring and has raised a valid expectation in those affected that the Company will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

The measurement of provision for restructuring includes only direct expenditures arising from the restructuring, which are both necessarily entailed by the restructuring and not associated with the ongoing activities of the Company.

(q) Contingent Liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent liabilities are not disclosed in case the possibility of an outflow of resources embodying economic benefits is remote.

(r) Employee benefits

(i) Short-term obligations
Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are the amounts expected to be paid when the liabilities are settled. Short term employee benefits are recognised in statement of profit and loss in the year in which the related service is rendered. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other long-term employee benefit obligations
The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

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(iii) Post-employment obligations

The Company operates the following post-employment schemes:
(a) defined benefit plans such as gratuity, and

(b) defined contribution plans such as provident fund and superannuation.

Gratuity obligations

The Holding company has maintained a Group Gratuity Cum Life Assurance Scheme with the Life Insurance Corporation of India (LIC) towards which it annually contributes a sum determined by LIC. The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.
The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

(iv) Defined contribution plans

Provident fund
Provident Fund: The company is registered with Regional Provident Fund Office, Bandra, Mumbai, and both the employee and the employer make monthly contribution equal to 12% of the employee's basic salary respectively.

Superannuation
Superannuation benefits for employees designated as chief managers and above are covered by group policies with the Life Insurance Corporation of India maintained by the Holding Company. The contribution payable for the year is charged to revenue. There are no other obligations other than the annual contribution payable..

(v) Bonus plans

1. The Company recognises a liability and an expense for bonuses. The Company recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

2. SEBI has laid down certain norms in terms of the compensation policy for the key management personnel which are as under :
   A. The variable pay component will not exceed one third of the total pay.
   B. 50% of the variable pay will be paid on a deferred basis after three years.

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(s) Core Settlement Guarantee Funds

As per SEBI vide circular no. CIR/MRD/DRMNP/25/2014 dated August 27,2014 every recognised clearing corporation shall establish and maintain a Fund for each segment, to guarantee the settlement of trades executed in that respective segment of a recognised stock exchange. The Clearing Corporation shall have a fund called Core SGF for each segment of each Recognised Stock Exchange to guarantee the settlement of trades executed in the respective segment of the Stock Exchange. In the event of a clearing member(member) failing to honour settlement commitments, the Core SGF shall be used to fulfil the obligations of that member and complete the settlement without affecting the normal settlement process. The Core SGF shall be contributed by Clearing Corporation, Stock Exchanges and the clearing members, in a manner as prescribed by SEBI. This fund is represented by earmarked Core SGF investments. The income earned on such investments is credited to the respective contributor's funds and adjusted towards incremental requirement of Minimum Required Corpus (MRC) as per SEBI letter reference no. SEBI/HO/MRD/DRMNP/OW/P/2018/4559/1 dated February 12, 2018. Penalties and fines levied by the Company are transferred to Core SGF as Other Contributions.

(t) Contributed equity

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(u) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

(v) Earnings per share

(I) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the group
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(w) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest crores as per the requirement of Schedule III, unless otherwise stated.

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x) CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgements are:

Estimation of current tax expense and payable Note 13 and 14
Estimated useful life of intangible asset Note 3
Estimation of defined benefit obligation Note 26
Estimation of fair values of contingent liabilities refer Note 33

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

y) Recent pronouncements

The Ministry of Corporate affairs ("MCA") through a notification dated March 24, 2021, amended Schedule III of the Companies Act, 2013 which will be applicable effective April 1, 2021.Disclosure of shareholding of promoters in specified format.

- Disclosure of current maturities of Long term borrowings under the head short term borrowings
- Disclosure of ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development in specified format.
- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Financial Ratios to be disclosed along with explanation with respect to items included in numerator and denominator.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.
- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the standalone financial statements.

The Company will evaluate the above and give effect as required by law.

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Note 2 - Property, Plant and Equipments

	OFFICE EQUIPMENTS	FURNITURE AND FIXTURES	COMPUTER SYS - OFF AUTOM	TELECOM MUNICATION SYSTEMS	CLEARING AND SETTLEMENT SYSTEM	Total	Capital Work in Progress
Year ended March 31 , 2020							
Gross carrying amount							
Opening gross carrying amount	0.01	0.06	0.23	-	18.37	18.66	3.11
Exchnage differences	-	-	-	-	-	-	-
Additions	-	-	-	8.29	10.59	18.88	-
Disposals	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	(3.11)
Closing gross carrying amount	-	0.06	0.23	8.29	28.96	37.54	-
Accumulated depreciation							
Opening accumulated depreciation	0.00	0.06	0.16	-	15.28	15.50	-
Depreciation for the year	-	-	0.03	1.70	3.75	5.48	-
Disposals	-	-	-	-	-	-	-
Closing accumulated depreciation	0.00	0.06	0.19	1.70	19.03	20.98	-
Net carrying amount	(0.00)	(0.00)	0.04	6.59	9.93	16.56	-
Year ended March 31, 2021							
Gross carrying amount							
Opening gross carrying amount	-	0.06	0.23	8.29	28.96	37.54	-
Additions	-	-	0.01	4.44	20.84	25.30	0.39
Disposals	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-
Closing gross carrying amount	-	0.06	0.24	12.73	49.80	62.84	0.39
Accumulated depreciation							
Opening accumulated depreciation	0.00	0.06	0.19	1.70	19.03	20.98	-
Depreciation for the year	-	-	0.02	2.56	5.51	8.09	-
Disposals	-	-	-	-	-	-	-
Closing accumulated depreciation	0.00	0.06	0.21	4.26	24.54	29.07	-
Net carrying amount	(0.00)	(0.00)	0.03	8.47	25.26	33.77	0.39

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Note 3: Intangible Assets

(Rs. in Crores)

	COMPUTER SOFTWARE	Intangible assets under development
Year ended March 31 , 2020		
Gross carrying amount		
Opening gross carrying amount	17.39	49.48
Additions	10.28	23.98
Disposals	-	-
Transfers	-	(9.98)
Closing gross carrying amount	**27.67**	**63.48**
Accumulated Amortisation and impairment		
Opening accumulated Amortisation	9.74	-
Amortisation for the year	4.29	-
Disposals	-	-
Closing amortization	**14.03**	-
Net carrying amount	**13.64**	63.48
Year ended March 31, 2021		
Gross carrying amount		
Opening gross carrying amount	27.67	63.48
Exchnage differences	-	-
Additions	2.30	10.12
Disposals	-	
Transfers	-	(4.01)
Closing gross carrying amount	**29.97**	69.59
Accumulated Amortisation and impairment		
Opening accumulated Amortisation	14.03	-
Amortisation for the year	5.31	-
Provision for Impairment of Intangible assets under development (Refer Note 37)	-	(68.23)
Disposals	-	-
Closing amortization	**19.34**	1.36
Net carrying amount	**10.63**	**1.36**

Significant estimate: Useful life of intangible assets under development

The Company has completed the development of software that is used to in its various business processes. As at 31 March 2021, the net carrying amount of this software was Rs.10.63 crores (31 March 2020: Rs.13.64 crore). The Company estimates the useful life of the software to be 4 years based on the expected technical obsolescence of such assets. However, the actual useful life may be shorter or longer than 4 years, depending on technical innovations and competitor actions.

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Note 4 NON CURRENT INVESTMENTS

		31.03.2021		31.03.2020	
		Number of Units	(Rs. in Crores)	Number of Units	(Rs. in Crores)
I	**Investment in equity instruments (fully paid up)** **Unquoted equity instruments at cost** **In subsidiary companies** NSE IFSC Clearing Corporation Limited **	9,00,00,000	90.00	8,00,00,000	80.00
	In Others NSE Foundation (Section 8 Company) [* Re.1/- (Previous Year Re.1/-]	6,000	-*	6,000	-*
	Total equity instruments		90.00		80.00
	Aggregate amount of quoted investments and market value thereof		-		-
	Aggregate amount of unquoted investments		**90.00**		**80.00**

* Re 1/-

NSE Foundation was incorporated under section 8 of the Companies Act, 2013 and intends to apply its profits, if any, or other income in promoting its objects and any payment of dividend to its members is prohibited. Accordingly, the investment in the company had been written down to Re. 1/-. Accordingly, the Company had written off investment in NSE Foundation amounting to Rs. 59,999/- by debiting the Statement of Profit and Loss.

**Investment in Right issue of Rs.10.00 crores during the year (Previous year Rs. 5.00 Crores)

5 **Other bank balances**

	Non-current 31.03.2021	Non-current 31.03.2020	Current 31.03.2021	Current 31.03.2020
	(Rs. in Crores)		(Rs. in Crores)	
Deposits with original maturity for more than 12 months #	91.16	87.68	435.37	381.15
Earmarked Deposits with original maturity for more than 12 months	785.96	627.85	1,897.33	1,976.49
Deposits with original maturity for more than 3 months but less than 12 months #	-	-	68.60	94.22
Earmarked Deposits with original maturity for more than 3 months but less than 12 months #	-	-	380.57	381.16
Earmarked Deposits with original maturity for less than 3 months			298.90	-
Earmarked Deposits with original maturity less than 12 months*	-	-	19.76	19.24
Total	877.12	715.53	3,100.53	2,852.26
Less :				
Amount disclosed under Core SGF Investments (note 11)	761.27	611.14	2,402.44	2,174.52
Amount disclosed under Investments -SGF for Commodity segment (refer Note 28)	24.69	16.71	174.36	183.12
Total	91.16	87.68	523.73	494.62

* Earmarked towards withheld payouts.

Other bank balances & Cash and cash equivalents Includes Rs.8290.63 crores (March 20: Rs.8699.24 crores) pertaining to Settlement obligations and margin money from members

6 **Others Financial Assets**

	Non-current 31.03.2021	Non-current 31.03.2020	Current 31.03.2021	Current 31.03.2020
	(Rs. in Crores)		(Rs. in Crores)	
Advances recoverable in cash				
Unsecured, considered good	-	-	0.20	0.24
Other loans and advances				
Security Deposits	0.22	0.22	-	-
Others				
Interest accured on Bank deposits	1.08	2.23	73.50	66.39
Other receivable	-	-	0.48	0.82
Total	1.30	2.45	74.18	67.45

7 **Others Assets**

	Non-current 31.03.2021	Non-current 31.03.2020	Current 31.03.2021	Current 31.03.2020
	(Rs. in Crores)		(Rs. in Crores)	
Balances with GST authorities	-	-	0.84	5.22
Deposits with GST authorities	-	-	2.78	2.78
Other receivable*	-	-	6.18	6.18
Prepaid expenses	0.00	0.00	4.98	2.37
Total	0.00	0.00	14.78	16.55

* Other receivable is Deposits with Supreme Court pursuant to its directives in a case filed by the Company with regard to sale of collateral securities with the company of a defaulter member.

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Note No. 8 CURRENT INVESTMENTS

	31.03.2021		31.03.2020	
	Number of Units	Rs. In crores	Number of Units	Rs. In crores
I Investment in mutual funds				
Un-quoted investments in mutual funds at FVPL				
UTI Liquid Fund - Cash Plan -Direct- Growth	35,777	12.06	76,270	24.80
Axis Liquid Fund -Direct - Growth	1,69,498	38.73	-	-
Edelweiss Liquid Fund - Direct - Growth	-	-	1,60,152	40.96
Mirae Asset Cash Management Fund - Direct Plan - Growth	86,796	18.85	1,85,766	38.91
LIC MF Liquid Fund - Direct - Growth	1,12,860	42.17	91,183	32.86
Templeton India Tma - Direct - Growth	-	-	76,651	22.87
Aditya Birla Sun Life Liquid Fund - Direct - Growth	11,97,511	39.70	2,85,867	9.14
HDFC Liquid Fund - Direct - Growth	1,31,057	53.02	1,48,170	57.88
ICICI Prudential Liquid - Direct Plan - Growth	5,51,531	16.81	11,66,657	34.27
HSBC Cash Fund Direct Growth	1,77,523	36.37	81,760	16.17
SBI Premier Liquid Fund - Direct - Growth	76,128	24.53	98,387	30.59
Nippon India LIQUID FUND - DIRECT - GROWTH	57,421	28.90	57,421	27.85
Idfc Cash Fund - Direct - Growth	1,31,446	32.68	-	-
Aditya Birla Sun Life Overnight Fund - Direct - Growth		-	41,695	4.50
Total mutual fund		**343.81**		**340.81**
Less :				
Amount disclosed under Investments -SGF for Commodity segment (refer Note 28)		50.95		50.17
Total current investments		**292.86**		**290.64**
Aggregate amount of quoted investments and market value thereof		-		-
Aggregate amount of unquoted investments		343.81		340.81

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9 Trade receivables

	Current 31.03.2021	Current 31.03.2020
	(Rs. in Crores)	
Receivable from related parties (Refer to Note No. 30)	20.91	-
Others	37.43	14.29
Total	58.34	14.29
Break up of security details		
Trade Receivables considered good - Secured	-	-
Trade Receivables considered good - Unsecured	58.34	14.29
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables - credit impaired	-	-
Total	58.34	14.29

10 Cash and cash equivalents

	Current 31.03.2021	Current 31.03.2020
	(Rs. in Crores)	
In current accounts #	483.63	173.68
Deposits held for the purpose of meeting short term cash commitments #	8,710.70	9,038.81
Deposits with original maturity of less than three months	19.59	-
Cash on hand	-	-
	9,213.92	9,212.49
Less :		
Amount disclosed under Core SGF Investments (note 11)	191.92	147.77
Total	9,022.00	9,064.72

Other bank balances & Cash and cash equivalents Includes Rs.8290.63 crores (March 20: Rs.8699.24 crores) pertaining to Settlement obligations and margin money from members

11 Core SGF investments

	31.03.2021	31.03.2020
	(Rs. in Crores)	
Fixed Deposits	3,163.71	2,785.66
Cash and cash equivalents	191.92	147.77
Accrued interest	118.96	172.06
Income Tax Assets	53.72	43.64
	3,528.30	3,149.13

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12 (a) **Share Capital**

	31.03.2021	31.03.2020
	(Rs. in Crores)	
Authorised		
4,50,00,000 (Previous Year :4,50,00,000) Equity Shares of Rs 10 each.	**45.00**	45.00
Issued, Subscribed and Paid-up		
4,50,00,000 (Previous Year :4,50,00,000) Equity Shares of Rs.10 each fully paid up.	**45.00**	45.00
(all the above shares are held by the holding company-National Stock Exchange of India Limited and its nominees)		
Total	**45.00**	45.00

Aggregrate number of bonus shares issued during the period of five years immediately preceeding the reporting date

Particulars	Aggregrate No. of Shares				
Equity Shares	2020-21	2019-20	2018-19	2017-18	2016-17
Fully paid up by way of Bonus Shares	-	-	-	-	-

There is no movement either in the number of shares or in amount between previous year and current year.

The company has only one class of equity shares having a par value of Rs.10/- per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Details of shareholders holding more than 5% share in the company

	31.03.2021		31.03.2020	
	No.	% holding	No.	% holding
National Stock Exchange of India Limited (Holding Company) and its nominees	4,50,00,000	100%	4,50,00,000	100%

Capital management

The Company considers the following components of its Balance Sheet to be managed capital:
Total equity (as shown in the balance sheet). – retained profit, other reserves, share capital

The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to our shareholders. The capital structure of the Company is based on **management's** judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the group may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Company aims to translate profitable growth to superior cash generation through efficient capital management. The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company's focus is on keeping strong total equity base to ensure independence, security, as well as a high financial flexibility for potential future borrowings, if required, without impacting the risk profile of the Company. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure. The Company is not subject to financial covenants in any of its significant financing agreements.

The management monitors the return on capital as well as the level of dividends to shareholders. The Company's goal is to continue to be able to return excess liquidity to shareholders by continuing to distribute dividends in future periods. Refer note 12B for the final dividends declared and paid.

Compliance with externally imposed capital requirements:

Compliance with externally imposed capital requirements:
Capital requirement of Company is regulated by Securities and Exchange Board of India (SEBI). As per Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2012, Clearing corporation shall have a minimum net worth of Rs.300 crores at all times.
Further, SEBI vide Regulation 14(3) of SECC Regulations 2018 adopted risk-based approach towards computation of capital and net worth requirement for Clearing Corporations(CC) to adequately cover counterparty credit risk, business risk, orderly Wind-down and operational & legal risk. As per Regulation 14(3) (c) of SECC Regulations 2018 every CC shall have a minimum net worth of Rs.100 crores or networth Computed as per the risk-based approach as may specified by SEBI from time to time, whichever is higher.
Accordingly, SEBI vide circular Ref No: SEBI/HO/MRD/DRMP/CIR/P/2019/55 dated April 10, 2019 issued granular norms related to computation of risked based capital and net worth requirement for CCs effective from FY2019-20. The networth requirement for the Company calculated as per the above SEBI circular is Rs.1083.76 crores based on audited financial statments for year ended March 31, 2020. Minimum requirement of Net worth is maintained throughout the year ended March 31, 2021.

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Note 12 (b): Other equity

Other Equity (Rs.in Crores)

	Reserves and Surplus			
	Capital Reserve	General reserve	Retained Earnings	Total
Balance at the 01.04.2019	10.00	244.71	189.16	443.87
Profit for the year			213.28	213.28
Other Comprehensive Income			(0.79)	(0.79)
Transaction with owners in their capacity as owners				-
Dividends paid*			(81.00)	(81.00)
Dividend Distribution Tax*			(16.65)	(16.65)
Balance at the 01.04.2020	**10.00**	**244.71**	**303.99**	**558.71**
Profit for the Year			210.55	210.55
Other Comprehensive Income			(0.11)	(0.11)
Contribution to core SGF (Refer Note 27)			(28.20)	(28.20)
Tax on contribution to Core SGF			8.21	8.21
Transaction with owners in their capacity as owners				
Dividends paid #			(90.00)	(90.00)
Balance as at 31.03.2021	**10.00**	**244.71**	**404.45**	**659.16**

The Board of directors, in their meeting on May 05, 2021 proposed a dividend of Rs.10 per equity share. The proposal is subject to the approval of shareholders at the Annual General Meeting. The total dividend proposed for the year ended March 31, 2021 amounted to Rs.45.00 crores.

\# During the year ended March 31, 2021, the amount of per share dividend recognized as distribution to equity shareholders was Rs.20/- per equity share. The dividend paid during the year ended March 31, 2021 amounted to Rs.90.00 crore.

* During the year ended March 31, 2020, the amount of per share dividend recognized as distribution to equity shareholders was Rs.18/- per equity share. The dividend paid during the year ended March 31, 2020 amounted to Rs.81.00 crore excluding Dividend Distribution Tax of Rs.16.65 crores.

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13 **Income Tax**

a) **The major components of income tax expense statement of profit and loss**

	31.03.2021	31.03.2020
	(Rs. in Crores)	
Statement of profit and loss		
Current Tax		
Current tax on profit for the year	**115.84**	90.43
Adjustment for current tax of prior periods	-	0.38
Total current tax expense	**115.84**	90.81
Deferred tax expense (income)		
Decrease (increase) in deferred tax assets	**(0.23)**	0.01
(Decrease) increase in deferred tax liabilities	**(0.79)**	(6.20)
Total deferred tax expense (benefit)	**(1.02)**	(6.19)
Total for statement of profit and loss	**114.82**	84.62

	31.03.2021	31.03.2020
OCI section	(Rs. in Crores)	
Related to items recognised in OCI during in the year:		
Re-measurement of the defined benefit(liability) / asset	**0.04**	0.10
Income tax charged to Other Comprehensive Income	**0.04**	0.10

b) **Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate**

	31.03.2021	31.03.2020
	(Rs. in Crores)	
Profit before income tax expense	**325.37**	**297.90**
Tax rate (%)	**29.12%**	**29.12%**
Tax at the Indian Tax Rate	**94.75**	86.75
Tax effect of amounts which are not deductible (taxable) in calculating taxable income		
(Profit)/ Loss on sale of investments taxed at other than Statutory rate	**0.16**	(0.02)
Contribution to NSE Foundation towards CSR	**0.74**	0.66
Impact of tax rate reduction	-	(3.23)
Provision for Impairment of Intangible assets under development	**19.87**	-
Short Provision for previous years	-	0.38
Others	**(0.69)**	0.07
Tax on Perquisites [u/s 40(a)(v)]	***0.00***	0.01
Income Tax Expense	**114.82**	**84.62**

c) Deferred tax liabilities (net)

The balance comprises temporary differences attributable to:

Particulars	31.03.2021	31.03.2020
	(Rs. in Crores)	
Deferred income tax assets		
Financial Assets at Fair Value through OCI	-	-
Others	**3.52**	3.25
Total deferred tax assets (a)	**3.52**	3.25
Deferred income tax liabilities		
Property, plant and equipment and investment property	**0.46**	1.20
Financial Assets at Fair Value through profit and Loss	**4.89**	4.94
Contribution to Core Settlement Guarantee Fund		
Others		
Total deferred tax liabilities (b)	**5.35**	6.14
Net Deferred Tax Assets /(Liabilities) (a)-(b)	**(1.83)**	(2.89)

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d) **Movement in Deferred Tax Assets**

(Rs. in Crores)

Particulars	Property, plant and equipment	Financial Assets at Fair Value through profit and Loss	Financial Assets at Fair Value through OCI	Others (Gratuity, PBVP, LE)	Total
At 01 April 2019	-	-	-	**2.93**	**2.93**
					-
(Charged) / Credited					-
- to profit or loss	-	-	-	(0.00)	(0.00)
- to other comprehensive income	-	-	-	0.33	0.33
					-
At 31st March 2020	-		-	**3.25**	**3.25**
(Charged)/ Credited					
- to profit or loss	-	-	-	0.23	0.23
- to other comprehensive income	-	-	-	0.04	0.04
					-
At 31st March 2021	-	-	-	**3.52**	**3.52**

e) **Movement in Deferred Tax liabilities**

(Rs. in Crores)

Particulars	Property, plant and equipment	Financial Assets at Fair Value through profit and	Financial Assets at Fair Value through OCI	**Others**	Total
At 01 April 2019	**0.46**	**11.88**	-	-	**12.34**
Charged / (Credited)					
- to profit or loss	0.74	(6.94)	-		(6.20)
- to other comprehensive income	-	-	-	-	-
At 31st March 2020	**1.20**	**4.94**	-	-	**6.14**
Charged / (Credited)					
- to profit or loss	(0.74)	(0.05)	-	-	(0.79)
- to other comprehensive income	-	-	-	-	-
At 31st March 2021	**0.46**	**4.89**	-	-	**5.35**

f) The company recognizes MAT credit available as an asset only to the extent there is reasonable certainty that the company will pay normal income tax during the specified period. Accordingly, MAT credit entitlement not recognized in books of accounts till March 31, 2021 is Rs.119.29 crore out of which MAT credit entitlement to be carried forward is Rs.37.00 crore. Further, if even the MAT credit will be recognised the same will be directly credited to reserves and not the statement to profit & loss account as the same is arising out of contribution to Core SGF.

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14	**Income tax liabilities (net)**	**31.03.2021**	31.03.2020
		(Rs. in Crores)	
	Income Tax (Net of Advances)	**95.82**	45.66
	Fringe Benefit Tax (Net of Advances)	**0.01**	0.01
		95.83	45.67

15	**Income tax assets (net)**	**31.03.2021**	31.03.2020
		(Rs. in Crores)	
	Income Tax paid including TDS (Net of Provisions)	**61.90**	63.42
	Fringe Benefit Tax (Net of Provisions)	**0.02**	0.02
		61.92	63.44

16 **Deposits (Unsecured)**

	Current	
	31.03.2021	31.03.2020
	(Rs. in Crores)	
Security Deposit from Clearing Members	**308.87**	331.02
Security Deposit in lieu of Bank Guarantee/securities	**89.72**	79.01
Deposits from applicants for membership	**2.14**	2.23
Deposits from Clearing Banks	**517.55**	426.00
Total	**918.28**	838.26

17 **Other financial liabilities**

	Current	
	31.03.2021	31.03.2020
	(Rs. in Crores)	
Trade payables		
Trade Payable to Micro and Small Enterprises	-	-
Trade Payable to other than Micro and Small Enterprises	**13.67**	7.99
Trade payables to related parties (ref to Note No.30)	**2.90**	3.65
	16.57	11.64
Others		
Margins From Members	**4,148.93**	6,352.44
Settlement Obligations payable	**4,141.70**	2,346.80
Creditor for Capital Expenditure	**0.76**	0.11
Other liabilities	**41.17**	28.03
	8,332.55	8,727.39
	8,349.12	8,739.03

Trade payables include outstanding amounts of Rs. NIL (Previous Year: Rs. NIL) (including interest of Rs. Nil, (Previous Year Rs. Nil) payable to Micro Enterprises & Small Enterprises. Total outstanding dues to Micro Enterprises & Small Enterprises have been determined to the extent such parties have been identified on the basis of information available with the Company.

18 **Other current liabilities**

	Current	
	31.03.2021	31.03.2020
	(Rs. in Crores)	
Statutory payments	**10.19**	10.55
Satmp Duty Payable	**174.18**	-
Amount payable into Core SGF	**4.24**	18.09
Advances from debtors	**1.99**	1.65
	190.60	30.29

19 **Provision employee benefits**

	Non-current		Current	
	31.03.2021	31.03.2020	**31.03.2021**	31.03.2020
	(Rs. in Crores)		**(Rs. in Crores)**	
Provisions for Leave encashments	-	-	**1.88**	2.08
Provision for Gratuity	**6.07**	5.64	**0.63**	0.73
Provision for variable pay and other allowances	**3.54**	2.72	**4.48**	4.50
	9.61	8.36	**6.99**	7.31

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20 **Revenue from operations**

(Rs. in Crores)

	For the year ended 31.03.2021	For the year ended 31.03.2020
Sale of Services		
Clearing & Settlement Charges	**291.95**	180.53
Other operating revenues		
Connect to NSE Services	**1.50**	0.68
Interest received	**202.25**	180.88
Processing Charges	**2.00**	3.69
Income from Usage Charges	**1.41**	1.04
Stamp Duty Facilitation charges	**2.63**	-
Total	**501.74**	366.83

Major Customer

Revenue from one major customer (related party) is Rs.263.34 crores (previous year Rs Rs.170.23 crores) which is more than 10% of the total revenue of the Company.

21 **Other income and other gains/(losses)**

Other income		
Interest Income :		
On Bank Deposits	**39.93**	46.28
On Income Tax Refund	**1.73**	-
On Others	**0.01**	0.01
	41.67	46.29
Miscellaneous Income	**0.14**	0.22
	41.81	46.51
Other gains/(losses)		
Net gain on financial assets mandatorily measured at Fair Value through Profit or Loss	**9.98**	10.06
Net gain on sale of investments mandatorily measured at Fair Value through Profit or Loss	**1.38**	7.34
	11.36	17.40
Total	**53.17**	63.91

22 **Employee benefits expenses**

Salaries, wages and bonus	**21.90**	21.03
Salaries, wages and bonus of Deputed Staff (Refer note No. 25)	**10.30**	9.82
Contribution to provident and other fund	**1.11**	0.96
Employees welfare expenses	**1.69**	1.99
Total	**35.00**	33.80

23 **Other expenses**

Space & Infrastructure Usage Charges	**4.65**	4.49
Common Usage Expenses	**22.65**	18.20
Insurance Premium	**0.22**	0.14
Printing, Stationery & Consumables	**0.48**	0.47
Auditors' Remuneration (refer note below)	**0.41**	0.45
Legal and Professional fees	**7.32**	7.90

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	For the year ended 31.03.2021	For the year ended 31.03.2020
Repairs & Maintenance :		
- On Building	**0.30**	0.51
- On Computer systems	**30.92**	20.97
- Others	**-**	-
IT Management & Consultancy Charges	**0.55**	0.45
Software Expenses	**17.46**	10.67
Directors' Sitting fees	**0.40**	0.33
Electricity expenses	**2.20**	3.12
Contribution to NSE foundation towards CSR (refer Note 40)	**5.06**	4.53
Other expenses	**20.29**	17.03
Total	**112.91**	89.27

Note :		
Payment to auditor		
As auditor :		
Audit fees	**0.16**	0.14
Tax audit fee	**0.04**	0.04
Limited review	**0.08**	0.08
In other capacity		
Taxation matters	**0.09**	0.15
Certification matters	**0.03**	0.03
Out of Pocket	**0.01**	0.01
Total	**0.41**	0.45

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24 **Expenditure in foreign currency :**

Travelling Expenses: NIL (Previous Year ended March 31,2020 :NIL)

Others: Rs. 1.34 Crores (Previous Year ended March 31,2020 : Rs.0.62 Crores)

Capital payments : Rs.10.00 Crores (Previous Year ended March 31,2020 : Rs.5.19 Crores) including Equity Contribution of Rs.10.00 crores in wholly own Subsidiary Set up in special economic Zone(SEZ) (Previous Year ended March 31,2020 : Rs.5.00 crores) .

25 Payments to and provision for employees includes the amount reimbursed by the company to The National Stock Exchange of India Limited (NSEIL) in respect of employees made available to the company. Accordingly, necessary provisions as required for all retirement benefits and other long term employee benefits as per Ind AS 19 - Employee Benefits as notified under Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended , was carried out by NSEIL in respect of employees made available to the company.

26 Disclosure under Indian Accounting Standard 19 (Ind As 19) on Employee Benefit as notified under Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

i) Defined Benefit Plan :

Provident & Pension Fund: Company has contributed Rs. 0.64 Crores (previous year : Rs.0.71 crores) towards Provident & Pension Fund during the year ended March 31, 2021 to Employee Provident Fund Organisation.

Gratuity: The company provides for gratuity for employees as per Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of Gratuity is payable on retirement/termination of the emplyee's last drawn basic salary per month multiplied for the number of years of service.

A **Balance Sheet**

(i) **The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the period are as follows:**

(Rs. in Crores)

	31.03.2021	31.03.2020
Liability at the beginning of the year	**6.37**	4.44
Interest cost	**0.42**	0.33
Current service Cost	**0.47**	0.32
Transfers	**0.05**	0.16
Benefits paid	**(0.76)**	-
Actuarial (gains)/losses on obligations - due to change in demographic assumptions	-	-
Actuarial (gains)/losses on obligations - due to change in financial assumptions	**0.04**	0.98
Actuarial (gains)/losses on obligations - due to experience	**0.11**	0.14
Liability at the end of the year	**6.70**	6.37

(ii) **The net liability disclosed above relates to funded plans are as follows:**

(Rs. in Crores)

	31.03.2021	31.03.2020
Fair value of plan assets as at the end of the year	-	-
Liability as at the end of the year	**(6.70)**	(6.37)
Net (liability) / asset	**(6.70)**	(6.37)

(iii) **Balance sheet reconciliation**

(Rs. in Crores)

	31.03.2021	31.03.2020
Opening net liability	**6.37**	4.44
Expenses recognized in Statement of Profit or Loss	**0.89**	0.65
Expenses recognized in OCI	**0.15**	1.12
Net liability/(asset) transfer in	**0.05**	0.16
Benefits Paid	**(0.76)**	-
Amount recognised in the Balance Sheet	**6.70**	6.37

B **Statement of Profit & Loss**

(Rs. in Crores)

(i)

Net interest cost for current period		
	31.03.2021	31.03.2020
Interest cost	**0.42**	0.33
Interest income	-	-
Net interest cost for current period	**0.42**	0.33

(Rs. in Crores)

(ii)

Expenses recognised in the Statement of Profit & Loss		
	31.03.2021	31.03.2020
Current service cost	**0.47**	0.32
Net interest cost	**0.42**	0.33
Expenses recognised in the Statement of Profit & Loss	**0.89**	0.65

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(Rs. in Crores)

(iii) **Expenses recognised in the Other Comprehensive Income**

	31.03.2021	31.03.2020
Re-measurement		
Expected return on plan assets	-	-
Actuarial (gain) or loss	0.15	1.12
Net (income)/expense for the period recognized in OCI	**0.15**	1.12

C **Sensitivity Analysis** (Rs. in Crores)

	31.03.2021	31.03.2020
Projected Benefit Obligation on Current Assumptions	**6.70**	6.37
Delta Effect of +1% Change in Rate of Discounting	**(0.41)**	(0.38)
Delta Effect of -1% Change in Rate of Discounting	**0.46**	0.42
Delta Effect of +1% Change in Rate of Salary Increase	**0.44**	0.41
Delta Effect of -1% Change in Rate of Salary Increase	**(0.40)**	(0.37)
Delta Effect of +1% Change in Rate of Employee Turnover	**(0.09)**	(0.08)
Delta Effect of +1% Change in Rate of Employee Turnover	**0.10**	0.09

D **Significant actuarial assumptions are as follows:**

	31.03.2021	31.03.2020
Discount rate	**6.49%**	6.59%
Rate of return on plan assets	**N.A.**	N.A.
Salary escalation	**10.00%**	10.00%
Attrition rate	**12.00%**	12.00%

E **Maturity Analysis of Projected Benefit Obligation: From the Employer**

Projected Benefits Payable in Future Years From the Date of Reporting	31.03.2021	31.03.2020
1st Following Year	**0.63**	0.73
2nd Following Year	**0.63**	0.59
3rd Following Year	**0.62**	0.58
4th Following Year	**0.61**	0.57
5th Following Year	**0.65**	0.50
Sum of Years 6 To 10	**3.08**	2.74

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27 Securities and Exchange Board of India, vide circular CIR/MRD/DRMNP/25/2014 dated August 27, 2014, interlia, has issued norms related to the computation and contribution to the Core Settlement Guarantee Fund by the Clearing Corporation (minimum 50%), Stock Exchange (minimum 25%) and members (maximum 25%) and also norms issued under Interoperability Framework. 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.

I **Details of Core SGF a on March 31, 2021 are as follows :**

(Rs. in Crores)

Details of MRC of Core SGF	**CM**	**FO**	**CD**	**Debt**	**TRI Party**	**Commodity**	**Total**
NCL own contribution	77.96	593.00	75.20	3.00	8.50	5.00	**762.66**
Interest Adjusted towards NCL's Contribution	29.04	79.00	20.80	-	-	-	**128.84**
Contribution by NSE on behalf of Member	42.93	296.00	23.00	-	-	2.50	**364.43**
Interest Adjusted towards member's Contribution	10.07	40.00	25.00	-	-	-	**75.07**
Contribution by National Stock exchange of India (NSE)	40.65	297.00	24.00	1.00	8.50	2.50	**373.65**
Interest Adjusted towards NSE's Contribution	13.35	39.00	24.00	-	-	-	**76.35**
Contribution by BSE Limited (BSE)	4.36	0.05	10.55	-	-	-	**14.96**
Contribution by Metropolitan Stock Exchange of India (MSE)			1.01	-	-	-	**1.01**
Total	**218.36**	**1,344.05**	**203.56**	**4.00**	**17.00**	**10.00**	**1,796.97**
							-
Previous Year	214.00	1,248.00	112.00	**4.00**	17.00	10.00	1,605.00

II **Details of Core SGF as on March 31, 2020 are as follows :**

		CM	**FO**	**CD**	**Debt**	**TRI Party**	**Commodity**	**Other**	Total
I	Contribution to Corpus of Core SGF								
a	NCL own contribution	107.00	624.00	56.00	3.00	8.50	5.00	-	803.50
b	Contribution by NSE on behalf of Member	53.00	312.00	28.00	-	-	2.50	-	395.50
c	Contribution by NSE	54.00	312.00	28.00	1.00	8.50	2.50	327.51	733.51
1	**Total (a+b+c+d)**	**214.00**	**1,248.00**	**112.00**	**4.00**	17.00	**10.00**	**327.51**	**1,932.51**
2	Penalty*	64.94	550.95	30.89	-	-	0.03	-	646.81
3	Income on Investments*	26.79	420.24	27.26	0.87	2.27	0.85	91.52	569.81
	Grand Total (1+2+3)	**305.73**	**2,219.19**	**170.15**	**4.87**	19.27	**10.88**	**419.03**	**3,149.13**

III **Contribution made during the year 2020-21**

(Rs. in Crores)

Contribution during the year	**CM**	**FO**	**CD**	**Debt**	TRI Party	**Commodity**	**Other #**	**Total**
NCL own contribution								
Direct Contribution	-	-	28.20	-	0	-	-	28.20
Adjusted from Interest Income **	-	48.00	11.80	-			-	59.80
Total	-	**48.00**	**40.00**	-	-	-	-	**88.00**
								-
Contribution by NSE on behalf of Member								
Direct Contribution	-	-	-	-	-	-	-	
Contribution adjusted from NSE Other Contribution #	-		-	-	-	-	-	-
Adjusted from Interest Income **		24.00	20.00	-	-	-	-	44.00
Total	-	**24.00**	**20.00**	-	-	-	-	**44.00**
Contribution from Exchanges								
Contribution by NSE								
Direct Contribution	-	-	-	-	-	-	-	-
Adjusted agaisnt NSE's Own and member's contribution	-		-	-	-	-	-	-
Contribution adjusted from NSE Other Contribution #		-		-	-	-	-	-
Adjusted from Interest Income **		24.00	20.00	-	-	-	70.51	114.51
Excess Contribution transfer to Other Clearing Corporation***							(70.51)	(70.51)
Total	-	**24.00**	**20.00**	-	-	-	-	**44.00**
Contribution by BSE								
Direct Contribution	4.36	0.05	10.55	-	-	-	-	14.96
Total	**4.36**	**0.05**	**10.55**	-	-	-	-	**14.96**
Contribution by MSEI								
Direct Contribution	-	-	1.01	-	-	-	-	1.01
Total	-	-	**1.01**	-	-	-	-	**1.01**

Income during the period (Net Off adjustment towards MRC) **

	CM	FO	CD	Debt	TRI Party	Commodity	Other	Current year	Previous year
Penalty	46.00	170.16	6.75	-	-	0.04	-	222.95	161.10
Income on Investments	17.67	131.47	11.74	0.08	1.13	0.62	19.86	182.57	201.11
Less : Income adjusted against MRC**	-	96.00	19.94	-	-	-	31.86	147.80	18.00
Less : Income adjusted towards transfer of contribution to Other Clearing Corporation***							70.51	70.51	-
Income on Investments (Net Off adjustment towards MRC)	17.67	35.47	(8.20)	0.08	1.13	0.62	(82.51)	(35.75)	183.11

IV Details of Core SGF a on March 31, 2021 are as follows :

Out of the above the details of the Cash contributions and investment of the same are as follows.

(Rs. in Crores)

		CM	FO	CD	Debt	TRI Party	Commodity	Other #	Total
I	**Contribution to Corpus of Core SGF**								
a	NCL own contribution	107.00	672.00	96.00	3.00	8.50	5.00		**891.50**
b	Contribution by NSE on behalf of Member	53.00	336.00	48.00	-	-	2.50	-	**439.50**
c	Contribution by NSE	54.00	336.00	48.00	1.00	8.50	2.50	327.51	**777.51**
d	Contribution by BSE	4.36	0.05	10.55	-	-	-		**14.96**
e	Contribution by MSE	-	-	1.01	-	-	-		**1.01**
1	Total (a+b+c+d)	**218.36**	**1,344.05**	**203.56**	**4.00**	**17.00**	**10.00**	**327.51**	**2,124.48**
2	Penalty*	110.94	721.11	37.64	-	-	0.07	-	**869.76**
3	Income on Investments (After allocation towards MRC)*	44.46	455.71	19.06	0.95	3.40	1.47	9.01	**534.06**
	Grand Total (1+2+3)	**373.76**	**2,520.87**	**260.26**	**4.95**	**20.40**	**11.54**	**336.52**	**3,528.30**

		CM	FO	CD	Debt	TRI Party	Commodity	Other	Total
II	**Details of Investment**								
1	Fixed Deposit with Banks	327.23	2,263.15	227.26	0.90	19.21	7.87	318.09	**3,163.71**
2	Flexi Fixed Deposits	25.87	131.19	17.75	0.95	0.01	3.39		**179.16**
3	Balance in Bank Accounts	3.95	1.04	4.98	2.73	-	0.05	-	**12.75**
4	Accrued interest	11.78	86.99	7.54	0.11	0.93	0.15	11.45	**118.95**
5	Prepaid taxes	4.93	38.50	2.73	0.25	0.25	0.08	6.98	**53.72**
	Grand Total (1+2+3+4+5+6)	**373.76**	**2,520.87**	**260.26**	**4.95**	**20.40**	**11.54**	**336.52**	**3,528.30**
	Previous year	305.73	2,219.19	170.15	4.87	19.27	10.88	419.03	3,149.13

* Net of applicable corporate tax Rs. 9.38 Crores , if any, on cash basis.

Other contribution is balance amount of transfer from NSE pertain to 25% of NSE's Annual profits as contribution to Core SGF . SEBI vide circular CIR/CFD/FAC/62/2016 dated May 05, 2016 advised Stock Exchange to transfer 25% of its annual profits upto August 2015 to Core SGF and utilise the same for contribution required by Members and NSE.

** SEBI vide its letter reference no. SEBI/HO/MRD/DRMNP/OW/P/2018/4559/1 dated February 12, 2018 has clarified that "Clearing Corporations may adjust incremental requirement of Minimum Required Corpus (MRC) against the interest accrual on the cash contribution of respective contributors before taking additional contribution from them.

*** Further, as per circular dated SEBI/HO/MRD2/DCAP/CIR/P/2021/03 January 08, 2021, SEBI has allowed transfer of excess contribution made by Stock Exchanges from Core SGF of one Clearing Corporation to the Core SGF of another Clearing Corporation in inter-operable scenario. Accordingly, Rs.15.97 crores contribution of other stock exchanges received from respective clearing corporation and also a sum of Rs.70.51 crores of NSE contribution transfered to other clearing corporation.

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28 TThe Company had 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, the Company has also earmarked investments amounting to Rs. 250 crores towards the same.

29 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 of the Company. The Company operates only in one Business Segment i.e. facilitating Clearing & Settlement in securities and the activities incidental thereto, hence does not have any reportable Segments as per Indian Accounting Standard 108 "Operating Segments".

30 In compliance with Indian Accounting Standard (Ind AS)-24 - "Related Party Disclosures" notified under section 133 of the Act read with Companies (Accounting Standards) Rules 2015 , the required disclosures are given in the table below:

(a) **Names of the related parties and related party relationship**

Sr. No.	Related Party	Nature of Relationship
1	National Stock Exchange of India Limited	Holding Company
2	NSE IFSC Clearing Corporation Ltd	Subsidiary
3	NSE Investments Limited (formerly NSE Strategic Investment Corporation Limited)	Fellow Subsidiary
4	NSE Foundation	Fellow Subsidiary
5	NSEIT Limited	Fellow Subsidiary's Subsidiary
6	NSE Data & Analytics Ltd (formerly DotEx International Limited)	Fellow Subsidiary's Subsidiary
7	NSE Indices Limites (formerly India Index Services & Products Limited)	Fellow Subsidiary's Subsidiary
8	NSE Infotech Services Limited	Fellow Subsidiary's Subsidiary
9	NSE Academy Limited	Fellow Subsidiary
10	NSE IFSC Limited	Fellow Subsidiary
11	NSE.IT (US) Inc.	Fellow Subsidiary's Subsidiary's Subsidiary
12	Aujas Cybersecurity Limited (Formerly known as Aujas Networks Limited /Aujas Networks Private Limited.)	Fellow Subsidiary's Subsidiary's Subsidiary
13	Talentsprint Private Limited (w.e.f. 10.11.2020)	Fellow Subsidiary's Subsidiary's Subsidiary
14	Cogencis Information Services Limited (w.e.f. 21.01.2021)	Fellow Subsidiary's Subsidiary's Subsidiary
15	National Securities Depository Limited	Holding Company's Associate
16	BFSI Sector Skill Council of India	Holding Company's Associate
17	Power Exchange India Limited	Associate of Fellow Subsidiary
18	NSDL e-Governance Infrastructure Limited (formerly known as National Securities Depository Limited)	Associate of Fellow Subsidiary
19	Market Simplified India Limited (formerly known as INXS Technologies Limited)	Associate of Fellow Subsidiary
20	Computer Age Management Services Private Limited (upto 04.02.2020)	Associate of Fellow Subsidiary
21	Receivables Exchange Of India Limited	Associate of Fellow Subsidiary
22	Indian Gas Exchange Limited (w.e.f. 16.03.2021)	Associate of Fellow Subsidiary
23	Capital Quant Solutions Private Limited (w.e.f. 03.03.2021)	Associate of Fellow Subsidiary's Subsidiary's Subsidiary
24	Mr. T. Venkata Rao - Managing Director (upto 06.11.2017)	Key Managerial Personnel
25	Mr. Vikram Kothari (Managing Director)	Key Managerial Personnel
26	Ms. Bhagyam Ramani (Director)	Key Managerial Personnel
27	Mr. C VR Rajendran (Director)	Key Managerial Personnel
28	Mr. Harun R Khan (Director)	Key Managerial Personnel
29	Mr. Salim Gangadharan (Director)	Key Managerial Personnel
30	Mr. N K Maini (Director)	Key Managerial Personnel
31	Mr.J Ravichandran (Director) (upto 16.07.2020)	Key Managerial Personnel
32	Mr. K. S. Somasundaram (w.e.f. 17.08.2020)	Key Managerial Personnel

(b) **Details of transaction (including GST wherever levied) with parties are as follows :**

(Rs. in Crores)

Name of the Related Party	Nature of Transactions	Year ended 31.03.2021	Year ended 31.03.2020
National Stock Exchange of India Ltd.	• Clearing and Settlement charges received	310.74	200.87
	• Usage charges Received	1.66	1.66
	• EBP Platform Usage charges Received	0.62	-
	• Usage charges paid	26.73	21.70
	• Reimbursement paid for expenses on staff on deputation	12.32	11.66
	• Reimbursement paid for other expenses incurred	46.29	39.66

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	• Reimbursement received for services Rendered	0.32	0.38
	• Space & Infrastructure usage Charges paid	5.48	5.29
	• Dividend paid	90.00	81.00
	• Outstanding balance – (Credit) / Debit	20.91	(0.04)

NSE IFSC Clearing Corporation Ltd	• Reimbursement paid for other expenses incurred	1.15	0.89
	• Investment in Equity Share	10.00	5.00
	• Outstanding balance – (Credit)	0.30	0.55
	• Investment in Equity Share	90.00	80.00

NSEIT Ltd.	• Repairs & Maintenance – Clearing & Computer systems	10.45	13.74
	• Outstanding balance – (Credit) / Debit	(2.84)	(3.56)

NSE Foundation	• Contribution towards CSR	5.06	4.53
	• Outstanding balance – (Credit) / Debit	-	-

National Securities Depository Limited	• Depository operation fees	0.18	0.28
	• Outstanding balance – (Credit) / Debit	(0.01)	-

Key Management Personnel (Mr. T Venkata Rao - Managing Director (upto 06.11.2017)	Short term employee Benefits* $	0.25	0.24
	Post - employment Benefits	-	-
	Long term employee Benefits	-	-

Key Management Personnel (Mr. Vikram Kothari- Managing Director (w.e.f.07.11.2017)	Short term employee Benefits *	1.63	1.42
	Post - employment Benefits **	0.05	0.05
	Long term employee Benefits*	0.23	0.21

Directors	Sitting fees/Committee sitting		
	Mr. Harun R Khan	0.39	0.30
	Mr. Salim Gangadharan	0.30	0.30
	Mr.N K Maini	0.31	0.26
	Mr. C VR Rajendran	0.29	0.31
	Ms.Bhagyam Ramani	0.40	0.29

* Includes amount paid towards Leave encashment, Medical allowance & Leave Travel allowance and 50% of the variable pay payable after 3 years subject to certain conditions.

$ pertaining to earleir years

** As the liabilities for define benefits plan are provided on actuarial basis for the Company as a whole, the amount pertaining to key managerial person are not included.

No commitments made during the years to associate concerns and vice versa

31 In accordance with Indian Accounting Standard (Ind AS) 33 - "**Earning per Share**" issued by the Institute of Chartered Accountants of India, the required disclosure is given below.

Basic and diluted earnings per share is computed by dividing the net profit attributable to equity shareholders for the year, by weighted average number of equity shares outstanding during the year.

	Year ended 31.03.2021	Year ended 31.03.2020
Net Profit attributable to Shareholders (Rs. In Crores)*	210.55	213.27
Weighted Average number of equity shares issued No. (in Crores)	4.50	4.50
Earnings per share of Rs. 10/- each (in Rs.) (Basic and diluted)	46.79	47.39

The Company does not have any outstanding dilutive potential equity shares. Consequently, the basic and diluted earning per share of the Company remain the same.

There are no instruments (including contingently issuable shares) issued that could potentially dilute basic earnings per share in the future.

32 **Capital and other commitments :**

Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for Rs.11.35 crores (Previous Year :Rs. 5.36 crores) and other Commitments Rs 11.83 crores (Previous Year :Rs.3.69 Crores)

33 **Contingent liabilities and Commitments :**

(i) Claims against company not acknowledged as debts: Rs. 6.34 Crores (Previous Year : Rs. 6.34 Crores)

(ii) A suit field against the Company for damages / compensation amounting to Rs.NIL (Previous Year : Rs. Nil).

(iii) On account of disputed demand of Income tax of Rs.66.62 Crores (Previous Year : Rs.67.10 Crores) and on account of disputed demand of Income tax pertaining to Core SGF amounting to Rs.338.37 Crores (Previous Year : Nil).

(iv) On account of disputed demand of Service tax Rs.74.20 Crores plus interest as applicable the Company has filed appeal before CESTAT. (Previous Year :Rs.74.20 crores plus interest and penalty, as applicable)

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(v) Bank Guarantee Rs.1000 Crores (Previous year Rs.500 Crores). (Also refer to Note 41)

Based on the legal opinion received by the company, Company is of the view that the above matters are not likely to have any material impact on financial position of the Company.

34 The Company's pending litigations comprise of claims against the Company and proceedings pending with Statutory and Tax Authorities. The Company has reviewed all its pending litigations and proceedings and has made adequate provisions, whenever required and disclosed the contingent liabilities, wherever applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a material impact on its financial position. (Refer note 33)

35 In accordance with the relevant provisions of the Companies Act, 2013, the Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses as of March 31, 2021 and March 31, 2020.

36 NCL encountered an incident on February 24, 2021 due to certain issues in the links with telecom service providers which in turn impacted the Storage Area Network (SAN) system of the Company, resulting in the primary SAN becoming inaccessible to the host servers. This also resulted in the risk management system and clearing & settlement system of the Company and other systems such as index and surveillance systems of NSE becoming unavailable leading to a decision to halt the Trading at NSE. The Company has submitted root cause analysis of the incident to SEBI.

37 Exceptional item represents provision for impairment of intangible assets under development amounting to Rs.68.23 crores pertaining to Clearing & Settlement System due to discontinuation of the project.

38 A **Fair value measurement**

(i) Fair Value Hierarchy:

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value and are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three level prescribed under the accounting standard. An explanation of each level follows underneath the table.

Rs. in crores

Financial Assets and Liabilities measured at Fair Value - recurring fair Value measurements At March 31, 2021	Notes	Level 1	Level 2	Level 3	Total March 31, 2021
Financial Assets					
Financial Investments at FVPL					
Mutual Fund - Growth Plan	8	292.86	-	-	292.86
Total Financial Assets		292.86	-		292.86

Financial Assets and Liabilities measured at Fair Value - recurring fair Value measurements At March 31, 2020	Notes	Level 1	Level 2	Level 3	Total March 31, 2020
Financial Assets					
Financial Investments at FVPL					
Mutual Fund - Growth Plan	8	290.64	-	-	290.64
Total Financial Assets		290.64	-	-	290.64

The fair value of financial instruments as referred to in note above have been classified into three categories depending on the inputs used in the valuation technique. The hierarachy gives the highest priority to quoted prices in active market for identical assets or liabilities (level 1 measurements) and lowest priority to unobservable inputs (level 3 measurements). The categories used are as follows :

- Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, exchange traded funds and mutual funds that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

- Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, debentures, government securities and commercial papers) is determined using FIMMDA valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

- Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities included in level 3.

There are no transfers between levels 1 and 2 during the period. The Company's policy is to recognise transfers into and transfers out of fair value hirerchy level as at the end of reporting period.

ii) Valuation technique used to determine fair value :

Specific valuation techniques used to value financial instruments include:

1) The use of quoted market prices or dealer quotes for similar instruments in case of quoted equity shares, exchange traded funds and mutual funds.

2) The fair value of the unlisted equity instruments is determined using the price / book multiple (P/B) multiple approach.

3) All of the resulting fair value estimates are included in level 2 except for unlisted equity securities, where the fair values have been determined as per 2 above.

(iii) Fair value measurements using significant unobservable inputs (level 3)

No item falling in level 3 during the restated period.

(iv) Valuation processes :

The finance department of the Company includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. This team reports directly to the chief financial officer (CFO).

MUMBAI

NSE CLEARING LIMITED MUMBAI

B Financial Instruments by category

Rs. In crores

	31-Mar-21		31-Mar-20	
	FVPL	Amortised Cost	FVPL	Amortised Cost
Financial Assets				
Investments				
Fixed Deposits	-	614.89	-	582.30
Mutual Funds	292.86	-	290.64	-
Trade receivables	-	58.34	-	14.29
Cash and Cash equivalents	-	9,022.00	-	9,064.72
Other financial assets	-	75.48	-	69.89
Total financial assets	**292.86**	**9,770.71**	290.64	9,731.19
Financial Liabilities				
Deposits	-	918.28	-	838.26
Trade payable	-	16.57	-	11.64
Other financial liabilities	-	8,332.55	-	8,727.39
Total financial Liabilities	-	**9,267.40**	-	9,577.29

MUMBAI

NSE CLEARING LIMITED MUMBAI

39 FINANCIAL RISK MANAGEMENT

The Company's business activities expose it to a variety of financial risks, namely liquidity risk, market risks and credit risk. The Company's senior management has the overall responsibility for the establishment and oversight of the Company's risk management framework. The Company has constituted a Risk Assessment & Review Committee (RARC), which is responsible for developing and monitoring the Company's risk management policies. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The RARC is supported by Treasury department among others, that provides assurance that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Treasury department activities are designed to:

- protect the Company's financial results and position from financial risks
- maintain market risks within acceptable parameters, while optimising returns; and
- protect the Company's financial investments, while maximising returns.

The Treasury department is responsible to maximise the return on companies internally generated funds.

A MANAGEMENT OF LIQUIDITY RISK

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's approach to managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions.

The Company maintains a conservative funding and investment strategy, with a positive cash balance throughout the year ended 31st March, 2021 and 31st March, 2020. This was the result of cash generated from operating activities and investing activities to provide the funds to service the financial liabilities on a day-to-day basis.

The Company's treasury department regularly monitors the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet operational needs. Any short term surplus cash generated by the operating entities, over and above the amount required for working capital management and other operational requirements, is retained as cash equivalents (to the extent required) , other highly liquid investments and excess is invested in interest bearing term deposits and other highly marketable debt investments including the government securities with appropriate maturities to optimise the returns on investments while ensuring sufficient liquidity to meet its liabilities.

The following table shows the maturity analysis of the Company's financial liabilities based on contractually agreed undiscounted cash flows as at the Balance Sheet date.

	Carrying amount	Payable on demand	Less than 3 months	3-6 months	6-12 months	More than 12 months	Total
As at March 31, 2021							
Trade payables	16.57	-	16.57	-	-	-	16.57
Deposits	918.28	918.28	-	-	-	-	918.28
Creditor for Capital Expenditure	0.76	-	0.76	-	-	-	0.76
Margins From Members	4,148.93	4,148.93	-	-	-	-	4,148.93
Settlement Obligations payable	4,141.70	4,141.70	-	-	-	-	4,141.70
Other liabilities	41.17	-	41.17	-	-	-	41.17
As at March 31, 2020							
Trade payables	11.64	-	11.64	-	-	-	11.64
Deposits	838.26	838.26	-	-	-	-	838.26
Creditor for Capital Expenditure	0.11	-	0.11	-	-	-	0.11
Margins From Members	6,352.44	6352.44	-	-	-	-	6,352.44
Settlement Obligations payable	2,346.80	2346.80	-	-	-	-	2,346.80
Other liabilities	28.03	-	28.03	-	-	-	28.03

B MANAGEMENT OF MARKET RISK

The Company's size and operations result in it being exposed to the following market risks that arise from its use of financial instruments:

POTENTIAL IMPACT OF RISK	MANAGEMENT POLICY	SENSITIVITY TO RISK
1. PRICE RISK		
The Company is mainly exposed to the price risk due to its investment in mutual funds and exchange traded funds. The price risk arises due to uncertainties about the future market values of these investments. At 31st March, 2021, the exposure to price risk due to investment in mutual funds amounted to Rs. 343.81 crores (March 31, 2020: Rs. 340.81 crores).	In order to manage its price risk arising from investments in mutual funds, the Company diversifies its portfolio in accordance with the limits set by the risk management policies. The Treasury department maintains a list of approved financial instruments. The use of any new investment must be approved by the Chief Financial Officer.	As an estimation of the approximate impact of price risk, with respect to mutual funds and exchange traded funds , the Company has calculated the impact as follows. For mutual funds, a 0.25% increase in prices would have led to approximately an additional Rs. 0.86 crores gain in the Statement of Profit and Loss (FY 2019-20: Rs. 0.85 crores gain). A 0.25% decrease in prices would have led to an equal but opposite effect.

C MANAGEMENT OF CREDIT RISK

Credit risk is the risk of financial loss to the Company if a customer or counter-party fails to meet its contractual obligations.

Trade and other receivables

Concentrations of credit risk with respect to trade receivables are limited, due to the Company's customer base being large and diverse and also on account of member's deposits kept by the company as collateral which can be utilised in case of member default. Further, amount lying in Core settlement Guarantee fund (CSGF) is available for utilisation in case of settlement default by member. All trade receivables are reviewed and assessed for default on a quarterly basis.

Our historical experience of collecting receivables, supported by the level of default, is that credit risk is low.

Revenue from top customer is account for 90% (Previous Year 98%)

Other financial assets

The Company maintains exposure in cash and cash equivalents, term deposits with banks, investments in commercial papers, government securities, investments in mutual funds and exchange traded funds. The Company has diversified portfolio of investment with various number of counter-parties which have secure credit ratings hence the risk is reduced. Individual risk limits are set for each counter-party based on financial position, credit rating and past experience. Credit limits and concentration of exposures are actively monitored by the Company's Treasury department.

The Company's maximum exposure to credit risk as at March 31, 2021 and March 31, 2020 is the carrying value of each class of financial assets as disclosed in note no. 4,5,6 ,8 10 and 11.

40 a) As per Section 135 of the Act, every Company having net worth of Rs. 500 crores or more or a Turnover of Rs. 1000 crores or more or a Net Profit of Rs. 5 crores or more during any financial year is required to spend at least 2% of its Average Net Profit made during the immediately 3 preceding financial years on the Corporate Social Responsibility (CSR) activities. Gross amount required to be spent by the Company is Rs. 5.06 Crores (Previous Year Rs.4.53 Crores) .the details of spending is as given below:

b Amount spent / contribution to NSE Foundation towards CSR during the year on:

Rs. In crores

	Particulars		In Cash	Yet to be paid in Cash	Total
i	Construction / acquisition of any asset	Current Year	-	-	-
		Previous Year	-	-	-
ii	On purposes other than (i) above (through Contribution to NSE Foundation)	Current Year	5.06	-	5.06
	On purposes other than (i) above (through Contribution to NSE Foundation)	Previous Year	4.53	-	4.53

NSE Group incorporated NSE Foundation to undertake CSR activities for the Group. Accordingly, the Company has contributed an amount of Rs.5.06 crores (previous year Rs.4.53 Crores) to NSE Foundation to be spent on CSR activities as stated in the Group CSR policy which has been adopted by the Company as Company's CSR policy.

41 During the year, the company has given additional bank guarantee of Rs.500 crores (previous year Rs.500 crores) in favour of ICCL towards Inter CCP collateral under interoperatiability framework as prescribed by SEBI. Total bank guarantee amount as on March 31, 2021 is Rs.1000 crores (previous year Rs.500 crores).

42 For the year ended March 31, 2021 and March 31, 2020, the Company is not required to transfer any amount into the Investor Education & Protection Fund as required under relevant provisions of the Companies Act, 2013.

43 The Code on Social Security, 2020 (Code) relating to employee benefits during employment and post-employment benefits has received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code comes into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

44 The Coronavirus (COVID-19) outbreak is an unprecedented global situation, declared as a 'pandemic' by World Health Organisation. Based on the Company's current assessment, the impact of COVID-19 on its operations and the resultant financial performance is not likely to be significant. The Company has also made an assessment of its liquidity position for a period of at least one year from the balance sheet date, of the recoverability and carrying values of its assets and ability to pay its liabilities as they become due and effectiveness of internal financial controls as at the balance sheet date and is of the view that there is no material impact or adjustments required to be made in these financial statements. The impact assessment of COVID-19 may be different from that presently estimated and the Company will continue to evaluate any significant changes to its operations and its resultant impact on the financial performance.

45 Previous year figures have been regrouped / reclassified wherever necessary.

For Khandelwal Jain & Co.
Chartered Accountants
Firm Registration No : 105049W

Narendra Jain

NARENDRA JAIN
Partner
Membership No.: 048725

Place : Mumbai
Date : May 05, 2021

KHANDELWAL JAIN & COMPANY MUMBAI CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors

HARUN R KHAN
Chairman
[DIN :07456806]

VIKRAM KOTHARI
Managing Director
[DIN : 07898773]

AMIT AMLANI
Chief Financial Officer

CHIRAG NAGDA
Company Secretary

NSE CLEARING LIMITED MUMBAI

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INDEPENDENT AUDITORS' REPORT

To the Members of

NSE Investments Limited (Formerly known as NSE Strategic Investment Corporation Limited)

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **NSE Investments Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the standalone financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence

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requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the standalone financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report. Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. When we read the annual report, if we conclude that there is a material misstatement therein, we will communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANTS

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the **Annexure 'A'**, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANTS

2. As required by Section 143(3) of the Act, based on our audit we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.

   d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.

   e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.

   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **Annexure 'B'**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

   g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

      In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANTS

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. As at March 31, 2021, Company did not have any pending litigations which would impact its financial position - Refer Note No. 28 to the standalone financial statements.

ii. The Company did not have any long term contracts including derivatives contracts for which there were any material foreseeable losses- Refer Note No. 29 to the standalone financial statements.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2021 - Refer Note No. 30 to the standalone financial statements.

For Khandelwal Jain & Co.
Chartered Accountants
Firm Registration Number:105049W

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANTS

S. S. Shah
Partner
Membership Number: 033632
UDIN:

Place: Mumbai
Date : May 03, 2021

Website: www.kjco.net • E-mail: kjco@kjco.net

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ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF NSE INVESTMENTS LIMITED (Formerly known as NSE Strategic Investment Corporation Limited)

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended March 31, 2021. We report that:

i) The Company does not have fixed assets and hence reporting under clause 3(i) of the Order are is not applicable.

ii) According to the information and explanations given to us, the Company is a Core Investment Company as defined under the Core Investment Companies (Reserve Bank) Directions, 2016 and its activities do not require it to hold Inventories and hence reporting under clause 3(ii) of the Order are is not applicable.

iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under section 189 of the Act and hence reporting under clause 3(iii) of the Order are is not applicable.

iv) In our opinion and according to the information and explanations given to us, the company has complied with the provision of section 185 and 186 of the Act, in respect of grants of loans, making investments and providing guarantees and securities, as applicable.

v) According to the information and explanations given to us, the Company has not accepted any deposit during the year and there are no unclaimed deposits as on the Balance Sheet date and hence reporting under clause (v) of the Order is not applicable.

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANTS

vi) We are informed that the central government has not prescribed the maintenance of cost record under Section 148(1) of the Companies Act, 2013.

vii) a) According to the information and explanations given to us and on the basis of records examined by us, the Company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Goods and Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and any other statutory dues, wherever applicable. According to the records of the Company, there were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Goods and Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and any other statutory dues in arrears as at March 31, 2021 for a period of more than six months from the date they became payable.

b) According to the information and explanations given to us, there were no dues of Income Tax, Sales Tax, Service Tax, Goods and Service Tax, Duty of Custom, Duty of Excise and Value Added Tax which have not been deposited with the appropriate authorities on account of any dispute.

viii) The Company has not taken any loan from banks, financial institutions or government and the Company has not issued any debentures and hence reporting under clause (viii) of the Order is not applicable.

ix) According to the information and explanations given to us, the Company has not taken any term loans and has not raised money by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause (ix) of the Order is not applicable.

x) Based upon the audit procedures performed and information and explanations given to us, we report that no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

xi) According to the information and explanations given to us, the Company has not paid or provided managerial remuneration and hence reporting under clause (xi) of the Order is not applicable. However, the Company has paid fees for attending meetings, of the Board or Committee thereof, is in accordance with the provisions of section 197 of the Act.

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xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and section 188 of the Act, where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable Indian Accounting Standards.

xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year and hence reporting under clause (xiv) of the Order is not applicable.

xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him and hence reporting under clause (xv) of the Order is not applicable.

xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 as the Company is a Core Investment Company (CIC) in terms of Core Investment Companies (Reserve Bank) Directions, 2016 and is eligible to function as a CIC without applying for registration with the Reserve Bank of India.

For Khandelwal Jain & Co.

Chartered Accountants

Firm Registration Number:105049W

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANTS

S. S. Shah

Partner

Membership Number: 033632

UDIN:

Place: Mumbai

Date : May 03, 2021

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ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF NSE INVESTMENTS LIMITED (Formerly known as NSE Strategic Investment Corporation Limited)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **NSE INVESTMENTS LIMITED** ("the Company") as of March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANTS

Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANTS

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Khandelwal Jain & Co.
Chartered Accountants
Firm Registration Number:105049W

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANTS

S. S. Shah
Partner
Membership Number: 033632
UDIN:

Place: Mumbai
Date : May 03, 2021

Website: www.kjco.net • E-mail: kjco@kjco.net

KHANDELWAL JAIN & CO.
CHARTERED ACCOUNTANTS

6-B&C, Pil Court, 6th Floor,
111, M. Karve Road, Churchgate,
Mumbai - 400 020.
Tel.: (+91-22) 4311 5000
Fax : 4311 5050

12-B, Baldota Bhavan, 5th Floor,
117, M. Karve Road, Churchgate,
Mumbai - 400 020.
Tel.: (+91-22) 4311 6000
Fax : 4311 6060

Date: May 04, 2021

To The Board of Directors
NSE Investments Limited
G-Block, Exchange Plaza, BKC,
Bandra (East), Mumbai, Maharashtra-400051.

Re: UDIN to be disseminated to all the stakeholders / users of the Independent Auditor's Report dated May 03, 2021 on the standalone financial statements for the year ended March 31, 2021.

Dear Sirs,

We refer to our Independent Auditor's Report dated May 03, 2021 on the standalone financial statements of NSE Investments Limited ("the Company") for the year ended March 31, 2021. At the time of signing of the Independent Auditor's Report, Unique Document Identification Number (UDIN) was required to be generated which we could not generate on the date of issuing the said Report. The same has been generated on May 04, 2021. The UDIN is 21033632AAAABH3474.

We request you to disseminate the said UDIN to all the stakeholders and user of the said Independent Auditor's Report on the standalone financial statements of the Company for the year ended March 31, 2021.

Thanking you.

Yours faithfully,

For KHANDELWAL JAIN & CO.
Chartered Accountants
Firm Registration No.: 105049W

(S.S.SHAH)
Partner
Membership No.: 033632

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANTS

NSE INVESTMENTS LIMITED

(Formerly known as NSE Strategic Investment Corporation Limited)

STANDALONE BALANCE SHEET AS AT MARCH 31, 2021

(₹ in Lakhs)

Particulars	Note No.	As at 31.03.2021	As at 31.03.2020
ASSETS			
(I) Financial Assets			
(a) Cash and Cash equivalents	3	**3,262.69**	0.94
(b) Investments	4(a)	**287,740.82**	85,119.09
Total Financial Assets		**291,003.51**	85,120.03
(II) Non-Financial Assets			
(a) Current tax assets (net)	5	**127.96**	44.32
(b) Deferred tax assets (net)	6(c)	-	2,558.50
Total Non-Financial Assets		**127.96**	2,602.82
(III) Asset classified as held for sale	4 (b)	-	34,350.09
Total Assets		**291,131.47**	122,072.94
LIABILITIES AND EQUITY			
LIABILITIES			
(I) Financial Liabilities			
Other financial liabilities	7	**51.11**	99.35
Total Financial Liabilities		**51.11**	99.35
(II) Non Financial Liabilities			
(a) Current tax liabilities (Net)	8	**0.26**	0.26
(b) Deferred tax Liabilities (net)	6(c)	**764.26**	-
('c) Other non financial liabilities	9	**117.00**	108.87
Total Non-Financial Liabilities		**881.52**	109.13
EQUITY			
(a) Share Capital	10	**82,599.34**	82,599.34
(b) Other Equity	12	**207,599.50**	39,265.12
Total Equity		**290,198.84**	121,864.46
Total Liabilities and Equity		**291,131.47**	122,072.94

Significant accounting policies (refer note no.2)
The accompanying notes forming part of the standalone financial statements

As per our report of even date attached

For KHANDELWAL JAIN & CO.
Chartered Accountants
Firm's Registration no : 105049W

S. S. Shah
Partner
Membership No.: 033632

Place : Mumbai
Date : May 3, 2021

For and on behalf of the Board of Directors

P R Ramesh
Chairman
DIN: 01915274

J Ravichandran
Director
DIN: 00073736

Yatrik Vin
Managing Director
DIN: 07662795

Premal Shah
Chief Financial Officer

Heena Joshi
Company Secretary

NSE Investments Limited

NSE INVESTMENTS LIMITED

(Formerly known as NSE Strategic Investment Corporation Limited)

STANDALONE STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2021

(₹ in Lakhs)

	Particulars	Note No.	For the year ended 31.03.2021	For the year ended 31.03.2020
I	**Revenue from operations**			
(i)	Dividend income	13	**14,778.10**	6,024.68
(ii)	Dividend income from Associate- Assets classified as held for sale		-	2,227.11
(iii)	Net gain on sale of other investments and MTM Gain/(Loss)	14	**5,900.94**	2,509.73
	Total revenue from operations		**20,679.04**	10,761.53
II	**Other Income**	15	**26.99**	29.31
III	**Write back of value of investment written down earlier**		-	100.00
IV	**Total Income (I+II+III)**		**20,706.03**	10,890.83
V	**Expenses**			
(i)	Employee benefits expense		**133.40**	123.45
(ii)	Other expenses	16	**327.45**	374.62
	Total expenses		**460.84**	498.07
VI	**Profit before exeptional items and tax (IV-V)**		**20,245.19**	10,392.76
VII	**Exceptional Items**			
	Profit on sale of investment in Associate Company - Computer Age Management Service Pvt Ltd (CAMS)		**183,153.15**	-
VIII	**Profit before tax (VI+VII)**		**203,398.34**	10,392.76
IX	**Tax expenses :**			
	(1) Current tax			
	tax on Exceptional item	6(a)	**20,116.87**	-
	other current tax		**349.12**	220.39
	(2) Deferred tax	6(b)	**3,322.76**	(2,294.89)
	Net Tax Expense		**23,788.75**	(2,074.50)
X	**Profit for the year (VIII-IX)**		**179,609.59**	12,467.26
XI	**Other Comprehensive Income**			
(A)	(i) Items that will not be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
(B)	(i) Items that will be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
	Other Comprehensive Income (A+B)		-	-
	Total Comprehensive Income for the year (X-XI)		**179,609.59**	12,467.26
XII	**Earnings per equity share**	17		
	Equity Share of par value Rs 10/- each			
	(1) Basic (Rs)		**42.89**	2.42
	(2) Diluted (Rs)		**21.44**	1.21

Significant accounting policies (refer note no.2)
The accompanying notes forming part of the standalone financial statements

As per our report of even date attached

For KHANDELWAL JAIN & CO.
Chartered Accountants
Firm's Registration no : 105049W

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANTS

S. S. Shah
Partner
Membership No.: 033632

Place : Mumbai
Date : May 3, 2021

For and on behalf of the Board of Directors

P R Ramesh
Chairman
DIN: 01915274

J Ravichandran
Director
DIN: 00073736

Yatrik Vin
Managing Director
DIN: 07662795

Premal Shah
Chief Financial Officer

Heena Joshi
Company Secretary

NSE Investments Limited

NSE INVESTMENTS LIMITED

(Formerly known as NSE Strategic Investment Corporation Limited)

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR YEAR ENDED MARCH 31, 2021

(A) Share Capital

(₹ in Lakhs)

Particulars	As at 31.03.2021	As at 31.03.2020
Share Capital Issued, Subscribed and Paid-up		
Equity Share	**41,302.17**	41,302.17
Preference Share	**41,297.17**	41,297.17
Total	**82,599.34**	82,599.34

(B) Other Equity

(₹ in Lakh)

Particulars	Retained Earnings	Reserve Fund	Total
Balance as at 01.04.2020	**26,155.34**	**13,109.78**	**39,265.12**
Profit for the year	**179,609.59**	-	**179,609.59**
Add/(less) : Transfer to Reserve Fund	**(35,922.00)**	**35,922.00**	-
Transactions with owners in their capacity as owners			
Less: Final Dividend for FY 2019-20 paid to equity shareholders	**(3,304.17)**	-	**(3,304.17)**
Less: Dividend for FY 2020-21 paid to preference shareholders	**(2,477.83)**		**(2,477.83)**
Less: Interim Dividend for FY 2020-21 paid to equity shareholders	**(5,493.21)**	-	**(5,493.21)**
As at 31.03.2021	**158,567.72**	**49,031.78**	**207,599.50**

Balance as at 01.04.2019	32,166.84	-	32,166.84
Profit for the year	12,467.26	-	12,467.26
Add/(less) : Transfer to Reserve Fund	(13,109.78)	13,109.78	-
Transactions with owners in their capacity as owners			
Less: Final Dividend for FY 2018-19 paid to equity shareholders	(2,891.15)	-	(2,891.15)
Less: Dividend for FY 2019-20 paid to preference shareholders	(2,477.83)	-	(2,477.83)
As at 31.03.2020	26,155.34	13,109.78	39,265.12

Significant accounting policies (refer note no.2)

The accompanying notes forming part of the standalone financial statements

As per our report of even date attached

For KHANDELWAL JAIN & CO.
Chartered Accountants
Firm's Registration no : 105049W

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANTS

S. S. Shah
Partner
Membership No.: 033632

Place : Mumbai
Date : May 3, 2021

For and on behalf of the Board of Directors

P R Ramesh

P R Ramesh
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DIN: 01915274

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DIN: 00073736

Yatrik Vin
Managing Director
DIN: 07662795

Premal Shah
Chief Financial Officer

NSE Investments Limited

Heena Joshi
Company Secretary

NSE INVESTMENTS LIMITED

(Formerly known as NSE Strategic Investment Corporation Limited)

STANDALONE STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2021

(₹ in Lakhs)

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
A) CASH FLOW FROM OPERATING ACTIVITIES		
NET PROFIT BEFORE TAX	**203,398.34**	10,392.76
Adjustments for :		
Profit on sale of investment in Associate Company - (CAMS)	**(183,153.15)**	-
Realised net gain on fair value changes Others	**(545.30)**	(397.89)
Unealised net gain on fair value changes	**(5,355.64)**	(2,111.84)
Diminution in value of investment written back	-	(100.00)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	**14,344.25**	7,783.03
Adjustments for :		
(Increase)/ Decrease in Other Non Financial Assets	-	-
Increase/ (Decrease) in Other Financial Liabilities	**(48.24)**	28.23
Increase/ (Decrease) in Other Non-Financial Liabilities	**8.13**	101.11
CASH GENERATED FROM OPERATIONS	**14,304.14**	7,912.37
Direct Taxes paid (Net of Refunds)	**(20,549.63)**	(240.69)
NET CASH FROM (USED IN) OPERATING ACTIVITIES - Total (A)	**(6,245.49)**	7,671.68
B) CASHFLOW FROM INVESTING ACTIVITIES		
Proceeds from sale of Mutual Funds	**56,974.81**	12,354.82
Purchase of Mutual Funds	**(237,899.84)**	(14,342.60)
Proceeds from sale of Investment in Associate company	**217,503.24**	-
Investment in Equity shares of Subsidiary and Associate Companies	**(2,295.75)**	(375.00)
Investment in Preference shares of Subsidiary Companies	**(13,500.00)**	-
NET CASH FROM (USED IN) INVESTING ACTIVITIES - Total (B)	**20,782.46**	(2,362.78)
C) CASHFLOW FROM FINANCING ACTIVITIES		
Dividend paid to equity shareholders	**(8,797.38)**	(2,891.15)
Dividend paid to Preference shareholders	**(2,477.83)**	(2,477.83)
NET CASH FROM (USED IN) FINANCING ACTIVITIES - Total (C)	**(11,275.21)**	(5,368.98)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	**3,261.75**	(60.07)
CASH AND CASH EQUIVALENTS : OPENING BALANCE	**0.94**	61.01
CLOSING CASH AND CASH EQUIVALENTS : CLOSING BALANCE	**3,262.69**	0.94
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENT	**3,261.75**	(60.07)

Significant accounting policies (refer note no.2)

The accompanying notes forming part of the standalone financial statements

Notes to Cash Flow Statement :

1. Since the Company is an Investment Holding Company, purchase and sale of investments have been considered as part of 'Cash Flows from Investing Activities' and dividend on equity shares earned Rs.14778.10 Lakhs (Previous year ended 31.03.2020 Rs.8251.80 Lakhs) have been considered as part of "Cash Flows From Operating Activities "
2. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Ind AS 7 on Cash Flow Statements notified under the Companies (Accounting Standards) Rules, 2015.
3. Previous years' figures are regrouped, reclassified and rearranged wherever necessary.

As per our report of even date attached

For KHANDELWAL JAIN & CO.
Chartered Accountants
Firm's Registration no : 105049W

S. S. Shah
Partner
Membership No.: 033632

Place : Mumbai
Date : May 3, 2021

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors

P R Ramesh
Chairman
DIN: 01915274

J Ravichandran
Director
DIN: 00073736

Yatrik Vin
Managing Director
DIN: 07662795

Premal Shah
Chief Financial Officer

Heena Joshi
Company Secretary

NSE Investments Limited

4

1 Background of the Company

The Company is inter alia, formed to make or hold all strategic investments in the equity shares and / or other securities of various companies of the NSE Group. It holds more than 90% of its net assets in the form of investment in equity shares, preference share in group companies, not held for the purpose of trading, it also holds more than 60% of its net assets as investment in equity shares and does not carry any other financial activity. The Company did not raise or hold public funds. In view of the same, the Company is a CIC and is not required to be registered with RBI as per the directions laid down in Core Investment Companies (Reserve Bank) Directions, 2011. The Company has changed its name from NSE Strategic Investment Corporation Limited to NSE Investments Limited w.e.f. July 30, 2018.

2 Significant accounting policies :

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements in accordance with Indian Accounting Standards notified under the Companies (Indian Accounting Standards) Rules, 2015 ("Ind AS financial statements"). These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Statement of Compliance

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015

(b) Basis of Preparation

These financial statements have been prepared in accordance with the historical cost basis, except as disclosed in the accounting policies below, and are drawn up in accordance with the provisions of the Companies Act, 2013 and Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015], Companies (Indian Accounting Standards) Amendment Rules, 2016 and other relevant provisions of the Act.

Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:
• certain financial assets and liabilities that are measured at fair value, and
• defined benefit plans - plan assets measured at fair value.
• Non-Current Assets classified as held for sale at Lower of their carrying amount and fair value less cost of sale.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability which market participants would take into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

c) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of allowances, incentives, service taxes and amounts collected on behalf of third parties.

Revenue is recognised upon transfer of control of promised services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those services.

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and there is reasonable certainty of ultimate realisation. The sources of revenue are:

(i) <u>**Dividend**</u>

Dividends are recognised in profit and loss only when the shareholder's right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be reliably measured.

(ii) <u>**Interest**</u>

Interest income is recognised on a time proportion basis, taking into account the amount outstanding and the rate applicable.

(iii) All other revenue is recognised in the period in which the service is provided.

d) Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses, if any.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANTS

NSE Investments Limited

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, associates and interest in joint arrangements where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset deferred tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current tax, deferred tax and dividend distribution tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Minimum Alternate Tax (MAT) paid in a year is charged to the Statement of Profit and Loss as current tax. The company recognizes MAT credit available as an asset only to the extent there is convincing evidence that the company will pay normal income tax during the specified period, i.e., the period for which MAT Credit is allowed to be carried forward. In the year in which the Company recognizes MAT Credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternate Tax under the Income Tax Act, 1961, the said asset is created by way of credit to the statement of Profit and Loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT Credit Entitlement" asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the sufficient period.

e) Impairment of Non Financial assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

f) Cash and cash equivalents

Cash and Cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

g) Investments and other financial assets

(i) Recognition

All financial assets are recognised and de-recognised on a trade date basis where the purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned.

(ii) Classification

The Company classifies its financial assets in the following measurement categories:

• those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and

• those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. The Company reclassifies debt investments when and only when its business model for managing those assets changes.

(iii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the company classifies its debt instruments:

• **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in statement of profit and loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

• **Fair value through other comprehensive income (FVOCI):**Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to statement of profit and loss and recognised in other gains/ (losses). Interest income from these financial assets is included in revenue from operation using the effective interest rate method.

• **Fair value through profit or loss:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in statement of profit and loss. Interest income from these financial assets is included in revenue from operations.

MUMBAI CHARTERED ACCOUNTANTS

NSE Investments Limited

Equity investments (other than investments in subsidiaries, associates and joint venture)

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in Statement of Profit and Loss account, there is no subsequent reclassification of fair value gains and losses to statement of profit and loss. Dividends from such investments continue to be recognised in statement of profit and loss as revenue from operations when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/ (losses) in the Restated statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Equity Investments (in subsidiaries, associates and joint venture)

Investments in subsidiaries, associates and joint venture are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. The accounting policy on impairment of non-financial assets is disclosed in Note (e). On disposal of investments in subsidiaries, associates and joint venture, the difference between net disposal proceeds and the carrying amounts are recognized in the statement of profit and loss.

(iv) Impairment of Financial Assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

De-recognition of financial assets

A financial asset is de-recognised only when

Where the company has transferred an asset, it evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is de-recognised. Where the company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognised.

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

h) Financial Liabilities

(i) Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

(ii) Initial Recognition & Measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss.

(iii) Subsequent Measurement

Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the statement of profit and loss.

(iv) De-recognition

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

i) Non-Current Asset classified as held for sale

Non-current assets or disposal groups classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell. Non-current assets or disposal groups are classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset or disposal group is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such assets. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification as held for sale, and actions required to complete the plan of sale should indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn. Property, Plant and Equipment and intangible assets are not depreciated or amortized once classified as held for sale.

j) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

k) Trade and other Payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial period which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

l) Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation to be settled at a future date. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent Liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

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Contingent Asset
A contingent asset is neither recognised nor disclosed in the financial statements.

m) Dividends
Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

n) Earnings per share
(i) Basic earnings per share
Basic earnings per share is calculated by dividing:
• the profit attributable to owners of the company

(ii) Diluted earnings per share
Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:
• the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
• the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

o) Statement of Cash Flows :
Statement of cash flows are reported using the indirect method, whereby the profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or acruals of part or future operating cash receipts or payments and item of income or expenses associated with investing of financing cash flows. The statement of cash flows from operating, investing and financiang activities of the Company are segregated.

p) Contributed equity
Equity shares are classified as equity.
Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

q) Rounding off Amounts
All amounts disclosed in the Restated Financial Information and notes have been rounded off to the nearest lakh, unless otherwise stated.

r) Reclassification
Previous year's figures have been reclassified / regrouped wherever necessary.

s) CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS
The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgements are:
Tax expense Note 6
Fair value of unlisted securities Note 32
Estimation of contingent liabilities refer Note 22

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

t) Recent Pronouncements
The Ministry of Corporate affairs ("MCA") through a notification dated March 24, 2021, amended Schedule III of the Companies Act, 2013 which will be applicable effective April 1, 2021.
•Disclosure of shareholding of promoters in specified format.
•Disclosure of current maturities of Long term borrowings under the head short term borrowings
•Disclosure of ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development in specified format.
•Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
•Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
•If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
•Financial Ratios to be disclosed along with explanation with respect to items included in numerator and denominator.
•Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.
•Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the standalone financial statements.

The Company will evaluate the above and give effect as required by law.

3 Cash And Cash Equivalents

(₹ in Lakhs)

	As at 31.03.2021	As at 31.03.2020
Balances with banks (in the nature of cash and cash equivalents)	3,262.69	0.94
	3,262.69	0.94

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4(a) INVESTMENTS

	Particulars	Face value Per Unit	As at 31.03.2021 No. of Units	As at 31.03.2021 Amount	As at 31.03 2020 No. of Units	As at 31.03 2020 Amount
(I)	**INVESTMENTS AT COST**					
i)	**Investment in Subsidiaries**					
	Unquoted:					
1)	**Investment in Equity Shares**					
	i) **NSE DATA & ANALYTICS LIMITED** [EXTENT OF HOLDING 100% (P.Y - 100%)]	10.00	9,000,000	**9,180.67**	9,000,000	9,180.67
	ii) **NSE INDICES LIMITED** [EXTENT OF HOLDING 100% (P.Y - 100%)]	10.00	1,300,000	**13,341.46**	1,300,000	13,341.46
	iii) **NSEIT LTD** [EXTENT OF HOLDING 100% (P.Y - 100%)]	10.00	10,000,010	**6,000.59**	10,000,010	6,000.59
	iv) **NSE INFOTECH SERVICES LTD** [EXTENT OF HOLDING 100% (P.Y - 100%)]	10.00	50,000	**375.80**	50,000	375.80
	v) **NSE ACADEMY LIMITED** [EXTENT OF HOLDING 100% (P.Y - 100%)]	10.00	10,000,000	**1,000.00**	10,000,000	1,000.00
2)	**Investments in Prefrence Shares (Fully Paid Up)**					
	i) 7% CUMMULATIVE REDEEMABLE PREFERENCE SHARES OF NSEIT LIMITED	100	10,000,000	**10,000.00**	10,000,000	10,000.00
	ii) 7% OPTIONALLY CONVERTIBLE REDEEMABLE CUMULATIVE PREFERENCE SHARES OF NSE ACADEMY LTD [Refer note i]	10	135,000,000	**13,500.00**	-	-
ii)	**Investment in Associates**					
	Unquoted :					
	Investment in Equity Shares					
	i) **MARKET SIMPLIFIED INDIA LIMITED** EXTENT OF HOLDING 30.00% (P.Y - 30.00%) [Refer note (ii) below]	10	4,505,175	**450.54**	4,505,175	450.54
	ii) **NSDL E - GOVERNANCE INFRASTRUCTURE LIMITED** EXTENT OF HOLDING 25.05% (P.Y - 25.05%)	10	10,018,000	**5,510.18**	10,018,000	5,510.18
	iii) **POWER EXCHANGE INDIA LIMITED** EXTENT OF HOLDING 34.21% (P.Y - 30.95%) [Refer note no.(ii) below]	10	20,000,030	**2,005.00**	20,000,030	2,005.00
	iv) **RECEIVABLES EXCHANGE OF INDIA LIMITED** EXTENT OF HOLDING 30.00% (P.Y - 30.00%) [Refer note (iii) below]	10	15,000,000	**1,500.00**	15,000,000	1,125.00
	v) **INDIAN GAS EXCHANGE LIMITED** EXTENT OF HOLDING 26.00% (P.Y - 0%) [Refer note (iv) below]	10	19,207,500	**1,920.75**	-	-
iii)	**Investment in Other Companies other than Subsidiaries**					
	GOODS AND SERVICE TAX NETWORK [Refer Note (v) below]	-	1,000,000	**100.00**	1,000,000.00	100.00
	NSE FOUNDATION	-	2,000	**0.00**	2,000.00	0.00
	Total investments at cost (A)			**64,884.99**		49,089.24
	Less : Provision for diminution in value of investments (B) [Refer note (ii) below]			**2,455.54**		2,455.54
	Carrying amount of investments at cost (C) = (A - B)			**62,429.45**		46,633.70

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NSE INVESTMENTS LIMITED (Formerly known as NSE Strategic Investment Corporation Limited)
NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

4 a) INVESTMENTS Contd..

	Particulars	Face value Per Unit	No. of Units	As at 31.03.2021 At Cost	Amount	No. of Units	As at 31.03. 2020 At Cost	Amount
(II)	**INVESTMENTS AT FAIR VALUE THROUGH PROFIT & LOSS**							
	Unquoted:							
	Investments in units of Mutual Funds							
i)	ADITYA BIRLA SUN LIFE MONEY MANAGER FUND - DIRECT - GROWTH	-	7,137,569	20,000.00	**20,497.04**	289,077	763	783.17
ii)	AXIS MONEY MARKET FUND - DIRECT - GROWTH		1,015,269	11,000.00	**11,237.86**	-	-	-
iii)	DSP SAVING FUND - DIRECT - GROWTH	-	47,242,507	19,499.41	**19,889.43**	-	-	-
iv)	DSP ULTRA SHORT TERM FUND - DIRECT - GROWTH	-	-		-	38,659	1,040.00	1,052.17
v)	HDFC MONEY MARKET FUND - DIRECT - GROWTH	-	468,114	19,999.40	**20,943.05**	96,908	3,705	4,089.35
vi)	ICICI PRUDENTIAL MONEY MARKET FUND - DIRECT- GROWTH	-	7,097,782	19,999.30	**20,958.22**	1,357,059	3,374	3,789.79
vii)	IDFC LOW DURATION FUND - DIRECT - GROWTH	-	-		-	3,928,288	931	1,135.06
viii)	IDFC MONEY MANAGER - DIRECT - GROWTH	-	61,066,812	19,999.69	**20,547.76**	10,535,120	3,300	3,367.40
ix)	INVESCO INDIA LIQUID FUND - DIRECT - GROWTH	-	230,433	6,410.90	**6,512.18**	116,329	2,916	3,173.77
x)	INVESCO INDIA MONEY MARKET FUND - DIRECT - GROWTH	-	137,011	3,034.70	**3,349.77**	145,410	3,225	3,365.62
xi)	KOTAK MONEY MARKET SCHEME - DIRECT PLAN - GROWTH	-	588,418	19,999.84	**20,499.30**	49,839	1,616	1,651.19
xii)	L&T LIQUID FUND - DIRECT - GROWTH	-	238,461	6,618.30	**6,722.03**	-	-	-
xiii)	L&T MONEY MARKET FUND - DIRECT - GROWTH		16,950,895	3,550.00	**3,637.44**	-	-	-
xiv)	MIRAE ASSET CASH MANAGEMENT FUND - DIRECT PLAN - GROWTH	-	172,230	3,679.64	**3,739.86**	106,474	2,050	2,230.22
xv)	NIPPON INDIA MONEY MARKET FUND - DIRECT - GROWTH	-	651,615	19,999.82	**20,986.91**	125,241	3,389	3,823.19
xvi)	SBI MAGNUM ULTRA SHORT DURATION FUND - DIRECT - GROWTH	-	-		-	79,514	3,222	3,561.95
xvii)	SBI SAVINGS FUND - DIRECT - GROWTH	-	60,535,459	19,999.93	**20,700.58**	9,751,110	2,985	3,156.14
xviii)	TATA LIQUID FUND DIRECL PLAN - GROWTH	-	118,703	3,794.90	**3,855.05**	-	-	-
xix)	TATA MONEY MARKET FUND - DIRECT - GROWTH	-	17,713	646.00	**650.09**	-	-	-
xx)	UTI MONEY MARKET - DIRECT PLAN - GROWTH	-	859,429	19,811.19	**20,584.80**	145,798	3,013	3,306.35
	Total investments at fair value through Profit & Loss (D)		*	218,043.03	**225,311.37**		35,529.16	38,485.39
	Total Investments ('E) = (C + D)				**287,740.82**			85,119.09

**** includes Rs.13400 lakhs being amount set aside pursuant to SEBI direction (refer note vi)***

Particulars	Face value Per Unit	No. of Units	As at 31.03.2021	Amount	No. of Units	As at March 31, 2020	Amount
(i) Investments in India				287,740.82			85,119.09
(ii) Investments outside in India				-			-
Total Investments				**287,740.82**			85,119.09

i) During the year ended March 31, 2021, the Company has Subscribed to 7% Cumulative Optionally Convertible Redeemable Preference Shares (OCRPS) of face value of Rs.10 each, for an amount of Rs. 13,500 lakhs on rights basis on 10th November 2020

ii) The Company had provided for diminution aggregating to Rs.2,455.54 Lakh in the value of investment consisting of Power Exchange India Limited of Rs.2,005 Lakhs and Market Simplified India Limited of Rs.450.54 Lakh.

iii) During the year ended March 31, 2021, the Company has paid the final call money amounting to Rs.375 lakhs (@ Rs.5/- each) to Receivables Exchange of India Limited towards for acquiring 75,00,000 equity shares shares of face value of Rs.10 each.

iv) During the year, the Company has acquired 26% Equity stake of Indian Gas Exchange Limited – 'IGX' which is India's first automated national level Gas Exchange to promote and sustain an efficient and robust gas market and to foster gas trading in the country. The acquisition is through purchase from India Exchange Limited of 1,92,07,500 equity shares of face value Rs. 10/- of IGX amounting to Rs.1920.75 lakhs.

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v) Goods and Service Tax Network (GSTN) : The Union Cabinet in its Meeting held on 26th September 2018 has approved the proposal to convert GSTIN into a fully-owned Government Company with 50% equity of the Company to be held by the Central Government and the balance 50% to be held by various States and Union Territories. The shares will be bought at face value of Rs. 10 Each. The Company holds 10 Lakhs share amounting to Rs 100 Lakhs. In order to facilitate the above decision the Company in its Board meeting held on July 29, 2019 approved to offer its shareholding in GSTIN subject to receipt of letter from the Government and payment of consideration of Rs 100 Lakhs. The Company has received the payment of Rs.100 Lakhs from Government on March 27, 2020. However the Share Transfer Agreement has not been executed and the Company continues to be the shareholder in the register of GSTIN and hence the amount received has been shown under Other Non-Financial Liability as "Advance against transfer of GSTN shares". During the year ended March 31, 2017, the Company had written down the value of investment to Re.1/- as GSTN is incorporated under section 8 of the Companies Act, 2013 and payment of dividend to it's member is prohibited. The same has now been written back and value of investment has been carried at face value of Rs.10/- per share amounting to Rs.100 Lakhs.

vii) During the year, NSE Academy Limited ('NAL') a wholly owned subsidiary of the Company has entered into a Share Purchase Agreement for acquisition of Tatentsprint Prviate Limited for a total consideration of Rs.26000 lakhs. As per the terms of SPA, NAL has acquired 70% of equity shares of Talentsprint for a total value of Rs.12600 lakhs. The Company has subscribed to 7% Cumulative Optionally Convertible Redeemable Preference Shares of face value Rs.10 each of NAL for a amount of Rs.13400 lakhs [refer note 4a (vi) above]. SEBI while granting the approval for the said acquisition of Talentsprit Private Limited has stipulated that the total amount of Rs.26000 Lakhs shall be set aside as the acquisition shall be completed in four tranches. The balance amount of Rs.13400 Lakhs (being Rs.26,000 Lakhs less Rs.12600 Lakhs) is set aside which is forming part of the total investments as per Schedule 4a(II).

4 (b) Asset classified as held for sale

Particulars	Face value Per Share	As at 31.03.2021 No. of Shares	As at 31.03.2021 Amount	As at March 31, 2020 No. of Shares	As at March 31, 2020 Amount
Unquoted Investment in Equity Shares in Associate Companies at Cost					
COMPUTER AGE MANAGEMENT SERVICES PRIVATE LIMITED EXTENT OF HOLDING 0% (P.Y - 37.5%) [Refer note (i) below]	10	-	-	18,246,600	34,350.09
Total		-	-		34,350.09

i) The company had acquired 44.99% equity stake in Computer Age Management Services Limited (CAMS) in Financial Year 2013-14.

National Stock Exchange of India Limited (NSE), the holding company, had received a letter dated February 04, 2020 from SEBI, inter alia, directed NSE to divest its entire stake in CAMS (1,82,46,600 shares i.e. 37.50% as on February 04 2020) within a period of 1 year; withdraw its directorship in CAMS and not to exercise voting rights and avail any corporate benefits in respect of the shareholding.

In view of the above directions of SEBI, as on March 31, 2020, the entire investment of 37.50 % in CAMS was reclassified from 'Investment' to ' Assets classified as held for Sale' and the same was carried at the lower of carrying amount and fair value as per Indian Accounting Standard (Ind AS) 105 - 'Non-current Assets Held for Sale and Discontinued Operations'. Further, NSE had withdrawn its nominee Directors in CAMS and had not exercised any voting rights or availed any corporate benefits from the date of the letter.

During the year ended March 31, 2021, the Company has divested it's entire stake in CAMS, resulting in net profit of Rs.183,153.15 Lakhs which is shown as Exceptional item. Further, for the year ended March 31, 2021, the company has received no dividend from CAMS (Previous Year ended 31.03.2020 Rs.2,227.11 Lakhs) and related tax expenses is Rs. Nil.

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5 Current Tax Assets (Net)

(₹ in Lakhs)

	As at 31.03.2021	As at 31.03.2020
(Unsecured , Considered Good)		
Income Tax paid including TDS (Net of provision for tax)	127.96	44.32
Total	127.96	44.32

6 (a) Current tax expense

(₹ in Lakhs)

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
Current tax expense		
Current Tax (i)		
tax on Exceptional item	20,116.87	-
other current tax	349.12	220.39
Deferred Tax		
Decrease / (increase) in deferred tax assets (ii)	2,509.92	(2,509.92)
(Decrease)/ increase in deferred tax liabilities (iii)	812.84	215.03
Total deferred tax expense /(benefit) (iv) = (ii) + (iii)	3,322.76	(2,294.89)
Total Income Tax Expense (v) = (i) + (iv)	3,671.88	(2,074.50)

(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:

(₹ in Lakhs)

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
Profit before income tax expense	203,398.34	10,392.76
Tax Rate (%)	25.168%	25.168%
Tax at the Indian Tax Rate (a)	51,191.29	2,615.65
Deferred Tax - Lliability / (Asset)	(3,322.76)	2,294.89
Items of permanent nature		
Dividend Income	-	(2,076.81)
Expenditure related to exempt income	-	58.47
CAMS - Indexation	2,509.92	(2,509.92)
Cost of investment written off	-	(25.17)
Profit on sale of investments taxed at other than Statutory rate	(25,979.95)	137.36
Contribution to NSE Foundation towards CSR	59.27	42.39
Reversal of Deferred Tax on account of Net gain on financial assets mandatorily measured at fair value through profit or loss	(272.43)	(316.48)
Dividend payment deduction u/s 80M	(3,719.35)	-
		-
Total (b)	(30,725.30)	(2,395.26)
Total tax payable (c) = (a)+(b)	20,465.99	220.39
Additional tax payable due to MAT (d)	-	-
Income Tax Expense (e) = (c) + (d)	20,465.99	220.39

(c) Defferred Tax assets / (Liabilities) (Net)

(₹ in Lakhs)

	As at 31.03.2021	As at 31.03.2020
Deferred Income Tax Assets		
Provision for dimunition in value of investment	572.04	-
Indexation benefit on asset classified as held for sale	-	3,082
Total Deferred Tax Assets (A)	572.04	3,081.96
Deferred Income Tax Liabilities		
Financial Assets at Fair Value through profit and Loss	1,336.30	523.46
Total Deferred Tax Liabilities (B)	1,336.30	523.46
Add: MAT Credit Entiltlement	-	-
Net Deferred Income Tax Assets / (Liabilities) (A)-(B)	(764.26)	2,558.50

(d) Movement in Defferred Tax Assets

Particulars	(₹ in Lakhs)
Provision for dimunition in value of investment	
At 31 March 2019	572.04
Charged / (Credited)	
- to profit or loss	2,509.92
At 31 Mar 2020	3,081.96
Charged / (Credited)	
- to profit or loss	(2,509.92)
As at 31.03.2021	572.04

(e) Movement in Defferred Tax Liabilities

Particulars	(₹ in Lakhs)
Financial Assets at Fair Value through profit and Loss	
At 31 March 2019	308.43
Charged / (Credited)	
- to profit or loss	215.03
At 31 Mar 2020	523.46
Charged / (Credited)	
- to profit or loss	812.84
As at 31.03.2021	1,336.30

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7 Other financial liabilities

(₹ in Lakhs)

	As at 31.03.2021	As at 31.03.2020
Dues Payable to Holding Company	**36.83**	75.38
Dues Payable to Others	**14.29**	23.98
Total	**51.11**	99.35

8 Current Tax Liabilities (Net)

(₹ in Lakhs)

	As at 31.03.2021	As at 31.03.2020
Income Tax (Net of Advance Tax including TDS)	**0.26**	0.26
Total	**0.26**	0.26

9 Other non financial liabilities

(₹ in Lakhs)

	As at 31.03.2021	As at 31.03.2020
Statutory Liabilities	**17.00**	8.87
Advance against transfer of GSTN shares	**100.00**	100.00
Total	**117.00**	108.87

10 (a) Share Capital

(₹ in Lakhs)

	As at 31.03.2021	As at 31.03.2020
Authorised		
45,00,00,000 Equity Shares of ₹ 10 each. (Previous Year : 45,00,00,000 Equity Shares of ₹ 10 each.)	**45,000.00**	45,000.00
45,00,00,000 Non - Cumulative Compulsorily Convertible Preference Shares of ₹ 10 each. (Previous Year : 45,00,00,000 Non - Cumulative Compulsorily Convertible Preference Shares of ₹ 10 each.)	**45,000.00**	45,000.00
Total	**90,000.00**	90,000.00
Issued, Subscribed and Paid-up		
41,30,21,703 Equity Shares of ₹ 10 each, fully paid (Previous Year : 41,30,21,703 Equity Shares of ₹ 10 each, fully paid)	**41,302.17**	41,302.17
41,29,71,703 6% Non - Cumulative Compulsorily Convertible Preference Shares of ₹ 10 each, fully paid (Previous Year : 41,29,71,703 6% Non - Cumulative Compulsorily Convertible Preference Shares of ₹ 10 each, fully paid)	**41,297.17**	41,297.17
Total	**82,599.34**	82,599.34

There is no movement either in the number of shares or in amount between previous year and current year

Terms/ Rights attached

Equity Shares

The Company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Director is subject to the approval of the shareholder in the ensuing Annual General Meeting except in the case of interim dividend.

In the event of liquidation of the Company, the holder of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholder.

Preference Shares

The Company has issued 6% Non - Cumulative Compulsorily Convertible Preference Shares of Rs. 10 each. The Company declares and pays dividend in Indian rupees. All the said Perference shares are convertible into equity shares in the ratio of 1:1 at the end of nine years from the date of its issue as mentioned below.

Date Of Issue of Shares	No. of Preference Shares	Date of Conversion of Shares
20 February 2014	211,547,703	20 February 2023
02 January 2014	57,564,000	02 January 2023
01 October 2013	26,650,000	01 October 2022
02 September 2013	54,120,000	02 September 2022
22 July 2013	9,020,000	22 July 2022
28 June 2013	31,570,000	28 June 2022
28 March 2013	22,500,000	28 March 2022

MUMBAI

NSE Investments Limited

Shares in respect of each class in the company held by its holding company or its ultimate holding company including shares held by or by subsidiaries or associates of the holding company or the ultimate holding company in aggregate

Equity Shares :

Name of the Company	As at 31.03.2021		As at 31.03.2020	
	Nos.	% holding	Nos.	% holding
National Stock Exchange of India Limited and its nominees	413,021,703	100.00%	413,021,703	100.00%
National Securities Clearing Corporation Limited	-	-	-	0.00%
Total	413,021,703	100.00%	413,021,703	100.00%

Preference Shares :

Name of the Company	As at 31.03.2021		As at 31.03.2020	
	Nos.	% holding	Nos.	% holding
National Stock Exchange of India Limited and its nominees	412,971,703	100.00%	412,971,703	100.00%
National Securities Clearing Corporation Limited	-	-	-	-
Total	412,971,703	100.00%	412,971,703	100.00%

Details of **Equity Shareholder** holding more than 5% share in the Company (No of Shares)

Name of the Company	As at 31.03.2021	As at 31.03.2020
National Stock Exchange of India Limited and its nominees	413,021,703	413,021,703

Details of **Equity Shareholder** holding more than 5% share in the Company (% of Share holding)

Name of the Company	As at 31.03.2021	As at 31.03.2020
National Stock Exchange of India Limited and its nominees	100.00%	100.00%

Details of **Preference Shareholder** holding more than 5% share in the Company (No of Shares)

Name of the Company	As at 31.03.2021	As at 31.03.2020
National Stock Exchange of India Limited and its nominees	412,971,703	412,971,703

Details of **Preference Shareholder** holding more than 5% share in the Company (% of Share holding)

Name of the Company	As at 31.03.2021	As at 31.03.2020
National Stock Exchange of India Limited and its nominees	100.00%	100.00%

11 CAPITAL MANAGEMENT

The Company considers the following components of its Balance Sheet to be managed capital:
Total equity (as shown in the balance sheet). – retained profit, share capital.

The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to our shareholders. The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the group may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Company aims to translate profitable growth to superior cash generation through efficient capital management. The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company's focus is on keeping strong total equity base to ensure independence, security, as well as a high financial flexibility for potential future borrowings, if required, without impacting the risk profile of the Company. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure. The Company is not subject to financial covenants in any of its significant financing agreements.

12 Other Equity

(₹ in Lakhs)

Particulars	Retained Earnings	Reserve Fund	Total
Balance as at 01.04.2020	26,155.34	13,109.78	39,265.12
Profit for the year	179,609.59	-	179,609.59
Add/(less) : Transfer to Reserve Fund	(35,922.00)	35,922.00	-
Transactions with owners in their capacity as owners			
Less: Final Dividend for FY 2019-20 paid to equity shareholders	(3,304.17)	-	(3,304.17)
Less: Dividend for FY 2020-21 paid to preference shareholders	(2,477.83)	-	(2,477.83)
Less: Interim Dividend for FY 2020-21 paid to equity shareholders	(5,493.21)	-	(5,493.21)
As at 31.03.2021	158,567.72	49,031.78	207,599.50
Balance as at 01.04.2019	32,166.84	-	32,166.84
Profit for the year	12,467.26	-	12,467.26
Add/(less) : Transfer to Reserve Fund	(13,109.78)	13,109.78	-
Transactions with owners in their capacity as owners			
Less: Final Dividend for FY 2018-19 paid to equity shareholders	(2,891.15)	-	(2,891.15)
Less: Dividend for FY 2019-20 paid to preference shareholders	(2,477.83)	-	(2,477.83)
As at 31.03.2020	26,155.34	13,109.78	39,265.12

Nature and purpose of reserves :

Reserve Fund : Under section 45-IC (1) of Reserve Bank of India Act 1934, every Non Banking Financial Company has to transfer 20 % of it's post tax profit to a corpus termed as Reserve Fund.

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* The Board of Directors, in their meeting held on August 03, 2020, declared a Final dividend of Rs.0.80 per equity share of Rs.10/- each for FY 2019-20 and at their 53d Meeting held on January 30,2021 declared and paid dividend of Rs. 0.60 per Preference share of Rs.10/- each and interim dividend of Rs.1.33 per Equity share of Rs.10/- for FY 2020-21. The total dividend paid during the year ended March 31, 2021 amounts to Rs.11,275.21 Lakh (PY. 5,368.98 Lakh).

Revenue from operations

		(₹ in Lakhs)
	For the year ended 31.03.2021	For the year ended 31.03.2020
13 **Dividend income other ;**		
Subsidiary Companies	**10,270.00**	5,373.51
Other Investments	**4,508.10**	651.17
Total	**14,778.10**	6,024.68

14 **Net gain on fair value changes**

		(₹ in Lakhs)
	For the year ended 31.03.2021	For the year ended 31.03.2020
Realised		
Net gain on sale of other investments	**545.30**	397.89
Unrealised		
Net gain on Financial assets mandatorily measured at fair value through the statement of Profit and Loss	**5,355.64**	2,111.84
Total	**5,900.94**	2,509.73

15 **Other Income**

		(₹ in Lakhs)
	For the year ended 31.03.2021	For the year ended 31.03.2020
Income received by Executive Director as Nominee on the Board of other Company.		
Sitting Fees	**6.70**	13.30
Director Commission	**20.21**	16.01
Miscellaneous Income	**0.08**	-
Total	**26.99**	29.31

16 **Other expenses**

		(₹ in Lakhs)
	For the year ended 31.03.2021	For the year ended 31.03.2020
Director Sitting Fees	**37.25**	36.25
Insurance	**7.12**	4.29
Legal & Profesional Fees	**2.30**	27.52
Payment to auditor (Refer note below)	**18.80**	12.53
Space & Infrastructure Usage Charges	**10.75**	10.23
Contribution to NSE Foundation towards CSR (refer note 23)	**235.50**	265.74
Other expenses	**15.73**	18.06
Total	**327.45**	374.62

Note :
Payment to Auditor (inclusive of GST)

As Auditor		
Audit Fees (including Limited Review)	**16.09**	10.93
In other Capacity		
Certification Matters	**0.09**	0.50
Taxation Matters	**2.62**	1.10
Out of Pocket Expenses	-	-
Total	**18.80**	12.53

17 **Earning per share**

		(₹ in Lakhs)
Particulars	**For the year ended 31.03.2021**	For the year ended 31.03.2020
Net Profit attributable to Shareholders (Rs. in Lakhs)	**179,609.59**	12,467.26
Net Profit attributable to Shareholders less Preference Dividend (Rs. in Lakhs)	**177,131.76**	9,989.43
Weighted Average Number of equity shares issued	**413,021,703**	413,021,703
Basic earnings per share of Rs. 10/- each (in Rs.)	**42.89**	2.42
Weighted Average Number of potential equity shares issued	**825,993,406**	825,993,406
Diluted earnings per share of Rs. 10/- each (in Rs.)	**21.44**	1.21

18 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 of the Company. The Company operates only in one Business Segment i.e. to make or hold all strategic investments in the equity shares and / or other securities, hence does not have any reportable Segments as per Indian Accounting Standard 108 "Operating Segments".

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NSE Investments Limited

19 In compliance with Ind AS 24 - "Related Party Disclosures", as notified under Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 the required disclosures are given in the table below:

(a) Names of the related parties and related party relationship

Sr. No.	Related Party	Nature of Relationship
1	National Stock Exchange of India Limited	Holding Company
2	NSE IFSC Limited	Fellow Subsidiary
3	NSE Clearing Limited	Fellow Subsidiary
4	NSE Foundation	Fellow Subsidiary
5	NSE IFSC Clearing Corporation Limited	Fellow Subsidiary's Subsidiary Company
6	NSE Indices Limited	Subsidiary Company
7	NSE Infotech Services Limited	Subsidiary Company
8	NSEIT Limited	Subsidiary Company
9	NSE Data & Analystics Limited	Subsidiary Company
10	NSE.IT (US) Inc.	Subsidiary's Subsidiary Company
11	Market Simplified India Limited	Associate Company
12	Power Exchange India Limited	Associate Company
13	NSDL e-Governance Infrastructure Limited	Associate Company
14	Computer Age Management Services Limited (upto 04.02.2020)	Associate Company
15	National Securities Depository Limited	Holding Company's Associate
16	BFSI Sector Skill Council of India	Holding Company's Associate
17	NSE Academy Ltd	Subsidiary Company
18	Receivables Exchange of India Limited	Associate Company
19	Aujas Networks Private Limited	Subsidiary's Subsidiary Company
20	Talentsprint Pvt. Ltd (w.e.f 10.11.2020)	Subsidiary's Subsidiary Company
21	Cogencis Information Services Limited (w.e.f 21.01.2021)	Subsidiary's Subsidiary Company
22	Capital Quants Solutions Private Limited (w.e.f. 26.02.2021)	Subsidiary's Associate Company
23	Indian Gas Exchange Limited (w.e.f. 16.03.2021)	Associate Company
24	Mr. J Ravichandran- Managing Director *	Key Management Personnel
25	Mr. Yatrik Vin - Director **	Key Management Personnel
26	Ms. Kshama Fernandes	Key Management Personnel
27	Mr. S. B. Mathur (upto 21.04.2021)	Key Management Personnel
28	Mr. Y. H. Malegam (upto 21.04.2021)	Key Management Personnel
29	Mr. Thiruvallur Thattai Srinivasaraghavan (upto 30.03.2020)	Key Management Personnel
30	Mr. P. R. Ramesh (w.e.f 31.01.2021)	Key Management Personnel
31	Mr. Premal Shah	Chief Financial Officer
32	Ms. Heena Joshi	Company Secretary

* Director effective April 01, 2021
** Managing Director effective April 01, 2021

(b) Details of transactions and balances (including goods and service tax wherever levied) with related parties are as follows :

(₹ in Lakhs)

Name of the Related Party	Nature of Transactions	For the year ended 31.03.2021	For the year ended 31.03.2020
National Stock Exchange of India Ltd.	Reimbursement of expenses for staff on deputation paid/ payable	133.40	123.45
	Reimbursement of other expenses incurred	11.39	10.04
	Reimbursement for Income Tax, TDS and GST paid	21,484.56	251.30
	Dividend Paid	11,275.21	5,368.98
	Space and Infrastructure Charges	10.75	10.23
	Deposit received / Paid	-	-
	Closing Balance net Debit / (Credit)	(36.83)	(75.38)
NSE Data & Analytics Limited	Dividend Received	1,080.00	2,475.00
	Cl.Investment in Equity Share Capital	9,180.67	9,180.67
NSE Infotech Services Limited	Dividend Received	200.00	-
	Cl.Investment in Equity Share Capital	375.80	375.80
NSEIT Limited	Dividend Received	800.00	123.01
	Cl.Investment in Equity Share Capital	6,000.59	6,000.59
	Cl.Investment In 7% Cummulative Redeemable Preference Shares	10,000.00	10,000.00
NSE Indices Limited	Dividend Received	8,190.00	2,775.50
	Cl.Investment in Equity Share Capital	13,341.46	13,341.46
NSE Academy Limited	Amt. Invested in 7% Optionally Convertible Redeemable Cumulative Preference Shares	13,500.00	-
	Cl.Investment in Equity Share Capital	1,000.00	1,000.00

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Name of the Related Party	Nature of Transactions	For the year ended 31.03.2021	For the year ended 31.03.2020
Receivables Exchange of India Limited	Amount Invested in Equity Shares	375.00	375.00
	Cl.Investment in Equity Share Capital	1,500.00	1,125.00
Computer Age Management Services Limited	Dividend Received	-	2,227.11
	Sitting Fees Received	-	6.95
	Sale of Investment in Equity Shares	224,784.60	-
	Cl.Investment in Equity Shares	-	34,350.09
NSDL E - Governance Infrastructure Limited	Dividend Received	4,508.10	651.17
	Sitting Fees Received	6.15	6.35
	Director Commission	20.21	16.01
	Cl.Investment in Equity Shares	5,510.18	5,510.18
Market Simplified India Limited	Cl.Investment in Equity Shares	450.54	450.54
Power Exchange India Limited	Cl.Investment in Equity Shares	2,005.00	2,005.00
NSE Foundation	Contribution towards CSR	235.50	265.74
	Cl.Investment in Equity Shares	0.20	0.20
Indian Gas Exchange Limited	Investment in Equity Shares	1,920.75	-
	Cl.Investment in Equity Shares	1,920.75	-
Mr. Y. H. Malegam	Sitting Fees	12.00	10.75
Ms. Kshama Fernandes	Sitting Fees	11.25	4.00
Mr. S. B. Mathur	Sitting Fees	12.00	10.75
Mr. Thiruvallur Thattai Srinivasaraghavan	Sitting Fees	-	10.75
Mr. P. R. Ramesh	Sitting Fees	2.00	-

20 **Capital and other commitments**

(₹ in Lakhs)

	For the year ended 31.03.2021	For the year ended 31.03.2020
Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided	-	-
Other commitments	-	-
	-	-

21 **Contingent liability:**

(₹ in Lakhs)

	For the year ended 31.03.2021	For the year ended 31.03.2020
Contingent Liabilities	-	-
	-	-

22 **Details under the MSMED Act, 2006 for dues to micro and small, medium enterprises**

(₹ in Lakhs)

	For the year ended 31.03.2021	For the year ended 31.03.2020
Outstandings	-	-
	-	-

This information as required to be disclosed under Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

23 a. Gross amount required to be spent by the Company on Corporate Social Responsibility activities during the current year Rs.124.00 Lakhs, (Previous year : Rs.265.74 Lakhs) computed as under:-

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
average profits of preceeding 3 financial years	6,182.36	13,286.91
2% of the average net profits of preceeding 3 financial years	123.65	265.74

b. Amount spent during the year towards Primary Education, Elder Care, etc :

Particulars	For the year ended 31.03.2021 In Cash	For the year ended 31.03.2020 In Cash
(i) Construction / acquisiting of any asset	-	-
(ii) Contribution to NSE Foundation towards CSR [Refer note 16]	235.50	265.74
(iii) On purposes other than (i) & (ii) above	-	-

b. i) Excludes ` Nil (previous year ` NIL) on capacity building of personnel and implementing agencies etc., which is in excess of 5 % of total CSR expenditure.

c) During the year, an amount of Rs.123.65 lakhs being two percent of average net profits of preceeding three (3) financial years of the Company was required to be spent towards the Corporate Social Responsibility and in the manner specified in sub-section (5) of Section 135 of the Companies Act, 2013. The actual amount transferred to NSE Foundation towards approved projects by the Company is Rs. 235.50 lakhs, thus the Company has spent an excess amount of Rs.111.85 lakhs during the year ended March 31, 2021. As per the provision to Section 135(5) of the Companies Act, 2013, such excess amount is available for set off in the FY 2021-22 towards approved CSR activities as per section 135(5) of the Companies Act, 2013.

24 Payments to and provision for employees represents the amount reimbursed by the company to The National Stock Exchange of India Limited (NSEIL) in respect of employees made available to the company. Accordingly, necessary provisions as required for all retirement benefits and other long term employee benefits as per the requirements of Indian Accounting Standard 19 on "Employee Benefits" notified under rule 3 of the Companies (Indian Accounting Standard) Rules, 2015 and Companies (Indian Accounting Standard) Rules, 2016 are carried out by NSEIL.

25 Deputation expenses in respect of the employees, space and infrastructure charges and other reimbursement of expenses are paid to the Holding Company National Stock Exchange of India Limited.

26 In the opinion of of the Board, current assets, loans and advances are approximately of the value stated, if realised in the ordinary course of business.

27 As at March 31, 2021 the company does not have any pending litigations which would have impact on its financial position.

28 In accordance with relevant provisions of Companies Act, 2013, the company did not have any long term contracts including derivative contracts as at Marach 31, 2021

29 For the yera ended March 31, 2021, the company is not required to transfer any amount into the Investor Education & Protection Fund as required under relevant provisions of the Companies Act, 2013.

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANTS

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30 FINANCIAL RISK MANAGEMENT

The Company's business activities expose it to a variety of financial risks, namely liquidity risk, market risks and credit risk. The Company's senior management has the overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

Treasury department that provides assurance that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Treasury department activities are designed to:
- protect the Company's financial results and position from financial risks
- maintain market risks within acceptable parameters, while optimising returns; and
- protect the Company's financial investments, while maximising returns.

The Treasury department is responsible to maximise the return on companies internally genereted funds.

A MANAGEMENT OF LIQUIDITY RISK

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's approach to managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions.

The Company maintains a conservative funding and investment strategy, with a positive cash balance throughout the year ended 31st March, 2021 and 31st March, 2020. This was the result of cash generated from operating activities to provide the funds to service the financial liabilities on a day-to-day basis.

The Company's treasury department regularly monitors the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet operational needs. Any short term surplus cash generated by the operating entities, over and above the amount required for working capital management and other operational requirements, is retained as cash equivalents (to the extent required) , other highly liquid investments and excess is invested in interest bearing term deposits and other highly marketable debt investmentswith appropriate maturities to optimise the returns on investments while ensuring sufficient liquidity to meet its liabilities.

The following table shows the maturity analysis of the Company's financial liabilities based on contractually agreed undiscounted cash flows as at the Balance Sheet date.

(₹ in Lakhs)

	Carrying amount	Less Than 12 Month	More than 12 months	Total
As at March 31, 2021				
Other Financial Liabilities	51.11	51.11	-	51.11
Other Non-financial Liabilities	117.00	117.00	-	117.00

(₹ in Lakhs)

	Carrying amount	Less Than 12 Month	More than 12 months	Total
As at March 31, 2020				
Other Financial Liabilities	99.35	99.35	-	99.35
Other Non-financial Liabilities	109.13	109.13	-	109.13

B MANAGEMENT OF MARKET RISK

The Company's size and operations result in it being exposed to the following market risks that arise from its use of financial instruments:
• price risk;
The above risks may affect the Company's income and expenses, or the value of its financial instruments. The objective of the Company's management of market risk is to maintain this risk within acceptable parameters, while optimising returns. The Company's exposure to, and management of, these risks is explained below.

POTENTIAL IMPACT OF RISK	MANAGEMENT POLICY	SENSITIVITY TO RISK
1. PRICE RISK		
The Company is mainly exposed to the price risk due to its investment in mutual funds. The price risk arises due to uncertainties about the future market values of these investments. At 31st March 2021, the exposure to price risk due to investment in mutual funds amounted to Rs.2,253.11 crores (March 31, 2020: Rs. 384.85 crores).	In order to manage its price risk arising from investments in mutual funds, the Company diversifies its portfolio in accordance with the limits set by the risk management policies. The Treasury department maintains a list of approved financial instruments. The use of any new investment category must be approved by the Board.	As an estimation of the approximate impact of price risk, with respect to mutual funds and exchange traded funds , the Company has calculated the impact as follows. For mutual funds, a 0.25% increase in prices would have led to approximately an additional Rs.5.63 crores gain in the Statement of Profit and Loss (2019-20: Rs. 0.96 crores gain). A 0.25% decrease in prices would have led to an equal but opposite effect.

C MANAGEMENT OF CREDIT RISK

Credit risk is the risk of financial loss to the Company if a customer or counter-party fails to meet its contractual obligations.

Other financial assets

The Company maintains exposure in cash and cash equivalents, term deposits with banks, investments in mutual funds. The Company has diversified portfolio of investment with various number of counter-parties which have secure credit ratings hence the risk is reduced. Individual risk limits are set for each counter-party based on financial position, credit rating and past experience. Credit limits and concentration of exposures are actively monitored by the Company's Treasury department.

The Company's maximum exposure to credit risk as at March 31, 2021 and 2020 is the carrying value of each class of financial assets as disclosed in note 3 except for derivative financial instruments.

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANTS

NSE Investments Limited

31 (i) Fair Value Hierarchy and valuation technique used to determine fair value :

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value and are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three level prescribed under the accounting standard. An explaination of each level follows underneath the table.

Financial Assets and Liabilities measured at Fair Value - recurring fair Value measurements at 31.03.2021	Notes	Level 1	Level 2	Level 3	Total
Financial Assets					
Financial Investments at FVPL					
Mutual Fund - Growth Plan	4 a) (II)	225,311.37	-	-	225,311.37
Total Financial Assets		**225,311.37**	-	-	**225,311.37**

(₹ in Lakhs)

Financial Assets and Liabilities measured at Fair Value - recurring fair Value measurements At 31.03.2020	Notes	Level 1	Level 2	Level 3	Total
Financial Assets					
Financial Investments at FVPL					
Mutual Fund - Growth Plan	4 a) (II)	38,485.39	-	-	38,485.39
Total Financial Assets		**38,485.39**	-	-	**38,485.39**

- Level 1:

This hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, exchange traded funds and mutual funds that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing Net Assets Valve (NAV). NAV represents the price at which the issuer will issue further units and will redeem such units of mutual fund to and from the investors.

- Level 2:

The fair value of financial instruments that are not traded in an active market (such as traded bonds, debentures, government securities and commercial papers) is determined using Fixed Income Money Market and Derivatives Association of India (FIMMDA) value and valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. Since If all significant inputs required to fair value such instrument are observable, instruments are included in level 2.

Valuations of Level 2 instruments can be verified to recent trading activity for identical or similar instruments, broker or dealer quotations or alternative pricing sources with reasonable levels of price transparency. Consideration is given to the nature of the quotations (e.g., indicative or firm) and the relationship of recent market activity to the prices provided from alternative pricing sources.

- Level 3:

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

There are no transfers between levels 1 and 2 during the period. The Company's policy is to recognise transfers into and transfers out of fair value hirerchy level as at the end of reporting period.

ii) Valuation processes :

The finance department of the Company includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. This team reports directly to the Managing Director.

32 The Coronavirus (COVID-19) outbreak is an unprecedented global situation. World Health Organization (WHO) has declared the COVID-19 virus a 'pandemic'. The Government of India and various state governments had put in place several measures including instituting a complete lockdown w.e.f March 25, 2020 to combat the spread and transmission of the virus. Effective June 8, 2020 the said lockdown is being partially lifted in a phased manner.

The Company has evaluated the potential impact of COVID-19 on the operations of the Company. Based on the current assessment, the Company is of the view that the impact of COVID-19 on the operations of the Company and the resultant financial performance as well as the carrying value of its assets and liabilities is not likely to be significant for the year ended March 31, 2021. The impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration. Accordingly, going forward, the Company will continue to evaluate any significant changes to its operations and its resultant impact on the financial performance.

33 The Code on Social Security, 2020 (Code) relating to employee benefits during employment and post-employment benefits has received Presidential assent on 28th September 2020. The Code has been published in the Gazette of India. However, the date on which the Code comes into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

34 Previous years' figures are regrouped, reclassified and rearranged wherever necessary.

As per our report of even date attached

For KHANDELWAL JAIN & CO.
Chartered Accountants
Firm's Registration no : 105049W

KHANDELWAL JAIN & CO. CHARTERED ACCOUNTANTS MUMBAI

S. S. Shah
Partner
Membership No.: 033632

Place : Mumbai
Date : May 3, 2021

For and on behalf of the Board of Directors

P R Ramesh
Chairman
DIN: 01915274

J Ravichandran
Director
DIN: 00073736

Yatrik Vin
Managing Director
DIN: 07662795

Premal Shah
Chief Financial Officer

Heena Joshi
Company Secretary

NSE Investments Limited

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KHANDELWAL JAIN & CO.
CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITORS' REPORT

To the Members of

NSE Investments Limited (Formerly known as NSE Strategic Investment Corporation Limited)

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of NSE Investments Limited (hereinafter referred to as the 'Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), and its associates, (listed in Annexure A), which comprise the Consolidated Balance Sheet as at March 31, 2021, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information prepared based on the relevant records, (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associates as at March 31, 2021, of consolidated total comprehensive income (comprising profit and other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year then ended.

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANTS

Basis for opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group and its associates in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below is sufficient and appropriate to provide a basis for our opinion.

Other information

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report and Corporate Governance Report, but does not include the consolidated financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report. Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. When we read the annual report, if we conclude that there is a material misstatement therein, we will communicate the matter to those charged with governance.

Responsibilities of management and those charged with governance for the consolidated financial statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows, and changes in equity of the Group including its associates in accordance with the accounting principles generally accepted

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in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associates are responsible for assessing the ability of the Group and of its associates to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates are responsible for overseeing the financial reporting process of the Group and of its associates.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANTS

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial reporting in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANTS

independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other matters

(a) We did not audit the financial statements of 5 subsidiaries whose financial statements, before consolidation adjustments, reflect total assets of Rs. 77,079.56 lakhs as at March 31, 2021, total revenue of Rs. 48,836.94 lakhs, total comprehensive income (comprising of profit Rs. 19,791.78 lakhs and other comprehensive income Rs. 38.07 lakhs) of Rs. 19,829.83 lakhs and net cash flows amounting to Rs. 1,031.32 lakhs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of total comprehensive income (comprising of profit Rs. 2,301.18 lakhs and other comprehensive loss Rs. 71.72 lakhs) of Rs. 2,229.46 lakhs for the year ended March 31, 2021 as considered in the consolidated financial statements, in respect of 2 associate companies whose financial statements have not been audited by us.

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANTS

These financial statements have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of these subsidiaries and associate and our report in terms of sub-section (3) of Section 143 of the Act including report on Other information insofar as it relates to the aforesaid subsidiaries and associate is based solely on the reports of the other auditors.

(b) The consolidated financial statements also include the Group's share of total comprehensive loss (comprising of loss Rs. 1.37 lakhs and other comprehensive income Rs. NIL lakhs) of Rs. 1.37 lakhs for the year ended March 31, 2021 in respect of 1 associate (associate of a subsidiary), whose financial statements and other financial information have not been audited by its auditors. This financial statements and other financial information have not been audited and have been furnished to the auditors of the subsidiary by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of aforesaid associate, and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid associate, is based solely on such unaudited financial statements and other financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements and other financial information are not material to the Group.

(c) The consolidated financial statements do not include the Group's share of total comprehensive income / loss in respect of 2 associate company in which the investment of Rs. 2,455.54 lakhs made by the holding company has been fully provided for towards diminution in their values. In our opinion and according to the information and explanations given to us by the Management, the financial statements and other financial information of these associate companies are not material to the Group.

Report on other legal and regulatory requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements and the other financial information of subsidiaries, as noted in the 'other matters' paragraph, we report, to the extent applicable, that:

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANTS

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

(b) In our opinion proper books of account as required by law maintained by the Holding Company and its subsidiaries included in the Group including relevant records relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and records of the Holding Company and the reports of the other auditors.

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income / (loss)), Consolidated Statement of Cash Flow and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained by the Holding Company and its subsidiaries included in the Group including relevant records relating to preparation of the consolidated financial statements.

(d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2021 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary and associate companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164(2) of the Act.

(f) With respect to the adequacy of internal financial controls with reference to consolidated financial statements of the Group and the operating effectiveness of such controls, refer to our separate report in **"Annexure B"**.

(g) With respect to the matter to be included in the Auditor's report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us and based on the reports of the statutory auditors of such subsidiary and associate companies incorporated in India, the remuneration paid during the current year by the Holding Company and its subsidiary and associate companies to their directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company and its subsidiary and associate companies is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANTS

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements of the subsidiaries and associate companies, as noted in the Other Matters paragraph:

i. The consolidated financial statements disclose the impact, if any, of pending litigations on the consolidated financial position of the Group and its associate companies – refer Note No. 31 to the consolidated financial statements.

ii. The Group and its associate companies did not have any long term contracts as of March 31, 2021 including derivatives contracts for which there were any material foreseeable losses. The Group and its associate companies did not have any derivative contracts as at March 31, 2021 – refer Note No. 42 to the consolidated financial statements.

iii. During the year ended March 31, 2021, there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary and associate companies incorporated in India - refer Note No. 43 to the consolidated financial statements.

For KHANDELWAL JAIN & CO.

Chartered Accountants

Firm Registration No.: - 105049W

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANTS

S. S. SHAH

Partner

Membership No. 033632

UDIN:

Place: - Mumbai

Date : - May 03, 2021

Annexure A: List of entities consolidated as at 31 March 2021

Sr. No.	Name of the subsidiary
1	NSEIT Limited
2	NSEIT (US) Inc.
3	NSE Indices Ltd (formerly known as India Index Services & Products Limited)
4	NSE Data & Analytics Limited (formerly known as DotEx International Limited)
5	Cogencis Information Services Limited (w.e.f 21.01.2021)
6	NSE Infotech Services Limited
7	NSE Academy Limited
8	Talentsprint Pvt. Ltd (w.e.f 10.11.2020)
9	Aujas Networks Private Limited

Sr. No.	Name of the Associate
1	Power Exchange India Limited
2	NSDL e-Governance Infrastructure Limited
3	Market Simplified India Limited
4	Indian Gas Exchange Limited (w.e.f. 16.03.2021)
5	Capital Quants Solutions Private Limited (w.e.f. 26.02.2021)
6	Receivables Exchange of India Limited

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117, M. Karve Road, Churchgate,
Mumbai - 400 020.
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Annexure 'B' to the Independent Auditor's Report

(Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of NSE Investments Limited of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

In conjunction with our audit of the consolidated financial statements of NSE Investments Limited (hereinafter referred to as "the Holding Company") as of and for the year ended March 31, 2021, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and such companies incorporated in India under the Companies Act, 2013 which are its subsidiary companies, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding company and respective subsidiaries, which are incorporated in India, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANTS

Auditors' Responsibility

Our responsibility is to express an opinion on the Holding Company's and its subsidiary companies', which are incorporated in India, internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by ICAI and the Standards on Auditing deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we and the statutory auditors of the subsidiaries incorporated in India, have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial control system over financial reporting of the Holding Company and its subsidiaries which are incorporated in India.

Meaning of Internal Financial controls with Reference to Consolidated Financial Statements

A company's internal financial controls with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial controls with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANTS

of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial controls with Reference to consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company and such companies incorporated in India which are its subsidiary companies have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at March 31, 2021,based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to separate financial statements of five subsidiary companies and two associates, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANTS

In respect of two associate company, the investment in which has been fully provided for towards diminution its value, no financial information have been furnished by the Management. In our opinion and according to the information and explanations given to us by the Management, these financial statements and other information of these associate companies are not material to the Group.

Our opinion is not modified in respect of this matter.

For KHANDELWAL JAIN & CO.

Chartered Accountants

Firm Registration No.: - 105049W

S. S. SHAH

Partner

Membership No. 033632

UDIN:

Place: - Mumbai

Date : - May 03, 2021

Website: www.kjco.net • E-mail: kjco@kjco.net

KHANDELWAL JAIN & CO.
CHARTERED ACCOUNTANTS

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Date: May 04, 2021

To The Board of Directors
NSE Investments Limited
G-Block, Exchange Plaza, BKC,
Bandra (East), Mumbai, Maharashtra-400051.

Re: UDIN to be disseminated to all the stakeholders / users of the Independent Auditor's Report dated May 03, 2021 on the consolidated financial statements for the year ended March 31, 2021.

Dear Sirs,

We refer to our Independent Auditor's Report dated May 03, 2021 on the consolidated financial statements of NSE Investments Limited ("the Company") for the year ended March 31, 2021. At the time of signing of the Independent Auditor's Report, Unique Document Identification Number (UDIN) was required to be generated which we could not generate on the date of issuing the said Report. The same has been generated on May 04, 2021. The UDIN is 21033632AAAABI1649.

We request you to disseminate the said UDIN to all the stakeholders and user of the said Independent Auditor's Report on the consolidated financial statements of the Company for the year ended March 31, 2021.

Thanking you.

Yours faithfully,

For KHANDELWAL JAIN & CO.
Chartered Accountants
Firm Registration No.: 105049W

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANTS

(S.S.SHAH)
Partner
Membership No.: 033632

NSE INVESTMENTS LIMITED
(Formerly known as NSE Strategic Investment Corporation Limited)
CONSOLIDATED BALANCE SHEET AS AT MARCH 31,2021

(₹ in Lakh)

	Particulars	As at 31.03.2021 (Unaudited)	As at 31.03.2020 (Audited)
	ASSETS		
1	**Non-current assets**		
a	Property, Plant and Equipments	1,698.49	1,508.95
b	Capital work-on-progress	102.49	102.25
c	Goodwill on Consolidation	39,416.64	12,680.81
d	Right Of Use Asset	2,686.09	2,430.67
e	Other Intangible assets	2,167.30	2,285.53
f	Intangible assets under development	305.54	300.68
g	Investment in associates accounted for using the equity method	24,462.42	24,304.32
h	Financial Assets		
i	Investments	2,30,696.52	44,939.20
ii	Trade receivable	6.25	-
ii	Others Financial Assets		
	Non-current bank balances	3,339.20	376.71
	Others	129.63	73.75
i	Income Tax Assets (Net)	2,393.30	2,297.68
j	Deferred tax assets	549.50	2,995.65
k	Other non-current assets	257.17	90.81
	Total non-current Assets	**3,08,210.56**	**94,387.02**
2	**Current assets**		
a	Inventories	-	-
b	Financial Assets		
i	Investments	40,271.03	47,323.26
ii	Trade receivable	14,738.70	11,024.97
iii	Cash and Cash equivalents	8,917.71	4,596.41
iv	Bank balances other than (iii) above	6,129.43	4,382.27
v	Loans	577.94	669.66
vii	Other Financial Assets	4,178.32	1,481.89
c	Other current assets	2,270.26	1,960.68
		77,083.39	**71,439.14**
3	Asset Classified as Held for Sale	-	43,996.88
	Total Current Assets	**77,083.39**	**1,15,436.02**
	TOTAL ASSETS	**3,85,293.95**	**2,09,823.04**
	EQUITY AND LIABILITIES		
(A)	**EQUITY**		
a	Share capital	82,599.34	82,599.34
b	Other Equity	2,77,687.98	1,06,452.87
	Equity attributable to owners of NSE Investments Ltd	**3,60,287.32**	**1,89,052.21**
a	Non Controlling Interest	2.12	72.25
	TOTAL EQUITY	**3,60,289.45**	**1,89,124.46**
(B)	**LIABILITIES**		
1	**Non-current liabilities**		
a	Financial Liabilities		
i	Borrowings	-	-
ii	Other financial liabilities (Other than Provisions in (b) below)	1,746.87	1,466.00
		1,746.87	1,466.00
b	Provisions	695.08	403.96
c	Deferred tax liabilities	6,023.35	8,167.42
d	Other non-current liabilities	-	-
	Total Non-current liabilities	**8,465.30**	**10,037.39**
2	**Current liabilities**		
a	Financial Liabilities		
i	Borrowings	-	-
ii	Trade Payables		
	(i) total outstanding dues of micro enterprises and small enterprises	64.35	43.17
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	8,677.08	4,955.12
iii	Other financial liabilities	1,393.87	1,648.89
		10,135.30	**6,647.19**
b	Provisions	1,408.99	1,537.37
c	Other current liabilities	4,657.74	2,181.63
d	Income Tax Liabilities (Net)	337.15	294.99
	Total current liabilities	**16,539.19**	**10,661.18**
	TOTAL EQUITY AND LIABILITIES	**3,85,293.94**	**2,09,823.04**

Summary of significant accounting policies
The accompanying notes are an integral part of the financial statements.

KHANDELWAL JAIN & CO. CHARTERED ACCOUNTANTS MUMBAI

NSE Investments Limited

NSE INVESTMENTS LIMITED

(Formerly known as NSE Strategic Investment Corporation Limited)

CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2021

(₹ in Lakh)

Particulars	Year ended 31.03.2021 (Unaudited)	Year ended 31.03.2020 (Unaudited)
Income		
Revenue from operations	72,997.06	63,038.51
Diminution in the value of investments written back	-	100.00
Other income	11,449.61	6,424.92
Total Income	**84,446.67**	**69,563.43**
Expenses		
Employee benefits expense	22,584.40	18,405.24
Finance Cost	437.03	331.32
Depreciation and amortisation expense	3,400.18	2,797.84
Other expenses	22,547.72	23,715.28
Total Expenses	**48,969.33**	**45,249.69**
Profit before, share of net profits of investments accounted for using equity method.	**35,477.34**	**24,313.75**
Share of net profit of associates accounted by using equity method	2,142.58	8,262.97
Profit before profit on sale of investment and tax	**37,619.92**	**32,576.72**
Add : Profit on sale of investment	1,73,506.35	-
Profit before tax	**2,11,126.27**	**32,576.72**
Less : Tax expenses		
Tax on Exceptional items	20,116.87	-
Other Current Tax	7,986.62	6,193.36
Income Tax for earlier year	28.47	101.20
Deferred tax	425.50	(1,043.75)
Total tax expenses	**28,557.46**	**5,250.82**
Net Profit after tax for the year (A)	**1,82,568.80**	**27,325.90**
Other Comprehensive Income		
Items that will be reclassified to profit or loss		
Changes in foreign currancy translation reserve	**15.55**	(50.80)
Items that will not be reclassified to profit or loss		
Remeasurements of post-employment benefit obligations	**(78.13)**	(73.78)
Share of other comprehensive income of associates accounted for using the equity method (Net of Taxes)	**(72.13)**	(115.11)
Income tax relating to items that will not be reclassified to profit or loss		
Remeasurements of post-employment benefit obligations	**32.78**	25.05
Items that will be reclassified to profit or loss		
(i) Changes in foreign currancy translation reserve	-	-
Total Other Comprehensive Income for the year (B)	(101.93)	(214.65)
Total Comprehensive Income for the year (A+B)	**1,82,466.87**	**27,111.25**
Profit for the year attributable to:		
-Owners of the company	**1,82,598.60**	**27,351.45**
-Non controlling interest	(29.80)	(25.55)
Other comprehensive income for the year		
-Owners of the company	(103.63)	(215.46)
-Non controlling interest	1.70	0.81
	(101.93)	**(214.65)**
Total comprehensive income for the year		
-Owners of the company	**1,82,494.96**	**27,135.99**
-Non controlling interest	(28.10)	(24.74)
	1,82,466.86	**27,111.25**
Earnings per equity share (Face Value ₹ 10 each)		
- Basic (₹)	**43.61**	**6.02**
- Diluted (₹)	**22.11**	**3.31**

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANTS

NSE Investments Limited

NSE Investments Limited
(Formerly known as NSE Strategic Investment Corporation Limited)
Note - Current Investments (Valued at Cost unless stated otherwise)

	Number of Units	As at 31.03.2021 (₹) in Lakhs	Number of Units	As at 31.03.2020 (₹) in Lakhs
Investment in bonds				
Quoted bonds at amortised cost				
Tax free bonds				
8.00 % Indian Railway Finance Corpn Ltd - Tranche 1 - Series 1 - 23 Feb 2022	32,626.00	342.65	-	-
Total taxfree bonds		**342.65**		-
Mutual Funds				
Quoted investments in mutual funds at FVPL				
ICICI Prudential Fixed Maturity Plan - Series 80 - 1187 Days Plan G - Direct-Growth	-	-	1,00,00,000.00	1,240.24
Kotak FMP Series 202 - 1144 Days - Direct - Growth	-	-	10,00,000.00	123.75
Nippon India Fixed Horizon Fund - XXXIV - Series 9 - Direct - Growth	-	-	97,50,000.00	1,180.02
Nippon India Fixed Horizon Fund - XXXVIII - Series 12 - Direct - Growth	20,00,000.00	251.25	20,00,000.00	234.17
Nippon India Fixed Horizon Fund - Xxxvii - Series 04 - Direct - Growth	25,00,000.00	324.65	25,00,000.00	301.49
Total Quoted investments in mutual funds		575.90		3,079.67
Unquoted investments in mutual funds at FVPL				
Aditya Birla Sun Life Floating Rate Fund - LTP - Direct - Growth	-	-	6,37,374.89	1,608.07
Aditya Birla Sun Life Floating Rate Fund - Direct- Growth	3,34,373.78	905.09	-	-
Aditya Birla Sun Life Money Manager Fund - Direct - Growth	82,803.66	237.79	3,76,237.19	1,019.31
Aditya Birla Sunlife Money Manager Fund - Direct - Growth	-	-	97,873.91	265.16
Aditya Birla Sun Life Savings Fund - Direct - Growth	4,22,372.59	1,802.84	7,58,172.46	3,038.98
Aditya Birla Sun Life Banking & PSU Debt Fund - Direct - Growth	2,55,476.63	740.17	-	-
Aditya Birla Sun Life Short Term Fund - Dir - Growth	14,56,599.13	560.13	-	-
Axis Treasury Advantage Fund - Growth - Direct Plan	57,715.46	1,432.83	26,603.15	618.56
Axis Banking & PSU Debt Fund - Direct - Growth	95,831.20	2,010.34	1,17,239.82	2,275.62
Axis Ultra Short term Fund - Direct - Growth	38,94,129.16	465.86	1,48,81,453.73	1,687.87
Canara Robeco Savings Plus Fund - Direct - Growth	17,24,810.05	579.86		-
DSP Blackrock Low Duration Fund - Direct - Growth	-	-	44,87,276.84	668.82
DSP Blackrock Money Manager Fund - Direct - Growth	-	-	18,207.30	495.54
DSP Corporate Bond Fund - Dir - Growth	1,32,24,849.38	1,692.87		-
DSP Ultra Short Term Fund - Direct - Growth	10,230.86	292.02	9,680.39	263.47
DSP Banking & PSU Debt Fund - Direct - Growth	69,34,227.56	1,330.26		-
DSP Saving Fund - Dirtect - Growth	1,72,199.60	72.50	5,04,972.72	201.28
HDFC Ultra Short Term Fund - Direct -Growth	-	-	11,86,836.76	133.62
HDFC Money Market Fund - Direct - Growth	53,649.31	2,400.23	76,288.69	3,219.26
HDFC Floating Rate Debt Fund - Direct - Growth	9,35,211.27	358.10	9,35,211.27	330.90
HDFC Low Duration fund-Dir-Growth	11,62,196.09	553.00	11,62,196.09	514.00
HDFC Overnight Fund - Direct -Growth	-	-	223.84	6.65
HDFC Money Market Fund - Dir - Growth	12,015.53	538.00	12,015.53	507.00
ICICI Prudential Corporate Bond Fund - Direct - Growth	-	-	1,43,722.90	30.91
ICICI Prudential Money Market Fund - Direct- Growth	5,49,696.25	1,623.13	6,50,979.50	1,817.96
ICICI Prudential Money Market Fund - Direct - Growth	2,13,554.36	630.58	-	-
ICICI Prudential Banking & PSU Debt Fund- Direct- Growth	1,17,21,703.72	3,002.68	1,00,51,222.99	2,376.47
ICICI Prudential Money Market Fund - Dir- Growth	60,957.22	180.00	60,957.22	170.00
ICICI Prudential Savings Fund - Dir - Growth	1,31,297.42	551.00	1,31,297.42	513.00
IDFC Low Duration Fund - Direct - Growth	-	-	32,89,138.89	950.38
IDFC Ultra Short Term Fund - Direct - Growth	47,48,899.27	568.50	56,49,451.53	644.40
IDFC Corporate Bond Fund - Dir - Growth	21,36,647.91	326.22	-	-
IDFC Banking & PSU Debt Fund- Direct- Growth	20,41,549.68	398.93	1,67,45,695.31	3,008.21
Invesco India Money Market Fund - Direct - Growth	-	-	1,20,562.17	2,789.47
Invesco India Liquid Fund - Direct Plan Growth	-	-	9,357.08	255.00
INVESCO INDIA CORPORATE BOND FUND - DIRECT - GROWTH	90,474.89	2,364.87	-	-
Invesco India Treasury Adavnatage Fund - Direct - Growth	26,308.96	780.61	8,984.12	257.13
Invesco India Money Market Fund-Direct -Growth	-	-	12,018.07	278.00
JM Liquid Fund - Direct - Growth	-	-	-	-
Kotak Liquid Fund - Direct - Growth	-	-	1,707.06	68.54
Kotak Liquid Scheme - Plan A - Direct - Growth	-	-	-	-
Kotak Money Market Scheme - Direct Plan - Growth	4,505.48	156.96	25,997.65	861.32
Kotak Banking & PSU Debt Fund - Direct - Growth	13,80,125.37	711.09	-	-
Kotak Corporate Bond Fund - Direct - Growth	55,958.80	1,670.16	-	-
Kotak Money Market Scheme - Dir - Growth	-	-	15,448.29	512.00
Kotak Treasury Advantage Fund - Dir - Growth	-	-	7,33,065.28	241.00
L&T Ultra Short Term Fund - Direct - Growth	37,46,542.74	1,314.82	36,49,605.15	1,220.06
L&T Money Market Fund - Direct - Growth	29,79,455.53	639.35	-	-
L&T Banking & PSU Debt Fund - Direct - Growth	44,93,237.35	903.68	-	-
L&T Low Duration Fund - Dir - Growth	28,64,080.40	655.48	-	-
Mirae Asset Cash Management Fund - Direct - Growth	-	-	2,403.72	50.35
Mirae Asset Corporate Bond Fund- Direct- Growth	59,99,700.02	602.46	-	-
Nippon India Money Market Fund - Direct - Growth	46,561.68	1,499.64	34,470.53	1,052.27
Nippon India Banking & PSU Debt Fund - Direct - Growth	12,25,880.78	201.30	1,45,38,191.09	2,193.19
Nippon India Liquid Fund - DIRECT - GROWTH	590.50	29.72	590.50	28.64
SBI Magnum Ultra Short Duration Fund - Direct - Growth	20,028.62	945.15	27,200.07	1,218.47
SBI Banking & PSU Debt Fund - Direct - Growth	56,227.86	1,436.07	7,547.36	178.52
Sbi Savings Fund - Direct - Growth	12,00,462.58	410.51	19,49,422.96	630.97
SBI Magnum Low Duration Fund - Direct - Growth	-	-	19,616.04	515.90
SBI Savings Fund - Dir - Growth	10,71,915.53	367.00	31,29,546.84	1,013.00
Tata Short Term Bond Fund - Direct - Growth	34,87,769.43	1,410.70	22,24,118.15	831.82
Tata Liquid Fund Direct Plan - Growth	-	-	8,164.97	256.00
UTI Money Market - Direct Plan - Growth	-	-	95,211.52	2,159.17
UTI Floater Fund - Direct - Growth	-	-	18,028.58	203.34
UTI Liquid Cash Plan Direct - Growth	-	-	32,711.38	1,064.00
Total Un-Quoted investments in mutual funds		**39,352.48**		**44,243.59**
Total current investments		**40,271.03**		**47,323.26**
Aggregate Book value - Quoted Investments		918.55		3,079.67
Aggregate Book Value - Unquoted Investments		39,353.42		44,243.59
Aggregate Market Value of Quoted Investments		925.75		3,079.67

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANTS

NSE Investments Limited

NSE Investments Limited
(Formerly known as NSE Strategic Investment Corporation Limited)
Note - Non Current Investments (Valued at Cost unless stated otherwise)

	Number of Units	As at 31.03.2021 (₹) in Lakhs	Number of Units	As at 31.03.2020 (₹) in Lakhs
Non Current Investments (Valued at Cost unless stated otherwise)				
Investments in Equity Shares				
Unquoted Equity Shares				
In Others				
Goods and Service Tax Network	10,00,000	100.00	10,00,000	100.00
NSE Foundation	6,000	-	6,000	-
		100.00		**100.00**
		100.00		**100.00**
Investment in bonds				
Quoted bonds at amortised cost				
Tax free bonds				
7.18 % Indian Railway Finance Corpn Ltd - Tranche 1 - Series 1 - 19 Feb 2023	1,50,000	1,574.28	1,50,000	1,587.43
7.19% India Infrastructure Finance Company Limited - 22 Jan 2023	45,000	458.88	45,000	460.42
7.19% Indian Railway Finance Corporation Ltd - 31 Jul 2025	50	553.03	50	556.86
7.35% National Highways Authority of India 11 Jan 2031	50,000	536.49	50,000	536.74
8.00 % Indian Railway Finance Corpn Ltd - Tranche 1 - Series 1 - 23 Feb 2022	-	-	32,626	348.05
7.35% National Highways Authority of India 11 Jan,2031	50,000	538.60	50,000	538.85
7.19% India Infrastructure Finance Company Limited 22 Jan,2023	50,000	509.87	50,000	511.58
		4,171.15		**4,539.91**
Investment in exchange traded funds				
Quoted exchange traded funds at FVPL				
Bharat Bond ETF - April 2023	1,00,000	1,114.00	1,00,000	1,024.12
Kotak Mahindra MF - Kotak Banking ETF	-	-	88,400	171.02
Nippon India ETF Nifty Bees	-	-	6,73,000	618.76
		1,114.00		**1,813.89**
Unquoted investments in mutual funds at FVPL				
Liquid / Liquid Plus Schemes				
Aditya Birla Sun Life Money Manager Fund - Direct - Growth	71,37,569	20,497.04	2,89,077	783.17
Axis Money Market Fund - Direct - Growth	10,15,269	11,237.86	-	-
DSP Ultra Short Term Fund - Direct - Growth	-	-	38,659	1,052.17
DSP Saving Fund - Dirtect - Growth	4,72,42,507	19,889.43	-	-
HDFC Money Market Fund - Direct - Growth	4,68,114	20,943.05	96,908	4,089.35
ICICI Prudential Money Market Fund - Direct- Growth	70,97,782	20,958.22	13,57,059	3,789.79
IDFC Low Duration Fund - Direct - Growth	-	-	39,28,288	1,135.06
IDFC Money Manager - Direct - Growth	6,10,66,812	20,547.76	1,05,35,120	3,367.40
Invesco India Liquid Fund - Direct - Growth	2,30,433	6,512.18	1,16,329	3,173.77
Invesco India Money Market Fund - Direct - Growth	1,37,011	3,349.77	1,45,410	3,365.62
Kotak Money Market Scheme - Direct Plan - Growth	5,88,418	20,499.30	49,839	1,651.19
L&T Money Market Fund - Direct - Growth	1,69,50,895	3,637.44	-	-
L&T LIQUID FUND - DIRECT - GROWTH	2,38,461	6,722.03	-	-
Mirae Asset Cash Management Fund - Direct Plan - Growth	1,72,230	3,739.86	1,06,474	2,230.22
Nippon India Money Market Fund - Direct - Growth	6,51,615	20,986.91	1,25,241	3,823.19
SBI Magnum Ultra Short Duration Fund - Direct - Growth	-	-	79,514	3,561.95
SBI SAVINGS FUND - DIRECT - GROWTH	6,05,35,459	20,700.58	97,51,110	3,156.14
TATA LIQUID FUND DIRECL PLAN - GROWTH	1,18,703	3,855.05	-	-
TATA MONEY MARKET FUND - DIRECT - GROWTH	17,713	650.09	-	-
UTI Money Market - Direct Plan - Growth	8,59,429	20,584.80	1,45,798	3,306.35
		2,25,311.37		**38,485.39**
Total Non-Current Investments		**2,30,696.52**		**44,939.20**
Aggregate Book value - Quoted Investments		5,285.15		6,353.81
Aggregate Book Value - Unquoted Investments		2,25,411.37		38,585.39
Aggregate Market Value of Quoted Investments		5,640.09		6,519.44

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANTS

NSE Investments Limited

NSE INVESTMENTS LIMITED
(Formerly known as NSE Strategic Investment Corporation Limited)
Notes to Consolidated Financial Statements for the year ended March 31, 2021

Trade Receivables (Non Current)	**As at 31.03.2021 (₹ in Lakhs)**	**As at 31.03.2020 (₹ in Lakhs)**
Unsecured, Considered Good	**6.25**	**-**
	6.25	**-**

Other financial assets (non-current)	**As at 31.03.2021 (₹ in Lakhs)**	**As at 31.03.2020 (₹ in Lakhs)**
Non-current bank balances		
-with maturity for more than 12 months	312.66	7.00
Earmarked Deposits with maturity for more than 12 months	3,026.54	369.71
	3,339.20	**376.71**
Others		
Security deposit	122.43	73.35
Interest accrued on Bank deposits	-	-
Interest accrued on Loans (unsecured, considered good)	7.20	0.40
	129.63	**73.75**
	3,468.83	**450.46**

Income Tax Assets (Net)	**As at 31.03.2021 (₹ in Lakhs)**	**As at 31.03.2020 (₹ in Lakhs)**
(Unsecured , Considered Good)		
Income Tax paid including TDS (Net of Provisions)	2,393.30	2,297.63
Fringe Benefit Tax (Net of Provisions)	-	0.05
MAT Credit entitlement	-	-
Total	**2,393.30**	**2,297.68**

(a) Defferred Tax Assets	**As at 31.03.2021 (₹ in Lakhs)**	**As at 31.03.2019 (₹ in Lakhs)**
Defferred Tax Assets	549.50	2,995.65
	549.50	**2,995.65**

(b) Defferred Tax Liabilities

	As at 31.03.2021 (₹ in Lakhs)	**As at 31.03.2019 (₹ in Lakhs)**
Op DTL Tax Base on Associate & Incl Subsidiary DTL (Net)	6,023.35	8,167.42
Reversal of Outside Tax Basis	-	-
Reversal of Outside Tax Basis on Sale	-	-
	6,023.35	**8,167.42**

Other Non-Current Assets	**As at 31.03.2021 (₹ in Lakhs)**	**As at 31.03.2020 (₹ in Lakhs)**
Prepaid Expenses	90.08	15.88
Capital Advance	23.87	13.81
Deferred Transaction Cost	143.22	61.12
	257.17	**90.81**

Inventories - Traded Goods	**As at 31.03.2021 (₹ in Lakhs)**	**As at 31.03.2020 (₹ in Lakhs)**
Inventories	-	-
	-	-

Trade receivables	**As at 31.03.2021 (₹ in Lakhs)**	**As at 31.03.2020 (₹ in Lakhs)**
Outstanding for a period of over six months from the date they are		
Secured, considered good	-	-
Unsecured, considered good	-	424.23
Doubtful	-	504.78
Less : Provision for Doubtful Debts	-	(408.94)
	-	**520.07**
Other Receivables		
Secured, considered good	-	-
Unsecured, considered good	14,687.53	10,677.15
Trade Receivables from Related Party	44.45	-
Doubtful	1,225.33	-
	15,957.31	10,677.15
Less : Provision for Doubtful Debts	(1,218.61)	(172.25)
	14,738.70	10,504.90
Total	**14,738.70**	**11,024.97**

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANTS

NSE Investments Limited

NSE INVESTMENTS LIMITED
(Formerly known as NSE Strategic Investment Corporation Limited)
Notes to Consolidated Financial Statements for the year ended March 31, 2021
Cash and bank balances

	As at 31.03.2021 (₹ in Lakhs)	As at 31.03.2020 (₹ in Lakhs)
Cash and cash equivalents		
Balances with banks :		
On current accounts	6,797.98	1,583.60
In Savings Accounts	2.94	3.01
In Flexi Deposits	2,105.50	3,009.47
Funds in Transit	9.10	-
Cash on hand	2.19	0.33
	8,917.71	4,596.41

Bank balances other than cash and cash equivalents	As at 31.03.2021 (₹ in Lakhs)	As at 31.03.2020 (₹ in Lakhs)
Restricted Balances with banks in current accounts	-	-
Fixed deposits		
- with original maturity for more than 3 months but less than 12 months	606.21	-
- with maturity of less than 12 months at the balance sheet date	1,197.89	1,626.33
Earmarked fixed deposits *		
- with original maturity for more than 3 months but less than 12 months	3.39	1,880.97
- with maturity of less than 12 months at the balance sheet date	4,321.94	503.40
Escrow Account with ICICI Bank	-	371.57
	6,129.43	4,382.27

Loan	As at 31.03.2021 (₹ in Lakhs)	As at 31.03.2020 (₹ in Lakhs)
Security deposit (unsecured, considered good)	577.94	669.66
	577.94	669.66

Other Financial Assets (Current)	As at 31.03.2021 (₹ in Lakhs)	As at 31.03.2020 (₹ in Lakhs)
Directorship Deposits		
Dividend Receivable		
Deposit - Directorship		
Security deposit (unsecured, considered good)	67.01	0.30
Interest accrued on Bank deposits	69.10	160.47
Interest accrued on Loans (unsecured, considered good)	-	-
Insurance Claim Receivable	-	-
Loan to Employee (unsecured, considered good)	33.20	24.17
Security deposit for utilities	-	-
Service Tax Refund	-	-
Advances to related parties	703.05	-
Other advances (unsecured, considered good)	-	-
Insurance Claim Receivable from NSEIT Limited	-	-
Unbilled Revenue	3,305.96	1,296.95
TDS on IPO Exp receivable	-	
Total	4,178.32	1,481.89

Other Current Assets

	As at 31.03.2021 (₹ in Lakhs)	As at 31.03.2020 (₹ in Lakhs)
Advance to Creditors (unsecured, considered good)	163.61	320.60
Directorship Deposits	4.35	5.88
Prepaid Expenses	1,042.45	436.67
Advance to Staff for Expenses (unsecured, considered good)	88.57	332.72
Advance to Employees	-	1.84
Balances with Statutory Authorities	937.62	847.06
Other Advances	-	-
Deferred Transaction Cost	33.67	15.91
Total	2,270.26	1,960.68

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANTS

NSE Investments Limited

NSE INVESTMENTS LIMITED
(Formerly known as NSE Strategic Investment Corporation Limited)
Notes to Consolidated Financial Statements for the year ended March 31, 2021

Provision (non current)	As at 31.03.2021 (₹ in Lakhs)	As at 31.03.2020 (₹ in Lakhs)
Employee benefits obligation	-	-
Provision for Leave Encashment	221.60	114.98
Provision for gratuity	404.79	288.98
Provision for Performance Based Variable Pay	65.38	-
Providend Fund Employee Contribution	3.31	
Provision for leave encashment		
Total	**695.08**	**403.96**

Trade payables (current)	As at 31.03.2021 (₹ in Lakhs)	As at 31.03.2020 (₹ in Lakhs)
Trade payables		
(i) total outstanding dues of micro enterprises and small enterprises	64.35	43.17
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	6,390.75	3,867.69
Trade payables to related parties	2,286.33	1,087.44
Accrual towards employee benefits		
Medical benefits		
Provision for Leave Travel allowance		
Total	**8,741.43**	**4,998.29**

Other financial liabilities

	As at 31.03.2021 (₹ in Lakhs)	As at 31.03.2020 (₹ in Lakhs)
Interest Payable	-	-
Creditors for Investment	-	371.57
Lease Liablility	1,232.10	1,070.62
Dues Payable to Related Party	36.83	73
Creditors for Capital Expenditure	95.16	26
Dividend payable on preference shares	(0.00)	-
Dividend Tax payable on preference shares & Equity Share	-	-
Advance received from GSTN	-	-
Current maturities of Term Loan	-	8
Dues Payable to Others	29.79	99.35
Total	**1,393.87**	**1,648.89**

Provision (current)	As at 31.03.2021 (₹ in Lakhs)	As at 31.03.2020 (₹ in Lakhs)
Employee benefits obligation		
Provision for gratuity	213.35	225.05
Providend Fund Employee Contribution	-	-
Provision for Performance Based Variable Pay	703.26	1,025.84
Provision for leave encashment	375.45	272.73
Provision for LTA short term	0.72	0.72
Others	116.22	13.03
Total	**1,408.99**	**1,537.37**

Other Current liabilities	As at 31.03.2021 (₹ in Lakhs)	As at 31.03.2020 (₹ in Lakhs)
Statutory dues payable	1,946.78	1,169.57
Advance from customers	1,867.92	648.32
Income received in advance	706.25	255.40
Other Payable	136.79	108.34
	4,657.74	**2,181.63**

Income Tax Liabilities (Net)	As at 31.03.2021 (₹ in Lakhs)	As at 31.03.2020 (₹ in Lakhs)
Other Provisions		
Income Tax (Net of Advances including TDS)	337.15	294.99
Total	**337.15**	**294.99**

Other Financial Liabilities	As at 31.03.2021 (₹ in Lakhs)	As at 31.03.2020 (₹ in Lakhs)
Lease Liablility	1,746.87	1,466.00
	1,746.87	**1,466.00**

KHANDELWAL JAIN & CO. CHARTERED ACCOUNTANTS MUMBAI

NSE Investments Limited

NSE INVESTMENTS LIMITED

(Formerly known as NSE Strategic Investment Corporation Limited)

Notes to Consolidated Financial Statements for the year ended March 31, 2021

Revenue from operations	For the year ended 31.03.2021 (₹ in Lakhs)	For the Year ended 31.03.2020 (₹ in Lakhs)
Profit on Sale of Investments in Associate Company refer note 6(i)	1,73,506.35	-
Index License Fees Within India		
: Derivatives Trading	4,383.96	2,123.07
: Index Funds/Exchange Traded Funds	1,440.77	1,140.43
Index License Fees Outside India	6,848.01	6,078.09
ETF Licensing Outside India	270.78	297.49
Data Subscription Fees	1,961.96	1,635.57
Online Datafeed Service Fees	13,078.96	10,010.18
Sale of Data	339.40	80.93
Recovery of expenses from NSEIL	-	1,443.86
Dealer Access Charges	-	117.32
KYC Registration Agency fees	142.09	127.19
CKYC Income	1,500.44	1,168.60
Fixed Income Valuation Services	107.80	40.00
Other Income	2.37	-
Income from Test Enrollment & Registration Fees	1,087.92	701.49
Income from Post Graduate Programme Fees	16.55	301.40
Income from Training Fees	321.75	251.05
Income NISM Examination Fees	-	548.23
Income CPE Online	-	240.63
Income from NSE Knowledge Hub	35.64	14.35
Software Products	13.62	2.05
Traded Goods	1,597.79	531.94
Software Product Revenues	719.67	599.41
Application Development & Maintenance Services	20,179.78	16,548.25
Infrastructure Management Services	4,183.23	3,386.54
ITES - Assessment Services	12,010.94	15,148.51
Customer Care Services	505.80	501.92
Income from NSMART	32.47	-
Income from Retail and Educational Institutions	2,215.37	-
Total	**2,46,503.41**	**63,038.51**

Other Income

	For the year ended 31.03.2021 (₹ in Lakhs)	For the Year ended 31.03.2020 (₹ in Lakhs)
Income received by Executive Director as Nominee on the Board of other Company.		
Sitting Fees	6.70	13.30
Director Commission	20.21	16.01
Misc. Income	121.06	45.47
Interest income from financial assets at amortised cost	306.69	293.95
Interest Income on Bank Deposits	381.12	496.03
Interest on Security Deposits	3.22	
Net gain on sale of financial assets mandatorily measured at fair value through profit or loss	6,900.30	2,869.76
Net fair value gain/(loss) on financial assets	1,904.22	1,801.81
Net gain / loss on sale of current Investment	549.90	400.36
Profit/(Loss) on Foreign Exchange Fluctuation (net)	-	83.75
Net foreign exchange gains	205.76	261.56
Penalty income	5.67	6.08
Interest on Dealer Access Charges	-	0.22
Interest Income from Post gradution Installement Fees	-	1.35
Interest on Income tax refund	78.22	94.22
Gain on derecognition of right-of-use asset and lease liability	4.86	-
Excess provision written back	826.28	-
Sundry Balance W/ Back	72.55	41.06
Extinguishment of lease liabilities due rent concession	62.82	-
Total	**11,449.61**	**6,424.92**

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANTS

NSE Investments Limited

NSE INVESTMENTS LIMITED
(Formerly known as NSE Strategic Investment Corporation Limited)
Notes to Consolidated Financial Statements for the year ended March 31, 2021

Other expenses

	For the year ended 31.03.2021 (₹ in Lakhs)	For the Year ended 31.03.2020 (₹ in Lakhs)
Revenue Sharing	2,985.80	2536.86
Legal Expense on SGX matter	-	28.45
Purchases of Stock-in-Trade	1,054.00	335.86
Technical & Sub Contract Charges	2,519.73	3729.04
License fees	-	435.10
Technology expense	884.73	1623.88
Director Sitting Fees	159.75	137.10
Fees paid to SEBI	-	85.00
Insurance	256.86	213.21
Legal & Profesional Fees	1,069.03	710.40
Payment to auditor (Refer note below)	142.70	62.12
Space & Infrastructure Usage Charges	190.92	194.06
Contribution to NSE Foundation towards CSR (refer note 22)	600.91	-
Index Calculation Service Charges	4.76	21.75
Fees & Subscription	733.75	814.82
Profit/(Loss) on Foreign Exchange Fluctuation (net)	146.41	-
Electricity Charges	339.89	434.12
Travelling & Conveyance expenses	970.48	2078.19
Meeting & Conferences	0.72	11.69
Business Promotion	2.51	17.67
Advertisement & Publicity	586.41	18.74
Repairs & Maintenance - computer	80.65	98.70
Repairs & Maintenance- Buildings	12.72	-
Repairs & Maintenance- Others	28.48	-
Bad Debts Written Off	26.13	103.56
Corporate Social Responsibility Expenditure	-	578.37
Provision for Doubtful Debts	310.47	154.68
Data Subscription Fees	616.78	-
Web Hosting Charges	0.85	2.05
Project Related Purchases	3,387.20	4406.47
Telephone Expenses	475.15	432.20
Bank Charges	6.72	2.35
Outsourcing Charges	30.43	21.46
Processing charges	-	10.22
Test Expenses	0.08	10.56
CPE Programme Expenses	96.51	175.43
MDP Programme Expenses	21.70	7.55
Expenses relating to SFL Test Expenses	4.91	14.27
Expenses relating to MBA Course Expenses	1.82	2.41
Expenses relating to NCCMP Course Expenses	1.41	6.02
Expenses related to Post graduate Global Financial Market course	15.24	137.51
NSE Knowledge Hub Expenses	0.12	12.14
NSMART Expenses	4.83	0.58
Training Expenses	132.86	130.44
Rent - Commercial Premises	2,394.78	2481.39
Printing & Stationery	2.27	4.79
Books & Periodicals	0.22	0.96
Stamp Duty & Registration fees	135.13	0.16
Rates & Taxes	67.40	144.03
Custody charges	0.23	0.28
Office Expenses	373.97	269.23
Recruitment Charges	-	2.04
Royalty & Faculty Expenses	823.72	-
Security Services Charges	155.79	187.90
Other expenses	689.81	829.46
	-	
Total	**22,547.72**	**23,715.28**

Note :
Payment to Auditor

As Auditor	-	-
Audit Fees	142.70	62.12
Tax Audit Fees		
In other Capacity		
Certification Matters	-	-
Taxation Matters	-	-
Out of Pocket Expenses	-	-
Total	142.70	62.12
Less : Certification Fees added to Cost of Invetsment	-	-
Total	**142.70**	**62.12**

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANTS

NSE Investments Limited

K. S. AIYAR & CO
CHARTERED ACCOUNTANTS

F-7, Laxmi Mills
Shakti Mills Lane (Off Dr E Moses Rd)
Mahalaxmi, Mumbai - 400 011 India
Tel : 91 22 2493 2502 / 6655 1770
Fax : 91 22 6655 1774
Grams : VERIFY
www.KSAiyar.com
Mail@KSAiyar.com

Independent Auditor's Report

To the Members of NSE Data & Analytics Limited

Report on the Audit of Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **NSE Data & Analytics Limited** ('the Company'), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of cash flows for the year then ended, and notes to standalone financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and its profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis of Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the following matter as Key Audit Matter/s for the year.

Offices also at
Chennai Kolkata
Bengaluru Coimbatore Hyderabad

We have determined that there are no key audit matters to communicate in our report.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's report but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134 (5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (IND AS) specified under Section 133 of the Act read with the rules made thereunder. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

Sachin

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Government of India – Ministry of Corporate Affairs, in terms of sub-section (11) of section 143 of the Act, we enclose in the annexure 'A' a statement on the matters specified in paragraphs 3 and 4 of the said Order, to the extent applicable.

2. As required by Section 143 (3) of the Act, we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

   (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act.

   (e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.

   (f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

   (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

(i) The Company has disclosed the impact of the pending litigations its financial position in its standalone financial statements – refer note 29 to the standalone financial statements;

(ii) The Company does not have any long-term contracts for which there were any material foreseeable losses. The Company does not have any derivative contracts.

(iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For K. S. Aiyar & Co.
Chartered Accountants
ICAI Firm Registration No. 100186W

Sachin. A. Negandhi

Sachin A. Negandhi
Partner
Membership No: 112888
UDIN: 21112888AAAADS7716

Place: Mumbai
Date: April 29, 2021

Annexure to the Auditor's Report

(Referred to in paragraph 1 under the heading 'Report on Other Legal and Regulatory Requirements' of our Report of even date on the standalone financial statements for the year ended on March 31, 2021, of **NSE Data & Analytics Limited)**

In our opinion, and on the basis of such checks of the books and records as we considered appropriate and according to the information and explanations given to us during the normal course of audit, which were necessary to the best of our knowledge and belief, we report that:

(i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

(b) A substantial portion of the fixed assets have been physically verified by the management during the year. In our opinion the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) The Company does not hold any immovable properties. Accordingly, the provisions of clause 3(ii)(c) of the Order are not applicable.

(ii) The Company is a service Company and therefore does not maintain any inventory; the directions in this regard are therefore not applicable.

(iii) As informed, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, provisions of clauses 3 (iii) (a), 3 (iii) (b) and 3 (iii) (c) of the Order are not applicable.

(iv) As informed, the Company has not advanced any loans, made any investments or given any guarantees and securities. Accordingly, clause 3 (iv) of the Order is not applicable.

(v) The Company has not accepted any deposit from the public and consequently the directives issued by the Reserve Bank of India, provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder, with regard to the deposits accepted from the public are not applicable to the Company. No order has been passed by the Company Law Board, National Law Tribunal or Reserve Bank of India or any other court or any other tribunal.

(vi) According to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013 in respect of services carried out by the Company.

(vii) (a) According to the records of the Company, provident fund, income tax, goods and services tax, duty of customs, cess and other material statutory dues applicable to it have been generally regularly deposited during the year with the appropriate authorities. As informed to us, the directions relating to employee's state insurance are not applicable to the Company.

According to the information and explanations given to us, there are no undisputed dues in respect of provident fund, income-tax, goods and services tax, duty of customs, cess and other statutory dues which were outstanding, at the year end for a period of more than six months from the date they became payable.

(b) According to the records of the Company, income-tax, duty of customs and goods and services tax which have not been deposited on account of any dispute, are as follows:

Name of Statute (Nature of dues)	**Year to which the amount relates**	**Forum where the dispute is pending**	**Amount (₹ in lakhs)**
Income Tax Act, 1961. (Tax/ Interest)	2008-09	Income Tax Appellate Tribunal – Mumbai	5.22
Income Tax Act, 1961. (Tax/ Interest)	2011-12	Commissioner of Income Tax (Appeals) XVI – Mumbai	62.2
Income Tax Act, 1961. (Tax/ Interest)	2012-13	Deputy Commissioner of Income Tax Circle 9(3)(1) – Mumbai	0.24
Income Tax Act, 1961. (Tax/ Interest)	2015-16	Assessing Officer – Income Tax – Mumbai	639.42
Central Excise Act, 1944 (B.E.D and Education & Higher Education Cess)	September 2009 to March 2014	Commissioner of Goods and Services Tax (Appeals) – Mumbai	24.20 (and related interest & penalty)

(viii) According to the information and explanations given to us, the Company has not taken any money from any financial institution, bank, Government or debenture holder, and accordingly clause 3 (viii) of the Order is not applicable to the Company.

(ix) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) and did not have any term loans outstanding during the year. Accordingly, clause 3 (ix) of the Order is not applicable to the Company.

(x) According to the information and explanations furnished by the management, which have been relied upon by us, there were no frauds by the Company or on the Company by any of its employees or officers noticed or reported during the course of our audit.

(xi) In our opinion, managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 of the Act read with Schedule V to the Act.

(xii) In our opinion, the Company is not a Nidhi Company. Accordingly, clause 3 (xii) of the Order is not applicable to the Company.

(xiii) In our opinion all transactions with the related parties are in compliance with sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the standalone financial statements etc., as required by the applicable accounting standards.

(xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.

(xv) The Company has not entered into any non-cash transactions with directors or persons connected with them.

(xvi) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For K. S. Aiyar & Co.
Chartered Accountants
ICAI Firm Registration No. 100186W

Sachin. A. Negandhi

Sachin A. Negandhi
Partner
Membership No: 112888
UDIN: 21112888AAAADS7716

Place: Mumbai
Date: April 29, 2021

Annexure - B to the Independent Auditor's Report of even date on the Standalone Financial Statements of NSE Data & Analytics Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to standalone financial statements of **NSE Data & Analytics Limited** ("the Company") as of March 31, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether internal financial controls with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to standalone financial statements.

Meaning of Internal Financial Controls with reference to standalone financial statements

A company's internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls with reference to standalone financial statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For K. S. Aiyar & Co.
Chartered Accountants
ICAI Firm Registration No. 100186W

Sachin. A. Negandhi

Sachin A. Negandhi
Partner
Membership No: 112888
UDIN: 21112888AAAADS7716

Place: Mumbai
Date: April 29, 2021

NSE DATA & ANALYTICS LIMITED

BALANCE SHEET AS AT MARCH 31, 2021

(Rs. In lakhs)

Particulars	Notes	As at 31.03.2021	As at 31.03.2020
ASSETS			
Non-current assets			
Property, Plant and Equipment	2	**622.22**	651.19
Capital work-in-progress	2	**77.53**	-
Other Intangible assets	3	**948.59**	1,150.91
Intangible assets under development	3	**255.92**	126.78
Investment in subsidiary and associate	4	**14,742.35**	-
Financial Assets			
- Investments	4	**2,073.16**	2,788.62
- Other financial assets	5		
Non-current bank balances		**1,274.25**	-
Others		**7.91**	7.00
Income Tax Assets (Net)	7	**258.18**	188.17
Total Non-current assets		**20,260.11**	4,912.67
Current assets			
Financial Assets			
- Investments	9	**6,960.71**	15,738.44
- Trade receivables	10	**1,540.53**	1,606.27
- Cash and cash equivalents	11	**755.06**	57.76
- Bank balances other than cash and cash equivalents	12	**500.00**	699.00
- Other financial assets	6	**9.19**	32.18
Other current assets	8	**811.98**	747.58
Total Current assets		**10,577.47**	18,881.22
TOTAL ASSETS		**30,837.58**	23,793.90
EQUITY AND LIABILITIES			
EQUITY			
Equity Share capital	13 a	**900.00**	900.00
Other Equity	13 b	**26,495.64**	20,532.49
TOTAL EQUITY		**27,395.64**	21,432.49
LIABILITIES			
Non-current liabilities			
Deferred tax liabilities (Net)	14	**56.37**	235.28
Provisions	15	**43.60**	33.89
Total Non-current liabilities		**99.97**	269.17
Current liabilities			
Financial Liabilities			
- Trade payables	17		
(i) total outstanding dues of micro enterprises and small enterprises		**4.57**	4.60
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		**2,861.47**	1,690.29
Provisions	16	**130.51**	35.80
Current Tax Liabilities (Net)	18	**106.06**	111.57
Other current liabilities	19	**239.36**	249.99
Total Current liabilities		**3,341.97**	2,092.24
TOTAL LIABILITIES		**3,441.94**	2,361.41
TOTAL EQUITY AND LIABILITIES		**30,837.58**	23,793.90

Summary of significant accounting policies 1

Notes refer to above form an integral part of the Balance sheet

This is the Balance sheet refered to in our report of even date

For K. S. AIYAR & CO.
Chartered Accountants
ICAI Firm Registration No: 100186W

Sachin. A. Negandhi

SACHIN A. NEGANDHI
Partner
Membership Number: 112888

Place : Mumbai
Date : April 29, 2021

For and on behalf of the Board of Directors

P. H. RAVIKUMAR
Chairman
(DIN 00280010)

MUKESH AGARWAL
Managing Director
(DIN 03054853)

HEENA JOSHI
Company Secretary
[ACS:46928]

NSE DATA & ANALYTICS LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2021

(Rs in lakhs)

		Notes	For the year ended 31.03.2021	For the year ended 31.03.2020
REVENUE				
	Revenue from operations	20	13,763.53	13,114.50
	Other Income	21	1,560.71	1,043.73
	Total Revenue		15,324.24	14,158.23
EXPENDITURE				
a	Revenue Sharing		2,985.80	2,536.86
b	Employee Benefits & Deputed Personnel Cost	22	747.15	747.01
c	Depreciation	2 , 3	837.09	910.10
d	Other Expenses	23	1,407.14	2,808.29
	Total Expenses		5,977.18	7,002.26
Profit before Tax			9,347.06	7,155.97
Less:-	**Tax expense**	14		
	Short Provision for tax for earlier years		10.60	68.04
	Current Tax		2,472.00	1,916.00
	Deferred Tax		(178.85)	(229.87)
Total tax expenses			2,303.75	1,754.17
Profit after Tax (A)			7,043.31	5,401.80
Other Comprehensive Income				
Items that will not be reclassified to profit or loss				
Remeasurements of post-employment benefit obligations		26	(0.21)	(4.28)
Income tax relating to items that will not be reclassified to profit or loss		14	0.05	1.08
Total Other Comprehensive Income (B)			(0.16)	(3.20)
Total Comprehensive Income for the period (A+B)			7,043.15	5,398.60
Earnings per equity share :		27		
Basic (in Rs.)			78.26	60.02
Diluted (in Rs.)			78.26	60.02

Summary of significant accounting policies 1

Notes refer to above form an integral part of the Statement of Profit & Loss

This is the Statement of Profit & loss refered to in our report of even date

For K. S. AIYAR & CO.
Chartered Accountants
ICAI Firm Registration No: 100186W

Sachin A. Negandhi

SACHIN A. NEGANDHI
Partner
Membership Number: 112888

Place : Mumbai
Date : April 29, 2021

For and on behalf of the Board of Directors

P. H. RAVIKUMAR
Chairman
(DIN 00280010)

MUKESH AGARWAL
Managing Director
(DIN 03054853)

HEENA JOSHI
Company Secretary
[ACS:46928]

NSE DATA & ANALYTICS LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2021

(A) EQUITY SHARE CAPITAL

(Rs. In lakhs)

Balance as at 01.04.2020	900.00
changes in equity share capital during the year	-
Balance as at 31.03.2021	**900.00**

(B) OTHER EQUITY

(Rs. In lakhs)

		Reserves and Surplus		Total
Particulars	**Capital Redemption Reserve**	**General reserve**	**Retained Earnings**	
Balance at the April 1,2019	**300.00**	**2,792.08**	**15,025.56**	**18,117.64**
Profit for the year	-	-	5,401.80	5,401.80
Other Comprehensive Income	-	-	(3.20)	(3.20)
Transaction with owners in their capacity as owners				
Dividend paid (Including dividend distribution tax)	-	-	(2,983.74)	(2,983.74)
Balance as at 31.03.2020	**300.00**	**2,792.08**	**17,440.41**	**20,532.49**
Balance at the April 1,2020	**300.00**	**2,792.08**	**17,440.41**	**20,532.49**
Profit for the year	-	-	7,043.31	7,043.31
Other Comprehensive Income	-	-	(0.16)	(0.16)
Transaction with owners in their capacity as owners				
Dividend paid	-	-	(1,080.00)	(1,080.00)
Balance as at 31.03.2021	**300.00**	**2,792.08**	**23,403.56**	**26,495.64**

This is the statement of changes in equity referred to in our report of even date attached

For K. S. AIYAR & CO.
Chartered Accountants
ICAI Firm Registration No: 100186W

Sachin. A. Negandhi

Sachin A. Negandhi
Partner
Membership Number: 112888

Place : Mumbai
Date : April 29, 2021

For and on behalf of the Board of Directors

P. H. RAVIKUMAR
Chairman
(DIN 00280010)

MUKESH AGARWAL
Managing Director
(DIN 03054853)

HJoshi

HEENA JOSHI
Company Secretary
[ACS:46928]

NSE DATA & ANALYTICS LIMITED

STATEMENT OF CASHFLOW FOR THE YEAR ENDED MARCH 31, 2021

(Rs. In lakhs)

			Notes	For the year ended 31.03.2021	For the year ended 31.03.2020
A)	**CASHFLOW FROM OPERATING ACTIVITIES**				
	NET PROFIT BEFORE TAX			**9,347.06**	7,155.97
	Add :	**Adjustments for :**			
	-	Depreciation and amortisation expense	2,3	**837.09**	910.10
	-	Bad Debts written off	23	**4.07**	0.21
	Less :	**Adjustments for :**			
	-	Excess Provision Written back	21	**(0.62)**	-
	-	Exchange differences on revaluation of assets and liabilities		**1.77**	0.26
	-	Interest income on Long Term Investment	21	**(151.76)**	(152.64)
	-	Interest income on Bank deposit	21	**(53.14)**	(78.21)
	-	Gain on sale of investments	21	**(967.01)**	(163.75)
	-	Net gain on financial assets mandatorily measured at fair value through profit or loss	21	**(182.94)**	(538.95)
	OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES			**8,834.49**	7,132.99
		Adjustments for :			
		(Increase)/Decrease in trade receivables	10	**59.91**	440.71
		Increase/(Decrease) in trade payables	17	**1,171.15**	497.73
		(Increase)/Decrease in Other Assets	8	**(64.40)**	483.66
		Increase/(Decrease) in Other Current liabilities	19	**(10.63)**	(1,169.67)
		Other financial liabilities, other liabilities and provisions	15,16	**104.22**	15.67
	CASH GENERATED FROM OPERATIONS			**10,094.74**	7,401.09
		Income taxes paid	7, 18	**(2,558.11)**	(1,998.30)
	NET CASH FROM OPERATING ACTIVITIES - Total (A)			**7,536.63**	5,402.79
B)	**CASHFLOW FROM INVESTING ACTIVITIES**				
		Payment for property, plant and equipment	2, 3	**(812.47)**	(2,074.34)
		Proceeds from sale of fixed assets	2, 3	**-**	3,402.49
		Bank deposits placed	5,12	**(774.23)**	(500.00)
		Purchase of investments	4,9	**(29,271.35)**	(17,304.03)
		Proceeds from bank deposits	5,12	**699.00**	999.00
		Increase in Restricted bank balance and accrued interest on it	5	**(1,000.93)**	-
		Proceeds from disposal / redemption of investments	4,9	**25,156.75**	12,694.79
		Interest received	5,21	**243.91**	258.98
	NET CASH FROM (USED IN) INVESTING ACTIVITIES - Total (B)			**(5,759.32)**	(2,523.10)
C)	**CASHFLOW FROM FINANCING ACTIVITIES**				
		Dividend paid	13b	**(1,080.00)**	(2,475.00)
		Dividend distribution tax paid	13b	**-**	(508.74)
	NET CASH FROM (USED IN) FINANCING ACTIVITIES - Total (C)			**(1,080.00)**	(2,983.74)
	NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)			**697.30**	(104.04)
	CASH AND CASH EQUIVALENTS : OPENING BALANCE		11	**57.76**	161.80
	CLOSING CASH AND CASH EQUIVALENTS : CLOSING BALANCE		11	**755.06**	57.76
	NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENT			**697.30**	(104.04)

Notes to Cash Flow Statement :

(1) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Ind AS - 7 on Statement of Cash Flow as notified under Companies (Accounts) Rules, 2015.

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

The above statement of cash flows should be read in conjunction with the accompanying notes.

This is the statement of cash flow refered to in our report of even date.

For K. S. AIYAR & CO.
Chartered Accountants
ICAI Firm Registration No: 100186W

Sachin A. Negandhi

SACHIN A. NEGANDHI
Partner
Membership Number: 112888

Place : Mumbai
Date : April 29, 2021

For and on behalf of the Board of Directors

P. H. RAVIKUMAR
Chairman
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MUKESH AGARWAL
Managing Director
(DIN 03054853)

HEENA JOSHI
Company Secretary
[ACS:46928]

NSE DATA & ANALYTICS LIMITED (NDAL)

Background and Significant Accounting Policies

Background

The NSE Data & Analytics Limited (Formerly known as DotEx International Ltd) ("NDAL" or "the Company"), a wholly owned subsidiary of NSE Investment limited (Formerly known as NSE Strategic Investment Corporation Ltd.), was incorporated in June 2000. Company has changed its name to NSE Data & Analytics Limited w.e.f 30th July,2018. The Company is primarily engaged in the business of dissemination of prices, volume, order book and trade data relating to securities and various indexes. NDAL is a SEBI registered KYC registration agency and NDAL KRA was appointed as Application Service provider for Central KYC Registry initiated by Central Registry of Securitization Asset Reconstruction and Security Interest of India (CERSAI).

Note 1: Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements ("financial statements"). These policies have been consistently applied to all the years / periods presented, unless otherwise stated.

(a) Basis of preparation

These financial statements have been prepared in accordance with the historical cost basis, except as disclosed in the accounting policies below, and are drawn up in accordance with the provisions of the Companies Act, 2013 and Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

(i) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and liabilities that is measured at fair value, and
- defined benefit plans - plan assets are measured at fair value.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability which market participants would take into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability.

(b) Foreign currency translation and transactions

(i) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian currency (INR), which is the Company's functional and presentation currency.

(ii) *Transactions and balances*

Foreign currency transactions are initially recorded at the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the period end exchange rates are recognized in profit or loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equity instruments held at fair value through profit or loss are recognized in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equity investments classified as FVOCI are recognized in other comprehensive income.

(c) Revenue recognition

Revenue is recognized upon transfer of control of promised goods or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those goods or services. The Company recognizes revenue in the period in which it satisfies its performance obligation by transferring promised goods or services to the customer. The sources of revenue and Company's accounting policy are as follows:

(I) Revenue is being recognised as and when there is reasonable certainty of ultimate realisation. Online Datafeed income is recognised on a time proportion method and revenue on account of fees with respect to the period of the contract on an accrual basis.

(II) Fees received in respect of unexpired period of the contract is treated as a current liability and is recognised as income in the respective period.

The Company considers the terms of the contract in determining the transaction price. The transaction price is based upon the amount the Company expects to be entitled to in exchange for transferring of promised services to the customer after deducting allowances and discounts etc. Revenue excludes any taxes and duties collected on behalf of the government.

(d) Income Tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses, if any.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset deferred tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current & Deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(e) Leases

Effective April 1, 2019, the Company has adopted Ind AS 116 "Leases". Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards incidental to ownership to the lessee. All other leases are classified as operating leases.

(i) As a lessee

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of the contract. Ind AS 116 defines a lease as a contract, or a part of a contract, that conveys the right of use an asset (the underlying asset) for a period of time in exchange of consideration. To assess whether as contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight line basis over the term of the lease.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on straight line basis over the shorter of the lease term and useful life of the underlying assets.

(ii) As a lessor

Lease for which the Company is a lessor is classified as finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. For operating leases, rental income is recognized on straight line basis over the term of the relevant lease.

(f) Impairment of assets

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

An impairment loss is recognised as an expense immediately, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income immediately, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

(g) Cash and cash equivalents

Cash and Cash equivalents includes cash on hand, bank balances.

(h) Trade receivables

Trade receivables are recognised initially at fair value and subsequently allowances for receivables and unbilled revenues with no significant financing component is measured at an amount equal to lifetime expected credit loss (ECL) where there is significant increase in credit risk.

(i) Investments and other financial assets

Recognition

All financial assets are recognised and de-recognised on a trade date basis where the purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned.

Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

(i) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

- **Amortised cost**: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

- **Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through profit or loss (FVPL): Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented in the statement of profit and loss under other income in the period in which it arises. Interest or dividend income, if any from these financial assets is separately included in other income.

Equity investments (other than Investments in subsidiaries, associates and joint venture): The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments continue to be recognised in profit or loss as other income when the Company's right to receive payments is established. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value. Changes in the fair value of financial assets at fair value through profit or loss are recognised in other income in the statement of profit and loss.

Equity Investments (in subsidiaries, associates and joint venture): Investments in subsidiaries, associates and joint venture are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. The accounting policy on impairment of non-financial assets is disclosed in Note f above. On disposal of investments in subsidiaries, associates and joint venture, the difference between net disposal proceeds and the carrying amounts are recognized in the statement of profit and loss.

(ii) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

A financial asset is de-recognised only when

- The Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company has transferred an asset, it evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is de-recognised. Where the Company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognised.

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(iii) Income recognition

Interest income

Interest income from debt instruments is recognised using the effective interest rate method.

Dividends

Dividends are recognised in profit and loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be reliably measured.

(j) Financial liabilities

Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered and the definitions of a financial liability and an equity instrument.

(i) Initial recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the fair value.

(ii) Subsequent measurement

Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the statement of profit and loss.

(iii) Derecognition

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

(k) Property, plant and equipment (including CWIP)

All items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives as follows:

Office equipment	4 to 5 years
Computer systems – others	4 years
Computer software	4 years
Telecommunication systems	4 years

The useful lives have been determined based on technical evaluation done by the company which are higher than those specified by Schedule II to the Companies Act, 2013, in order to reflect the actual usage of the assets. The residual values are not more than 5% of the original cost of the asset. The asset's residual values and useful lives are reviewed, and adjusted on a prospective basis if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. and are included in profit or loss

Depreciation on assets purchased / disposed off during the year is provided on pro rata basis with reference to the date of additions / deductions.

Fixed assets whose aggregate cost is Rs. 5,000 or less are depreciated fully in the year of acquisition.

(l) Intangible assets

Costs associated with maintaining software programs are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Company are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use
- management intends to complete the software and use or sell it
- there is an ability to use or sell the software
- it can be demonstrated how the software will generate probable future economic benefits
- adequate technical, financial and other resources to complete the development and to use or sell the software are available, and

- the expenditure attributable to the software during its development can be reliably measured. Directly attributable costs that are capitalised as part of the software include employee costs and an appropriate portion of relevant overheads.

Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is available for use.

Computer software is amortised over a period of 4 years.

(m) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial period which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and de-recognised when the obligation specified in the contract is discharged, cancelled or expires.

(n) Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation to be settled at a future date. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent Liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

(o) Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are the amounts expected to be paid when the liabilities are settled. Short term employee benefits are recognised in statement of profit and loss in the period in which the related service is rendered. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other long-term employee benefit obligations

Leave Encashment: Liability on account of Leave encashment is provided based on Acturial Valuation at Balance Sheet date.

Post-employment obligations

The Company operates the following post-employment schemes:

(a) defined benefit plans such as gratuity, and

(b) defined contribution plans such as provident fund and superannuation.

Gratuity obligations

The Ultimate Holding Company has maintained a Group Gratuity Cum Life Assurance Scheme with the Life Insurance Corporation of India (LIC) towards which it annually contributes a sum determined by LIC. Provisions are made for the defined benefit with respect to gratuity liability based on the present value of defined benefit obligation as reduced by the fair value of plan assets as per the actuarial valuation calculation.

Defined contribution plans

Provident fund
The Company is registered with Regional Provident Fund Office, Bandra, Mumbai, and both the employee and the employer make monthly contribution equal to 12% of the employee's basic salary respectively in case of Managing Director, Mr. Mukesh Agarwal.

Superannuation
Superannuation benefits for employees designated as chief managers and above are covered by group policies with the Life Insurance Corporation of India maintained by the Ultimate Hodlding Company. The contribution for the year is reimbursed to the Ultimate Holding Company is charged to revenue. There are no other obligations other than the annual contribution payable.

(p) **Dividends**

Provision is made for any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

(q) **Earnings per share**

(iii) Basic earnings per share
Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to consider:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(r) **Rounding of Amounts**

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

(s) Reclassification

Previous year figures have been reclassified / regrouped wherever necessary.

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgments are:

Current tax expense and payable Note 14
Fair value of unlisted securities Note 4 & 9
Useful life of intangible asset Note 3

Estimates and judgments are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

Recent accounting pronouncements:

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet:

- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

Statement of profit and loss:

- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the standalone financial statements.

The amendments are extensive, and the Company will evaluate the same to give effect to them as required by law.

NSE DATA & ANALYTICS LIMITED

Notes to financial statements for the year ended March 31, 2021

Note 2: Property Plant and Equipment

(Rs. In lakhs)

Particulars	OFFICE EQUIPMENTS	COMPUTER SYSTEM - OTHERS	TELE-COMMUNICATION SYSTEMS	COMPUTER HARDWARE	TOTAL	CAPITAL WORK IN PROGRESS
Year ended 31 March 2021						
Gross carrying amount						
Cost as at 01.04.2020	1.06	775.09	119.57	127.39	1,023.10	-
Additions	-	203.47	-	1.43	204.89	282.42
Disposals	-	-	-	-	-	-
Transfers	-	-	-	-	-	(204.89)
Closing gross carrying amount	**1.06**	**978.55**	**119.57**	**128.81**	**1,228.00**	**77.53**
Accumumated depreciation						
Accumulated depreciation as at **01 April 2020**	1.06	168.04	119.57	83.24	371.91	-
Depreciation charge during the year	-	204.81	-	29.06	233.87	-
Disposals	-	-	-	-	-	-
Closing accumumated depreciation	**1.06**	**372.85**	**119.57**	**112.30**	**605.78**	**-**
Net carrying amount as at 31.03.2021	**0.00**	**605.70**	**(0.00)**	**16.51**	**622.22**	**77.53**
Year ended 31 March 2020						
Gross carrying amount						
Cost as at 01.04.2019	1.82	2,101.47	830.80	361.22	3,295.31	8.58
Additions	-	1,133.49	1.08	-	1,134.57	1,126.00
Disposals	(0.76)	(2,459.88)	(712.31)	(233.83)	(3,406.78)	-
Transfers	-	-	-	-		(1,134.57)
Closing gross carrying amount	1.06	775.09	119.57	127.39	1,023.10	-
Accumumated depreciation						
Accumulated depreciation as at **01 April 2019**	1.73	974.77	517.42	71.16	1,565.07	-
Depreciation charge during the year	0.09	258.01	58.08	67.71	383.89	-
Disposals	(0.76)	(1,064.74)	(455.93)	(55.63)	(1,577.06)	-
Closing accumumated depreciation	1.06	168.04	119.57	83.24	371.90	-
Net carrying amount as at 31.03.2020	0.00	607.04	-0.00	44.15	651.19	-

NSE DATA & ANALYTICS LIMITED

Notes to financial statements for the year ended March 31, 2021

Note 3 : Intangible assets

(Rs. In lakhs)

	COMPUTER SOFTWARE	TOTAL	CAPITAL WORK IN PROGRESS
Year ended 31 March 2021			
Gross carrying amount			
Cost as at 01.04.2020	2,115.92	2,115.92	126.78
Additions	400.91	400.91	530.05
Disposals	-	-	(400.91)
Transfers	-	-	-
Closing gross carrying amount	2,516.82	2,516.82	255.92
Accumumated depreciation			
Accumulated depreciation as at **01 April 2020**	965.01	965.01	-
Depreciation charge during the year	603.22	603.22	-
Disposals	-	-	-
Closing accumumated depreciation	**1,568.23**	**1,568.23**	-
Net carrying amount as at 31.03.2021	**948.59**	**948.59**	**255.92**
Year ended 31 March 2020			
Gross carrying amount			
Cost as at 01.04.2019	1,343.91	1,343.91	1,684.59
Additions	1,668.79	1,668.79	1,057.65
Disposals	(896.78)	(896.78)	(946.67)
Transfers	-	-	(1,668.79)
Closing gross carrying amount	2,115.92	2,115.92	126.78
Accumumated depreciation			
Accumulated depreciation as at **01 April 2019**	600.18	600.18	-
Depreciation charge during the year	526.21	526.21	-
Disposals	(161.38)	(161.38)	-
Closing accumumated depreciation	**965.01**	**965.01**	-
Net carrying amount as at 31.03.2020	**1,150.91**	**1,150.91**	**126.78**

Significant estimate: Useful life of intangible assets under development

The Group has completed the development of software that is used in its various business processes. As at 31 March 2021, the net carrying amount of this software was ₹ 948.59 lakhs (31 March 2020: ₹ 1150.91 lakhs). The Group estimates the useful life of the software to be 4 years based on the expected technical obsolescence of such assets. However, the actual useful life may be shorter or longer than 4 years, depending on technical innovations."

NSE DATA & ANALYTICS LIMITED
NOTES FORMING PART OF THE BALANCE SHEET
NOTE-4: NON CURRENT INVESTMENTS

	Particulars	31.03.2021 Number of Units	31.03.2021 (in Rs. Lakhs)	31.03.2020 Number of Units	31.03.2020 (in Rs. Lakhs)
I	**Investment in equity instruments (fully paid up)**				
	Unquoted equity instruments at cost				
	In Associate Companies				
	NSE Foundation	**1,000**	**0.00**	1,000	0.00
	Capital Quants Solutions Private Limited	**12,410**	**300.00**		-
	Cogencis Information Services Limited	**2,56,59,804**	**14,442.35**		-
	Total equity instruments		**14,742.35**		0.00
II	**Investment in exchange traded funds**				
	Quoted exchange traded funds at FVPL				
	Nippon India ETF Nifty Bees	-	-	3,05,000	280.42
	Kotak Mahindra MF - Kotak Banking ETF	-	-	39,800	77.00
	Total exchange traded funds		-		357.41
III	**Investment in bonds**				
	Quoted bonds at amortised cost				
	Tax free bonds				
	7.35% National Highways Authority of India 11 Jan 2031	**50,000**	**536.49**	50,000	536.74
	7.19% India Infrastructure Finance Company Limited - 22 Jan 2023	**45,000**	**458.88**	45,000	460.42
	7.18 % Indian Railway Finance Corpn Ltd - Tranche 1 - Series 1 - 19 Feb 2023	**50,000**	**524.76**	50,000	529.14
	7.19% Indian Railway Finance Corporation Ltd - 31 Jul 2025	**50**	**553.03**	50	556.86
	8.00 % Indian Railway Finance Corpn Ltd - Tranche 1 - Series 1 - 23 Feb 2022	-	-	32,626	348.05
	Total taxfree bonds		**2,073.16**		2,431.21
	Total non-current investments		**16,815.51**		2,788.62
	Aggregate amount of quoted investments and market value thereof		**2,518.02**		2,887.55
	Aggregate amount of unquoted investments		-		-

5 Other financial assets (non-current)

(Rs. In lakhs)

	31.03.2021	31.03.2020
Non-current bank balances		
-with maturity for more than 12 months	274.23	-
Other Restricted Bank Balances in Escrow Account (Refer note no. 36)	1,000.02	-
	1,274.25	-
Others		
Security deposit	6.99	6.99
Interest accrued on Bank deposits	0.01	0.01
Interest accrued on Escrow Bank deposits	0.91	-
	7.91	7.00
Total	1,282.15	7.00

6 Other financial assets (current)

	31.03.2021	31.03.2020
Others		
Interest accrued on Bank deposits	9.19	32.18
Total	9.19	32.18

7 Income Tax Assets (net)

	31.03.2021	31.03.2020
Income Tax paid including TDS (Net of Provisions)	258.18	188.17
Total	258.18	188.17

8 Other current assets

	31.03.2021	31.03.2020
Balances with Statutory Authorities	749.92	653.90
Prepaid expenses	61.12	90.16
Other Advances	0.94	3.52
Total	811.98	747.58

NSE DATA & ANALYTICS LIMITED
NOTES FORMING PART OF THE BALANCE SHEET
NOTE- 9: CURRENT INVESTMENTS

	Particulars	31.03.2020		31.03.2020	
		Number of Units	(Rs. In lakhs)	Number of Units	(Rs. In lakhs)
I	**Investment in bonds**				
	Tax free bonds				
	8.00 % Indian Railway Finance Corpn Ltd - Tranche 1 - Series 1 - 23 Feb 2022	32,626	342.65	-	-
	Total taxfree bonds	32,626	342.65	-	-
I	**Mutual Funds**				
(i)	**Quoted investments in mutual funds at FVPL**				
	Kotak FMP Series 202 - 1144 Days - Direct - Growth	-	-	10,00,000	123.75
	ICICI Prudential Fixed Maturity Plan - Series 80 - 1187 Days Plan G - Direct-Growth	-	-	50,00,000	620.12
	Nippon India Fixed Horizon Fund - XXXIV - Series 9 - Direct - Growth	-	-	57,50,000	695.91
	Total quoted mutual funds	-	-		1,439.78
(ii)	**Unquoted investments in mutual funds at FVPL**				
	Axis Treasury Advantage Fund - Growth - Direct Plan	-	-	23,054	536.04
	Axis Banking & PSU Debt Fund - Direct - Growth	-	-	21,409	415.54
	Axis Ultra Short term Fund - Direct - Growth	-	-	1,09,87,325	1,246.19
	Aditya Birla Sun Life Money Manager Fund - Direct - Growth	-	-	1,60,862	435.81
	Aditya Birla Sun Life Savings Fund - Direct - Growth	-	-	13,45,98,327	1,345.98
	Aditya Birla Sun Life Short Term Fund - Dir - Growth	14,56,599	560.13	-	-
	Aditya Birla Sun Life Floating Rate Fund - Direct- Growth	3,34,374	905.09	-	-
	DSP Blackrock Money Manager Fund - Direct - Growth	-	-	14,117	384.22
	DSP BLACKROCK LOW DURATION FUND - DIRECT - GROWTH	-	-	44,87,277	668.82
	DSP Saving Fund - Dirtect - Growth	-	-	5,04,973	201.28
	DSP Corporate Bond Fund - Dir - Growth	65,13,179	833.73	-	-
	HDFC Money Market Fund - Direct - Growth	-	-	22,639	955.34
	ICICI Prudential Money Market Fund - Direct- Growth	-	-	1,01,283	282.85
	ICICI Prudential Banking & PSU Debt Fund- Direct- Growth	30,54,308	782.40	13,49,118	318.98
	IDFC Banking & PSU Debt Fund- Direct- Growth	16,29,376	318.39	73,60,069	1,322.17
	IDFC Corporate Bond Fund - Dir - Growth	21,36,648	326.22	-	-
	HDFC Overnight Fund - Direct -Growth	-	-	150	4.44
	Invesco India Money Market Fund - Direct - Growth	-	-	95,737	2,215.91
	Invesco India Treasury Adavnatage Fund - Direct - Growth	9,596	292.84	8,984	257.13
	INVESCO INDIA CORPORATE BOND FUND - DIRECT - GROWTH	38,929	1,017.94	-	-
	Kotak Money Market Scheme - Direct Plan - Growth	-	-	17,502	579.87
	L&T Ultra Short Term Fund - Direct - Growth	-	-	4,86,985	162.80
	Nippon India Banking & PSU Debt Fund - Direct - Growth	12,25,881	201.30	73,77,493	1,112.95
	Nippon India MONEY MARKET FUND - DIRECT - GROWTH	1,559	50.23	-	-
	Idfc Ultra Short Term Fund - Direct - Growth	-	-	1,61,09,976	161.10
	SBI Magnum Low Duration Fund - Direct - Growth	-	-	19,616	515.90
	SBI Magnum Ultra Short Duration Fund - Direct - Growth	-	-	3,384	151.59
	Sbi Savings Fund - Direct - Growth	-	-	4,32,104	139.86
	SBI Banking & PSU Debt Fund - Direct - Growth	8,785	224.37	-	-
	UTI Money Market - Direct Plan - Growth	-	-	29,568	670.53
	UTI Floater Fund - Direct - Growth	-	-	18,029	203.34
	Kotak Liquid Fund - Direct - Growth	-	-	250	10.03
	L&T Low Duration Fund - Dir - Growth	8,81,479	201.74	-	-
	L&T Banking & PSU Debt Fund - Direct - Growth	44,93,237	903.68	-	-
	Total unquoted mutual funds		6,618.06		14,298.66
	Total current investments		6,960.71		15,738.44
	Aggregate amount of quoted investments and market value thereof		349.85		-
	Aggregate amount of unquoted investments		6,618.06		14,298.66

10 Trade receivables

(Rs. In lakhs)

	31.03.2021	31.03.2020
Secured, considered good	-	-
Unsecured, considered good	1,540.53	1,606.27
Having significant increase in credit risk	-	-
Credit impaired	-	-
	1,540.53	1,606.27
Less : Expected credit loss	-	-
Total	1,540.53	1,606.27

11 Cash and cash equivalents

	31.03.2021	31.03.2020
Balances with banks : in current accounts	755.06	57.76
Total	755.06	57.76

12 Bank balances other than Cash and Cash equivalents

	31.03.2021	31.03.2020
Bank Deposits		
with maturity less than 12 months at the balance sheet date	-	199.00
*Earmarked Fixed Deposits with maturity less than 12 months at the balance sheet date	500.00	500.00
Total	500.00	699.00

* Earmarked deposits of Rs 5 crores are restricted and includes deposits towards Central KYC project bank gaurantee.

13 a Equity Share Capital

	31.03.2021	31.03.2020
Authorised		
1,30,00,000 (Previous Year 1,30,00,000) Equity Shares of Rs 10 each.	1,300.00	1,300.00
Issued, Subscribed and Paid-up		
90,00,000 (Previous year 90,00,000) Equity shares of Rs.10 each fully paid up	900.00	900.00
Total	900.00	900.00

Terms and rights attached to equity shares

(1) The Company has only one class of equity shares having a par value of Rs. 10 per share. They entitle the holder to participate in dividends. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.
(2) The Board of Directors, in their meeting of April 29, 2021, proposed a dividend of Rs.15.50 (previous year Rs. 12/-) per equity share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

(3) The Board of Directors, in their meeting of June 18, 2020, proposed a dividend of Rs. 12/- (previous year Rs. 27.50) per equity share which has been approved by the shareholders at the Annual General Meeting held on August 26, 2020. The total dividend paid during the year ended March 31, 2021 amounts to Rs. 1,080 lakhs.

Details of shareholders holding more than 5% share in the Company (No. of shares)

	31.03.2021 No.	31.03.2020 No.
NSE Investment Limited	90,00,000.00	90,00,000.00

Details of shareholders holding more than 5% share in the Company (% shareholding)

	31.03.2021 % holding	31.03.2020 % holding
NSE Investment Limited	100.00%	100.00%

NSE DATA & ANALYTICS LIMITED

13 (b) : OTHER EQUITY

(Rs. In lakhs)

Particulars	Capital Redemption Reserve	Reserves and Surplus		Total
		General reserve	Retained Earnings	
Balance at the April 1,2019	**300.00**	**2,792.08**	**15,025.56**	**18,117.64**
Profit for the year	-	-	5,401.80	5,401.80
Other Comprehensive Income	-	-	(3.20)	(3.20)
Transaction with owners in their capacity as owners				
Dividend paid (Including dividend distribution tax)	-	-	(2,983.74)	(2,983.74)
Balance as at 31.03.2020	**300.00**	**2,792.08**	**17,440.41**	**20,532.49**
Balance at the April 1,2020	**300.00**	**2,792.08**	**17,440.41**	**20,532.49**
Profit for the year	-	-	7,043.31	7,043.31
Other Comprehensive Income	-	-	(0.16)	(0.16)
Transaction with owners in their capacity as owners				
Dividend paid	-	-	(1,080.00)	(1,080.00)
Balance as at 31.03.2021	**300.00**	**2,792.08**	**23,403.56**	**26,495.64**

Capital Redemption Reserve : Company has created Capital Redemption Reserve out of General Reserve in FY 2015-16 on account of Buyback of own equity shares as per requirement of the Companies act 2013.

NSE DATA & ANALYTICS LIMITED

13 (b) : OTHER EQUITY

(Rs. In lakhs)

Particulars	Capital Redemption Reserve	Reserves and Surplus		Total
		General reserve	Retained Earnings	
Balance at the April 1,2019	**300.00**	**2,792.08**	**15,025.56**	**18,117.64**
Profit for the year	-	-	5,401.80	5,401.80
Other Comprehensive Income	-	-	(3.20)	(3.20)
Transaction with owners in their capacity as owners				
Dividend paid (Including dividend distribution tax)	-	-	(2,983.74)	(2,983.74)
Balance as at 31.03.2020	**300.00**	**2,792.08**	**17,440.41**	**20,532.49**
Balance at the April 1,2020	**300.00**	**2,792.08**	**17,440.41**	**20,532.49**
Profit for the year	-	-	7,043.31	7,043.31
Other Comprehensive Income	-	-	(0.16)	(0.16)
Transaction with owners in their capacity as owners				
Dividend paid	-	-	(1,080.00)	(1,080.00)
Balance as at 31.03.2021	**300.00**	**2,792.08**	**23,403.56**	**26,495.64**

Capital Redemption Reserve : Company has created Capital Redemption Reserve out of General Reserve in FY 2015-16 on account of Buyback of own equity shares as per requirement of the Companies act 2013.

Sarin   Rual

14 Income & Deferred taxes

(Rs. In lakhs)

		31.03.2021	31.03.2020
(a)	Income tax expense		
	Particulars		
	Income tax expense		
	Current Tax		
	Current tax expense (i)	2,472.00	1,916.00
	Short Provision for earlier years	10.60	68.04
	Deferred Tax		
	Decrease / (increase) in deferred tax assets (ii)	10.03	126.15
	(Decrease) / increase in deferred tax liabilities (iii)	(188.89)	(356.02)
	Adjustment in other equity or retained earning (iv)	-	-
	Total deferred tax expense/ (benefit) (v)=(ii)+(iii)+(iv)	**(178.85)**	(229.87)
	Total Income tax expenses* (vi)= (i)+(v)	**2,303.75**	1,754.18
	* This excludes net deferred tax expense/(benefit)on other comprehensive income (vii)	0.06	1.09

b) **Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:**

Particulars	31.03.2021	31.03.2020
Profit before income tax expense	9,347.06	7,155.97
Tax rate (%)	25.168%	25.168%
Tax at the Indian Tax Rate	2,352.47	1,801.01
Tax effect of amounts which are not deductible/(taxable) in calculating taxable income		
Dividend income	-	-
Interest on tax free bonds	(42.04)	(42.04)
Expenditure related to exempt income	6.02	6.09
Net (gain)/loss on financial assets mandatorily measured at fair		
Amortisation of Premium on Govt/Debt Sec.	3.85	3.63
(Profit)/ Loss on sale of investments taxed at other than Statutory rate	(59.74)	(58.08)
Expenditure on CSR activities	28.29	12.60
Specific Tax deductions	-	-
Others	4.30	25.63
ETF grandfathering	-	12.22
Tax on Perquisites [u/s 40(a)(v)]	-	-
Current tax rounded off	0.89	0.99
Interest on delayed payment of TDS	-	-
Capital charged to revenue	16.00	7.51
Excess/Short Provision for previous years	-	-
Impact of Rate Difference	(12.59)	4.91
Impact of Reduction in tax rate on deferred tax	-	(62.72)
Short provision for tax for earlier years	10.60	68.04
Income Tax Expense	**2,303.74**	1,754.16

c) Deferred tax liabilities (net)
The balance comprises temporary differences attributable to:

Particulars	31.03.2021	31.03.2020
Deferred income tax assets		
Provision for leave encashment	-	-
Financial Assets at Fair Value through OCI		
Financial Assets at Fair Value through profit and Loss	-	-
Others	2.62	12.60
Total deferred tax assets (a)	2.62	12.61
Deferred income tax liabilities		
Property, plant and equipment and investment property	7.19	5.01
Financial Assets at Fair Value through OCI	-	-
Financial Assets at Fair Value through profit and Loss	51.80	242.87
Others	-	(0.00)
Total deferred tax liabilities (b)	58.99	247.88
Net Deferred Tax Assets /(Liabilities) (a)-(b)	**(56.37)**	(235.27)

Deferred tax assets

d) **Movement in deferred tax assets**

	Provision for leave encashment	Financial asset through Fair value through P&L	*Actuarial Gain / (Loss) through OCI*	Others	Total
At 1 April 2019	-	42.13	0.79	94.55	137.47
Charged/(credited)					
- to profit or loss	-	(42.13)	-	(84.02)	-126.15
- to other comprehensive income	-	-	1.28		1.28
At 31 March 2020	-	-	2.07	10.53	12.61
Charged/(credited)					
- to profit or loss	-		-	(10.03)	(10.03)
- to other comprehensive income	-	-	0.06		0.06
At 31 March 2021	-	-	**2.13**	**0.50**	**2.63**

e) **Movement in deferred tax liabilities**

	Property, plant and equipment	Financial asset through Fair value through P&L	*Actuarial Gain / (Loss) through OCI*	Others	Total
At 1 April 2019	65.25	526.65	*0.07*	11.74	603.71
Charged/(credited)					-
- to profit or loss	(60.24)	(283.78)		(12.00)	(356.02)
- to other comprehensive income			(0.07)	0.26	0.19
At 31 March 2020	5.01	242.87	-	-	247.88
					-
Charged/(credited)					
- to profit or loss	2.18	(191.07)			(188.89)
- to other comprehensive income	-	-			-
-to others				-	-
At 31 March 2021	**7.19**	51.80	-	-	**58.99**

Note : In the previous year the Company has elected to exercise the option of a lower tax rate provided under Section 115BAA of the Income tax Act, 1961, as introduced by the Taxation laws (Amendment) Ordinance,2019. Accordingly the Company has recognised provision for income tax and deferred tax assets basis the rate prescribed in the said section."

15 Provision (non current)

(Rs in lakhs)

	31.03.2021	31.03.2020
Employee benefits obligation		
Provision for gratuity	43.60	33.89
	43.60	33.89

16 Provision (current)

	31.03.2021	31.03.2020
Employee benefits obligation		
Provision for gratuity	4.82	3.73
Provision for leave encashment	24.87	22.33
Others	100.82	9.74
	130.51	35.80

17 Trade payables (current)

	31.03.2021	31.03.2020
Trade payables		
(i) total outstanding dues of micro enterprises and small	4.57	4.60
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	859.23	848.94
(iii) Payable to shareholders of Cogencis	1,400.72	-
Trade payables to related parties (refer note number 25)	601.52	841.35
Total	2,866.04	1,694.89

18 Income tax liabilities (net)

	31.03.2021	31.03.2020
Income Tax liabilities (Net of Advances)	106.06	111.57
	106.06	111.57

19 Other current liabilities

	31.03.2021	31.03.2020
Statutory dues payable	230.64	249.99
Advance from customers	8.72	-
Total	239.36	249.99

20 Revenue from operations

	For the year ended 31.03.2021	*For the year ended 31.03.2020*
Sale of services		
Online Datafeed Service Fees	11,943.20	10,147.53
Recovery of expenses from NSEIL	-	1,443.86
Dealer Access Charges	-	117.32
KYC Registration Agency fees	142.09	127.19
CKYC Income	1,500.44	1,168.60
Fixed Income Valuation Services	177.80	110.00
Total	13,763.53	13,114.50

21 Other income

	For the year ended 31.03.2021	*For the year ended 31.03.2020*
Interest income from financial assets at amortised cost	151.76	152.64
Interest Income on Bank Deposits	53.14	78.21
Net gain on sale of financial assets mandatorily measured at fair value through profit or loss	992.22	163.75
Net fair value gain / (loss) on financial assets mandatorily measured at fair value through profit or loss	157.74	538.95
Penalty income	5.67	6.08
Miscellaneous Income	15.25	27.41
Interest on Dealer Access Charges	-	0.22
Net foreign exchange gains	184.93	76.47
Total	1,560.71	1,043.73

22 Employee Benefits expenses

(Rs in lakhs)

	For the year ended 31.03.2021	For the year ended 31.03.2020
Deputed Personnel Cost	456.73	495.01
Salaries, wages and bonus	266.12	234.73
Contribution to provident and other fund	24.30	17.27
Total	**747.15**	747.01

23 Other Expenses

	For the year ended 31.03.2021	For the year ended 31.03.2020
Licence Fees	-	435.10
Repairs & Maintanence - Computers	152.37	256.49
Helpdesk Charges	105.54	306.49
Internet Charges	142.60	438.29
IT Management & Consultancy Charges	55.52	236.91
Managed Datacenter Hosting Service Charges	209.92	287.35
Space and Infrastructure usage charges	85.54	90.53
Professional Charges	126.18	70.65
Data Subscription Fees	5.01	53.71
Electricity Charges	30.30	40.88
Empanellement Charges	-	10.38
Director Sitting Fees	24.25	20.25
Telephone Expenses	92.89	60.48
Software Expenses	129.13	156.19
Outsourcing Charges	9.22	8.55
Processing charges	4.54	10.22
Web Hosting Charges	50.00	73.04
Meeting & Conference	0.31	5.79
Auditors' Remuneration		
- Audit Fees	3.25	1.75
- For Other Services (Limited Reviews)	0.75	0.75
- In other capacity (Certification Matter)	-	0.10
Travelling Expenses	0.51	25.26
Corporate Social Responsibility Expenditure	112.41	100.16
Other Expenses	66.91	118.97
Total	**1,407.14**	2,808.29

24 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 Company is primarily engaged in the business of dissemination of data (Datafeed). Additionally it acts as SEBI registered KYC registration agency. Additionally NSE Data-KRA was appointed as an Application Service provider for Central KYC Registry initiated by Central Registry of Securitisation Asset Reconstruction and Security Interest of India (CERSAI). The project aims to consolidate and validate personal identity data and generate Unique KYC ID for clients and make it available to the complete financial services industry. Segmental information on the basis of above mentioned operations as per Indian Accounting Standard (Ind AS)108 'Operating Segments' is as below :

NSE DATA & ANALYTICS LIMITED

STATEMENT OF SEGMENTAL INFORMATION FOR THE YEAR ENDED MARCH 31, 2021

(Rs in lakhs)

	31.03.2021	31.03.2020
Segment Revenue.		
Datafeed	**11,943.20**	10,147.53
Others	**1,820.33**	2,966.97
Total	**13,763.53**	13,114.50
Segment Result.		
Datafeed	**8,044.16**	6,671.96
Others	**(257.82)**	(559.51)
Total	**7,786.34**	6,112.46
Unallocable Income (net of unallocable expenditure)	**1,560.71**	1,043.73
Profit Before Tax	**9,346.63**	7,151.69
Taxes	**2,303.69**	1,753.10
Net Profit After Tax	**7,042.94**	5,398.60

	31.03.2021	31.03.2020
Segment Assets		
Datafeed	1,670.01	1,094.15
Others	1,774.78	2,424.86
Unallocated	27,392.77	20,274.89
Total	**30,837.56**	23,793.89
Segment Liabilities		
Datafeed	668.95	884.97
Others	105.55	743.40
Unallocated	2,667.45	733.04
Total	**3,441.95**	2,361.41
Capital Expenditure		
Datafeed	**134.77**	573.00
Others	**471.03**	2,591.00
Total	**605.80**	3,164.00
Depreciation		
Datafeed	**102.37**	44.98
Others	**734.73**	865.12
Total	**837.09**	910.10

Revenue from external customers (Datafeed Segment)	31.03.2021	31.03.2020
India	**21%**	22%
Outside India	**79%**	78%
	100%	100%

The revenue information above is based on the locations of the customers.

Major Customer

The following table gives details in respect of percentage of revenues generated from top five customers:

(in %)

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
Revenue from top five customers	**37%**	30%

NSE DATA & ANALYTICS LIMITED

Notes to financial statements for the year ended March 31, 2021

25 In compliance with Ind AS 24 - "Related Party Disclosures", as notified under Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 the required disclosures are given in the table below:

(a) Names of the related parties and related party relationships

Sr. No.	Related Party	Nature of Relationship
1	National Stock Exchange of India Limited	The Ultimate Holding Company
2	NSE Investment Limited	Holding Company
3	Cogencis Information Services Limited	Subsidiary (w.e.f. 21.01.2021)
4	Capital Quants Solutions Private Limited	Associate (w.e.f. 26.02.2021)
5	NSE Clearing Limited	Subsidiary of Ultimate Holding Company
6	NSE Indices Limited	Fellow Subsidiary
7	NSE Infotech Services Limited	Fellow Subsidiary
8	NSEIT Limited	Fellow Subsidiary
9	NSE.IT (US) Limited	Subsidiary of Fellow Subsidiary
10	Aujas Networks Pvt Ltd	Subsidiary of Fellow Subsidiary
11	National Securities Depository Limited	Associate of the Ultimate Holding Company
12	BFSI Sector Skill Council of India	Associate of the Ultimate Holding Company
13	Power Exchange India Limited	Associate of the Holding Company
14	NSDL e-Governance Infrastructure Limited	Associate of the Holding Company
15	NSDL Database Management Limited	Subsidiary of Associate of the Ultimate Holding Company
16	Market Simplified India Limited	Associate of the Holding Company
17	Receivables Exchange Of India Limited	Holding Company's Joint Venture
18	NSE Academy Limited	Fellow Subsidiary
19	NSE IFSC Limited	Subsidiary of Ultimate holding company
20	NSE IFSC Clearing Corporation Limited	Subsidiary of Ultimate holding company's subsidiary
21	NSE Foundation	Subsidiary of Ultimate holding company
22	Talentsprint Private Limited (w.e.f. November 10, 2020)	Fellow Subsidiary's Subsidiary Company
23	Indian Gas Exchange Limited (w.e.f. March 16, 2021)	Holding Company's Associate
24	Mr. P. H. Ravikumar	Key Management Personnel
25	Mr. J Ravichandran	Key Management Personnel
26	Mr. L. Ravi Sankar	Key Management Personnel
27	Mr. Srikanta Dash	Key Management Personnel
28	Mr. Vijay Karnani	Key Management Personnel
29	Mr. Mukesh Agarwal	Key Management Personnel
30	Mr. Ravi Varanasi	Key Management Personnel

(b) Related Party transactions

(Rs. In lakhs)

Name of the Related Party & Nature of Transactions	Year ended 31.03.2021	Year ended 31.03.2020
National Stock Exchange of India Limited		
Expenses :		
Staff Deputation	**513.27**	588.02
Space and Infrastructure Usage	**100.94**	106.83
Online Datafeed Service Revenue Sharing	**3,290.99**	2,985.94
Other Reimbursements (including tax payments)	**51.58**	277.25
Income:		
Recovery of NOW Expenses	**-**	1,703.76
Reimbursement of expenses	**25.41**	-
Fixed income valuation Service	**118.00**	47.20
KRA & Sale of historical data	**63.19**	25.26
Recovery :		
NOW billing dues	**-**	95.38
Sale of "NOW" Business	**-**	4,138.24
Closing balance (Credit)/Debit	**(576.58)**	(795.70)
NSE IT Limited		
Expenses:		
IT Management Consultancy Charges & Stratus AMC.	**23.21**	348.54
Closing balance (Credit)/Debit	**-**	(64.97)

NSE DATA & ANALYTICS LIMITED

Notes to financial statements for the year ended March 31, 2021

NSE Indices Limited		(Rs. In lakhs)
Expenses: Data Subscription Fees / Revenue Sharing	**228.90**	60.42
Income: Online Datafeed Service Fees	**73.26**	66.57
Fixed income valuation Service	**82.60**	82.60
Reimbursements Received: 50% of CEO Salary	**169.44**	153.53
Other Expenses	**0.52**	14.85
Closing balance (Credit)/Debit	**(16.11)**	16.14
NSE Investment Limited		
Dividend Paid	**1,080.00**	2,475.00
Market Simplified India Limited		
Expenses: License Fees	-	35.40
Closing balance (Credit)/Debit	-	-
NSDL Database Management Limited		
Income - KRA fees	**3.60**	2.69
Expenses - KRA fees	**0.84**	0.38
Closing balance (Credit)/Debit	**0.70**	0.34
NSE IFSC Limited		
Income - NOW Charges	-	5.00
Closing balance (Credit)/Debit	-	-
Aujas Networks Pvt Ltd		
Expenses: IT Management & Consultancy	**28.90**	-
Closing balance (Credit)/Debit	**(8.83)**	-
NSE Foundation		
Payment of contribution to CSR activities	**112.41**	100.16
Mr. P. H. Ravikumar		
Director Sitting Fees	**8.25**	7.25
Mr. Srikanta Dash		
Director Sitting Fees	**6.75**	5.75
Mr. L. Ravi Sankar		
Director Sitting Fees	**8.25**	7.25
Mr. Vijay Karnani		
Director Sitting Fees	**1.00**	-
Mr. Mukesh Agrawal		
Gross Remuneration including allowances, non-cash perquisites and contribution to Provident Fund and Superannuation Fund etc.	**169.44**	153.53

Note 26 : Notes to financial statements for the year ended 31st March 2021

i) **Employee Benefits**

(i) Provident Fund: During the current year the company is registered with Regional Provident Fund Office, Bandra, Mumbai, and both the employee and the employer make monthly contribution equal to 12% of the employee's basic salary respectively.

(ii) Superannuation: Superannuation benefits for employees designated as chief managers and above are covered by group policies with the Life Insurance Corporation of India maintained by the Hodlding Company. The contribution for the year is reimbursed to the holding company is charged to revenue. There are no other obligations other than the annual contribution payable.

(iii) Gratuity: Provisions are made for the defined benefit with respect to gratuity liability based on the present value of defined benefit obligation as reduced by the fair value of plan assets as per the actuarial valuation calculation.

(iv) Leave Encashment : Liability on account of Leave encashment is provided based on Acturial Valuation at Balance Sheet date.

(v) Short term employee benefits are charged to revenue in the year in which the related service is rendered

Provision

	Long - term		Short - term	
	31.03.2021	31.03.2020	**31.03.2021**	31.03.2020
	(Rs. In lakhs)		**(Rs. In lakhs)**	
Provision for employee benefits				
Medical benefits	-	-	-	-
Provision for Leave Travel allowance	-	-	**2.17**	3.52
Provision for gratuity	**43.60**	33.89	**4.82**	3.73
Provision for Leave encashment	-	-	**24.87**	22.33
	43.60	33.89	**31.86**	29.58

Disclosure under Indian Accounting Standard 19 (Ind As 19) on Employee Benefit as notified under Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

i) **Defined Benefit Plan :**

a) Provident Fund: Company has contributed Rs.11.61 lakhs (previous year Rs 9.93 lakhs) towards Provident Fund during the year ended March 31, 2021 to Employee Provident Fund Organisation.

b) Gratuity: The company provides for gratuity for employees as per Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity, The amount of Gratuity is payable on retirement/termination of the emplyee's last drawn basic salary per month multiplied for the number of years of service. The gratuity plan is a non funded plan and the company makes provision on the basis of Actuarial Valuation.

A **Balance Sheet** **(Rs. In lakhs)**

(i) **The amounts recognised in the consolidated balance sheet and the movements in the net defined benefit obligation over the year are as follows:**

	Current Year 31.03.2021	Previous Year 31.03.2020
Liability at the beginning of the year	**37.62**	**21.92**
Interest cost	2.48	1.64
Current Service Cost	7.95	6.39
Liability transferred	-	-
Benefits Paid	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	0.22	4.64
Actuarial (Gains)/Losses on Obligations - Due to Experience	0.15	3.02
Liability at the end of the year	**48.42**	**37.62**

(ii) **The amounts recognised in the balance sheet and the movements in the fair value of plan assets over the year are as follows:**

	Current Year 31.03.2021	Previous Year 31.03.2020
Fair Value of plan assets at the beginning of the year	-	-
Interest Income	-	-
Expected return on plan assets	-	-
Contributions	-	-
Transfer from other company	-	-
Benefits paid	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in	-	-
Fair Value of plan assets at the end of the year	-	-

(Rs. In lakhs)

(iii)

The net liability disclosed above relates to funded plans are as follows:		
	Current Year 31.03.2021	Previous Year 31.03.2020
Fair value of plan assets as at the end of the year	-	-
Liability as at the end of the year	(48.42)	(37.62)
Net (liability) / asset	**(48.42)**	**(37.62)**

(iv)

Balance Sheet Reconciliation		
	Current Year 31.03.2021	Previous Year 31.03.2020
Opening Net Liability	**37.62**	**21.92**
Expenses Recognized in Statement of Profit or Loss	10.43	8.03
Expenses Recognized in OCI	0.37	7.66
Net (Liability)/Asset Transfer in	-	-
Employers Contribution	-	-
Amount recognised in the Balance Sheet	**48.42**	**37.62**

B **Statement of Profit & Loss**

(i)

Net Interest Cost for Current Period		
	Current Year 31.03.2021	Previous Year 31.03.2020
Interest Cost	2.48	1.64
Interest Income	-	-
Net Interest Cost for Current Period	**2.48**	**1.64**

(ii)

Expenses recognised in the Statement of Profit & Loss		
	Current Year 31.03.2021	Previous Year 31.03.2021
Current Service cost	7.95	6.39
Net Interest Cost	2.48	1.64
Expenses recognised in the Statement of Profit & Loss	**10.43**	**8.03**

(iii)

Expenses recognised in the Other Comprehensive Income		
	Current Year 31.03.2021	Previous Year 31.03.2020
Expected return on plan assets	-	-
Actuarial (Gain) or Loss	0.37	7.66
Net (Income)/Expense for the Period Recognized in OCI	**0.37**	**7.66**

C

Fair value of plan assets at the Balance Sheet Date for defined benefit obligations		
	Current Year 31.03.2021	Previous Year 31.03.2020
Insurer Managed Funds	-	-
Total	**-**	**-**

D

Sensitivity Analysis		
	Current Year 31.03.2021	Previous Year 31.03.2020
Projected Benefit Obligation on Current Assumptions	48.42	37.62
Delta Effect of +1% Change in Rate of Discounting	(2.08)	(1.74)
Delta Effect of -1% Change in Rate of Discounting	2.27	1.91
Delta Effect of +1% Change in Rate of Salary Increase	2.18	1.83
Delta Effect of -1% Change in Rate of Salary Increase	(2.03)	(1.71)
Delta Effect of +1% Change in Rate of Employee Turnover	(0.43)	(0.37)
Delta Effect of +1% Change in Rate of Employee Turnover	0.46	0.39

E

Significant actuarial assumptions are as follows:		
	Current Year 31.03.2021	Previous Year 31.03.2020
Discount Rate	6%	7%
Rate of Return on Plan Assets	N.A.	N.A.
Salary Escalation	10%	10%
Attrition Rate	12%	12%

27 Earnings per share

(Rs in lakhs)

	31.03.2021	31.03.2020
Profit attributable to the equity holders of the company used in		
Profit for the year	**7,043.31**	5,401.80
Weighted average number of equity shares used as the	**90.00**	90.00
Earnings per equity share (basic and diluted) (in Rs.)	**78.26**	60.02

28 Capital and other commitments

	31.03.2021	31.03.2020
Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided	**813.53**	154.00
Other Commitments	**560.08**	1,872.86
Total	**1,373.61**	2,026.85

29 Contingent liability:

	31.03.2021	31.03.2020
Income tax matters	**1,405.74**	817.16
Goods & Service Tax matters	**24.20**	24.20
Claims against the company not acknowledged as debts.	-	-
Total	**1,429.94**	841.36

30 Expenditure in foreign currency:

	31.03.2021	31.03.2020
Traveling expense	-	16.01
Meeting & Conference Expenses	-	4.52
Fees & Subscription	**14.66**	19.56
Director Sitting fees	**6.75**	5.75
Professional Fees	**3.78**	-
Business Promotion	-	0.72
Total	**25.19**	45.84

31 Earnings in foreign exchange :

	31.03.2021	31.03.2020
Online Datafeed Service Fees	**9,430.96**	7,875.11
Total	**9,430.96**	7,875.11

NSE Data & Analytics Limited
Note 32 A - Fair Value Measurements

(i) Fair Value Hierarchy:

This section explians the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three level prescribed under the accounting standard. An explaination of each level follows underneath the table.

(Rs. In lakhs)

Financial Assets and Liabilities measured at Fair Value - recurring fair Value measurements At 31 Mar, 2021	Notes	Level 1	Level 2	Total 31 Mar, 2021
Financial Assets				
Financial Investments at FVPL				
Mutual Fund - Growth Plan	9	6,618.06	-	6,618.06
Total Financial Assets		**6,618.06**	**-**	**6,618.06**

Assets and Liabilities which are measured at Amortised Cost for which - recurring fair Value measurements At 31 Mar, 2021	Notes	Level 1	Level 2	Total 31 Mar,2021
Financial Assets				
Investments				
Taxfree Bonds	4	-	2,415.81	2,415.81
Fixed Deposit		-	783.41	783.41
Total Financial Assets		**-**	**3,199.22**	**3,199.22**

Financial Assets and Liabilities measured at Fair Value - recurring fair Value measurements At 31 Mar, 2020	Notes	Level 1	Level 2	Total 31 Mar, 2020
Financial Assets				
Financial Investments at FVPL				
Mutual Fund - Growth Plan	9	15,738.44	-	15,738.44
Exchange Traded Funds	4	357.41	-	357.41
Total Financial Assets		**16,095.86**	**-**	**16,095.86**

Assets and Liabilities which are measured at Amortised Cost for which - recurring fair Value measurements At 31 Mar, 2020	Notes	Level 1	Level 2	Total 31 Mar,2020
Financial Assets				
Investments				
Taxfree Bonds		-	2,431.21	2,431.21
Fixed Deposit		-	731.18	731.18
Total Financial Assets		**-**	**3,162.38**	**3,162.38**

Sachin

Rual

NSE Data & Analytics Limited
Note 32 B - Fair Value Measurements
Financial Instruments by category

(Rs. In lakhs)

	31-Mar-21			31-Mar-20		
	FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost
Financial Assets						
Investments						
Taxfree Bonds	-	-	2,415.81	-	-	2,431.21
Fixed Deposits	-	-	783.41	-	-	731.18
Mutual Funds	6,618.06	-	-	15,738.44	-	-
Exchange Traded Funds	-	-	-	357.41	-	-
Total financial assets	**6,618.06**	-	**3,199.22**	**16,095.86**	-	**3,162.38**
Financial liabilities	-	-	-	-	-	-
Total financial liabilities						

Note : 32 C : Fair value of Financial Assets and Liabilities measured at amortised Cost

(Rs. In lakhs)

	31-Mar-21		31-Mar-20	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets				
Taxfree Bonds	2,415.81	2,607.82	2,431.21	2,518.84
Fixed Deposits	783.41	793.62	731.18	724.73
Total Financial Assets	**3,199.22**	**3,401.45**	**3,162.38**	**3,243.56**

The carrying amounts of trade receivables, deposits, other bank balance, advance to related party, other receivables, trade payables, creditors for capital expenditure, other liabilities and cash and cash equivalents are considered to be the same as their fair values, due to their short-term natures

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to their fair values.

Significant estimates

The fair value of financial instruments that are not traded in active market is determined using valuation techniques. The Company uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at each reporting period.

33 A MANAGEMENT OF MARKET RISK

The Company's size and operations result in it being exposed to the following market risks that arise from its use of financial instruments:
• price risk; and
• interest rate risk
The above risks may affect the Company's income and expenses, or the value of its financial instruments. The objective of the Company's management of market risk is to maintain this risk within acceptable parameters, while optimising returns. The Company's exposure to, and management of, these risks is explained below.

POTENTIAL IMPACT OF RISK	MANAGEMENT POLICY	SENSITIVITY TO RISK
1. PRICE RISK		
The Company is mainly exposed to the price risk due to its investment in mutual funds and exchange traded funds. The price risk arises due to uncertainties about the future market values of these investments. At 31st March 2021, the exposure to price risk due to investment in mutual funds amounted to Rs. 6,618.06 lakhs (March 31, 2020: Rs. 15,738.44 lakhs). At 31st March 2021, the exposure to price risk due to investment in exchange traded fund amounted to Rs. NIL (March 31, 2020: Rs. 357.41 lakhs).	In order to manage its price risk arising from investments in mutual funds, the Company diversifies its portfolio in accordance with the limits set by the risk management policies. The Treasury department maintains a list of approved financial instruments. The use of any new investment must be approved by the Chief Financial Officer.	As an estimation of the approximate impact of price risk, with respect to mutual funds and exchange traded funds , the Company has calculated the impact as follows. For mutual funds, a 0.25% increase in prices would have led to approximately an additional Rs. 16.55 lakhs gain in the Statement of Profit and Loss (2019-20: Rs. 39.35 lakhs gain). A 0.25% decrease in prices would have led to an equal but opposite effect. For exchange traded fund, a 10% increase in prices would have led to approximately an additional Rs. NIL gain in the Statement of Profit and Loss (2019-20: Rs. 35.74 lakhs). A 10% decrease in prices would have led to an equal but opposite effect.

33 B MANAGEMENT OF CREDIT RISK

Credit risk is the risk of financial loss to the Company if a customer or counter-party fails to meet its contractual obligations.

Trade receivables
Concentrations of credit risk with respect to trade receivables are limited, due to the Company's customer base being large and diverse and also on account of member's deposits kept by the company as collatrel which can be utilised in case of member default. All trade receivables are reviewed and assessed for default on a quarterly basis.

Our historical experience of collecting receivables, supported by the level of default, is that credit risk is low.

Other financial assets
The Company maintains exposure in cash and cash equivalents, term deposits with banks, investments in commercial papers, government securities, investments in mutual funds and exchange traded funds. The Company has difersified portfolio of investment with various number of counter-parties which have secure credit ratings hence the risk is reduced. Individual risk limits are set for each counter-party based on financial position, credit rating and past experience. Credit limits and concentration of exposures are actively monitored by the Company's Treasury department.

The Company's maximum exposure to credit risk as at March 31, 2021, and March 31, 2020 is the carrying value of each class of financial assets as disclosed in note 4 and 9 except for derivative financial instruments.

Notes to the financial statements

(All amounts in Rs. In lakhs , unless otherwise stated)

33 C CAPITAL MANAGEMENT

The Company considers the following components of its Balance Sheet to be managed capital:
Total equity (as shown in the balance sheet, including non-controlling interests, retained profit, other share capital, share premium)

The Company manages its capital so as to safeguard its ability to continue as a going concern and to c returns to our shareholders. The capital structure of the Company is based on management's judgem appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider amount of capital in proportion to risk and manage the capital structure in light of changes in econom conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capi structure, the group may adjust the amount of dividends paid to shareholders, return capital to sharel issue new shares.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity s maintain investor, creditors and market confidence and to sustain future development and growth of business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its cap structure. Company is not subject to financial covenants in any of its significant financing agreements.

The management monitors the return on capital as well as the level of dividends to shareholders. The goal is to continue to be able to return excess liquidity to shareholders by continuing to distribute divi future periods. Refer note 13(a) for the final and interim dividends declared and paid.

34 Details of dues to micro and small, medium enterprises as defined under the MSMED Act, 2006

Trade payable includes Rs. 4.57 lakhs (Previous Year : Rs 4.60 lakhs) due to Micro, Small & Medium Enterprises. Total outstanding dues to Micro, Small & Medium Enterprises have been determined to the extent such parties have been identified on the basis of information available with the Company.

35 Corporate Social Responsibility (CSR) :

a. Gross amount required to be spent by the Company on CSR activities during the financial year ended March 31, 2021 is Rs. 112.41 lacs (Previous Year Rs 100.16 lacs).

b. Amount spent during the year on:

(Rs in lakhs)

	Particulars		In Cash	Yet to be paid in Cash	Total
i	Construction / acquisition of any asset	Current Year		-	-
		Previous Year		-	-
ii	On purposes other than (i) above through Contribution to NSE Foundation.	Current Year	112.41	-	112.41
	On purposes other than (i) above	Previous Year *	100.16	-	100.16

Company has contributed Rs 112.41 lacs (Previous Year Rs. 100.16 lacs) pertaining to CSR contribution to NSE Foundation to be spent on CSR activities as stated in the Group CSR policy which has been adopted by the Company as Company's CSR policy.

36 (a) On October 15, 2020, the Company entered into a Share Purchase Agreement ("SPA") for acquisition of 100% Shares of Cogencis Information Services Limited ("Cogencis"), a Company engaged in business of providing data terminal services. On January 21, 2021, the Company acquired 100% of shareholding of Cogencis for a cash consideration of Rs.14,442.35 lakhs. Of the total consideration, an amount of Rs.1400.72 lakhs is payable to shareholders on fulfilment of certain terms and condition of SPA. Pursuant to Promoter Escrow agreement, an amount of Rs. 1000.02 lakhs has been kept in Escrow bank account. Effective from January 01, 2021, Cogencis has become a wholly owned subsidiary of the Company.

(b) On November 12, 2020, the company entered into an Investment Agreement for acquisition of 17% shares of Capital Quant Solutions Private Limited. On February 26, 2021, the Company acquired stake for a cash consideration of Rs.300 lakhs. The company is engaged in the business of providing of software products that use Machine Learning and Natural Language Proficiency to help build models for extracting data from complex unstructured financial documents.

37 COVID-19 Risk Assessment

The Coronavirus (COVID-19) outbreak is an unprecedented global situation, declared as a 'pandemic' by World Health Organisation. Based on the Company's current assessment, the impact of COVID-19 on its operations and the resultant financial performance is not likely to be significant. The Company has also made an assessment of its liquidity position for a period of at least one year from the balance sheet date, of the recoverability and carrying values of its assets and ability to pay its liabilities as they become due and effectiveness of internal financial controls as at the balance sheet date and is of the view that there is no material impact or adjustments required to be made in these financial results. The impact assessment of COVID-19 may be different from that presently estimated and the Company will continue to evaluate any significant changes to its operations and its resultant impact on the financial performance.

38 On February 28, 2019, the Honorable Supreme Court of India delivered a judgement in the case of "Vivekananda Vidyamandir and Others Vs The Regional Provident Fund Commissioner (II) West Bengal' in relation to non-exclusion of certain allowances from the definition of "basic wages" of the relevant employees for the purposes of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. The Employees' Provident Fund Organisation also issued a circular (Circular No. C-I/1(33)2019/Vivekananda Vidyamandir/284) dated March 20, 2019 in relation to aforesaid matter.
In Company's assessment, the above judgement is not likely to have a significant impact and therefore presently no provision has been made in the Financial Statements. The Company will continue to monitor the developments in this matter.

39 The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact and its valuation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

40 Previous year figures have been regrouped / reclassified wherever necessary.

For K. S. AIYAR & CO.
Chartered Accountants
ICAI Firm Registration No: 100186W

Sachin. A. Negandhi

SACHIN A. NEGANDHI
Partner
Membership Number: 112888

Place : Mumbai
Date : April 29, 2021

For and on behalf of the Board of Directors

P. H. RAVIKUMAR
Chairman
(DIN 00280010)

MUKESH AGARWAL
Managing Director
(DIN 03054853)

HEENA JOSHI
Company Secretary
[ACS:46928]

K. S. AIYAR & CO
CHARTERED ACCOUNTANTS

F-7, Laxmi Mills
Shakti Mills Lane (Off Dr E Moses Rd)
Mahalaxmi, Mumbai - 400 011 India
Tel : 91 22 2493 2502 / 6655 1770
Fax : 91 22 6655 1774
Grams : VERIFY
www.KSAiyar.com
Mail@KSAiyar.com

Independent Auditor's Report

To the Members of NSE Data & Analytics Limited

Report on the Audit of Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **NSE Data & Analytics Limited** ('the Holding Company') and its subsidiary (the Holding Company and its subsidiary together referred to as 'the NSE Data Group') and an associate which comprise the Consolidated Balance Sheet as at March 31, 2021, the consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Statement of consolidated cash flows for the year then ended, and notes to consolidated financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as 'the consolidated financial statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ('Ind AS') and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2021, and its profit (including other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis of Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Offices also at
Chennai Kolkata
Bengaluru Coimbatore Hyderabad

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the following matter as Key Audit Matter/s for the year.

We have determined that there are no key audit matters to communicate in our report.

Information Other than the Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors' Report including annexures thereto but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, compare with the financial statements of the subsidiary audited by other auditors, to the extent it relates to that entity and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiary is traced from their financial statements audited by the other auditors.

If, based on the work we have performed, we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

Responsibilities of the Management for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 ('the Act') that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (IND AS) specified under Section 133 of the Act read with the rules made thereunder. The respective Board of Directors of the companies included in the Group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and its associate are responsible for assessing the ability of the Group and its associate to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates are responsible for overseeing the financial reporting process of the Group and its associates.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associate to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matters

1) We did not audit the financial statements of one subsidiary company whose financial statements reflect total assets of ₹ 2488.12 lakhs as at March 31, 2021, total revenues of ₹ 1585.30 lakhs [from January 01, 2021 (being date of acquisition by the Holding Company) to March 31, 2021] and net cash outflows amounting to ₹ 1034.22 lakhs for the period from January 01, 2021 being date of acquisition by the Holding Company to March 31, 2021, as considered in the consolidated financial statements. These financial statements have been audited by other auditor whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiary is based solely on the reports of the other auditor.

2) The Consolidated Financial Statements include share of loss of ₹ 1.37 lakhs of an associate acquired during the year. The financial statements / financial information of this associate is unaudited and have been furnished to us by the Holding Company's management. In our opinion and according to the information and explanations given to us by the Management,

Sachin

these financial statements / financial information are not material to the Group – refer note 38.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, and based on the auditor's reports of the subsidiary, we report, to the extent applicable, that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

   (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors.

   (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

   (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.

   (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2021, taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company, none of the directors of the Group companies, is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.

   (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

   (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

   In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Holding Company and its subsidiaries to its respective directors during the year is in accordance with the provisions of Section 197 of the Act.

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

(i) The Company has disclosed the impact of the pending litigations its financial position in its financial statements – refer note 32 to the financial statements;

(ii) The Company does not have any long-term contracts for which there were any material foreseeable losses. The Company does not have any derivative contracts.

(iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For K. S. Aiyar & Co.
Chartered Accountants
ICAI Firm Registration No. 100186W

Sachin. A. Negandhi

Sachin A. Negandhi
Partner
Membership No: 112888
UDIN: 21112888AAAADR8005

Place: Mumbai
Date: April 29, 2021

Annexure - B to the Independent Auditor's Report of even date on the Consolidated Financial Statements of NSE Data & Analytics Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of **NSE Data & Analytics Limited** (hereinafter referred to as 'the Holding Company') and its subsidiary and its associate company as of and for the year ended March 31, 2021, we have audited the internal financial controls with reference to financial statements of the Holding Company and its subsidiary company as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company its subsidiary company and its associate company, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements of the Holding Company, its subsidiary company and an associate, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company and its subsidiary company, has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements insofar as it relates to one subsidiary company, which is a company incorporated in India, is based on the corresponding reports of the auditors of such company incorporated in India.

For K. S. Aiyar & Co.
Chartered Accountants
ICAI Firm Registration No. 100186W

Sachin. A. Negandhi

Sachin A. Negandhi
Partner
Membership No: 112888
UDIN: 21112888AAAADR8005

Place: Mumbai
Date: April 29, 2021

NSE DATA & ANALYTICS LIMITED

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2021

(Rs. In lakhs)

Particulars	Notes	As at 31.03.2021
ASSETS		
Non-current assets		
Property, Plant and Equipment	2	694.58
Right of use asset	2a	233.44
Capital work-in-progress	2	77.53
Other Intangible assets	3	975.36
Intangible assets under development	3	255.92
Goodwill	37	13,759.08
Investment in Associate	4	298.63
Financial Assets		
- Investments	4	2,073.16
- Other financial assets	5	
Non-current bank balances		1,274.25
Others		61.20
Other non-current assets	7	4.80
Income Tax Assets (Net)	8	787.60
Total Non-current assets		20,495.55
Current assets		
Financial Assets		
- Investments	9	6,960.71
- Trade receivables	11	1,663.09
- Cash and cash equivalents	12	998.81
- Bank balances other than cash and cash equivalents	13	1,300.00
- Other financial assets	6	54.13
Other current assets	10	1,168.77
Total Current assets		12,145.51
TOTAL ASSETS		32,641.06
EQUITY AND LIABILITIES		
EQUITY		
Equity Share capital	14 a	900.00
Other Equity	14 b	26,816.22
TOTAL EQUITY		27,716.22
LIABILITIES		
Non-current liabilities		
Deferred tax liabilities (Net)	15	90.35
Other financial liabilities	16	157.22
Provisions	17	154.40
Total Non-current liabilities		401.97
Current liabilities		
Financial Liabilities		
- Trade payables	20	
(i) total outstanding dues of micro enterprises and small enterprises		4.57
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		3,272.59
- Other financial liabilities	18	145.88
Provisions	19	182.38
Current Tax Liabilities (Net)	21	106.06
Other current liabilities	22	811.39
Total Current liabilities		4,522.87
TOTAL LIABILITIES		4,924.84
TOTAL EQUITY AND LIABILITIES		32,641.06
Summary of significant accounting policies	1	

Notes refer to above form an integral part of the Balance sheet

This is the Balance sheet refered to in our report of even date

For K. S. AIYAR & CO.
Chartered Accountants
ICAI Firm Registration No: 100186W

Sachin A. Negandhi

SACHIN A. NEGANDHI
Partner
Membership Number: 112888

Place : Mumbai
Date : April 29, 2021

For and on behalf of the Board of Directors

P. H. RAVIKUMAR
Chairman
(DIN 00280010)

MUKESH AGARWAL
Managing Director
(DIN 03054853)

H Joshi

HEENA JOSHI
Company Secretary
(ACS:46928)

NSE DATA & ANALYTICS LIMITED

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2021

(Rs. In lakhs)

Particulars		Notes	For the year ended 31.03.2021
REVENUE			
	Revenue from operations	23	15,300.77
	Other Income	24	1,608.77
	Total Revenue		16,909.54
EXPENDITURE			
a	Revenue Sharing		2,985.80
b	Employee Benefits & Deputed Personnel Cost	25	952.81
c	Depreciation	2 , 3	882.14
d	Other Expenses	26	2,245.35
	Total Expenses		7,066.10
Profit before share of profit / (loss) of associates, exceptional items & tax			9,843.44
Share of profit / (loss) of associates			(1.37)
Profit before Tax			9,842.07
Less:-	**Tax expense**	15	
	Short Provision for tax for earlier years		10.60
	Current Tax		2,574.02
	Deferred Tax		(138.45)
Total tax expenses			2,446.17
Profit after Tax (A)			7,395.90
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurements of post-employment benefit obligations		29	(35.71)
Income tax relating to items that will not be reclassified to profit or loss		15	3.54
Total Other Comprehensive Income (B)			(32.17)
Total Comprehensive Income for the period (A+B)			7,363.73
Earnings per equity share :		30	
Basic (in Rs.)			82.18
Diluted (in Rs.)			82.18
Summary of significant accounting policies		1	

Notes refer to above form an integral part of the Statement of Profit & Loss

This is the Statement of Profit & loss refered to in our report of even date

For K. S. AIYAR & CO.
Chartered Accountants
ICAI Firm Registration No: 100186W

Sachin. A. Negandhi

SACHIN A. NEGANDHI
Partner
Membership Number: 112888

Place : Mumbai
Date : April 29, 2021

For and on behalf of the Board of Directors

P. H. RAVIKUMAR
Chairman
(DIN 00280010)

MUKESH AGARWAL
Managing Director
(DIN 03054853)

Hjoshi

HEENA JOSHI
Company Secretary
(ACS:46928)

NSE DATA & ANALYTICS LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2021

(A) EQUITY SHARE CAPITAL

(Rs. In lakhs)

Balance as at 01.04.2020	900.00
changes in equity share capital during the year	-
Balance as at 31.03.2021	**900.00**

(B) OTHER EQUITY

(Rs. In lakhs)

Particulars		Reserves and Surplus		Total
	Capital Redemption Reserve	General reserve	Retained Earnings	
Balance at the April 1,2020	**300.00**	**2,792.08**	**17,440.41**	**20,532.49**
Profit for the year	-	-	7,395.90	7,395.90
Other Comprehensive Income	-	-	(32.17)	(32.17)
Transaction with owners in their capacity as owners				
Dividend paid (Including dividend distribution tax)	-	-	(1,080.00)	(1,080.00)
Balance as at 31.03.2021	**300.00**	**2,792.08**	**23,724.14**	**26,816.22**

This is the statement of changes in equity referred to in our report of even date attached

For K. S. AIYAR & CO.
Chartered Accountants
ICAI Firm Registration No: 100186W

Sachin. A. Negandhi

Sachin A. Negandhi
Partner
Membership Number: 112888

Place : Mumbai
Date : April 29, 2021

For and on behalf of the Board of Directors

P. H. RAVIKUMAR
Chairman
(DIN 00280010)

MUKESH AGARWAL
Managing Director
(DIN 03054853)

HEENA JOSHI
Company Secretary
(ACS:46928)

NSE DATA & ANALYTICS LIMITED

CONSOLIDATED STATEMENT OF CASHFLOW FOR THE YEAR ENDED MARCH 31, 2021

(Rs. In lakhs)

Particulars			Notes	For the year ended 31.03.2021
A)	**CASHFLOW FROM OPERATING ACTIVITIES**			
	NET PROFIT BEFORE TAX			**9,843.44**
	Add :	**Adjustments for :**		
	-	Depreciation and amortisation expense	2,3	882.14
	-	Provision for Doubtful debts	26	(32.60)
	-	Bad Debts written off	26	26.13
		Interest expenses		6.70
	Less :	**Adjustments for :**		
	-	Excess Provision Written back	24	(0.38)
	-	Exchange differences on revaluation of assets and liabilities		1.77
	-	Interest income on Long Term Investment	24	(151.76)
	-	Interest income on Bank deposit	24	(64.05)
	-	Gain on sale of investments	24	(967.01)
	-	Net gain on financial assets mandatorily measured at fair value through profit or loss	24	(182.94)
		Remeasurements of post-employment benefit obligations		(35.50)
	OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES			**9,325.94**
		Adjustments for :		
		(Increase)/Decrease in trade receivables	11	13.74
		Increase/(Decrease) in trade payables	20	1,171.14
		(Increase)/Decrease in Other Assets	5 to 7,10	(357.32)
		Increase/(Decrease) in Other Current liabilities	22	(10.63)
		Other financial liabilities, other liabilities and provisions	16 to 19	(234.46)
	CASH GENERATED FROM OPERATIONS			**9,908.41**
		Income taxes paid	8,21	(2,583.27)
	NET CASH FROM OPERATING ACTIVITIES - Total (A)			**7,325.14**
B)	**CASHFLOW FROM INVESTING ACTIVITIES**			
		Payment for property, plant and equipment	2, 3	(814.48)
		Proceeds from sale of fixed assets	2, 3	0.27
		Bank deposits placed	5,13	(1,574.23)
		Purchase of investments	4,9	(29,271.35)
		Proceeds from bank deposits	5,13	699.00
		Increase in Restricted bank balance and accrued interest on it	5	(1,000.93)
		Proceeds from disposal / redemption of investments	4,9	25,156.75
		Interest received	5,24	255.90
	NET CASH FROM (USED IN) INVESTING ACTIVITIES - Total (B)			**(6,549.07)**
C)	**CASHFLOW FROM FINANCING ACTIVITIES**			
		Dividend paid	14b	(1,080.00)
		Interest paid		(6.70)
		Payment of finance lease obligations		(26.30)
	NET CASH FROM (USED IN) FINANCING ACTIVITIES - Total (C)			**(1,113.00)**
	NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)			**(336.93)**
	CASH AND CASH EQUIVALENTS : OPENING BALANCE		12	**1,335.73**
	CLOSING CASH AND CASH EQUIVALENTS : CLOSING BALANCE		12	**998.81**
	NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENT			**(336.93)**

Notes to Cash Flow Statement :

The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Ind AS - 7 on Statement of Cash Flow as notified under Companies (Accounts) Rules, 2015.

The above statement of cash flows should be read in conjunction with the accompanying notes.

This is the statement of cash flow refered to in our report of even date.

For K. S. AIYAR & CO.
Chartered Accountants
ICAI Firm Registration No: 100186W

Sachin. A. Negandhi

SACHIN A. NEGANDHI
Partner
Membership Number: 112888

Place : Mumbai
Date : April 29, 2021

For and on behalf of the Board of Directors

P. H. RAVIKUMAR
Chairman
(DIN 00280010)

MUKESH AGARWAL
Managing Director
(DIN 03054853)

HJoshi

HEENA JOSHI
Company Secretary
(ACS:46928)

NSE DATA & ANALYTICS LIMITED
Notes to the consolidated financial statements for the year ended March 31, 2021

Background and Significant Accounting Policies

Background

NSE Data & Analytics Limited ("Holding Company") Incorporated in June 02, 2000 is a wholly owned Subsidiary of NSE Investments Limited (formerly known as NSE Strategic Investments Corporation Ltd). Company has changed its name to NSE Data & Analytics Limited w.e.f 30th July,2018. The Company is primarily engaged in the business of dissemination of prices, volume, order book and trade data relating to securities and various indexes. NDAL is a SEBI registered KYC registration agency and NDAL KRA was appointed as Application Service provider for Central KYC Registry initiated by Central Registry of Securitization Asset Reconstruction and Security Interest of India (CERSAI).

Cogencis Information Services Limited ("subsidiary") is a company domiciled in India and registered under the provisions of the Companies Act, 2013 (the Act"). The Company was incorporated in India on December 19, 2008 to carry on the business of providing skill development and deployment of programs.

The consolidated financial statements relate to the Holding Company and its subsidiary Cogencis Information Services Limited (together referred as Group).

The Consolidated Financial Statements are approved for issue by the Holding Company's Board of Directors on April 29, 2021.

Note 1: Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of Indian Accounting Standard (Ind AS) financial statements ("Ind AS financial statements"). These policies have been consistently applied to all the years / periods presented, unless otherwise stated.

(a) Basis of preparation

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ('Act') (to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities that are measured at fair value, and
- defined benefit plans - plan assets are measured at fair value.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability which market participants would take into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
Level 3 inputs are unobservable inputs for the asset or liability.

(b) Principles of consolidation and equity accounting

(i) Subsidiaries

Subsidiaries are all entities over which the group has control. The group control an entity when the group is exposed to or has right to, variable returns from its involvement with the entity and has the ability to affect those returns though its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the group.

The group combines the financial statements of the parents and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intergroup transactions, balances and unrealized gains on transactions between group companies are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

(ii) Associates

Associates are all entities over which the group has significant influence but not control or joint control. This is generally the case where the group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting (see (iv) below), after initially being recognized at cost

(iii) *Equity Method*

Under the equity method of accounting, the investments are initially recognized at cost and adjusted thereafter to recognize the group's share of the post - acquisition profits or losses of the investee in profit and loss, and the group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognized as a reduction in the carrying amount of the investment.

When the group's share of losses in an equity accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the group does not recognize further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the group and its associates and joint ventures are eliminated to the extent of the group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the group.

The carrying amount of equity accounted investments are tested for impairment in accordance with the policy described in note (n) below.

(iv) *Changes in ownership interests*

The group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

When the group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to statement of profit or loss.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate

(c) Foreign currency translation and transactions

(i) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian currency (INR), which is the Company's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the period end exchange rates are recognised in profit or loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equity instruments held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equity investments classified as FVOCI are recognised in other comprehensive income.

(d) Revenue recognition

Revenue is recognized upon transfer of control of promised goods or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those goods or services. The Company recognizes revenue in the period in which it satisfies its performance obligation by transferring promised goods or services to the customer. The sources of revenue and Company's accounting policy are as follows:

(I) Revenue is being recognised as and when there is reasonable certainty of ultimate realisation. Online Datafeed income is recognised on a time proportion method and revenue on account of fees with respect to the period of the contract on an accrual basis.

(II) Fees received in respect of unexpired period of the contract is treated as a current liability and is recognised as income in the respective period.

The Company considers the terms of the contract in determining the transaction price. The transaction price is based upon the amount the Company expects to be entitled to in exchange for transferring of promised services to the customer after deducting allowances and discounts etc. Revenue excludes any taxes and duties collected on behalf of the government.

(e) Income taxes

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses, if any.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

The carrying amount of deferred tax assets are reviewed at the end of each reporting period and are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, associates and interest in joint arrangements where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(f) Impairment of assets

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

An impairment loss is recognised as an expense immediately, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income immediately, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

(g) Cash and cash equivalents

Cash and Cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. These do not include bank balances earmarked/restricted for specific purposes.

(h) Trade receivables

Trade receivables are recognised initially at fair value and subsequently allowances for receivables and unbilled revenues with no significant financing component is measured at an amount equal to lifetime expected credit loss (ECL) where there is significant increase in credit risk.

(i) Investments and other financial assets

(i) Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. The Company reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the company classifies its debt instruments:

- **Amortised cost**: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

- **Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

- **Fair value through profit or loss (FVPL):** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

Equity investments (other than Investments in subsidiaries, associates and joint venture)

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments continue to be recognised in profit or loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/ (losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Equity Investments (in subsidiaries, associates and joint venture)

Investments in subsidiaries, associates and joint venture are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. The accounting policy on impairment of non-financial assets is disclosed in Note e. On disposal of investments in subsidiaries, associates and joint venture, the difference between net disposal proceeds and the carrying amounts are recognized in the statement of profit and loss.

(iii) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(iv) De-recognition of financial assets

A financial asset is de-recognised only when

- The Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the company has transferred an asset, it evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is de-recognised. Where the company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognised.

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(v) Income recognition

Interest income

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial assets to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

Dividends

Dividends are recognised in profit and loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be reliably measured.

(j) Financial liabilities

(i) Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

(ii) Initial recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss.

(iii) Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the statement of profit and loss.

(iv) Derecognition

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

(k) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

(l) Property, plant and equipment (including Capital Work In Progress)

All items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives as follows:

Office equipment	4 to 5 years
Computer systems – others	4 years
Computer software	4 years
Telecommunication systems	4 years

The useful lives have been determined based on technical evaluation done by the company which are higher than those specified by Schedule II to the Companies Act, 2013, in order to reflect the actual usage of the assets. The residual values are not more than 5% of the original cost of the asset. The asset's residual values and useful lives are reviewed, and adjusted on a prospective basis if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. and are included in profit or loss

Depreciation on assets purchased / disposed off during the year is provided on pro rata basis with reference to the date of additions / deductions.

Fixed assets whose aggregate cost is Rs. 5,000 or less are depreciated fully in the year of acquisition.

Salir

(m) Intangible assets

Costs associated with maintaining software programs are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Company are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use
- management intends to complete the software and use or sell it
- there is an ability to use or sell the software
- it can be demonstrated how the software will generate probable future economic benefits
- adequate technical, financial and other resources to complete the development and to use or sell the software are available, and
- the expenditure attributable to the software during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software include employee costs and an appropriate portion of relevant overheads.

Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is available for use.

Computer software/ intellectual property rights is amortised over a period of 4 years.

Goodwill

Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, which in our case are the operating segments

(n) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

(o) Provisions

Provisions for legal claims and discounts/incentives are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

At the end of each reporting year, provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at a future date. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

(p) Contingent Liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

(q) Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are the amounts expected to be paid when the liabilities are settled. Short term employee benefits are recognised in statement of profit and loss in the period in which the related service is rendered. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other long-term employee benefit obligations

Leave Encashment: Liability on account of Leave encashment is provided based on Acturial Valuation at Balance Sheet date.

Post-employment obligations

The Company operates the following post-employment schemes:
(a) defined benefit plans such as gratuity, and
(b) defined contribution plans such as provident fund and superannuation.

Gratuity obligations

The Ultimate Holding Company has maintained a Group Gratuity Cum Life Assurance Scheme with the Life Insurance Corporation of India (LIC) towards which it annually contributes a sum determined by LIC. Provisions are made for the defined benefit with respect to gratuity liability based on the present value of defined benefit obligation as reduced by the fair value of plan assets as per the actuarial valuation calculation.

Defined contribution plans

Provident fund
The Company is registered with Regional Provident Fund Office, Bandra, Mumbai, and both the employee and the employer make monthly contribution equal to 12% of the employee's basic salary respectively in case of Managing Director, Mr. Mukesh Agarwal.

Superannuation

Superannuation benefits for employees designated as chief managers and above are covered by group policies with the Life Insurance Corporation of India maintained by the Ultimate Hodlding Company. The contribution for the year is reimbursed to the Ultimate Holding Company is charged to revenue. There are no other obligations other than the annual contribution payable.

(r) Dividends

Provision is made for the amount of any dividend declared including dividend distribution tax, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

(s) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(t) Leases

Effective April 1, 2019, the Company has adopted Ind AS 116 "Leases". Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards incidental to ownership to the lessee. All other leases are classified as operating leases.

(i) As a lessee

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of the contract. Ind AS 116 defines a lease as a contract, or a part of a contract, that conveys the right of use an asset (the underlying asset) for a period of time in exchange of consideration. To assess whether as contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset

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At the date of commencement of the lease, the Company recognizes a right-of-use asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on straight line basis over the shorter of the lease term and useful life of the underlying assets.

(ii) As a lessor

Lease for which the Company is a lessor is classified as finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. For operating leases, rental income is recognized on straight line basis over the term of the relevant lease.

(u) Business Combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises:

- the fair values of the assets transferred;
- liabilities incurred to the former owners of the acquired business;
- equity interests issued by the Group; an
- fair value of any asset or liability resulting from a contingent consideration arrangement

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognizes any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

The excess of the

- consideration transferred;
- amount of any non-controlling interest in the acquired entity, an
- acquisition-date fair value of any previous equity interest in the acquired entity

over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognised directly in equity as capital reserve

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

If the business consideration is achieved in stages, the acquisition date carrying value of the acquirers previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss or other comprehensive income, as appropriate.

(v) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

(w) Reclassification

Previous year figures have been reclassified / regrouped wherever necessary.

(x) Critical accounting estimates and judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgments are:
Current tax expense and payable Note 14
Fair value of unlisted securities Note 4 & 9
Useful life of intangible asset Note 3

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

(y) Recent Accounting Pronouncements

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

(i) Balance Sheet:

- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.

- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.

- Specified format for disclosure of shareholding of promoters.

- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.

- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.

- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

(ii) Statement of profit and loss:

- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the standalone financial statements.

The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

NSE DATA & ANALYTICS LIMITED
Consolidated notes to financial statements for the year ended March 31, 2021

Note 2: Property Plant and Equipment

(Rs. In lakhs)

Particulars	Leasehold improvements	OFFICE EQUIPMENTS	FURNITURE AND FIXTURES	Vehicles	COMPUTER SYSTEM - OTHERS	TELE-COMMUNICATION SYSTEMS	COMPUTER HARDWARE	TOTAL	CAPITAL WORK IN PROGRESS
Year ended 31 March 2021									
Gross carrying amount									
Cost as at 01.04.2020	576.60	268.41	28.52	60.00	1,844.79	119.57	127.39	3,025.27	-
Additions	-	2.87	-	-	291.09	-	1.43	295.38	282.42
Disposals	(251.89)	(117.80)	(22.39)	(60.00)	(553.70)	-	-	(1,005.78)	-
Transfers		-	-	-	-	-	-	-	(204.89)
Closing gross carrying amount	**324.71**	**153.48**	**6.13**	**-**	**1,582.17**	**119.57**	**128.81**	**2,314.87**	**77.53**
Accumumated depreciation									
Accumulated depreciation as at **01 April 2020**	572.41	251.94	12.35	44.84	1,110.54	119.57	83.24	2,194.90	-
Depreciation charge during the year	3.21	10.33	2.15	9.04	277.65	-	29.06	331.44	-
Disposals	(250.91)	(112.31)	(11.68)	(53.88)	(477.26)	-	-	(906.05)	-
Closing accumumated depreciation	**324.71**	**149.96**	**2.81**	**-**	**910.94**	**119.57**	**112.30**	**1,620.29**	**-**
Net carrying amount as at 31.03.2021	**-**	**3.51**	**3.33**	**-**	**671.23**	**-**	**16.51**	**694.58**	**77.53**

Note 2 a: Right of use asset

Particulars	**Leasehold premises**
Gross block	
Balance as at 31 March 2020	560.25
Aditions	-
Disposal / adjustments	-
Balance as at 31 March 2021	**560.25**
Accumulated depreciation	
Balance as at 31 March 2020	214.76
Aditions	112.05
Disposal / adjustments	-
Balance as at 31 March 2021	**326.81**
Net block	
Balance as at 31 March 2021	**233.44**

Sd/-

NSE DATA & ANALYTICS LIMITED
Consolidated notes to financial statements for the year ended March 31, 2021

Note 3 : Intangible assets

(Rs. In lakhs)

	COMPUTER SOFTWARE	TOTAL	CAPITAL WORK IN PROGRESS
Year ended 31 March 2021			
Gross carrying amount			
Cost as at 01.04.2020	4,540.89	4,540.89	126.78
Additions	406.03	406.03	535.17
Disposals	(32.92)	(32.92)	(406.03)
Transfers	-	-	-
Closing gross carrying amount	**4,914.00**	**4,914.00**	**255.92**
Accumumated depreciation			
Accumulated depreciation as at **01 April 2020**	3,325.20	3,325.20	-
Depreciation charge during the year	626.86	626.86	-
Disposals	(13.42)	(13.42)	-
Closing accumumated depreciation	**3,938.64**	**3,938.64**	**-**
Net carrying amount as at 31.03.2021	**975.36**	**975.36**	**255.92**

NSE DATA & ANALYTICS LIMITED
Consolidated notes to financial statements for the year ended March 31, 2021

Note-4: NON CURRENT INVESTMENTS

Particulars		31.03.2021	
		Number of Units	(Rs. in lakhs)
I	**Investment in equity instruments (fully paid up)**		
	Unquoted equity instruments at cost		
	In Associate Companies		
	NSE Foundation	1,000	0.00
	Capital Quants Solutions Private Limited	12,410	300.00
	Add: Share of loss from date of acquisition till 31 March 2021		(1.37)
	Net investment (fair value)		298.63
	Total equity instruments		298.63
II	**Investment in bonds**		
	Quoted bonds at amortised cost		
(i)	**Tax free bonds**		
	7.35% National Highways Authority of India 11 Jan 2031	50,000	536.49
	7.19% India Infrastructure Finance Company Limited - 22 Jan 2023	45,000	458.88
	7.18 % Indian Railway Finance Corpn Ltd - Tranche 1 - Series 1 - 19 Feb 2023	50,000	524.76
	7.19% Indian Railway Finance Corporation Ltd - 31 Jul 2025	50	553.03
	Total taxfree bonds		2,073.16
	Total non-current investments		2,371.79
	Aggregate amount of quoted investments and market value thereof		2,518.02
	Aggregate amount of unquoted investments		-

Sd/-

5 Other financial assets (non-current)

	(Rs. In lakhs)
	31.03.2021
Non-current bank balances	
-with maturity for more than 12 months	**274.23**
Other Restricted Bank Balances in Escrow Account (Refer note no. 38)	**1,000.02**
	1,274.25
Others	
Security deposit	**57.26**
Interest accrued on Bank deposits	**3.03**
Interest accrued on Escrow Bank deposits	**0.91**
	61.20
Total	**1,335.45**

6 Other financial assets (current)

	31.03.2021
Others	
Security deposit	**5.05**
Other loans and advances	**39.90**
Interest accrued on Bank deposits	**9.19**
Total	**54.13**

7 Other non- current assets

	31.03.2021
Prepaid lease	**4.80**
Total	**4.80**

8 Income Tax Assets (net)

	31.03.2021
Income Tax paid including TDS (Net of Provisions)	**787.60**
Total	**787.60**

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NSE DATA & ANALYTICS LIMITED
Consolidated notes to financial statements for the year ended March 31, 2021

Note- 9: CURRENT INVESTMENTS

	Particulars	31.03.2021	
		Number of Units	(Rs. In lakhs)
I	**Investment in bonds**		
(i)	**Tax free bonds**		
	8.00 % Indian Railway Finance Corpn Ltd - Tranche 1 - Series 1 - 23 Feb 2022	32,626	342.65
	Total taxfree bonds	32,626	342.65
II	**Mutual Funds**		
(i)	**Unquoted investments in mutual funds at FVPL**		
	Aditya Birla Sun Life Short Term Fund - Dir - Growth	1,456,599	560.13
	Aditya Birla Sun Life Floating Rate Fund - Direct- Growth	334,374	905.09
	DSP Corporate Bond Fund - Dir - Growth	6,513,179	833.73
	ICICI Prudential Banking & PSU Debt Fund- Direct- Growth	3,054,308	782.40
	IDFC Banking & PSU Debt Fund- Direct- Growth	1,629,376	318.39
	IDFC Corporate Bond Fund - Dir - Growth	2,136,648	326.22
	Invesco India Treasury Adavnatage Fund - Direct - Growth	9,596	292.84
	INVESCO INDIA CORPORATE BOND FUND - DIRECT - GROWTH	38,929	1,017.94
	Nippon India Banking & PSU Debt Fund - Direct - Growth	1,225,881	201.30
	Nippon India MONEY MARKET FUND - DIRECT - GROWTH	1,559	50.23
	SBI Banking & PSU Debt Fund - Direct - Growth	8,785	224.37
	L&T Low Duration Fund - Dir - Growth	881,479	201.74
	L&T Banking & PSU Debt Fund - Direct - Growth	4,493,237	903.68
	Total unquoted mutual funds		6,618.06
	Total current investments		6,960.71

10 Other current assets

	(Rs. In lakhs) 31.03.2021
Balances with Statutory Authorities	749.92
Prepaid expenses	413.48
Prepaid Lease	4.43
Other Advances	0.94
Total	**1,168.77**

11 Trade receivables

	31.03.2021
Unsecured, considered good	1,655.61
Trade receivable from related party	0.76
Credit impaired	300.63
	1,957.01
Less : Expected credit loss	(293.91)
	1,663.09
Total	**1,663.09**

12 Cash and cash equivalents

	31.03.2021
Cash on hand	1.95
Balances with banks	
in current accounts in Indian rupees	993.60
in current accounts in Foreign currency	3.26
Total	**998.81**

13 Bank balances other than Cash and Cash equivalents

	31.03.2021
Bank Deposits with maturity less than 12 months at the balance sheet date	800.00
*Earmarked Fixed Deposits with maturity less than 12 months at the balance sheet date	500.00
Total	**1,300.00**

* Earmarked deposits of Rs 5 crores are restricted and includes deposits towards Central KYC project bank gaurantee.

14 a Equity Share Capital

	(Rs. In lakhs)
	31.03.2021
Authorised	
1,30,00,000 Equity Shares of Rs 10 each.	**1,300.00**
Issued, Subscribed and Paid-up	
90,00,000 Equity shares of Rs.10 each fully paid up	**900.00**
Total	**900.00**

Terms and rights attached to equity shares

(1) The Company has only one class of equity shares having a par value of Rs. 10 per share. They entitle the holder to participate in dividends. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders

(2) The Board of Directors, in their meeting of April 29, 2021, proposed a dividend of Rs.15.50 (previous year Rs. 12/-) per equity share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

(3) The Board of Directors, in their meeting of June 18, 2020, proposed a dividend of Rs. 12/- (previous year Rs. 27.50) per equity share which has been approved by the shareholders at the Annual General Meeting held on August 26, 2020. The total dividend paid during the year ended March 31, 2021 amounts to Rs. 1,080 lakhs.

Details of shareholders holding more than 5% share in the Company (No. of shares)

	31.03.2021
	No.
NSE Investment Limited	**9,000,000.00**

Details of shareholders holding more than 5% share in the Company (% shareholding)

	31.03.2021
	% holding
NSE Investment Limited	**100.00%**

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Note 14 (b) : OTHER EQUITY

(Rs. In lakhs)

		Reserves and Surplus		Total
Particulars	**Capital Redemption Reserve**	**General reserve**	**Retained Earnings**	
Balance at the April 1,2020	**300.00**	**2,792.08**	**17,440.41**	**20,532.49**
Profit for the year	-	-	7,395.90	7,395.90
Other Comprehensive Income	-	-	(32.17)	(32.17)
Transaction with owners in their capacity as owners				
Dividend paid (Including dividend distribution tax)	-	-	(1,080.00)	(1,080.00)
Balance as at 31.03.2021	**300.00**	**2,792.08**	**23,724.14**	**26,816.22**

Capital Redemption Reserve : Company has created Capital Redemption Reserve out of General Reserve in FY 2015-16 on account of Buyback of own equity shares as per requirement of the Companies act 2013.

NSE DATA & ANALYTICS LIMITED

Consolidated notes to financial statements for the year ended March 31, 2021

15 Income & Deferred taxes

(a) Income tax expense

Particulars	(Rs. In lakhs) As on 31.03.2021
Income tax expense	
Current Tax	
Current tax expense (i)	2,574.02
Short Provision for earlier years	10.60
Deferred Tax	
Decrease / (increase) in deferred tax assets (ii)	28.95
(Decrease) / increase in deferred tax liabilities (iii)	(167.40)
Adjustment in other equity or retained earning (iv)	-
Total deferred tax expense/ (benefit) (v)=(ii)+(iii)+(iv)	**(138.45)**
Total Income tax expenses* (vi)= (i)+(v)	**2,446.17**
* This excludes net deferred tax expense/(benefit)on other comprehensive income (vii)	3.54

b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:

Particulars	**31.03.2021**
Profit before income tax expense	9,829.37
Tax rate (%)	25.168%
Tax at the Indian Tax Rate	2,473.86
Tax effect of amounts which are not deductible/(taxable) in calculating taxable income	
Changes on account of acquisition of subsidiary-Profit prior acquisitio	279.33
Dividend income	-
Interest on tax free bonds	(42.04)
Expenditure related to exempt income	6.02
Amortisation of Premium on Govt/Debt Sec.	3.85
(Profit)/ Loss on sale of investments taxed at other than Statutory rate	(59.74)
Expenditure on CSR activities	33.83
Others	(259.53)
Current tax rounded off	0.90
Interest on delayed payment of TDS	5.82
Capital charged to revenue	16.00
Unabsorbed depreciation for prev year set off	(250.14)
Impact of Rate Difference	(12.59)
Others	(19.51)
Short provision for tax for earlier years	**10.6**
Income Tax Expense	**2,446.17**

c) Deferred tax liabilities (net)

Particulars	**31.03.2021**
The balance comprises temporary differences attributable to:	
Deferred income tax assets	
Provision for leave encashment	(6.88)
Others	(2.99)
Total deferred tax assets (a)	(9.87)
Deferred income tax liabilities	
Property, plant and equipment and investment property	4.19
Financial Assets at Fair Value through OCI	-
Financial Assets at Fair Value through profit and Loss	51.80
Others	24.48
Total deferred tax liabilities (b)	80.48
Net Deferred Tax Assets /(Liabilities) (a)-(b)	**(90.35)**

Deferred tax assets

d) Movement in deferred tax assets

	Provision for leave encashment	Financial asset through Fair value	Actuarial Gain / (Loss) through OCI	*Others*	Total
At 31 March 2020	(0.05)	-	2.00	13.59	15.54
Charged/(credited)					
- to profit or loss	(6.83)		-	(22.12)	(28.95)
- to other comprehensive income	-	-	3.54		3.54
At 31 March 2021	**(6.88)**	-	**5.54**	**(8.53)**	**(9.87)**

e) Movement in deferred tax liabilities

	Property, plant and equipment	Financial asset through Fair value	Actuarial Gain / (Loss) through OCI	*Others*	Total
At 31 March 2020	5.01	242.87	-	-	247.88
Charged/(credited)					
- to profit or loss	(0.82)	(191.07)	-	24.48	(167.40)
- to other comprehensive income	-	-	-	-	-
-to others				-	-
At 31 March 2021	**4.19**	51.80	-	**24.48**	**80.48**

Note : The Company has elected to exercise the option of a lower tax rate provided under Section 115BAA of the Income tax Act, 1961, as introduced by the Taxation laws (Amendment) Ordinance,2019. Accordingly the Company has recognised provision for income tax and deferred tax assets basis the rate prescribed in the said section."

NSE DATA & ANALYTICS LIMITED

Consolidated notes to financial statements for the year ended March 31, 2021

16 Other Financial liabilities (non current)

	(Rs. In lakhs)
	31.03.2021
Obligation under finance lease	**157.22**
	157.22

17 Provision (non current)

	31.03.2021
Employee benefits obligation	
Provision for gratuity	**130.79**
Provision for leave encashment	**23.61**
	154.40

18 Other Financial liabilities (current)

	31.03.2021
Customer deposits (security)	**15.50**
Obligation under finance lease	**130.38**
	145.88

19 Provision (current)

	31.03.2021
Employee benefits obligation	
Provision for gratuity	**26.96**
Provision for leave encashment	**54.60**
Others	**100.82**
	182.38

20 Trade payables (current)

	31.03.2021
Trade payables	
(i) total outstanding dues of micro enterprises and small	**4.57**
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	**1,270.35**
(iii) Payable to shareholders of Cogencis	**1,400.72**
Trade payables to related parties (refer note number 28)	**601.52**
Total	**3,277.16**

21 Income tax liabilities (net)

	31.03.2021
Income Tax liabilities (Net of Advances)	**106.06**
	106.06

22 Other current liabilities

	31.03.2021
Statutory dues payable	**364.51**
Advance from customers	**21.63**
Income received in advance	**391.40**
Others	**33.85**
Total	**811.39**

(Rs. In lakhs)

23 Revenue from operations	For the year ended 31.03.2021
Online Datafeed Service Fees	13,480.44
KYC Registration Agency fees	142.09
CKYC Income	1,500.44
Fixed Income Valuation Services	177.80
Total	15,300.77

24 Other income	For the year ended 31.03.2021
Interest income from financial assets at amortised cost	151.76
Interest Income on Bank Deposits	62.95
Net gain on sale of financial assets mandatorily measured at fair value through profit or loss	967.01
Net fair value gain / (loss) on financial assets mandatorily measured at fair value through profit or loss	182.94
Penalty income	5.67
Miscellaneous Income	16.94
Other Interest Income	1.60
Royalty Income	2.37
Net foreign exchange gains	184.93
Total	1,576.17

25 Employee Benefits expenses	For the year ended 31.03.2021
Deputed Personnel Cost	456.73
Salaries, wages and bonus	460.41
Contribution to provident and other fund	35.67
Total	952.81

NSE DATA & ANALYTICS LIMITED

Consolidated notes to financial statements for the year ended March 31, 2021

26 Other Expenses	(Rs. In lakhs) **For the year ended 31.03.2021**
Repairs & Maintanence - Computers	**171.13**
Helpdesk Charges	**113.10**
Internet Charges	**196.86**
IT Management & Consultancy Charges	**55.52**
Managed Datacenter Hosting Service Charges	**209.92**
Space and Infrastructure usage charges	**90.63**
Professional Charges	**193.49**
Data Subscription Fees	**616.78**
Electricity Charges	**36.16**
Director Sitting Fees	**24.25**
Telephone Expenses	**107.07**
Software Expenses	**129.13**
Outsourcing Charges	**9.22**
Processing charges	**4.54**
Web Hosting Charges	**50.00**
Meeting & Conference	**0.31**
Bad debts W/off	**26.13**
Auditors' Remuneration	
Audit Fees	**4.85**
For Other Services	**0.75**
Travelling Expenses	**7.23**
Corporate Social Responsibility Expenditure	**133.10**
Office Expenses	**21.00**
Interest expense on finance lease	**6.70**
Other Expenses	**37.45**
Total	**2,245.35**

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27 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 Company is primarily engaged in the business of dissemination of data (Datafeed). Additionally it provides a facility to the members of various Stock Exchanges/Commodity Exchanges to access respective markets, which is discontinued w.e.f. 01.10.2019 and also acts as SEBI registered KYC registration agency. Additionally DotEx KRA was appointed as an Application Service provider for Central KYC Registry initiated by Central Registry of Securitisation Asset Reconstruction and Security Interest of India (CERSAI). The project aims to consolidate and validate personal identity data and generate Unique KYC ID for clients and make it available to the complete financial services industry. Segmental information on the basis of above mentioned operations as per Indian Accounting Standard (Ind AS)108 'Operating Segments' is as below :

NSE DATA & ANALYTICS LIMITED
STATEMENT OF SEGMENTAL INFORMATION FOR THE YEAR ENDED MARCH 31, 2021

	(Rs in lakhs)
	31.03.2021
Segment Revenue	
Datafeed	**12,149.06**
Data Terminal	**1,575.49**
Others	**1,820.33**
Total	**15,544.88**
Segment Result	
Datafeed	**8,250.01**
Data Terminal	**486.58**
Others	**(257.82)**
Total	**8,478.78**
Unallocable Income (net of unallocable expenditure)	**1,363.29**
Profit Before Tax	**9,806.36**
Taxes	**2,442.63**
Net Profit After Tax	**7,363.73**

	31.03.2021
Segment Assets	
Datafeed	15,429.09
Data Terminal	2,131.33
Others	1,774.78
Unallocated	13,305.85
Total	**32,641.05**
Segment Liabilities	
Datafeed	668.95
Data Terminal	1,448.92
Others	105.55
Unallocated	2,701.42
Total	**4,924.84**
Capital Expenditure	
Datafeed	**134.77**
Data Terminal	**95.61**
Others	**471.03**
Total	**701.41**
Depreciation	
Datafeed	**102.37**
Data Terminal	**45.05**
Others	**734.73**
Total	**882.14**

Revenue from external customers (Datafeed Segment)	**31.03.2021**
India	**21%**
Outside India	**79%**
	100%

The revenue information above is based on the locations of the customers.

Major Customer

The following table gives details in respect of percentage of revenues generated from top five customers:

Particulars	**31.03.2021**
Revenue from top five customers	**37%**

28 In compliance with Ind AS 24 - "Related Party Disclosures", as notified under Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 the required disclosures are given in the table below:

(a) Names of the related parties and related party relationships

Sr. No.	Related Party	Nature of Relationship
1	National Stock Exchange of India Limited	The Ultimate Holding Company
2	NSE Investment Limited	Holding Company
3	Capital Quants Solutions Private Limited (% Holding - 17%)	Associate (w.e.f. 26.02.2021)
4	NSE Clearing Limited	Subsidiary of Ultimate Holding Company
5	NSE Indices Limited	Fellow Subsidiary
6	NSE Infotech Services Limited	Fellow Subsidiary
7	NSEIT Limited	Fellow Subsidiary
8	NSE.IT (US) Limited	Subsidiary of Fellow Subsidiary
9	Aujas Networks Pvt Ltd	Subsidiary of Fellow Subsidiary
10	National Securities Depository Limited	Associate of the Ultimate Holding Company
11	BFSI Sector Skill Council of India	Associate of the Ultimate Holding Company
12	Power Exchange India Limited	Associate of the Holding Company
13	NSDL e-Governance Infrastructure Limited	Associate of the Holding Company
14	NSDL Database Management Limited	Subsidiary of Associate of the Ultimate Holding Company
15	Market Simplified India Limited	Associate of the Holding Company
16	Receivables Exchange Of India Limited	Holding Company's Joint Venture
17	NSE Academy Limited	Fellow Subsidiary
18	NSE IFSC Limited	Subsidiary of Ultimate holding company
19	NSE IFSC Clearing Corporation Limited	Subsidiary of Ultimate holding company's subsidiary
20	NSE Foundation	Subsidiary of Ultimate holding company
21	Talentsprint Private Limited (w.e.f. November 10, 2020)	Fellow Subsidiary's Subsidiary Company
22	Indian Gas Exchange Limited (w.e.f. March 16, 2021)	Holding Company's Associate
23	Mr. P. H. Ravikumar	Key Management Personnel
24	Mr. J Ravichandran	Key Management Personnel
25	Mr. L. Ravi Sankar	Key Management Personnel
26	Mr. Srikanta Dash	Key Management Personnel
27	Mr. Vijay Karnani	Key Management Personnel
28	Mr. Mukesh Agarwal	Key Management Personnel
29	Mr. Ravi Varanasi	Key Management Personnel
30	Mr. Yatrik Vin	Key Management Personnel w.e.f January 21, 2021
31	Informist Data And Analytics Private Limited	Private company in which erstwhile KMP is a Director w.e.f January 21,2021
32	Mr. Pankaj Aher	Key Management Personnel w.e.f January 1, 2021

(b) Related Party transactions

(Rs. In lakhs)

Name of the Related Party & Nature of Transactions	Year ended 31.03.2021
National Stock Exchange of India Limited	
Expenses : Staff Deputation	**513.27**
Space and Infrastructure Usage	**100.94**
Online Datafeed Service Revenue Sharing	**3,290.99**
Other Reimbursements (including tax payments)	**51.58**
Income: Reimbursement of expenses	**25.41**
Fixed income valuation Service	**118.00**
KRA & Sale of historical data	**63.19**
Closing balance (Credit)/Debit	**(576.58)**
NSE IT Limited	
Expenses: IT Management Consultancy Charges & Stratus AMC.	**23.21**
Closing balance (Credit)/Debit	-
NSE Indices Limited	
Expenses: Data Subscription Fees / Revenue Sharing	**228.90**
Income: Online Datafeed Service Fees	**73.26**
Fixed income valuation Service	**82.60**
Reimbursements Received: 50% of CEO Salary	**169.44**
Other Expenses	**0.52**
Closing balance (Credit)/Debit	**(16.11)**
NSE Investment Limited	
Dividend Paid	**1,080.00**

NSE DATA & ANALYTICS LIMITED

Consolidated notes to financial statements for the year ended March 31, 2021

	(Rs. In lakhs)
Name of the Related Party & Nature of Transactions	**Year ended 31.03.2021**
NSDL Database Management Limited	
Income - KRA fees	3.60
Expenses - KRA fees	0.84
Closing balance (Credit)/Debit	0.70
Aujas Networks Pvt Ltd	
Expenses: IT Management & Consultancy	28.90
Closing balance (Credit)/Debit	(8.83)
Informist Data And Analytics Private Limited	
Assests & Liabilities transferred	79.55
Sale consideration	1.00
Expenses: Data Subscription Fees	10.00
Recovery: Reimbursement as per BTA	96.70
Closing balance (Credit)/Debit	0.76
NSE Foundation	
Payment of contribution to CSR activities	112.41
Mr. P. H. Ravikumar	
Director Sitting Fees	8.25
Reimbursement of expenses	-
Mr. Srikanta Dash	
Director Sitting Fees	6.75
Reimbursement of expenses	-
Mr. L. Ravi Sankar	
Director Sitting Fees	8.25
Reimbursement of expenses	-
Mr. Vijay Karnani	
Director Sitting Fees	1.00
Reimbursement of expenses	-
Mr. Mukesh Agrawal	
Gross Remuneration including allowances, non-cash perquisites and contribution to Provident Fund and Superannuation Fund etc.	169.44
Mr. Pankaj Aher	
Gross Remuneration including allowances, non-cash perquisites and contribution to Provident Fund and Superannuation Fund etc.	99.75

Note 29: Employee Benefits

(i) Provident Fund: During the current year the company is registered with Regional Provident Fund Office, Bandra, Mumbai, and both the employee and the employer make monthly contribution equal to 12% of the employee's basic salary respectively.

(ii) Superannuation: Superannuation benefits for employees designated as chief managers and above are covered by group policies with the Life Insurance Corporation of India maintained by the Hodlding Company. The contribution for the year is reimbursed to the holding company is charged to revenue. There are no other obligations other than the annual contribution payable.

(iii) Gratuity: Provisions are made for the defined benefit with respect to gratuity liability based on the present value of defined benefit obligation as reduced by the fair value of plan assets as per the actuarial valuation calculation.

(iv) Leave Encashment : Liability on account of Leave encashment is provided based on Acturial Valuation at Balance Sheet date.

(v) Short term employee benefits are charged to revenue in the year in which the related service is rendered.

Provision

	Long - term	Short - term
	31.03.2021 (Rs.)	31.03.2021 (Rs.)
Provision for employee benefits		
Provision for Leave Travel allowance	-	2.17
Provision for gratuity	130.79	26.96
Provision for Leave encashment	23.61	54.60
	154.40	83.73

Disclosure under Indian Accounting Standard 19 (Ind As 19) on Employee Benefit as notified under Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

i) **Defined Benefit Plan :**

a) Provident Fund: Company has contributed Rs.35.67 lacs towards Provident Fund during the year ended March 31, 2021 to Employee Provident Fund Organisation.

b) Gratuity: The company provides for gratuity for employees as per Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of Gratuity is payable on retirement/termination of the emplyee's last drawn basic salary per month multiplied for the number of years of service. The gratuity plan is a non funded plan and the company makes provision on the basis of Actuarial Valuation.

A **Balance Sheet**

(i)

The amounts recognised in the consolidated balance sheet and the movements in the net defined benefit obligation over the year are as follows:	
	31.03.2021
Liability at the beginning of the year	**262.59**
Interest cost	14.37
Current Service Cost	20.44
Liability transferred	(140.98)
Benefits Paid	(12.89)
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	(1.29)
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	5.53
Actuarial (Gains)/Losses on Obligations - Due to Experience	9.97
Liability at the end of the year	**157.74**

(ii)

The amounts recognised in the balance sheet and the movements in the fair value of plan assets over the year are as follows:	
	31.03.2021
Fair Value of plan assets at the beginning of the year	-
Interest Income	-
Expected return on plan assets	-
Contributions	12.89
Transfer from other company	-
Benefits paid	(12.89)
Actuarial (Gains)/Losses on Obligations - Due to Change in	-
Fair Value of plan assets at the end of the year	-

(iii)

The net liability disclosed above relates to funded plans are as follows:	
	31.03.2021
Fair value of plan assets as at the end of the year	-
Liability as at the end of the year	(157.74)
Net (liability) / asset	**(157.74)**

(iv)

Balance Sheet Reconciliation	
	31.03.2021
Opening Net Liability	**262.59**
Expenses Recognized in Statement of Profit or Loss	34.81
Expenses Recognized in OCI	14.21
Net (Liability)/Asset Transfer in	(140.98)
Employers Contribution	(18.32)
Amount recognised in the Balance Sheet	**157.74**

B **Statement of Profit & Loss**

(i)

Net Interest Cost for Current Period	
	31.03.2021
Interest Cost	14.37
Interest Income	-
Net Interest Cost for Current Period	**14.37**

(ii)

Expenses recognised in the Statement of Profit & Loss	
	31.03.2021
Current Service cost	20.44
Net Interest Cost	14.37
Expenses recognised in the Statement of Profit & Loss	**34.81**

(iii)

Expenses recognised in the Other Comprehensive Income	
	31.03.2021
Expected return on plan assets	-
Actuarial (Gain) or Loss	14.21
Net (Income)/Expense for the Period Recognized in OCI	**14.21**

C

Fair value of plan assets at the Balance Sheet Date for defined benefit obligations	
	31.03.2021
Insurer Managed Funds	-
Total	**-**

D

Sensitivity Analysis	
	31.03.2021
Projected Benefit Obligation on Current Assumptions	48.42
Delta Effect of +1% Change in Rate of Discounting	103.15
Delta Effect of -1% Change in Rate of Discounting	116.04
Delta Effect of +1% Change in Rate of Salary Increase	114.83
Delta Effect of -1% Change in Rate of Salary Increase	104.12
Delta Effect of +1% Change in Rate of Employee Turnover	109.08
Delta Effect of +1% Change in Rate of Employee Turnover	109.58

E

Significant actuarial assumptions are as follows:	
	31.03.2021
Discount Rate	5.58% - 6.49%
Rate of Return on Plan Assets	N.A.
Salary Escalation	5% -10%
Attrition Rate	12% -20%

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NSE DATA & ANALYTICS LIMITED
Consolidated notes to financial statements for the year ended March 31, 2021

30 Earnings per share

	(Rs. In lakhs) 31.03.2021
Profit attributable to the equity holders of the company used in calculating basic earnings per share and diluted earnings per share	
Profit for the year	7,395.90
Weighted average number of equity shares used as the denominator in calculating basic earnings per share (No. in lakhs)	90.00
Earnings per equity share (basic and diluted) (in Rs.)	**82.18**

31 Capital and other commitments

	31.03.2021
Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided	154.00
Other Commitments	1,872.86
Total	**2,026.85**

32 Contingent liability:

	31.03.2021
Income tax matters	2,038.32
Goods & Service Tax matters	24.20
Total	**2,062.52**

33 Expenditure in foreign currency:

	31.03.2021
Fees & Subscription	14.66
Director Sitting fees	6.75
Professional Fees	3.78
Data Subscription Fees	187.49
Total	**212.68**

34 Earnings in foreign exchange :

	31.03.2021
Online Datafeed Service Fees	9,549.04
Total	**9,549.04**

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Note 35 (A) - Fair Value Measurements
(i) Fair Value Hierarchy:

This section explians the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three level prescribed under the accounting standard. An explaination of each level follows underneath the table.

(Rs. In lakhs)

Financial Assets and Liabilities measured at Fair Value - recurring fair Value measurements At 31 Mar, 2021	**Notes**	**Level 1**	**Level 2**	**Total 31 Mar, 2021**
<u>**Financial Assets**</u>				
Financial Investments at FVPL				
Mutual Fund - Growth Plan	9	6,618.06	-	6,618.06
Total Financial Assets		**6,618.06**	**-**	**6,618.06**

Assets and Liabilities which are measured at Amortised Cost for which - recurring fair Value measurements At 31 Mar, 2021	**Notes**	**Level 1**	**Level 2**	**Total 31 Mar,2021**
<u>**Financial Assets**</u>				
Investments				
Taxfree Bonds	4	-	2,415.81	2,415.81
Fixed Deposit		-	783.41	783.41
Total Financial Assets		**-**	**3,199.22**	**3,199.22**

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NSE Data & Analytics Limited
Consolidated notes to financial statements for the year ended March 31, 2021

Note 35 (B) - Fair Value Measurements
Financial Instruments by category

(Rs. In lakhs)

	31-Mar-21		
	FVPL	FVOCI	Amortised Cost
Financial Assets			
Investments			
Taxfree Bonds	-	-	2,415.81
Fixed Deposits	-	-	783.41
Mutual Funds	6,618.06	-	-
Exchange Traded Funds	-	-	-
Total financial assets	**6,618.06**	**-**	**3,199.22**

Note 35 C - Fair Value Measurements
Fair value of Financial Assets and Liabilities measured at amortised Cost

(Rs. In lakhs)

	31-Mar-21	
	Carrying Amount	Fair Value
Financial Assets		
Taxfree Bonds	2,415.81	2,607.82
Fixed Deposits	783.41	793.62
Total Financial Assets	**3,199.22**	**3,401.45**

The carrying amounts of trade receivables, deposits, other bank balance, advance to related party, other receivables, trade payables, creditors for capital expenditure, other liabilities and cash and cash equivalents are considered to be the same as their fair values, due to their short-term natures.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to their fair values.

Significant estimates
The fair value of financial instruments that are not traded in active market is determined using valuation techniques. The Company uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at each reporting period.

Note 36 A MANAGEMENT OF MARKET RISK

The Company's size and operations result in it being exposed to the following market risks that arise from its use of financial instruments:
• price risk; and
• interest rate risk
The above risks may affect the Company's income and expenses, or the value of its financial instruments. The objective of the Company's management of market risk is to maintain this risk within acceptable parameters, while optimising returns. The Company's exposure to, and management of, these risks is explained below.

POTENTIAL IMPACT OF RISK	MANAGEMENT POLICY	SENSITIVITY TO RISK
1. PRICE RISK		
The Company is mainly exposed to the price risk due to its investment in mutual funds and exchange traded funds. The price risk arises due to uncertainties about the future market values of these investments. At 31st March 2021, the exposure to price risk due to investment in mutual funds amounted to Rs. 6,618.06 lakhs. At 31st March 2021, the exposure to price risk due to investment in exchange traded fund amounted to Rs. NIL.	In order to manage its price risk arising from investments in mutual funds, the Company diversifies its portfolio in accordance with the limits set by the risk management policies. The Treasury department maintains a list of approved financial instruments. The use of any new investment must be approved by the Chief Financial Officer.	As an estimation of the approximate impact of price risk, with respect to mutual funds and exchange traded funds , the Company has calculated the impact as follows. For mutual funds, a 0.25% increase in prices would have led to approximately an additional Rs. 16.55 lakhs gain in the Statement of Profit and Loss a 0.25% decrease in prices would have led to an equal but opposite effect. For exchange traded fund, a 10% increase in prices would have led to approximately an additional Rs. NIL gain in the Statement of Profit and Loss a 10% decrease in prices would have led to an equal but opposite effect.

36 B MANAGEMENT OF CREDIT RISK

Credit risk is the risk of financial loss to the Company if a customer or counter-party fails to meet its contractual obligations.

Trade receivables
Concentrations of credit risk with respect to trade receivables are limited, due to the Company's customer base being large and diverse and also on account of member's deposits kept by the company as collatrel which can be utilised in case of member default. All trade receivables are reviewed and assessed for default on a quarterly basis.

Our historical experience of collecting receivables, supported by the level of default, is that credit risk is low.

Other financial assets
The Company maintains exposure in cash and cash equivalents, term deposits with banks, investments in commercial papers, government securities, investments in mutual funds and exchange traded funds. The Company has difersified portfolio of investment with various number of counter-parties which have secure credit ratings hence the risk is reduced. Individual risk limits are set for each counter-party based on financial position, credit rating and past experience. Credit limits and concentration of exposures are actively monitored by the Company's Treasury department.

The Company's maximum exposure to credit risk as at March 31, 2021, is the carrying value of each class of financial assets as disclosed in note 4 and 9 except for derivative financial instruments.

Note 36C CAPITAL MANAGEMENT

The Company considers the following components of its Balance Sheet to be managed capital:
Total equity (as shown in the balance sheet, including non-controlling interests, retained profit, other reserves, share capital, share premium)

The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to our shareholders. The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the group may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure. Company is not subject to financial covenants in any of its significant financing agreements.

37 On October 15, 2020, the Company entered into a Share Purchase Agreement ("SPA") for acquisition of 100% Shares of Cogencis Information Services Limited ("Cogencis"), a Company engaged in business of providing data terminal services. On January 21, 2021, the Company acquired 100% of shareholding of Cogencis for a cash consideration of Rs.14,442.35 lakhs. Of the total consideration, an amount of Rs.1400.72 lakhs is payable to shareholders on fulfilment of certain terms and condition of SPA. Pursuant to Promoter Escrow agreement, an amount of Rs. 1000.02 lakhs has been kept in Escrow bank account. By virtue of this investment, Cogencis has become a wholly owned subsidiary of the Company.

The assets and liabilities recognised as a result of the acquisition are as follows:

Details of Assets and Liabilities of acquired	Fair Value January 21, 2021
Tangible, Intangible Fixed Assets and ROU Assets	375.88
Financial Assets	1,412.29
Other Assets	99.52
Financial Liabilities	(681.37)
Other Liabilities & Provisions	(1,132.28)
Income tax and deferred tax assets (net)	609.23
Net Identifiable Assets acquired	**683.27**

Calculation of Goodwill	Rs. In lakhs
Consideration	14,442.35
Less :- Net Identifiable Assets acquired	683.27
Goodwill as at January 21, 2021	**13,759.08**

NSE Data & Analytics Limited, the holding Co. had acquired 100 % of equity shares of Cogencis Information Services Limited on 21st January, 2021. For the year ended March 31, 2021, the consolidated financial results includes the results/figures of Cogencis Information Services Limited.

38 Investment in Capital Quants Solutions Private Limited (Associate)

On November 12, 2020, the company entered into an Investment Agreement for acquisition of 17% shares of Capital Quant Solutions Private Limited. On February 26, 2021, the Company acquired stake for a cash consideration of Rs.300 lakhs. Capital Quants Solutions Private Limited is engaged in the business of providing of software products that use Machine Learning and Natural Language Proficiency to help build models for extracting data from complex unstructured financial documents. As per the Investment Agreement, Company has significant influence through Management rights in the Capital Quants Solutions Private Limited accordingly investment in Capital Quants is classified as investment in associate under Ind AS 28.

Particulars	Rs. In lakhs
Date of Acquisition	26 February 2021
No of shares	72,794
No of shares acquired	12,410
Shareholding %	17.05%
Face value (Rs.)	10.00
Share Premium (Rs.)	2407.41
Per share acquisition cost	2417.41
Total Consideration	**300.00**
Share of Loss of Associate:	
Total loss for the month of March-21	(8.06)
Shareholding %	17.05%
Share of Loss	**(1.37)**

39 Details of dues to micro and small, medium enterprises as defined under the MSMED Act, 2006

Trade payable includes Rs. 4.57 lacs due to Micro, Small & Medium Enterprises. Total outstanding dues to Micro, Small & Medium Enterprises have been determined to the extent such parties have been identified on the basis of information available with the Company.

40 Corporate Social Responsibility (CSR) :

a. Gross amount required to be spent by the Company on CSR activities during the financial year ended March 31, 2021 is Rs. 133.10 lacs including provision booked in March 2021 towards unspent CSR contribution liability of Rs. 20.68 lacs pertaining to FY 2014-15 Rs. 11.83 lacs and FY 2015-16 Rs. 8.85 lacs.

b. Amount spent during the year on: (Rs in lakhs)

	Particulars		Yet to be paid in Cash	Total
i	Construction / acquisition of any asset	Current Year	-	-
ii	On purposes other than (i) above through Contribution to NSE Foundation.	Current Year	-	112.41

Company has contributed Rs 112.41 lacs pertaining to CSR contribution to NSE Foundation to be spent on CSR activities as stated in the Group CSR policy which has been adopted by the Company as Company's CSR policy.

41 On February 28, 2019, the Honorable Supreme Court of India delivered a judgement in the case of "Vivekananda Vidyamandir and Others Vs The Regional Provident Fund Commissioner (II) West Bengal' in relation to non-exclusion of certain allowances from the definition of "basic wages" of the relevant employees for the purposes of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. The Employees' Provident Fund Organisation also issued a circular (Circular No. C-I/1(33)2019/Vivekananda Vidyamandir/284) dated March 20, 2019 in relation to aforesaid matter.
In Company's assessment, the above judgement is not likely to have a significant impact and therefore presently no provision has been made in the Financial Statements. The Company will continue to monitor the developments in this matter.

42 COVID-19 Risk Assessment

The novel coronavirus (COVID-19) pandemic continues to spread rapidly across the globe including India. On March 11, 2020, the COVID-19 outbreak was declared a global pandemic by the World Health Organization. COVID-19 has taken its toll on not just human life, but business and financial markets too. Various governments have introduced a variety of measures to contain the spread of the virus. The Management has, at the time of approving the financial statements, assessed the potential impact of the COVID-19 on the Company. Based on the current assessment, the management is of the view that impact of COVID 19 on the operations of the Company and the carrying value of its assets and liabilities is not likely to be material.

43 The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact and its valuation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

44 This being the first year of consolidation, hence comparative figures for previous year has not been given.

For K. S. AIYAR & CO.
Chartered Accountants
ICAI Firm Registration No: 100186W

Sachin. A. Negandhi

SACHIN A. NEGANDHI
Partner
Membership Number: 112888

Place : Mumbai
Date : April 29, 2021

For and on behalf of the Board of Directors

P. H. RAVIKUMAR
Chairman
(DIN 00280010)

MUKESH AGARWAL
Managing Director
(DIN 03054853)

HJoshi

HEENA JOSHI
Company Secretary
(ACS:46928)

K. S. AIYAR & CO
CHARTERED ACCOUNTANTS

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Shakti Mills Lane (Off Dr E Moses Rd)
Mahalaxmi, Mumbai - 400 011 India
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Grams : VERIFY
www.KSAiyar.com
Mail@KSAiyar.com

Independent Auditor's Report

To the Members of NSE Indices Limited

Report on the Audit of Financial Statements

Opinion

We have audited the accompanying financial statements of **NSE Indices Limited** ('the Company'), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of cash flows for the year then ended, and notes to financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and its profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis of Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the following matter as Key Audit Matter/s for the year.

We have determined that there are no key audit matters to communicate in our report.

Sodhi

Offices also at
Chennai Kolkata
Bengaluru Coimbatore Hyderabad

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Management for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134 (5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (IND AS) specified under Section 133 of the Act read with the rules made thereunder. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Government of India – Ministry of Corporate Affairs, in terms of sub-section (11) of section 143 of the Act, we enclose in the annexure 'A' a statement on the matters specified in paragraphs 3 and 4 of the said Order, to the extent applicable.

2. As required by Section 143 (3) of the Act, we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

   (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.

   (e) On the basis of the written representations received from the directors as on March 31, 2021, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021, from being appointed as a director in terms of Section 164 (2) of the Act.

   (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

   (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

   In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.

   (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

      (i) The Company has disclosed the impact of the pending litigations its financial position in its financial statements – refer note 27 to the financial statements;

(ii) The Company does not have any long-term contracts for which there were any material foreseeable losses. The Company does not have any derivative contracts.

(iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For K. S. Aiyar & Co.
Chartered Accountants
ICAI Firm Registration No. 100186W

Sachin. A. Negandhi

Sachin A. Negandhi
Partner
Membership No: 112888
UDIN: 21112888AAAADT7423

Place: Mumbai
Date: April 30, 2021

Annexure – A to the Auditor's Report

(Referred to in paragraph 1 under the heading 'Report on Other Legal and Regulatory Requirements' of our Report of even date on the financial statements for the year ended on March 31, 2021, of **NSE Indices Limited)**

In our opinion, and on the basis of such checks of the books and records as we considered appropriate and according to the information and explanations given to us during the normal course of audit, which were necessary to the best of our knowledge and belief, we report that:

(i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

(b) A substantial portion of the fixed assets have been physically verified by the management during the year and in our opinion the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) The Company does not hold any immovable properties. Accordingly, the provisions of clause 3(ii)(c) of the Order are not applicable.

(ii) The Company is a service Company and therefore does not maintain any inventory; the directions in this regard are therefore not applicable.

(iii) As informed, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, provisions of clauses 3 (iii) (a), 3 (iii) (b) and 3 (iii) (c) of the Order are not applicable.

(iv) As informed, the Company has not advanced any loans, made any investments or given any guarantees and securities. Accordingly, clause 3 (iv) of the Order is not applicable.

(v) The Company has not accepted any deposit from the public and consequently the directives issued by the Reserve Bank of India, provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder, with regard to the deposits accepted from the public are not applicable to the Company. No order has been passed by the Company Law Board, National Law Tribunal or Reserve Bank of India or any other court or any other tribunal.

(vi) According to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013 in respect of services carried out by the Company.

(vii) (a) According to the records of the Company, provident fund, income tax, goods and services tax, duty of customs, cess and other material statutory dues applicable to it have been generally regularly deposited during the year with the appropriate authorities. As informed to us, the directions relating to employee's state insurance are not applicable to the Company.

According to the information and explanations given to us, there are no undisputed dues in respect of provident fund, income-tax, goods and service tax, duty of customs, cess and other statutory dues which were outstanding, at the year end for a period of more than six months from the date they became payable.

(b) According to the records of the Company, sales tax, income-tax, duty of customs, service tax, duty of excise and value added tax which have not been deposited on account of any dispute, are as follows:

Name of Statute (Nature of dues)	Financial Year to which the amount relates	Forum where the dispute is pending	Amount (₹ in lakhs)
Income Tax Act, 1961. (Tax/ Interest)	2010-11	Commissioner of Income Tax (Appeals) XXII – Mumbai	78.91
Income Tax Act, 1961. (Tax/ Interest)	2012-13	Commissioner of Income Tax (Appeals) XXII – Mumbai	153.08
Income Tax Act, 1961. (Tax/ Interest)	2013-14	Commissioner of Income Tax (Appeals) XXII – Mumbai	13.37
Income Tax Act, 1961. (Tax/ Interest)	2014-15	Deputy Commissioner of Income Tax – 14(2)(1), Mumbai	386.81
Income Tax Act, 1961. (Tax/ Interest)	2017-18	Deputy Commissioner of Income Tax – 14(2)(1), Mumbai	170.74

(viii) According to the information and explanations given to us, the Company has not taken any money from any financial institution, bank, Government or debenture holder, and accordingly clause 3 (viii) of the Order is not applicable to the Company.

(ix) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) and did not have any term loans outstanding during the year. Accordingly, clause 3 (ix) of the Order is not applicable to the Company.

(x) According to the information and explanations furnished by the management, which have been relied upon by us, there were no frauds on or by the Company noticed or reported during the course of our audit.

(xi) In our opinion, managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 of the Act read with Schedule V to the Act.

(xii) In our opinion, the Company is not a Nidhi Company. Accordingly, clause 3 (xii) of the Order is not applicable to the Company.

(xiii) In our opinion all transactions with the related parties are in compliance with sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable accounting standards.

(xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.

(xv) The Company has not entered into any non-cash transactions with directors or persons connected with them.

(xvi) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For K. S. Aiyar & Co.
Chartered Accountants
ICAI Firm Registration No. 100186W

Sachin. A. Negandhi

Sachin A. Negandhi
Partner
Membership No: 112888
UDIN: 21112888AAAADT7423

Place: Mumbai
Date: April 30, 2021

Annexure - B to the Independent Auditor's Report of even date on the Financial Statements of NSE Indices Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of **NSE Indices Limited** ("the Company") as of March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For K. S. Aiyar & Co.
Chartered Accountants
ICAI Firm Registration No. 100186W

Sachin. A. Negandhi

Sachin A. Negandhi
Partner
Membership No: 112888
UDIN: 21112888AAAADT7423

Place: Mumbai
Date: April 30, 2021

NSE INDICES LIMITED

BALANCE SHEET AS AT MARCH 31, 2021

(Rs. In lakhs)

Particulars	Notes	As at 31.03.2021	As at 31.03.2020
ASSETS			
Non-current assets			
Property, Plant and Equipment	2	**27.56**	9.56
Other Intangible assets	3	**168.62**	228.96
Intangible assets under development	3	**-**	55.40
Financial Assets			
- Investments	4	**3,211.99**	3,565.19
Income Tax Assets (Net)	6	**118.72**	58.68
Total Non-current assets		**3,526.89**	3,917.79
Current assets			
Financial Assets			
- Investments	8	**30,223.72**	25,198.40
- Trade receivables	9	**1,011.75**	1,483.11
- Cash and cash equivalents	10	**546.66**	542.05
- Bank balances other than cash and cash equivalents	11	**-**	720.00
- Other financial assets	5	**587.58**	53.03
Other current assets	7	**49.45**	45.25
Total Current assets		**32,419.16**	28,041.84
TOTAL ASSETS		**35,946.05**	31,959.63
EQUITY AND LIABILITIES			
EQUITY			
Equity Share capital	12a	**130.00**	130.00
Other Equity	12b	**34,617.50**	30,756.54
TOTAL EQUITY		**34,747.50**	30,886.54
LIABILITIES			
Non-current liabilities			
Provisions	16	**1.71**	1.93
Deferred tax liabilities (Net)	13	**578.04**	516.30
Total Non-current liabilities		**579.75**	518.23
Current liabilities			
Financial Liabilities			
- Trade payables	14		
(i) total outstanding dues of micro enterprises and small enterprises		**4.67**	4.80
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		**93.49**	103.99
Provisions	17	**7.74**	5.44
Income tax liabilities (net)	15	**130.21**	136.40
Other current liabilities	18	**382.69**	304.23
Total Current liabilities		**618.80**	554.86
TOTAL LIABILITIES		**1,198.55**	1,073.09
TOTAL EQUITY AND LIABILITIES		**35,946.05**	31,959.63

Summary of significant accounting policies 1

Notes refer to above form an integral part of the Balance sheet

This is the Balance sheet refered to in our report of even date

For K. S. AIYAR & CO.
Chartered Accountants
ICAI Firm Registration No: 100186W

Sachin. A. Negandhi

SACHIN A. NEGANDHI
Partner
Membership Number: 112888

Place : Mumbai
Date : April 30, 2021

For and on behalf of the Board of Directors

L. RAVI SANKAR
Chairman
(DIN 00185931)

MUKESH AGARWAL
Managing Director
(DIN 03054853)

VIRAG SHAH
Chief Financial Officer

NSE INDICES LIMITED

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2021

(Rs. In lakhs)

PARTICULARS	NOTES	For the year ended 31.03.2021	For the year ended 31.03.2020
Income			
Revenue from operations	19	**15,099.45**	11,325.86
Other income	20	**2,172.93**	1,815.45
Total Revenue		**17,272.38**	13,141.31
Expenses			
Employee benefit & Deputed Personnel Cost	21	**500.29**	468.72
Legal Expenses		**8.15**	28.45
Other expenses	23	**704.67**	731.44
Depreciation	2,3	**129.14**	124.69
Total Expenses		**1,342.25**	1,353.30
Profit before tax		**15,930.13**	11,788.01
Less : Tax expense			
Current tax	14	**3,819.10**	3,066.00
Deferred tax		**61.31**	(348.10)
Total tax expense		**3,880.41**	2,717.90
Profit after tax (A)		**12,049.72**	9,070.11
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Others- Defined Benefit Plans : Gratuity Provisions		**1.65**	(0.89)
Income tax relating to items that will not be reclassified to profit or loss		**(0.42)**	0.22
Total Other Comprehensive Income (B)		**1.23**	(0.66)
Total Comprehensive Income for the period (A+B)		**12,050.95**	9,069.44
Earnings per equity share :	25		
Basic (in Rs.)		**926.90**	697.70
Diluted (in Rs.)		**926.90**	697.70

Summary of significant accounting policies	1

Notes refer to above form an integral part of the Statement of Profit & Loss

This is the Statement of Profit & Loss refered to in our report of even date

For K. S. AIYAR & CO.
Chartered Accountants
ICAI Firm Registration No: 100186W

Sachin. A. Negandhi

SACHIN A. NEGANDHI
Partner
Membership Number: 112888

Place : Mumbai
Date : April 30, 2021

For and on behalf of the Board of Directors

L. RAVI SANKAR
Chairman
(DIN 00185931)

MUKESH AGARWAL
Managing Director
(DIN 03054853)

VIRAG SHAH
Chief Financial Officer

NSE INDICES LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2021

(A) EQUITY SHARE CAPITAL

(Rs. In lakhs)

Balance as at 01.04.2020	130.00
changes in equity share capital during the year	-
Balance as at 31.03.2021	**130.00**

(B) OTHER EQUITY

(Rs. In lakhs)

Particulars	Reserves and Surplus		Total
	General reserve	Retained Earnings	
Balance at the April 1,2019	**5,228.04**	**19,805.06**	**25,033.10**
Profit for the year		9,070.11	9,070.11
Other Comprehensive Income	-	(0.66)	(0.66)
Transaction with owners in their capacity as owners			
Dividend paid (Including dividend distribution tax)	-	(3,346.01)	(3,346.01)
Balance as at March 31, 2020	**5,228.04**	**25,528.50**	**30,756.54**
Balance at the April 1,2020	**5,228.04**	**25,528.50**	**30,756.54**
Profit for the year		12,049.72	12,049.72
Other Comprehensive Income	-	1.23	1.23
Transaction with owners in their capacity as owners			
Dividend paid	-	(8,190.00)	(8,190.00)
Balance as at March 31, 2021	**5,228.04**	**29,389.45**	**34,617.49**

This is the statement of changes in equity refered to our report of even date attached

For K. S. AIYAR & CO.
Chartered Accountants
ICAI Firm Registration No: 100186W

Sachin. A. Negandhi

SACHIN A. NEGANDHI
Partner
Membership Number: 112888

Place : Mumbai
Date : April 30, 2021

For and on behalf of the Board of Directors

L. RAVI SANKAR
Chairman
(DIN 00185931)

MUKESH AGARWAL
Managing Director
(DIN 03054853)

VIRAG SHAH
Chief Financial Officer

NSE INDICES LIMITED

STATEMENT OF CASHFLOW FOR THE YEAR ENDED MARCH 31, 2021

(Rs. In lakhs)

			For the year ended 31.03.2021	For the year ended 31.03.2020
A)	**CASHFLOW FROM OPERATING ACTIVITIES**			
	NET PROFIT BEFORE TAX		**15,930.13**	11,788.01
	Add :	**Adjustments for :**		
	-	Depreciation and amortisation expense	**129.14**	124.69
	-	Bad Debts & Sundry Balances written off	**7.89**	0.00
	-	Exchange differences on revaluation of foreign trade receivables	**9.25**	11.15
	Less :	**Adjustments for :**		
	-	Interest income on Long Term Investment	**(133.89)**	(134.50)
	-	Interest income on Bank deposit	**(1.85)**	(58.64)
	-	Net gain on financial assets mandatorily measured at fair value through profit or loss	**(1,578.11)**	(1,110.74)
	-	Net gain on sale of financial assets mandatorily measured at fair value through profit or loss	**(422.84)**	(427.82)
	-	Excess provision for expense written back	**(5.10)**	-
	OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		**13,934.62**	10,192.15
		Change in operating assets and liabilities		
		(Increase)/Decrease in trade receivables	**(124.11)**	(305.95)
		Increase/(Decrease) in trade payables	**(5.53)**	(30.13)
		(Increase)/Decrease in Other Assets	**(4.20)**	226.31
		Increase/(Decrease) in Other Current liabilities	**78.47**	196.28
		Other financial liabilities, other liabilities and provisions	**3.74**	0.90
	CASH GENERATED / (USED) FROM OPERATIONS		**13,882.99**	10,279.56
		Income taxes paid	**(3,885.33)**	(3,034.13)
	NET CASH FROM OPERATING ACTIVITIES - Total (A)		**9,997.66**	7,245.43
B)	**CASHFLOW FROM INVESTING ACTIVITIES**			
		Payment for property, plant and equipment	**(31.41)**	(55.40)
		Purchase of investments	**(15,030.00)**	(23,543.12)
		Proceeds from bank deposits	**720.00**	-
		Proceeds from disposal / redemption of investments	**12,349.59**	19,925.95
		Interest received	**188.77**	150.26
	NET CASH FROM (USED IN) INVESTING ACTIVITIES - Total (B)		**(1,803.05)**	(3,522.30)
C)	**CASHFLOW FROM FINANCING ACTIVITIES**			
		Dividend paid	**(8,190.00)**	(2,775.50)
		Dividend distribution tax paid	**-**	(570.51)
	NET CASH FROM (USED IN) FINANCING ACTIVITIES - Total (C)		**(8,190.00)**	(3,346.01)
	NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)		**4.61**	377.13
	CASH AND CASH EQUIVALENTS : OPENING BALANCE		**542.05**	164.92
	CLOSING CASH AND CASH EQUIVALENTS : CLOSING BALANCE		**546.66**	542.05
	NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENT		**4.61**	377.13

Notes to Cash Flow Statement :

The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Ind AS - 7 on Statement of Cash Flow as notified under Companies (Accounts) Rules, 2015.

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

The above statement of cash flows should be read in conjunction with the accompanying notes.

This is the statement of cash flow refered to in our report of even date.

For K. S. AIYAR & CO.
Chartered Accountants
ICAI Firm Registration No: 100186W

Sachin. A. Negandhi

SACHIN A. NEGANDHI
Partner
Membership Number: 112888

Place : Mumbai
Date : April 30, 2021

For and on behalf of the Board of Directors

L. RAVI SANKAR
Chairman
(DIN 00185931)

MUKESH AGARWAL
Managing Director
(DIN 03054853)

VIRAG SHAH
Chief Financial Officer

NSE INDICES LIMITED

Background and Significant Accounting Policies

Background

The NSE Indices Limited (Formerly known as India Index Services & Products Limited. ("The Company"), a wholly owned subsidiary of NSE Investment Limited (Formerly known as NSE Strategic Investment Corporation Limited), was incorporated in May 1998. Company has changed its name to NSE Indices Limited w.e.f 30th July, 2018. The main objective of the Company is to develop, construct, compile, compute and maintain equity and commodity indices for domestic and international dissemination, marketing and market development and to provide very high quality indices and index related services.

Note 1: Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements ("financial statements"). These policies have been consistently applied to all the years / periods presented, unless otherwise stated.

(a) Basis of preparation

These financial statements have been prepared in accordance with the historical cost basis, except as disclosed in the accounting policies below, and are drawn up in accordance with the provisions of the Companies Act, 2013 and Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

(i) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and liabilities that is measured at fair value, and
- defined benefit plans - plan assets are measured at fair value.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability which market participants would take into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability.

(b) Foreign currency translation and transactions

(i) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian currency (INR), which is the Company's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are initially recorded at the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the period end exchange rates are recognized in profit or loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equity instruments held at fair value through profit or loss are recognized in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equity investments classified as FVOCI are recognized in other comprehensive income.

(c) Revenue recognition

Revenue is recognised upon transfer of control of promised goods or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those goods or services. The Company recognises revenue in the period in which it satisfies its performance obligation by transferring promised goods or services to the customer. The sources of revenue and Company's accounting policy are as follows:

(I) Index License Fees income is recognized on a time proportion method and revenue on account of subscription fees with respect to the period of the contract on an accrual basis.

(II) Subscription fees received in respect of unexpired period of the contract is treated as a current liability and is recognized as income in the respective period.

The Company considers the terms of the contract in determining the transaction price. The transaction price is based upon the amount the Company expects to be entitled to in exchange for transferring of promised services to the customer after deducting allowances and discounts etc. Revenue excludes any taxes and duties collected on behalf of the government.

(d) Income Tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses, if any.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset deferred tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current & Deferred tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

(e) Leases

Effective April 1, 2019, the Company has adopted Ind AS 116 "Leases". Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards incidental to ownership to the lessee. All other leases are classified as operating leases.

(i) As a lessee

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of the contract. Ind AS 116 defines a lease as a contract, or a part of a contract, that conveys the right of use an asset (the underlying asset) for a period of time in exchange of consideration. To assess whether as contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expenses on a straight line basis over the term of the lease.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on straight line basis over the shorter of the lease term and useful life of the underlying assets.

(ii) As a lessor

Lease for which the Company is a lessor is classified as finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. For operating leases, rental income is recognized on straight line basis over the term of the relevant lease.

(f) **Impairment of assets**

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

An impairment loss is recognized as an expense immediately, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior years. A reversal of an impairment loss is recognized as income immediately, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

(g) Cash and cash equivalents

Cash and Cash equivalents includes cash on hand and bank balances.

(h) Trade receivables

Trade receivables are recognised initially at fair value and subsequently allowances for receivables and unbilled revenues with no significant financing component is measured at an amount equal to lifetime expected credit loss (ECL) where there is significant increase in credit risk.

(i) Investments and other financial assets

Recognition

All financial assets are recognized and de-recognized on a trade date basis where the purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned.

Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

(i) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

- **Amortised cost**: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognized in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

- **Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss.

Equity investments

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments continue to be recognized in profit or loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognized in other gain/ (losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

(ii) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

A financial asset is de-recognized only when

- The Company has transferred the rights to receive cash flows from the financial asset or

- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company has transferred an asset, it evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is de-recognized. Where the Company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognized.

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognized if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

(iii) Income recognition

Interest income

Interest income from debt instruments is recognized using the effective interest rate method.

Dividends

Dividends are recognized in profit and loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be reliably measured.

(j) Financial liabilities

Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered and the definitions of a financial liability and an equity instrument.

(i) Initial recognition and measurement

Financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the fair value.

(ii) Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognized in the statement of profit and loss.

(iii) Derecognition

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

(k) Property, plant and equipment (including CWIP)

All items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives as follows:

Office equipment	4 to 5 years
Computer systems – others	4 years
Computer software	4 years
Telecommunication systems	4 years

The useful lives have been determined based on technical evaluation done by the company which are higher than those specified by Schedule II to the Companies Act, 2013, in order to reflect the actual usage of the assets. The residual values are not more than 5% of the original cost of the asset. The asset's residual values and useful lives are reviewed, and adjusted on a prospective basis if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. and are included in profit or loss

Depreciation on assets purchased / disposed off during the year is provided on pro rata basis with reference to the date of additions / deductions.

Fixed assets whose aggregate cost is Rs. 5,000 or less are depreciated fully in the year of acquisition.

(l) **Intangible assets**

Costs associated with maintaining software programs are recognized as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Company are recognized as intangible assets when the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use
- management intends to complete the software and use or sell it
- there is an ability to use or sell the software
- it can be demonstrated how the software will generate probable future economic benefits
- adequate technical, financial and other resources to complete the development and to use or sell the software are available, and
- the expenditure attributable to the software during its development can be reliably measured. Directly attributable costs that are capitalised as part of the software include employee costs and an appropriate portion of relevant overheads.

Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is available for use.

Computer software is amortised over a period of 4 years.

(m) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial period which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and de-recognised when the obligation specified in the contract is discharged, cancelled or expires.

(n) Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognized for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation to be settled at a future date. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

Contingent Liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent liabilities are not disclosed in case the possibility of an outflow of resources embodying economic benefits is remote.

(o) Dividends

Provision is made for any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

(p) Earnings per share

(i) Basic earnings per share
Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to consider:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(q) **Employee benefits**

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are the amounts expected to be paid when the liabilities are settled. Short term employee benefits are recognized in statement of profit and loss in the period in which the related service is rendered. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other long-term employee benefit obligations

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognized in profit or loss.

The obligations are presented as current liabilities in the balance sheet since the company does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment obligations

The Company operates the following post-employment schemes:

(a) defined benefit plans such as gratuity, and

(b) defined contribution plans such as provident fund and superannuation.

Gratuity obligations

The liability or asset recognized in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to yields on government securities at the end of the reporting period that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost.

(iv) Defined contribution plans

Provident fund

The Company is registered with Regional Provident Fund Office and both the employee and the employer make monthly contribution equal to 12% of the employee's basic salary respectively.

Superannuation

Superannuation benefits for employees designated as chief managers and above are covered by group policies with the Life Insurance Corporation of India maintained by the Ultimate Holding Company. The contribution for the year is reimbursed to the Ultimate Holding Company is charged to revenue. There are no other obligations other than the annual contribution payable.

(r) Rounding of Amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

(s) Reclassification

Previous year figures have been reclassified / regrouped wherever necessary.

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgments are:

Current tax expense and payable Note 13
Fair value of unlisted securities Note 4 & 8
Useful life of intangible asset Note 3

Estimates and judgments are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

Recent accounting pronouncements:

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet:

- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.

- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

Statement of profit and loss:

- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the standalone financial statements.

The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

NSE INDICES LIMITED

Notes to financial statements for the year ended March 31, 2021

Note 2: Property Plant and Equipment

(Rs. In lakhs)

Particulars	OFFICE EQUIPMENTS	FURNITURE AND FIXTURES	COMPUTER SYSTEM	TOTAL	CAPITAL WORK IN PROGRESS
Year ended 31 March 2021					
Gross carrying amount					
Cost as at 01.04.2020	0.62	0.00	73.61	74.23	-
Additions		-	32.03	32.03	32.03
Disposals	-	-	-	-	-
Transfers	-	-	-	-	(32.03)
Closing gross carrying amount	**0.62**	**0.00**	**105.64**	**106.26**	**-**
Accumumated depreciation					
Accumulated depreciation as at 01.04.2020	0.52	-	64.15	64.67	-
Depreciation charge during the year	0.09	-	13.94	14.03	-
Disposals	-	-	-	-	-
Closing accumumated depreciation	**0.61**	**-**	**78.09**	**78.70**	**-**
Net carrying amount as at 31.03.2021	**0.01**	**0.00**	**27.55**	**27.56**	**-**
Year ended 31 March 2020					
Gross carrying amount					
Cost as at 01.04.2019	0.62	0.00	73.61	74.23	-
Additions		-	-	-	-
Disposals	-	-	-	-	-
Closing gross carrying amount	0.62	0.00	73.61	74.23	-
Accumumated depreciation					
Accumulated depreciation as at 01.04.2019	0.43	-	45.63	46.06	-
Depreciation charge during the year	0.09	-	18.53	18.62	-
Closing accumumated depreciation	0.52	-	64.15	64.67	-
Net carrying amount as at 31.03.2020	0.10	0.00	9.46	9.56	-

NSE INDICES LIMITED

Notes to financial statements for the year ended March 31, 2021

Note 3 : Intangible assets

(Rs. In lakhs)

	COMPUTER SOFTWARE	TOTAL	CAPITAL WORK IN PROGRESS
Year ended 31 March 2021			
Gross carrying amount			
Cost as at 01.04.2020	438.73	438.73	55.40
Additions	54.77	54.77	-
Disposals	-	-	(0.62)
Transfers	-	-	(54.77)
Closing gross carrying amount	493.50	493.50	-
Accumumated depreciation			
Accumulated depreciation as at 01.04.2020	209.78	209.78	-
Depreciation charge during the year	115.11	115.11	-
Disposals	-	-	-
Closing accumumated depreciation	324.89	324.89	-
Net carrying amount as at 31.03.2021	**168.62**	**168.62**	-
Year ended 31 March 2020			
Gross carrying amount			
Cost as at 01.04.2019	438.73	438.73	-
Additions	-	-	55.40
Disposals	-	-	-
Transfers	-	-	-
Closing gross carrying amount	438.73	438.73	55.40
Accumumated depreciation			
Accumulated depreciation as at 01 April 2019	103.70	103.70	-
Depreciation charge during the year	106.07	106.07	-
Disposals	-	-	-
Closing accumumated depreciation	**209.78**	**209.78**	-
Net carrying amount as at 31.03.2020	**228.96**	**228.96**	

Significant estimate: Useful life of intangible assets under development

The Group has completed the development of software that is used in its various business processes. As at 31 March 2021, the net carrying amount of this software was ₹ 168.62 lakhs (31 March 2020 : ₹ 228.96 lakhs). The Group estimates the useful life of the software to be 4 years based on the expected technical obsolescence of such assets. However, the actual useful life may be shorter or longer than 4 years, depending on technical innovations."

NSE INDICES LIMITED
NOTES FORMING PART OF THE BALANCE SHEET
NOTE NO-4 : NON CURRENT INVESTMENTS

		31.03.2021		31.03.2020	
		Number of Units	(in Rs. In lakhs)	Number of Units	(in Rs. In lakhs)
I	**Investment in equity instruments (fully paid up)**				
	Unquoted equity instruments at cost				
	In Other Companies				
	NSE Foundation	1,000	0.00	1,000	0.00
	Total equity instruments		0.00		0.00
II	**Investment in exchange traded funds**				
	Quoted exchange traded funds at FVPL				
	Nippon India ETF Nifty Bees	-	-	3,68,000	338.34
	Kotak Mahindra MF - Kotak Banking ETF	-	-	48,600	94.02
	Bharat Bond ETF - April 2023	1,00,000	1,114.00	1,00,000	1,024.12
	Total exchange traded funds		**1,114.00**		1,456.48
III	**Investment in bonds**				
	Quoted bonds at amortised cost				
(i)	**Tax free bonds**				
	7.35% National Highways Authority of India 11 Jan,2031	50,000	538.60	50,000	538.85
	7.19% India Infrastructure Finance Company Limited 22 Jan,2023	50,000	509.87	50,000	511.58
	7.18 % Indian Railway Finance Corpn Ltd - Tranche 1 - Series 1 - 19 Feb 2023	1,00,000	1,049.52	1,00,000	1,058.28
			-		-
	Total taxfree bonds		**2,097.99**		2,108.70
	Total non-current investments		**3,211.99**		3,565.19
	Aggregate amount of quoted investments and market value thereof		3,316.00		3,658.58
	Aggregate amount of unquoted investments		-		-

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(Rs. In lakhs)

5 Other financial assets (current)

	31.03.2021	31.03.2020
Others		
Interest accrued on Bank deposits	-	53.03
Receivables from related parties (Refer note 25)	587.58	-
	587.58	53.03
Total	587.58	53.03

6 Income Tax Assets (net)

	31.03.2021	31.03.2020
Income Tax paid including Tax deducted at source (Net of Provisions)	118.72	58.68
Total	118.72	58.68

7 Other current assets

	31.03.2021	31.03.2020
Balances with Statutory Authorities	36.08	31.13
Prepaid expenses	13.37	13.94
Other Advances	-	0.18
Total	49.45	45.25

NSE INDICES LIMITED
NOTES FORMING PART OF THE BALANCE SHEET

NOTE NO-8 : CURRENT INVESTMENTS

		31.03.2021		31.03.2020	
		Number of Units	(in Rs. In lakhs)	Number of Units	(in Rs. In lakhs)
I	**Mutual Funds**				
(i)	**Quoted investments in mutual funds at FVPL**				
	ICICI Prudential Fixed Maturity Plan - Series 80 - 1187 Days Plan G - Direct-Growth	-	-	50,00,000	620.12
	Nippon India Fixed Horizon Fund - XXXIV - Series 9 - Direct - Growth	-	-	40,00,000	484.11
	Nippon India Fixed Horizon Fund - XXXVIII - Series 12 - Direct - Growth	20,00,000	251.25	20,00,000	234.17
	Nippon India Fixed Horizon Fund - Xxxvii - Series 04 - Direct - Growth	25,00,000	324.65	25,00,000	301.49
	Total quoted mutual funds		**575.90**		**1,639.89**
(ii)	**Unquoted investments in mutual funds at FVPL**				
	Axis Treasury Advantage Fund - Growth - Direct Plan	57,715	1,432.83	3,549	82.52
	Aditya Birla Sun Life Floating Rate Fund - LTP - Direct - Growth	-	-	6,37,375	1,608.07
	Aditya Birla Sun Life Money Manager Fund - Direct - Growth	82,804	237.79	2,15,375	583.50
	Aditya Birla Sun Life Savings Fund - Direct - Growth	4,09,001	1,745.76	4,09,001	1,639.39
	Axis Banking & PSU Debt Fund - Direct - Growth	95,831	2,010.34	95,831	1,860.08
	Axis Ultra Short term Fund - Direct - Growth	38,94,129	465.86	38,94,129	441.68
	Canara Robeco Savings Plus Fund - Direct - Growth	17,24,810	579.86		
	DSP Ultra Short Term Fund - Direct - Growth	10,231	292.02	9,680	263.47
	DSP Blackrock Money Manager Fund - Direct - Growth	-	-	4,090	111.33
	DSP Banking & PSU Debt Fund - Direct - Growth	69,34,228	1,330.26		
	DSP Corporate Bond Fund - Dir - Growth	67,11,670	859.14		
	HDFC Ultra Short Term Fund - Direct -Growth	-	-	11,86,837	133.62
	HDFC Floating Rate Debt Fund - Direct - Growth	9,35,211	358.10	9,35,211	330.90
	HDFC Overnight Fund - Direct -Growth	-	-	74	2.21
	ICICI Prudential Money Market Fund - Direct- Growth	5,07,064	1,497.25	5,07,064	1,416.05
	ICICI Prudential Banking & PSU Debt Fund- Direct- Growth	86,67,396	2,220.27	87,02,105	2,057.49
	IDFC Ultra Short Term Fund - Direct - Growth	47,48,899	568.50	42,37,089	483.30
	IDFC Bond Fund - Short Term Plan - Growth - Direct	-	-	-	-
	IDFC Low Duration Fund - Direct - Growth	-	-	32,89,139	950.38
	IDFC Banking & PSU Debt Fund- Direct- Growth	4,12,174	80.54	93,85,626	1,686.04
	Kotak Banking & PSU Debt Fund - Direct - Growth	13,80,125	711.09	-	-
	L&T Ultra Short Term Fund - Direct - Growth	37,46,543	1,314.82	31,62,621	1,057.26
	ICICI Prudential Corporate Bond Fund - Direct - Growth	-	-	1,43,723	30.91
	Invesco India Money Market Fund - Direct - Growth	-	-	24,825	574.59
	INVESCO INDIA CORPORATE BOND FUND - DIRECT - GROWTH	51,546	1,347.87		
	SBI Magnum Ultra Short Duration Fund - Direct - Growth	20,029	945.15	20,029	897.21
	SBI Banking & PSU Debt Fund - Direct - Growth	47,443	1,211.69	7,547	178.52
	SBI SAVINGS FUND - DIRECT - GROWTH	12,00,463	410.51	12,00,463	388.55
	Nippon India Banking & PSU Debt Fund - Direct - Growth	-	-	71,60,698	1,080.24
	Nippon India Liquid Fund - Direct - Growth	590	29.72	590	28.64
	Nippon India Money Market Fund - Direct - Growth	45,002	1,449.41	29,500	900.54
	Kotak Money Market Scheme - Direct Plan - Growth	4,505	156.96	5,663	187.63
	Tata Short Term Bond Fund - Direct - Growth	34,87,769	1,410.70	22,24,118	831.82
	UTI Money Market - Direct Plan - Growth	-	-	65,644	1,488.64
	HDFC Money Market Fund - Direct - Growth	53,649	2,400.23	53,649	2,263.91
	Aditya Birla Sun Life Banking & PSU Debt Fund - Direct - Growth	2,55,477	740.17	-	-
	Kotak Corporate Bond Fund - Direct - Growth	55,959	1,670.16	-	-
	DSP Saving Fund - Dirtect - Growth	1,72,200	72.50	-	-
	L&T Money Market Fund - Direct - Growth	29,79,456	639.35	-	-
	L&T Low Duration Fund - Dir - Growth	19,82,601	453.74	-	-
	Invesco India Treasury Adavnatage Fund - Direct - Growth	13,198	402.77	-	-
	Mirae Asset Corporate Bond Fund- Direct- Growth	59,99,700	602.46	-	-
	Total unquoted mutual funds		**29,647.82**		**23,558.50**
	Total current investments		**30,223.72**		**25,198.40**
	Aggregate amount of quoted investments and market value thereof		575.90		1,639.89
	Aggregate amount of unquoted investments		29,647.82		23,558.50

Sd/- Sd/-

9 Trade receivables

(Rs. In lakhs)

	31.03.2021	31.03.2020
Secured, considered good	-	-
Unsecured, considered good	1,011.75	1,483.11
Having significant increase in Credit Risk	-	-
Credit impaired	-	-
	1,011.75	1,483.11
Less : Expected Credit Loss	-	-
Total	1,011.75	1,483.11

10 Cash and cash equivalents

	31.03.2021	31.03.2020
Balances with banks : in current accounts	546.66	542.05
Total	546.66	542.05

11 Bank balances other than Cash and Cash equivalents

	31.03.2021	31.03.2020
Fixed deposits		
-with maturity less than 12 months at balance sheet date	-	720.00
Total	-	720.00

12a Equity Share Capital

	31.03.2021	31.03.2020
Authorised		
15,00,000 (Previous year 15,00,000)		
Equity Shares of Rs 10 each.	150.00	150.00
Issued, Subscribed and Paid-up		
13,00,000 (Previous year 13,00,000)	130.00	130.00
Equity Shares of Rs.10 each fully paid up.		
Total	130.00	130.00

Terms and rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10 per share. They entitle the holder to participate in dividends. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. There is no change either in the number of equity shares or in amount between reported years.

The Board of Directors, in their meeting held on April 30, 2021, proposed a dividend of Rs. 830/- (previous year Rs. 630/-) per equity share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

The Board of Directors, in their meeting held on June 19, 2020, proposed a dividend of Rs. 630/- per equity share which has been approved by the shareholders at the Annual General Meeting held on August 28, 2020. The total dividend paid during the year ended March 31, 2021 amounts to Rs. 8,190.00 lakhs, dividend distribution tax of Rs. Nil

Details of shareholders holding more than 5% share in the Company (No. of shares)

	31.03.2021	31.03.2020
NSE Investment Limited	13,00,000.00	13,00,000.00

Details of shareholders holding more than 5% share in the company

	31.03.2021	31.03.2020
NSE Investment Limited	100.00%	100.00%

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NSE INDICES LIMITED

12b : OTHER EQUITY

(Rs. In lakhs)

Particulars	Reserves and Surplus		Total
	General reserve	Retained Earnings	
Balance at the April 1,2019	**5,228.04**	**19,805.06**	**25,033.10**
Profit for the year		9,070.11	9,070.11
Other Comprehensive Income	-	(0.66)	(0.66)
Transfer back from Corporate Social Responsibility reserve to Retained Earnings	-	-	-
Transaction with owners in their capacity as owners			
Dividend paid (Including dividend distribution tax)	-	(3,346.01)	(3,346.01)
Balance as at March 31, 2020	**5,228.04**	**25,528.50**	**30,756.54**
Balance at the April 1,2020	**5,228.04**	**25,528.50**	**30,756.54**
Profit for the year		12,049.72	12,049.72
Other Comprehensive Income	-	1.24	1.24
Transfer back from Corporate Social Responsibility reserve to Retained Earnings	-	-	-
Transaction with owners in their capacity as owners			
Dividend paid	-	(8,190.00)	(8,190.00)
Balance as at March 31, 2021	**5,228.04**	**29,389.46**	**34,617.50**

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13 Income & Deferred Taxes Liabilities

(Rs. In lakhs)

		31.03.2021	31.03.2020
(a)	Income tax expense		
	Particulars		
	Income tax expense		
	Current Tax		
	Current tax expense (i)	**3,819.10**	3,066.00
	Deferred Tax		
	Decrease / (increase) in deferred tax assets (ii)	**(7.76)**	(7.06)
	(Decrease) / increase in deferred tax liabilities (iii)	**69.06**	(341.03)
	Adjustment in other equity or retained earning (iv)		
	Total deferred tax expense/ (benefit) (v)=(ii)+(iii)+(iv)	**61.30**	(348.10)
	Total Income tax expenses* (vi)= (i)+(v)	**3,880.40**	2,717.90
	* This excludes net deferred tax expense/(benefit)on other comprehensive income (vii)	0.42	(0.22)

b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:

Particulars	31.03.2021	31.03.2020
Profit before income tax expense	**15,930.13**	11,788.01
Tax rate (%)	**25.168%**	25.168%
Tax at the Indian Tax Rate	**4,009.30**	2,966.81
Tax effect of amounts which are not deductible (taxable) in calculating taxable income		
Dividend income		
Amortisation of Premium on Govt/Debt Sec.	**2.67**	8.43
Interest on tax free bonds	**(36.37)**	(36.37)
Expenditure related to exempt income	**5.27**	5.30
MTM realized on sale of investments	**-**	-
(Profit)/ Loss on sale of investments taxed at other than Statutory rate	**(108.67)**	(133.75)
Specific Tax deductions		
Expenditure on CSR activities	**40.28**	17.79
Impact of 115BAA on deferred tax	**-**	(122.12)
Others	**(32.06)**	11.81
Impact of ETF grandfathering	-	*13.59*
Prior period		
Interest on delayed payment of TDS		
Amortization of Lease Premium		
Current tax Round off	-	-
Short Provision for previous years	-	-
Impact of Rate change	*(32.78)*	*(2.22)*
Others	*0.72*	*0.44*
Income Tax Expense	**3,880.41**	2,717.90

c) Deferred tax liabilities (net)
The balance comprises temporary differences attributable to:

Particulars	31.03.2021	31.03.2020
Deferred income tax assets		
Property, plant and equipment and investment property	-	-
Financial Assets at Fair Value through OCI		
Financial Assets at Fair Value through profit and Loss		
Others	-	-
Total deferred tax assets (a)	-	-
Deferred income tax liabilities		
Property, plant and equipment and investment property	**12.20**	19.96
Financial Assets at Fair Value through OCI		
Financial Assets at Fair Value through profit and Loss	**605.93**	542.58
Others	**(40.09)**	(46.23)
Total deferred tax liabilities (b)	**578.04**	516.31
Net Deferred Tax Assets /(Liabilities) (a)-(b)	**(578.04)**	(516.31)

Deferred tax assets

d) Movement in deferred tax assets

	Property, plant and equipment	*Provision for Bad Debts*	Total
At 1 April 2019	(31.32)	*4.30*	(27.02)
Charged/(credited)			
- to profit or loss	11.36	(4.30)	7.06
- to other comprehensive income	-	-	-
At 31 March 2020	(19.96)	(0.00)	(19.96)
Charged/(credited)			
- to profit or loss	7.76	0.00	7.76
- to other comprehensive income	-	-	-
At 31 March 2021	**(12.20)**	-	**(12.20)**

e) Movement in deferred tax liabilities

	Financial Assets at Fair Value through profit and Loss	Others	Total
At 1 April 2019	993.65	*(156.04)*	837.61
Charged/(credited)			
- to profit or loss	(451.07)	*110.04*	(341.03)
- to other comprehensive income		*(0.22)*	(0.22)
At 31 March 2020	542.58	(46.22)	496.36
DTL reversal due to rate change			
Charged/(credited)			
- to profit or loss	63.35	5.71	69.07
- to other comprehensive income	-	0.42	0.42
other adjustment	-	-	-
At 31 March 2021	**605.93**	(40.09)	**565.85**

Note : In the previous year the Company has elected to exercise the option of a lower tax rate provided under Section 115BAA of the Income tax Act, 1961, as introduced by the Taxation laws (Amendment) Ordinance,2019. Accordingly the Company has recognised provision for income tax and deferred tax assets basis the rate prescribed in the said section."

13 Income & Deferred Taxes Liabilities

(Rs. In lakhs)

	31.03.2021	31.03.2020
(a) Income tax expense		
Particulars		
Income tax expense		
Current Tax		
Current tax expense (i)	**3,819.10**	3,066.00
Deferred Tax		
Decrease / (increase) in deferred tax assets (ii)	**(7.76)**	(7.06)
(Decrease) / increase in deferred tax liabilities (iii)	**69.06**	(341.03)
Adjustment in other equity or retained earning (iv)		
Total deferred tax expense/ (benefit) (v)=(ii)+(iii)+(iv)	**61.30**	(348.10)
Total Income tax expenses* (vi)= (i)+(v)	**3,880.40**	2,717.90
* This excludes net deferred tax expense/(benefit)on other comprehensive income (vii)	0.42	(0.22)

b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:

Particulars	**31.03.2021**	31.03.2020
Profit before income tax expense	**15,930.13**	11,788.01
Tax rate (%)	**25.168%**	25.168%
Tax at the Indian Tax Rate	**4,009.30**	2,966.81
Tax effect of amounts which are not deductible (taxable) in calculating taxable income		
Dividend income		
Amortisation of Premium on Govt/Debt Sec.	**2.67**	8.43
Interest on tax free bonds	**(36.37)**	(36.37)
Expenditure related to exempt income	**5.27**	5.30
MTM realized on sale of investments	**-**	-
(Profit)/ Loss on sale of investments taxed at other than Statutory rate	**(108.67)**	(133.75)
Specific Tax deductions		
Expenditure on CSR activities	**40.28**	17.79
Impact of 115BAA on deferred tax	**-**	(122.12)
Others	**(32.06)**	11.81
Impact of ETF grandfathering	-	*13.59*
Prior period		
Interest on delayed payment of TDS		
Amortization of Lease Premium		
Current tax Round off	-	-
Short Provision for previous years	-	-
Impact of Rate change	*(32.78)*	*(2.22)*
Others	*0.72*	*0.44*
Income Tax Expense	**3,880.41**	2,717.90

c) Deferred tax liabilities (net)

The balance comprises temporary differences attributable to:

Particulars	**31.03.2021**	31.03.2020
Deferred income tax assets		
Property, plant and equipment and investment property	-	-
Financial Assets at Fair Value through OCI		
Financial Assets at Fair Value through profit and Loss		
Others	-	-
Total deferred tax assets (a)	-	-
Deferred income tax liabilities		
Property, plant and equipment and investment property	**12.20**	19.96
Financial Assets at Fair Value through OCI		
Financial Assets at Fair Value through profit and Loss	**605.93**	542.58
Others	**(40.09)**	(46.23)
Total deferred tax liabilities (b)	**578.04**	516.31
Net Deferred Tax Assets /(Liabilities) (a)-(b)	**(578.04)**	(516.31)

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(Rs. In lakhs)

14 Trade payables (current)

	31.03.2021	31.03.2020
Trade payables		
(i) total outstanding dues of micro enterprises and small enterprises	**4.67**	4.80
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	**29.51**	40.46
Trade payables to related parties (Refer note no. 25)	**63.98**	63.53
Total	**98.16**	108.79

15 Income tax liabilities (net)

	31.03.2021	31.03.2020
Income Tax Provisions (Net of Advances)	**130.21**	136.40
Total	**130.21**	136.40

16 Provision (non current)

	31.03.2021	31.03.2020
Employee benefits obligation		
Provision for gratuity	**1.71**	1.93
Total	**1.71**	1.93

17 Provision (current)

Rs in lakhs

	31.03.2021	31.03.2020
Employee benefits obligation		
Provision for gratuity	**0.00**	0.00
Provision for leave encashment	**1.33**	1.43
Provision for LTA short term	**0.72**	0.72
Others	**5.69**	3.29
Total	**7.74**	5.44

18 Other current liabilities

	31.03.2021	31.03.2020
Statutory dues payable	**182.52**	124.38
Advance from customers	**162.00**	143.03
Income received in advance	**38.17**	36.82
Total	**382.69**	304.23

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NSE INDICES LIMITED

Notes to financial statements for the year ended March 31, 2021

Rs in lakhs

19 Revenue from operations	For the year ended 31.03.2021	For the year ended 31.03.2020
Sale of services		
Index Licensing & Data Subscription Fees	**15,099.45**	11,325.86
Total	**15,099.45**	11,325.86

20 Other income	For the year ended 31.03.2021	For the year ended 31.03.2020
Interest income from financial assets at amortised cost	**133.89**	134.50
Interest Income on Bank Deposits	**1.85**	58.64
Net gain on sale of financial assets mandatorily measured at fair value through profit or loss	**422.84**	427.82
Net fair value gain/(loss) on financial assets	**1,578.11**	1,110.74
Profit/(Loss) on Foreign Exchange Fluctuation (net)	**20.80**	83.75
Miscellaneous Income	**15.44**	0.00
Total	**2,172.93**	1,815.45

21 Employee Benefits expenses	For the year ended 31.03.2021	For the year ended 31.03.2020
Deputed Personnel Cost	**458.58**	424.58
Salaries, wages and bonus	**37.84**	35.34
Contribution to provident and other fund	**3.87**	8.80
Total	**500.29**	468.72

(Rs. In lakhs)

22 Other expenses	For the year ended 31.03.2021	For the year ended 31.03.2020
Index Maintenance Charges	**69.76**	53.25
Index Calculation Service Charges	**75.00**	75.00
Space & Infrastructure Usage Charges	**40.84**	43.49
Fees & Subscription	**37.50**	39.18
Professional Fees	**43.35**	47.64
Data Usage Charges	**62.08**	56.42
Electricity Charges	**14.29**	19.21
Travelling & Conveyance expenses	**0.72**	63.13
Meeting & Conferences	**0.41**	5.90
Business Promotion	**2.48**	13.60
Auditors Remuneration:		
- Audit Fees	**2.25**	1.75
- For Other Services (Limited Reviews)	**0.75**	0.75
Repairs & Maintenance - computer	**75.23**	76.73
Recruitment Expenses	**-**	2.04
Corporate Social Responsibility Expenditure	**160.04**	141.37
Director Sitting Fees	**16.50**	15.10
Fixed Income Valuation Data charges	**70.00**	70.00
Miscellaneous Expenses	**33.48**	6.89
Total	**704.67**	731.44

NSE INDICES LIMITED
Notes to financial statements for the year ended March 31, 2021

23 In compliance with Ind AS 24 - "Related Party Disclosures", as notified under Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 the required disclosures are given in the table below:

(a) Names of the related parties and related party relationships

Sr. No.	Related Party	Nature of Relationship
1	National Stock Exchange of India Limited (NSEIL)	The Ultimate Holding Company
2	NSE Investment Limited	Holding Company
3	NSE Clearing Limited	Subsidiary of Ultimate Holding Company
4	NSEIT Limited	Fellow Subsidiary
5	NSE.IT (US) Inc	Subsidiary of Fellow Subsidiary
6	Aujas Networks Private Limited	Subsidiary of Fellow Subsidiary
7	NSE Data & Analytics Limited	Fellow Subsidiary
8	NSE Infotech Services Limited	Fellow Subsidiary
9	National Securities Depository Limited	Associate Company of Ultimate Holding Company
10	BFSI Sector Skill Council of India	Associate of the Ultimate Holding Company
11	Power Exchange India Limited	Associate of the Holding Company
12	NSDL e-Goveranance Infrastructure Limited	Associate Company of Holding Company
13	Receivables Exchange Of India Limited	Holding Company's Joint Venture
14	NSE Academy Limited	Fellow Subsidiary
15	NSE IFSC LIMITED	Subsidiary of Ultimate holding company
16	NSE IFSC Clearing Corporation Limited	Step down Subsidiary of Ultimate holding company
17	NSE Foundation	Subsidiary of Ultimate holding company
18	Market Simplified India Limited	Associate Company of Holding Company
19	Cogencis Information Services Limited	Subsidiary of Fellow Subsidiary (w.e.f. 21.01.2021)
20	Capital Quants Solutions Private Limited	Associate of Fellow Subsidiary (w.e.f. 26.02.2021)
21	Talentsprint Private Limited	Fellow Subsidiary's Subsidiary Company (w.e.f. November 10, 2020)
22	Indian Gas Exchange Limited	Holding Company's Associate (w.e.f. March 16, 2021)
23	Mr. L. Ravi Sankar	Key Management Personnel
24	Mr. J Ravichandran	Key Management Personnel
25	Mr. Srikanta Dash	Key Management Personnel
26	Mr. Mukesh Agarwal	Key Management Personnel
27	Mr. Ravi Varanasi	Key Management Personnel

(b) Related Party transactions

(Rs. In lakhs)

Name of Related Party & Nature of transaction	For the period ended 31.03.2021	For the period ended 31.03.2020
NSE Investment Limited		
Dividend paid	8,190.00	2,775.50
National Stock Exchange of India Limited		
Expenses: Space and Infrastructure Usage	48.19	51.32
Staff Deputation	339.34	313.27
Other Reimbursements (including tax payments)	19.46	755.82
Index Calculation Service Charges	88.50	88.50
Income: Index License Fees	4,910.03	2,377.84
Data Subscription Fees	4.72	4.72
Closing balance (Credit)/Debit	564.09	254.93
NSE Data & Analytics Limited		
Expense: Data Subscription Fees	73.26	66.57
Fixed Income Valuation Data charges	82.60	82.60
Reimbursements Paid: 50% of CEO Salary	169.44	153.53
Other Expenses (including taxes)	0.52	14.85
Income: Data Subscription Fees	228.90	60.42
Closing balance (Credit)/Debit	16.11	(16.14)
NSEIT Limited		
Expenses: Index Maintenance Charges	82.88	53.14
Closing balance (Credit)/Debit	(63.98)	(47.39)
NSE Foundation		
Payment of contribution to CSR activities	160.04	141.37
Closing balance (Credit)/Debit	-	-
NSE IFSC Limited		
Income: Index License fees	3.81	3.50
Closing balance (Credit)/Debit	7.38	3.50
Key Management Personnel		
Mr. L. Ravi Sankar		
Director Sitting Fees	8.25	7.25
Mr. Srikanta Dash		
Director sitting fees	8.25	7.25
Reimbursement of expenses	-	4.52
Total	8.25	11.77
Mr. Mukesh Agrawal		
Gross Remuneration including allowances, non-cash perquisites and contribution to Provident Fund and Superannuation Fund etc.	169.44	153.53
Total	169.44	153.53

Note 24 : Notes to financial statements for the year ended 31st March 2021

i) **Employee Benefits**

(i) Provident Fund: During the current year the company is registered with Regional Provident Fund Office, Bandra, Mumbai, and both the employee and the employer make monthly contribution equal to 12% of the employee's basic salary.

(ii) Gratuity: Provisions are made for the defined benefit with respect to gratuity liability based on the present value of defined benefit obligation as reduced by the fair value of plan assets as per the actuarial valuation calculation.

(iv) Leave Encashment : Liability on account of Leave encashment is provided based on Acturial Valuation at Balance Sheet date.

(v) Short term employee benefits are charged to revenue in the year in which the related service is rendered

Provision

	Long - term		Short - term	
	31.03.2021	31.03.2020	**31.03.2021**	31.03.2020
	(Rs. In lakhs)		**(Rs. In lakhs)**	
Provision for employee benefits				
Medical benefits	-	-	-	-
Provision for Leave Travel allowance	-	-	**0.36**	1.03
Provision for gratuity	**1.71**	1.93	**0.00**	0.00
Provision for Leave encashment	-	-	**1.33**	1.43
	1.71	1.93	**1.69**	2.46

Disclosure under Indian Accounting Standard 19 (Ind As 19) on Employee Benefit as notified under Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

i) **Defined Benefit Plan :**

a) Provident Fund: Company has contributed Rs.1.03 lakhs (Previous year Rs 0.83 lakhs) towards Provident Fund during the year ended March 31, 2021 to Employee Provident Fund Organisation.

b) Gratuity: The company provides for gratuity for employees as per Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity, The amount of Gratuity is payable on retirement/termination of the emplyee's last drawn basic salary per month multiplied for the number of years of service. The gratuity plan is a non funded plan and the company provides the liability on the basis of Actuarial Valuation

A **Balance Sheet**

(i) **The amounts recognised in the consolidated balance sheet and the movements in the net defined benefit obligation over the year are as follows:**

	Current Year 31.03.2021	Previous Year 31.03.2020
Liability at the beginning of the year	**1.93**	**0.62**
Interest cost	0.13	0.05
Current Service Cost	1.31	0.38
Liability transferred	-	-
Benefits Paid	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	0.02	0.46
Actuarial (Gains)/Losses on Obligations - Due to Experience	(1.67)	0.43
Liability at the end of the year	**1.71**	**1.93**

(ii) **The amounts recognised in the balance sheet and the movements in the fair value of plan assets over the year are as follows:**

	Current Year 31.03.2021	Previous Year 31.03.2020
Fair Value of plan assets at the beginning of the year	-	-
Interest Income	-	-
Expected return on plan assets	-	-
Contributions	-	-
Transfer from other company	-	-
Benefits paid	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in	-	-
Fair Value of plan assets at the end of the year	-	-

(iii)

The net liability disclosed above relates to funded plans are as follows:		
	Current Year 31.03.2021	Previous Year 31.03.2020
Fair value of plan assets as at the end of the year	-	-
Liability as at the end of the year	(1.71)	(1.93)
Net (liability) / asset	**(1.71)**	**(1.93)**

(iv)

Balance Sheet Reconciliation		
	Current Year 31.03.2021	Previous Year 31.03.2020
Opening Net Liability	**1.93**	**0.62**
Expenses Recognized in Statement of Profit or Loss	1.43	0.42
Expenses Recognized in OCI	(1.65)	0.89
Net (Liability)/Asset Transfer in	-	-
Employers Contribution	-	-
Amount recognised in the Balance Sheet	**1.71**	**1.93**

B **Statement of Profit & Loss**

(i)

Net Interest Cost for Current Period		
	Current Year 31.03.2021	Previous Year 31.03.2020
Interest Cost	0.13	0.05
Interest Income	-	-
Net Interest Cost for Current Period	**0.13**	**0.05**

(ii)

Expenses recognised in the Statement of Profit & Loss		
	Current Year 31.03.2021	Previous Year 31.03.2020
Current Service cost	1.31	0.38
Net Interest Cost	0.13	0.05
Expenses recognised in the Statement of Profit & Loss	**1.43**	**0.42**

(iii)

Expenses recognised in the Other Comprehensive Income		
	Current Year 31.03.2021	Previous Year 31.03.2020
Expected return on plan assets	-	-
Actuarial (Gain) or Loss	(1.65)	0.89
Net (Income)/Expense for the Period Recognized in OCI	**(1.65)**	**0.89**

C

Fair value of plan assets at the Balance Sheet Date for defined benefit obligations		
	Current Year 31.03.2021	Previous Year 31.03.2020
Insurer Managed Funds	-	-
Total	-	-

D

Sensitivity Analysis		
	Current Year 31.03.2021	Previous Year 31.03.2020
Projected Benefit Obligation on Current Assumptions	1.71	1.93
Delta Effect of +1% Change in Rate of Discounting	(0.15)	(0.18)
Delta Effect of -1% Change in Rate of Discounting	0.18	0.22
Delta Effect of +1% Change in Rate of Salary Increase	0.17	0.21
Delta Effect of -1% Change in Rate of Salary Increase	(0.15)	(0.18)
Delta Effect of +1% Change in Rate of Employee Turnover	(0.07)	(0.09)
Delta Effect of +1% Change in Rate of Employee Turnover	0.07	0.10

E

Significant actuarial assumptions are as follows:		
	Current Year 31.03.2021	Previous Year 31.03.2020
Discount Rate	0.06	0.07
Rate of Return on Plan Assets	N.A.	N.A.
Salary Escalation	0.10	0.10
Attrition Rate	0.12	0.12

25 Earnings per share

		(Rs. In lakhs)
	31.03.2021	31.03.2020
Profit attributable to the equity holders of the company used in calculating basic earnings per share and diluted earnings per share		
Profit for the year	**12,049.72**	9,070.11
Weighted average number of equity shares used as the denominator in calculating basic earnings per share (No. in lakhs)	**13.00**	13.00
Earnings per equity share (basic and diluted) (in Rs.)	**926.90**	697.70

The Company does not have any outstanding dilutive potential equity shares. Consequently, the basic and diluted earning per share of the Company remain the same.

26 Capital and other commitments

	31.03.2021	31.03.2020
Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided	**0.00**	41.04
Other Commitments on revenue account	**9.81**	34.06
Total	**9.81**	75.10

27 Contingent liability:

	31.03.2021	31.03.2020
Income tax matters	**946.32**	776.39

28 Expenditure in foreign currency:

	31.03.2021	31.03.2020
Travelling Expenses	**-**	38.48
Business Promotion	**0.56**	10.25
Director Sitting Fess & Expense Reimbursement	**8.25**	11.77
	8.81	60.50

29 Earnings in foreign exchange :

	31.03.2021	31.03.2020
Index Licensing & Data Subscription Fees	**8,054.62**	7,192.26
Total	**8,054.62**	7,192.26

NSE INDICES LIMITED
Notes to financial statements for the year ended March 31, 2021

Note 30 - Fair Value Measurements

(i) Fair Value Hierarchy:

This section explians the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three level prescribed under the accounting standard. An explaination of each level follows underneath the table.

(Rs in lakhs)

Financial Assets and Liabilities measured at Fair Value - recurring fair Value measurements At 31st Mar, 2021	Notes	Level 1	Level 2	Total 31 Mar, 2021
Financial Assets				
Financial Investments at FVPL				
Mutual Fund - Growth Plan	8	30,223.72	-	30,223.72
Exchange Traded Funds	4	1,114.00	-	1,114.00
Total Financial Assets		**31,337.72**	**-**	**31,337.72**

Assets and Liabilities which are measured at Amortised Cost for which - recurring fair Value measurements At 31 Mar, 2021	Notes	Level 1	Level 2	Total 31 Mar, 2021
Financial Assets				
Investments				
Taxfree Bonds	4	-	2,097.99	2,097.99
Total Financial Assets		**-**	**2,097.99**	**2,097.99**

Financial Assets and Liabilities measured at Fair Value - recurring fair Value measurements At 31st Mar, 2020	Notes	Level 1	Level 2	Total 31 Mar, 2020
Financial Assets				
Financial Investments at FVPL				
Mutual Fund - Growth Plan	8	25,198.40	-	25,198.40
Exchange Traded Funds	4	1,456.48	-	1,456.48
Total Financial Assets		**26,654.88**	**-**	**26,654.88**

Assets and Liabilities which are measured at Amortised Cost for which - recurring fair Value measurements At 31 Mar, 2020	Notes	Level 1	Level 2	Total 31 Mar, 2020
Financial Assets				
Investments				
Taxfree Bonds	4	-	2,108.70	2,108.70
Fixed Deposit		-	773.03	773.03
Total Financial Assets		**-**	**2,881.73**	**2,881.73**

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NSE INDICES LIMITED
Notes to financial statements for the year ended March 31, 2021

Note 31 (A) : Fair value of Financial Assets and Liabilities measured at amortised Cost

(Rs in lakhs)

	31-Mar-21		31-Mar-20	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets				
Taxfree Bonds	2,097.99	2,268.12	2,108.70	2,186.71
Fixed Deposits	-	-	773.03	772.44
Total Financial Assets	**2,097.99**	**2,268.12**	**2,881.73**	**2,959.15**

The carrying amounts of trade receivables, deposits, other bank balance, advance to related party, other receivables, trade payables, creditors for capital expenditure, other liabilities and cash and cash equivalents are considered to be the same as their fair values, due to their short-term natures

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to their fair values.

Significant estimates
The fair value of financial instruments that are not traded in active market is determined using valuation techniques. The Company uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at each reporting period. For detais of the key assumptions used and impact of changes to these assumptions see (ii) and (iv) above.

NSE INDICES LIMITED

Notes to financial statements for the year ended March 31, 2021

Note 31 (B) - Fair Value Measurements

Financial Instruments by category **(Rs in lakhs)**

	31-Mar-21			31-Mar-20		
	FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost
Financial Assets						
Investments						
Taxfree Bonds	-	-	2,097.99	-	-	2,108.70
Fixed Deposits	-	-	-	-	-	773.03
Mutual Funds	30,223.72	-	-	25,198.40	-	-
Exchange Traded Funds	1,114.00	-	-	1,456.48	-	-
Total financial assets	**31,337.72**	**-**	**2,097.99**	**26,654.88**	**-**	**2,881.73**

Note 32 (A) : MANAGEMENT OF MARKET RISK

The Company's size and operations result in it being exposed to the following market risks that arise from its use of financial instruments:
• price risk; and
• interest rate risk

The above risks may affect the Company's income and expenses, or the value of its financial instruments. The objective of the Company's management of market risk is to maintain this risk within acceptable parameters, while optimising returns. The Company's exposure to, and management of, these risks is explained below.

POTENTIAL IMPACT OF RISK	MANAGEMENT POLICY	SENSITIVITY TO RISK
1. PRICE RISK		
The Company is mainly exposed to the price risk due to its investment in mutual funds and exchange traded funds. The price risk arises due to uncertainties about the future market values of these investments. At 31st March 2021, the exposure to price risk due to investment in mutual funds amounted to Rs. 30,223.72 lakhs (March 31, 2020: Rs. 25,198.40 lakhs). At 31st March 2021, the exposure to price risk due to investment in exchange traded fund amounted to Rs. 1,114.00 lakhs (March 31,2020 Rs. 1,456.48 lakhs).	In order to manage its price risk arising from investments in mutual funds, the Company diversifies its portfolio in accordance with the limits set by the risk management policies. The Treasury department maintains a list of approved financial instruments. The use of any new investment must be approved by the Chief Financial Officer.	As an estimation of the approximate impact of price risk, with respect to mutual funds and exchange traded funds , the Company has calculated the impact as follows. For mutual funds, a 0.25% increase in prices would have led to approximately an additional Rs. 75.56 lakhs gain in the Statement of Profit and Loss (2019-20: Rs. 63.00 lakhs gain). A 0.25% decrease in prices would have led to an equal but opposite effect. For exchange traded fund, a 10% increase in prices would have led to approximately an additional Rs. 111.40 lakhs gain in the Statement of Profit and Loss (2019-20 : Rs. 145.65 lakhs gain). A 10% decrease in prices would have led to an equal but opposite effect.

Note 32 (B) : MANAGEMENT OF CREDIT RISK

Credit risk is the risk of financial loss to the Company if a customer or counter-party fails to meet its contractual obligations.

Trade receivables

Concentrations of credit risk with respect to trade receivables are limited, due to the Company's customer base being large and diverse and also on account of member's deposits kept by the company as collatrel which can be utilised in case of member default. All trade receivables are reviewed and assessed for default on a quarterly basis.

Our historical experience of collecting receivables, supported by the level of default, is that credit risk is low.

Other financial assets

The Company maintains exposure in cash and cash equivalents, term deposits with banks, investments in commercial papers, government securities, investments in mutual funds and exchange traded funds. The Company has difersified portfolio of investment with various number of counter-parties which have secure credit ratings hence the risk is reduced. Individual risk limits are set for each counter-party based on financial position, credit rating and past experience. Credit limits and concentration of exposures are actively monitored by the Company's Treasury department.

The Company's maximum exposure to credit risk as at March 31, 2021 and March 31, 2020 is the carrying value of each class of financial assets as disclosed in note 4 and 8 except for derivative financial instruments.

Note 32 (C) : CAPITAL MANAGEMENT

The Company considers the following components of its Balance Sheet to be managed capital:
Total equity (as shown in the balance sheet) including retained profit, other reserves, share capital.

The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to our shareholders. The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the group may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure. Company is not subject to financial covenants in any of its significant financing agreements.

The management monitors the return on capital as well as the level of dividends to shareholders. The Company's goal is to continue to be able to return excess liquidity to shareholders by continuing to distribute dividends in future periods. Refer note 12 (a) for the final dividend declared and paid.

33 Details of dues to micro and small, medium enterprises as defined under the MSMED Act, 2006

Trade payables includes Rs. 4.67 lakhs (Previous Year : Rs 4.80 lakhs) due to Micro, Small & Medium Enterprises. Total outstanding dues to Micro, Small & Medium Enterprises have been determined to the extent such parties have been identified on the basis of information available with the Company.

34 Corporate Social Responsibility (CSR) expenditure :

a Gross amount required to be spent by the Company on CSR activities during the financial year ended March 31, 2021 is Rs 160.04 lakhs (Previous Year Rs 141.37 lakhs).

b. Amount spent during the year on:

(Rs in lakhs)

	Particulars		In Cash	Yet to be paid in Cash	Total
i	Construction / acquisition of any asset	Current Year	-	-	-
		Previous Year	-	-	-
ii	On purposes other than (i) above through Contribution to NSE Foundation.	Current Year	160.04	-	160.04
	On purposes other than (i) above	Previous Year	141.37	-	141.37

35 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 Company operates only in one Business Segment i.e. Licencing of the Indices and the activities incidental thereto within India and outside India, hence does not have any separate reportable Segments as per Indian Accounting Standard 108 "Operating Segments".

The following tables gives details in respect of percentage of revenues generated from top five customers and revenue based on location of customers.

(in %)

Particulars	**For the year ended 31.03.2021**	For the year ended 31.03.2020
Revenue from Top Five Customers	**76%**	75%

Particulars	**For the year ended 31.03.2021**	For the year ended 31.03.2020
India	**47%**	36%
Outside India	**53%**	64%
Total	**100%**	100%

36 COVID-19 Risk Assessment

The Coronavirus (COVID-19) outbreak is an unprecedented global situation, declared as a 'pandemic' by World Health Organisation. Based on the Company's current assessment, the impact of COVID-19 on its operations and the resultant financial performance is not likely to be significant. The Company has also made an assessment of its liquidity position for a period of at least one year from the balance sheet date, of the recoverability and carrying values of its assets and ability to pay its liabilities as they become due and effectiveness of internal financial controls as at the balance sheet date and is of the view that there is no material impact or adjustments required to be made in these financial results. The impact assessment of COVID-19 may be different from that presently estimated and the Company will continue to evaluate any significant changes to its operations and its resultant impact on the financial performance.

37 On February 28, 2019, the Honorable Supreme Court of India delivered a judgement in the case of "Vivekananda Vidyamandir and Others Vs The Regional Provident Fund Commissioner (II) West Bengal' in relation to non-exclusion of certain allowances from the definition of "basic wages" of the relevant employees for the purposes of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. The Employees' Provident Fund Organisation also issued a circular (Circular No. C-I/1(33)2019/Vivekananda Vidyamandir/284) dated March 20, 2019 in relation to aforesaid matter.
In Company's assessment, the above judgement is not likely to have a significant impact and therefore presently no provision has been made in the Financial Statements. The Company will continue to monitor the developments in this matter.

38 The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact and its valuation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

39 Previous year figures have been reclassified/ regrouped wherever necessary.

As per our report of even date attached

For K. S. AIYAR & CO.
Chartered Accountants
ICAI Firm Registration No: 100186W

Sachin A. Negandhi

SACHIN A. NEGANDHI
Partner
Membership Number: 112888

Place : Mumbai
Date : April 30, 2021

For and on behalf of the Board of Directors

L. RAVI SANKAR
Chairman
(DIN 00185931)

MUKESH AGARWAL
Managing Director
(DIN 03054853)

VIRAG SHAH
Chief Financial Officer

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INDEPENDENT AUDITOR'S REPORT

To The Members of NSE Academy limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **NSE Academy limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, the Loss and total comprehensive loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in Board's Report including Annexures to Board's Report, but does not include the standalone financial statements and our auditor's report thereon.

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Our opinion on the standalone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regards.

Responsibilities of Management and Those Charged with Governance for the Ind AS Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the **Annexure 'A'**, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143 (3) of the Act, based on our audit we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.

   (d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

   (e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.

   (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **Annexure 'B'**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

   (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

   In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

   (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

      (i) The Company does not have any of pending litigations which would impact its financial position as at March 31, 2021 - Refer Note 40 to the standalone financial statements.

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(ii) The Company did not have any long term contracts including derivatives contracts for which there were any material foreseeable losses - Refer Note 41 to the standalone financial statements.

(iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2021 - Refer Note 42 to the standalone financial statements.

For Khandelwal Jain & Co.
Chartered Accountants
Firm's Registration No. 105049W

Narendra Jain

KHANDELWAL JAIN & COMPANY MUMBAI CHARTERED ACCOUNTANTS

(Narendra Jain)
Partner
Membership No. 048725
UDIN: 21048725AAAABN3164

Place: Mumbai
Date: April 29, 2021

Website: www.kjco.net • E-mail: kjco@kjco.net

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ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF NSE ACADEMY LIMITED

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended March 31, 2021. We report that:

i) a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

b) The Company has physically verified the fixed assets in accordance with a program of verification which in our opinion provides for physical verification of all fixed assets at reasonable intervals. We have been informed that no material discrepancies were noticed on such verification.

c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company does not hold any immovable property in its name.

ii) The Company is in the business of rendering services, and consequently, does not hold any inventory. Therefore, the provisions of clause 3(ii) of Companies (Auditor's Report) Order, 2016 are not applicable to the Company.

iii) The Company has granted unsecured loans to a company covered in the register maintained under Section 189 of the Act and with respect to the same:

a) Based on the information and explanations and in our opinion, the terms and conditions of grant of such loans are not, prima facie, prejudicial to the Company's interest;

b) The schedule of repayment of principal and payment of interest has been stipulated and repayments or receipts of principal amounts and interest have been regular as per stipulations; and

c) There is no overdue amount remaining outstanding as at the year-end.

iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

v) The Company has not accepted any deposits from the public.

vi) We are informed that no cost records are required to be maintained by the Company under Section 148(1) of the Companies Act, 2013.

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vii) (a) According to the information and explanations given to us and on the basis of records examined by us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Goods and Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and any other statutory dues, wherever applicable. According to the records of the Company, there were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Goods and Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and any other statutory dues in arrears as at March 31, 2021 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there were no dues of Income Tax, Sales Tax, Service Tax, Goods and Service Tax, Duty of Custom, Duty of Excise and Value Added Tax which have not been deposited with the appropriate authorities on account of any dispute.

viii) The Company has not taken any loan from banks, financial institutions or government and the Company has not issued any debentures. Therefore, the provisions of clause 3(viii) of Companies (Auditor's Report) Order, 2016 are not applicable to the Company.

ix) The Company has not taken any term loans and has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year. Therefore, the provisions of clause 3(ix) of Companies (Auditor's Report) Order, 2016 are not applicable to the Company.

x) Based upon the audit procedures performed and information and explanations given to us, we report that no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

xi) According to the information and explanations given to us, the Company has not paid or provided managerial remuneration. Therefore, the provisions of clause 3(xi) of Companies (Auditor's Report) Order, 2016 are not applicable to the Company.

xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of Companies (Auditor's Report) Order, 2016 are not applicable to the Company.

xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and section 188 of the Act, where applicable and details of such transactions have been disclosed in the Standalone Financial Statements as required by the applicable Indian Accounting Standards

xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Therefore, the provisions of clause 3(xiv) of Companies (Auditor's Report) Order, 2016 are not applicable to the Company.

KHANDELWAL JAIN & COMPANY
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xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Therefore, the provisions of clause 3(xv) of Companies (Auditor's Report) Order, 2016 are not applicable to the Company.

xvi) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Khandelwal Jain & Co.
Chartered Accountants
Firm's Registration No. 105049W

Narendra Jain

(Narendra Jain)
Partner
Membership No. 048725
UDIN: 21048725AAAABN3164

KHANDELWAL JAIN & COMPANY * CHARTERED ACCOUNTANTS * MUMBAI

Place: Mumbai
Date: April 29, 2021

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ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF NSE ACADEMY LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **NSE ACADEMY LIMITED** ("the Company") as of March 31, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

KHANDELWAL JAIN & COMPANY MUMBAI CHARTERED ACCOUNTANTS

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Khandelwal Jain & Co.
Chartered Accountants
Firm's Registration No. 105049W

Narendra Jain

KHANDELWAL JAIN & COMPANY MUMBAI CHARTERED ACCOUNTANTS

Narendra Jain
Partner
Membership No. 048725
UDIN: 21048725AAAABN3164

Place: Mumbai
Date: April 29, 2021

KHANDELWAL JAIN & CO.
Website: www.kjco.net • E-mail: kjco@kjco.net
CHARTERED ACCOUNTANTS

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Tel.: (+91-22) 4311 5000
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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF NSE Academy limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **NSE Academy Limited** ("the Holding Company") and its subsidiary, (Holding Company and its subsidiary together referred to as "the Group") which comprise the Consolidated Balance Sheet as at March 31, 2021, and the Consolidated Statement of Profit and Loss, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information prepared based on the relevant records, (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2021, of the consolidated loss and total comprehensive loss, consolidated changes in equity and its consolidated cash flows for the year then ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their report referred to in 'Other Matter' paragraph below, is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

KHANDELWAL JAIN & COMPANY * MUMBAI * CHARTERED ACCOUNTANTS

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed and the report of the other auditors as furnished to us [refer 'Other Matter' paragraph below], we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows, and changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

KHANDELWAL JAIN & COMPANY * MUMBAI * CHARTERED ACCOUNTANTS

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

KHANDELWAL JAIN & COMPANY MUMBAI CHARTERED ACCOUNTANTS

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, based on our audit we report, to the extent applicable, that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

   (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

   (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account and records maintained for the purpose of preparation of the consolidated financial statements.

   (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.

   (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2021 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company incorporated in India, none of the directors of the Group company incorporated in India is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164(2) of the Act.

   (f) With respect to the adequacy of internal financial controls with reference to consolidated financial statements of the Group and the operating effectiveness of such controls, refer to our separate report in **Annexure 'A'**.

   (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
   In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Holding Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

   (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements of the subsidiary, as noted in the Other Matter paragraph:

      (i) The Group does not have any pending litigations which would impact its financial position- refer Note 40 to the consolidated financial statements;

KHANDELWAL JAIN & COMPANY * MUMBAI * CHARTERED ACCOUNTANTS

(ii) The Group did not have any long term contracts including derivatives contracts as at March 31, 2021 for which there were any material foreseeable losses - refer Note 41 to the consolidated financial statements

(iii) During the year ended March 31, 2021, there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary company incorporated in India - refer Note 42 to the consolidated financial statements

For Khandelwal Jain & Co.
Chartered Accountants
Firm's Registration No. 105049W

Narendra Jain

KHANDELWAL JAIN & COMPANY MUMBAI CHARTERED ACCOUNTANTS

(Narendra Jain)
Partner
Membership No. 048725
UDIN: 21048725AAAAB08553

Place: Mumbai
Date: April 29, 2021

Annexure A to the Independent Auditor's Report

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report on consolidated financial statements to the Members of **NSE Academy limited** of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

In conjunction with our audit of the consolidated financial statements of the Holding Company as of and for the year ended March 31, 2021, we have audited the internal financial controls with reference to consolidated financial statements of **NSE Academy limited** (hereinafter referred to as "the Holding Company") and its subsidiary company which is company incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding company, its subsidiary company, to whom reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls over financial reporting is applicable, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

KHANDELWAL JAIN & COMPANY * MUMBAI * CHARTERED ACCOUNTANTS *

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's internal financial controls system with reference to consolidated financial statements.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company and its subsidiary company, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Khandelwal Jain & Co.
Chartered Accountants
Firm's Registration No. 105049W

KHANDELWAL JAIN & COMPANY MUMBAI CHARTERED ACCOUNTANTS

(Narendra Jain)
Partner
Membership No. 048725
UDIN: 21048725AAAAB08553

Place: Mumbai
Date: April 29, 2021

NSE ACADEMY LIMITED
(U67190MH2016PLC274239)
BALANCE SHEET AS AT MARCH 31, 2021

(Rs. In Lakhs)

		Particulars	NOTES	As at 31.03.2021	As at 31.03.2020
		ASSETS			
1		**Non-current assets**			
	a	Property, Plant and Equipments	3	-	0.28
	b	Other Intangible assets	4	486.96	662.65
	c	Intangible assets under development	4	2.71	-
	d	Financial Assets			
	i	Investments	5	12,600.00	-
	ii	Trade receivable	6	6.25	-
	iii	Loans	7	750.00	-
	iv	Other financial assets			
		- Non Current Bank Balances	8	-	-
		- Others	8	0.10	0.10
	e	Deferred Tax Asset (Net)	24 (c)	-	-
	f	Income tax assets (Net)	9	61.22	120.52
	g	Other non-current assets	10	96.89	0.17
		Total non-current assets		**14,004.13**	783.72
2		**Current assets**			
	a	Inventories		-	-
	b	Financial Assets			
	i	Investments	11	630.58	789.24
	ii	Trade receivable	12	116.74	73.82
	iii	Cash and Cash equivalents	13	220.03	98.70
	iv	Bank balances other than (iii) above	14	13.71	12.80
	v	Loans		-	-
	vi	Others	15	7.64	0.92
				988.70	975.48
	c	Current Tax Assets (Net)		-	-
	d	Other current assets	16	176.90	147.25
		Total current assets		**1,165.60**	1,122.73
		TOTAL ASSETS		**15,169.73**	1,906.45
		EQUITY AND LIABILITIES			
(A)		**EQUITY**			
	a	Equity Share capital	17 (a)	1,000.00	1,000.00
	b	Other Equity	17 (b)	(44.63)	531.40
		TOTAL EQUITY		**955.37**	1,531.40
(B)		**LIABILITIES**			
1		**Non-current liabilities**			
	a	Financial Liabilities			
	i	Borrowings	18	13,500.00	-
	ii	Other financial liabilities (Other than Provisions in (b) below)		-	-
				13,500.00	-
	b	Provisions	19	0.79	-
	c	Deferred tax liabilities (Net)	24 (c)	14.50	23.11
	d	Other non-current liabilities		-	-
		Total non-current liabilities		**13,515.29**	23.11
2		**Current liabilities**			
	a	Financial Liabilities			
	i	Deposits (Unsecured)		-	-
	ii	Trade Payables	20		
		- Total Outstanding dues of micro enterprises and small enterprises		-	-
		- Total Outstanding dues of creditors other than micro enterprises and small enterprises		236.13	135.78
	iii	Other financial liabilities (Other than Provisions in (b) below)	21	367.64	73.18
				603.77	208.96
	b	Provisions	22	10.53	-
	c	Other current liabilities	23	84.77	142.98
	d	Current Tax Liabilities (Net)	25	-	-
		Total current liabilities		**699.07**	351.94
		TOTAL LIABILITIES		**14,214.36**	375.05
		TOTAL EQUITY AND LIABILITIES		**15,169.73**	1,906.45

Summary of significant accounting policies 2
The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

For KHANDELWAL JAIN & CO.
Chartered Accountants
Firm's Registration no: 105049W

Narendra Jain

KHANDELWAL JAIN & COMPANY ★ MUMBAI ★ CHARTERED ACCOUNTANTS

NARENDRA JAIN
Partner
Membership No.: 048725

Place : Mumbai
Date : April 29, 2021

For and on behalf of the Board of Directors

NSKarpe

NINAD KARPE
Director
DIN : 00030971

RAVI VARANASI
Director
DIN : 06573046

YATRIK VIN
Director
DIN : 07662795

ABHILASH MISRA
Chief Executive Officer

B. N. Shah

BHAVESH SHAH
Chief Financial Officer

PmDastoor

PENAAZ DASTOOR
Company Secretary

NSE ACADEMY LIMITED MUMBAI ★

NSE ACADEMY LIMITED

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2021

(Rs. in Lakhs)

Particulars	NOTES	For the year ended 31.03.2021	For the year ended 31.03.2020
Income			
Revenue from operations	26	1,494.34	2,057.15
Other income	27	50.61	42.86
Total Income		**1,544.95**	2,100.01
Expenses			
Employee benefits expenses	28	407.77	442.86
Finance Cost	29	375.29	-
Depreciation and amortisation expense	3 & 4	191.91	95.24
Other expenses	30	1,153.58	1,350.78
Total Expenses		**2,128.55**	**1,888.89**
Profit/ (Loss) before exceptional items & tax		**(583.60)**	211.12
Less: Exception Items		-	-
Profit/ (Loss) before tax		**(583.60)**	211.12
Less : Tax expense			
Current tax	24 (a)	-	36.11
For earlier period	24 (a)	1.04	(6.15)
Deferred tax	24 (a)	(8.61)	16.67
Total tax expenses		**(7.57)**	46.63
Profit/ (Loss) for the year (A)		**(576.03)**	164.49
Other Comprehensive Income			
Items that will be reclassified to profit or loss		-	-
Items that will not be reclassified to profit or loss		-	-
Total Other Comprehensive Income for the year (Net of Taxes) (B)		-	-
Total Comprehensive Income/ (Loss) for the year (A+B)		**(576.03)**	164.49
Earnings per equity share (Face Value Rs. 10 each)			
- Basic (Rs.)	31	**(5.76)**	1.64
- Diluted (Rs.)	31	**(5.76)**	1.64
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

For KHANDELWAL JAIN & CO.
Chartered Accountants
Firm's Registration no: 105049W

Narendra Jain

KHANDELWAL JAIN & COMPANY MUMBAI CHARTERED ACCOUNTANTS

NARENDRA JAIN
Partner
Membership No.: 048725

Place : Mumbai
Date : April 29, 2021

For and on behalf of the Board of Directors

NSKarpe
NINAD KARPE
Director
DIN : 00030971

RAVI VARANASI
Director
DIN : 06573046

YATRIK VIN
Director
DIN : 07662795

ABHILASH MISRA
Chief Executive Officer

BHAVESH SHAH
Chief Financial Officer

PmDastoor
PENAAZ DASTOOR
Company Secretary

NSE ACADEMY LIMITED MUMBAI

NSE ACADEMY LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2021

(A) **Equity Share Capital**

(Rs. in Lakhs)

Balance as at 01.04.2019	1,000.00
Changes in equity share capital during the year ended 31.03.2020	-
Balance as at 31.03.2020	**1,000.00**
Changes in equity share capital during the year ended 31.03.2021	-
Balance as at 31.03.2021	**1,000.00**

(B) **Other Equity**

(Rs. in Lakhs)

Particulars	Retained Earnings	Total
Balance as at April 01,2019	366.91	366.91
Profit/ (Loss) for the year ended March 31, 2020	164.49	164.49
Balance as at March 31, 2020	**531.40**	**531.40**
Profit/ (Loss) for the year ended March 31, 2021	(576.03)	(576.03)
Balance as at March 31, 2021	**(44.63)**	**(44.63)**

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

For KHANDELWAL JAIN & CO.
Chartered Accountants
Firm's Registration no: 105049W

Narendra Jain

KHANDELWAL JAIN & COMPANY MUMBAI CHARTERED ACCOUNTANTS

NARENDRA JAIN
Partner
Membership No.: 048725

Place : Mumbai
Date : April 29, 2021

For and on behalf of the Board of Directors

NINAD KARPE	**RAVI VARANASI**	**YATRIK VIN**
Director	**Director**	**Director**
DIN : 00030971	**DIN : 06573046**	**DIN : 07662795**
ABHILASH MISRA	**BHAVESH SHAH**	**PENAAZ DASTOOR**
Chief Executive Officer	**Chief Financial Officer**	**Company Secretary**

NSE ACADEMY LIMITED MUMBAI

NSE ACADEMY LIMITED

STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2021

(Rs. in Lakhs)

	Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
A)	**CASH FLOW FROM OPERATING ACTIVITIES**		
	NET PROFIT BEFORE TAX	(583.60)	211.12
	Add : Adjustments for :		
	Depreciation & Amortization Expenses	191.91	95.24
	Finance Cost	367.64	-
	Stamp Duty, Registration fees & Transaction cost	142.78	
	Net gain on financial assets mandatorily measured at fair value through profit or loss	(2.46)	(34.95)
	Interest Income	(3.18)	(3.07)
	Gain on sale of Investments	(39.24)	(2.53)
	Interest on income tax refund	(5.70)	(0.96)
	Share Issue Expenses	-	-
	OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	**68.15**	264.85
	Adjustments for :		
	Trade Receivabes	(49.17)	(29.24)
	Trade Payables	100.36	(30.46)
	Loans & Advances and other Receivables	(0.06)	10.53
	Current Liabilities & Provisions	(120.86)	112.38
	Other current assets & non- current assets	(15.23)	-
	Non-Current Liabilities & Provisions	0.79	-
	CASH GENERATED FROM OPERATIONS	**(16.02)**	328.06
	Direct Taxes paid (Net of Refunds)	63.96	(78.66)
	NET CASH FROM (USED IN) OPERATING ACTIVITIES - Total (A)	**47.94**	249.40
B)	**CASHFLOW FROM INVESTING ACTIVITIES**		
	Purchase of Property, plant and equipment & intangibles	(18.66)	(11.72)
	Purchase of Mutual Funds	(1,730.00)	(636.51)
	Investment in Subsidiary	(12,600.00)	-
	Loans given	(750.00)	-
	Redemption of Fixed Deposits	12.80	69.86
	Sale of Mutual Funds	1,930.36	389.17
	Investment in Fixed Deposits	(13.71)	(12.80)
	Interest Income	1.16	0.94
	NET CASH FROM (USED IN) INVESTING ACTIVITIES - Total (B)	**(13,168.05)**	(201.06)
C)	**CASHFLOW FROM FINANCING ACTIVITIES**		
	Proceeds from Issue of Equity Shares	-	-
	Proceeds from Issue of Preference Shares	13,500.00	-
	Stamp Duty & Registration fees	(258.56)	-
	Finance Cost	-	-
	NET CASH FROM (USED IN) FINANCING ACTIVITIES - Total (C)	**13,241.44**	-
	NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	**121.33**	48.34
	CASH AND CASH EQUIVALENTS : OPENING BALANCE	**98.70**	50.36
	CLOSING CASH AND CASH EQUIVALENTS : CLOSING BALANCE	**220.03**	98.70
	NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENT	**121.33**	48.34

Notes to Cash Flow Statement :

1. Cash and cash equivalent represent cash and bank balances.
2. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Ind AS - 7 on Statement of Cash Flow.

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

For KHANDELWAL JAIN & CO.
Chartered Accountants
Firm's Registration no: 105049W

NARENDRA JAIN
Partner
Membership No.: 48725

Place : Mumbai
Date : April 29, 2021

For and on behalf of the Board of Directors

NINAD KARPE	**RAVI VARANASI**	**YATRIK VIN**
Director	**Director**	**Director**
DIN : 00030971	**DIN : 06573046**	**DIN : 07662795**
ABHILASH MISRA	**BHAVESH SHAH**	**PENAAZ DASTOOR**
Chief Executive Officer	**Chief Financial Officer**	**Company Secretary**

Note 1: Background of the Company

NSE Academy Limited Incorporated on March 12, 2016 is a wholly owned Subsidiary of NSE Investments Limited (formerly known as NSE Strategic Investments Corporation Ltd). The company commenced its operations from July 1, 2016. Company is inter alia formed to carry business in India and abroad, tests and certification programs in various areas including financial markets, to set up placement assistance programs to provide trainings to individuals for employment by partnering brokers and other financial institutions and financial utilities, to startup, conduct, manage online and/ or offline educational testing systems, to impart training to interested persons for developing and enhancing their understanding of financial markets and enable such persons to take up various functions in various areas including financial markets and to enhance the competitiveness of all functions in various areas including the financial services industry in India and aboard, to conduct continuing professional education programs such as management development programs to persons in various areas including financial industry, to conduct independently or in collaboration with various schools, colleges, universities, management institutes, other autonomous bodies and educational institutions, and regulatory authorities and financial institutions, in India or aboard, short-term courses, full-time, part-time or executive programs offering degrees, diploma.

Note 2: Summary of significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of Indian Accounting Standard (Ind AS) financial statements ("Ind AS financial statements"). These policies have been consistently applied to all the years / periods presented, unless otherwise stated.

(a) Basis of preparation

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ('Act') (to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities that are measured at fair value, and
- defined benefit plans - plan assets are measured at fair value.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability which market participants would take into account when pricing the asset or liability at the measurement date.

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In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
Level 3 inputs are unobservable inputs for the asset or liability.

(b) Foreign currency translation and transactions

(i) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian currency (INR), which is the Company's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the period end exchange rates are recognised in profit or loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equity instruments held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equity investments classified as FVOCI are recognised in other comprehensive income.

(c) Revenue recognition

The Company earns revenue from tests and certification programs in various areas including financial markets, to set up placement assistance programs to provide trainings to individuals for employment by partnering brokers and other financial institutions and financial utilities, to startup, conduct, manage online and/ or offline educational testing systems.

Effective April 1, 2018, the Company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts. The Company has adopted Ind AS 115 using the cumulative effect method. The effect of initially applying this standard is recognised at the date of initial application (i.e. April 1, 2018). The standard is applied retrospectively only to contracts that are not completed as at the date of initial application and the comparative information in statement of profit and loss is not restated – i.e. the comparative information continues to be reported under Ind AS 18 and Ind AS 11.

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Revenue is recognised upon transfer of control of promised services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those services.

The Company recognises revenue when the amount of revenue can be reliably measured, and it is probable that future economic benefits will flow to the entity. Revenue is recognised in the period when the service is provided as per arrangements/agreements with the customers.

Revenue is measured at the fair value of the consideration received or receivable and represents the amounts receivable towards services provided in the normal course of business, net of allowances, incentives, service tax, GST and amounts collected on behalf of third parties.

(i) Revenue from online examination services are recognised on Examination conducted or on expiry of 3 Months from the date of registration

(ii) Revenue from registration of the candidates are recognised at the time of registration in respect of post-graduation courses.

(iii) Revenue from post-graduation course is recognised over the duration of the respective courses.

(iv) Revenue in respect of tie-up courses with other educational institutions is recognised on the completion of the respective courses/Semester.

(v) Revenue in respect of the interest income is recognised when there is a reasonable certainty regarding ultimate collection.

(vi) Revenue from Training fees is recognised on the completion of Training.

(vii) Insurance claims are accounted on accrual basis when the claims become due and receivable.

(d) Income taxes

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses, if any.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

The carrying amount of deferred tax assets are reviewed at the end of each reporting period and are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

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Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, associates and interest in joint arrangements where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(e) Impairment of assets

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

(f) Cash and cash equivalents

Cash and Cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. These do not include bank balances earmarked/restricted for specific purposes.

(g) Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

(h) Investments and other financial assets

(i) Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

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The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. The Company reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the company classifies its debt instruments:

- **Amortised cost**: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

- **Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

- **Fair value through profit or loss (FVPL):** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

Equity investments (other than Investments in subsidiaries, associates and joint venture)

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to

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profit or loss. Dividends from such investments continue to be recognised in profit or loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/ (losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Equity Investments (in subsidiaries, associates and joint venture)

Investments in subsidiaries, associates and joint venture are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. The accounting policy on impairment of non-financial assets is disclosed in Note e. On disposal of investments in subsidiaries, associates and joint venture, the difference between net disposal proceeds and the carrying amounts are recognized in the statement of profit and loss.

(iii) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(iv) De-recognition of financial assets

A financial asset is de-recognised only when

- The Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the company has transferred an asset, it evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is de-recognised. Where the company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognised.

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(v) Income recognition

Interest income

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial assets to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by

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considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

Dividends

Dividends are recognised in profit and loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be reliably measured.

(i) Financial liabilities

(i) Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

(ii) Initial recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss.

(iii) Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the statement of profit and loss.

(iv) Derecognition

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

(j) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

(k) Property, plant and equipment (including Capital Work in Progress)

All items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs

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and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives as follows:

Assets	Management Estimate of Useful Life in years
Computer systems office automation	3 years
Computer systems – others	4 years
Telecommunication systems	4 years

The property, plant and equipment are depreciated over the asset's useful life

The useful lives have been determined based on technical evaluation done by the management's expert which are higher than those specified by Schedule II to the Companies Act, 2013, in order to reflect the actual usage of the assets. The residual values are not more than 5% of the original cost of the asset. The asset's residual values and useful lives are reviewed, and adjusted on a prospective basis if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount and are included in profit or loss.

Depreciation on assets purchased / disposed off during the year is provided on pro rata basis with reference to the date of additions / deductions.

Fixed assets whose aggregate cost is Rs. 5,000 or less are depreciated fully in the year of acquisition.

(I) Intangible assets

Costs associated with maintaining software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Company are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use
- management intends to complete the software and use or sell it
- there is an ability to use or sell the software
- it can be demonstrated how the software will generate probable future economic benefits
- adequate technical, financial and other resources to complete the development and to use or sell the software are available, and
- the expenditure attributable to the software during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software include employee costs and an appropriate portion of relevant overheads.

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Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is available for use.

Computer software/ intellectual property rights is amortised over a period of 4 years.

(m) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

(n) Provisions

Provisions for legal claims and discounts/incentives are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

At the end of each reporting year, provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at a future date. . The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

(o) Contingent Liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

(p) Employee benefits

(i) Provident Fund:
During the current year the company is registered with Regional Provident Fund Office, Bandra, Mumbai, and both the employee and the employer make monthly contribution equal to 12% of the employee's basic salary respectively.

(ii) Superannuation:
Superannuation benefits for employees designated as chief managers and above are covered by group policies with the Life Insurance Corporation of India maintained by the Holding Company. The contribution for the year is reimbursed to the holding company is charged to revenue. There are no other obligations other than the annual contribution payable.

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(iii) Gratuity:
Provisions are made for the defined benefit with respect to gratuity liability based on the present value of defined benefit obligation as reduced by the fair value of plan assets as per the actuarial valuation calculation.

(iv) Leave Encashment:
Liability on account of Leave encashment is provided based on Actuarial Valuation at Balance Sheet date.

Short term employee benefits are charged to revenue in the year in which the related service is rendered

(q) Contributed equity

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(r) Dividends

Provision is made for the amount of any dividend declared including dividend distribution tax, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

(s) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(t) Leases

Effective April 1, 2019, the Company has adopted Ind AS 116 "Leases". Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards incidental to ownership to the lessee. All other leases are classified as operating leases.

(i) As a lessee
The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of the contract. Ind AS 116 defines a lease as a contract, or a part of a contract, that conveys the right of use an asset (the underlying asset) for a period of time in exchange of consideration. To assess

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whether as contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on straight line basis over the shorter of the lease term and useful life of the underlying assets.

(ii) As a lessor

Lease for which the Company is a lessor is classified as finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. For operating leases, rental income is recognized on straight line basis over the term of the relevant lease.

(u) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

(v) Critical accounting estimates and judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgments are:
Tax expense refer Note 24
Estimation of useful life of intangible asset refer Note 4
Estimation of contingent liabilities refer Note 44
Estimation of Impairment of Assets
Estimation of doubtful debts

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

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(w) Recent Pronouncements

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

(i) Balance Sheet:

- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

(ii) Statement of profit and loss:

- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the standalone financial statements.

The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

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Notes To Financial Statements for the year ended March 31, 2021

Note 3 : Property, plant and equipment

(Rs. in Lakhs)

	Computer Systems - Others	Computer Systems - Office Automation	Telecom Installations	TOTAL
Gross carrying amount				
Cost as at 01.04.2019	1.48	2.52	3.00	7.00
Additions	-	-	-	-
Disposals	-	-	-	-
Transfers	-	-	-	-
Closing gross carrying amount	1.48	2.52	3.00	7.00
Accumulated depreciation				
Opening as at 01.04.2019	1.02	2.31	2.06	5.39
Depreciation charge during the year	0.37	0.21	0.75	1.33
Disposals	-	-	-	-
Closing accumulated depreciation	1.39	2.52	2.82	6.72
Net carrying amount as at 31.03.2020	0.09	-	0.18	0.28
Gross carrying amount				
Cost as at 01.04.2020	1.48	2.52	3.00	7.00
Additions	-	-	-	-
Disposals	-	-	-	-
Transfers	-	-	-	-
Closing gross carrying amount	1.48	2.52	3.00	7.00
Accumulated depreciation				
Opening as at 01.04.2020	1.39	2.52	2.82	6.72
Depreciation charge during the year	0.09	-	0.18	0.28
Disposals	-	-	-	-
Closing accumulated depreciation	1.48	2.52	3.00	7.00
Net carrying amount as at 31.03.2021	-	-	-	-

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NSE ACADEMY LIMITED MUMBAI

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Notes To Financial Statements for the year ended March 31, 2021

Note 4 : Other intangible assets

(Rs. in Lakhs)

	Computer Software	**Intangible assets under development**	**TOTAL**
Gross carrying amount			
Cost as at 01.04.2019	3.00	743.90	746.90
Additions	755.62	11.72	767.34
Disposals	-	-	-
Transfers	-	(755.62)	(755.62)
Closing gross carrying amount	758.62	-	758.62
Accumulated depreciation			
Opening as at 01.04.2019	2.06	-	2.06
Depreciation charge during the year	93.91	-	93.91
Disposals	-	-	-
Closing accumulated depreciation	95.97	-	95.97
Net carrying amount as at 31.03.2020	662.65	-	662.65
Gross carrying amount			
Cost as at 01.04.2020	758.62	-	758.62
Additions	15.95	18.66	34.61
Disposals	-	-	-
Transfers	-	(15.95)	(15.95)
Closing gross carrying amount	774.57	2.71	777.28
Accumulated depreciation			
Opening as at 01.04.2020	95.97	-	95.97
Depreciation charge during the year	191.64	-	191.64
Disposals	-	-	-
Closing accumulated depreciation	287.61	-	287.61
Net carrying amount as at 31.03.2021	**486.96**	**2.71**	**489.68**

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NSE ACADEMY LIMITED * MUMBAI

NSE ACADEMY LIMITED
NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2021
NOTE-5: NON-CURRENT INVESTMENTS

(Rs. in Lakhs)

		31.03.2021		31.03.2020	
		Number of shares	Amount	Number of shares	Amount
I	**Investment in equity instruments (fully paid up)**				
A)	**Unquoted equity instruments at cost**				
(i)	**In subsidiary companies**				
	Talentsprint Private Limited (F.V. Re.1)	34,58,332	5,774.62	-	-
(ii)	**In Other Company**				
	NSE Foundation (Section 8 Company)*	1,000	0.00	1,000	0.00
	Total equity instruments		5,774.62		0.00
II	**Investments in preference shares (fully paid up)**				
A)	**Unquoted preference shares at cost**				
	In subsidiary company				
(i)	**Compulsory Convertible Preference Shares (Series A)****				
	Talentsprint Limited (F.V. Re.1)	22,93,478	6,208.77	-	-
(ii)	**Compulsory Convertible Preference Shares (Series A1)****				
	Talentsprint Limited (F.V. Rs.3)	2,95,965	616.62	-	-
	Total preference shares		6,825.38		-
	Total non-current investments		12,600.00		0.00
	Aggregate amount of quoted investments and market value thereof		-		-
	Aggregate amount of unquoted investments		12,600.00		0.00

*In the earlier year, the Company has written down the value of its investment in equity shares of NSE Foundation amounting to Rs. 0.10 lakh, since, it has been set up to carry out CSR activities for the Company and will not have profits which can be distributed to the Company. The loss had been debited to the Statement of profit and Loss.

**Series A and A1 CCPS will be converted into equity shares not later than the earlier of (i) the occurrence of a Liquidation event if conversion is necessary by the terms of the Liquidation Event; (ii) Consummation of a Qualified IPO or any initial public offer approved by the holder of Series A and A1 CCPS or upon the filing of the draft red herring prospectus, whichever is required by applicable law; or (iii) 20 years from completion of agreement, at the option of the Investor. The holder is also given an option to convert all or part of Series A and A1 CCPS at any time before the aforesaid timelines.
If the holder exercises its conversion option, the issuer Company will issue one equity share for each preference share held.

Series A1 CCPS will be converted into equity shares not later than (i) 20 years from completion of agreement, at the option of the Investor. The holder is also given an option to convert all or part of Series A1 CCPS at any time before the aforesaid timelines.
If the holder exercises its conversion option, the issuer Company will issue one equity share for each preference share held.

KHANDELWAL JAIN & COMPANY MUMBAI CHARTERED ACCOUNTANTS

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Non current financial assets

		As at 31.03.2021 (Rs. in Lakhs)	As at 31.03.2020 (Rs. in Lakhs)
6	**Trade Receivables**		
	Trade Receivables	6.25	
	Trade Receivables from Related Party	-	
	Less : Loss Allowances	-	-
		6.25	-
	Breakup of security details		
	Trade Receivables considered good -Secured	-	-
	Trade Receivables considered good -Unsecured	6.25	-
	Trade Receivables which have significant increase in credit risk	-	-
	Trade Receivables - credit impaired	-	-
	Total	6.25	-
	Loss allowance	-	-
		6.25	-

		As at 31.03.2021 (Rs. in Lakhs)	As at 31.03.2020 (Rs. in Lakhs)
7	**Loans to related party (Subsidiary)** (unsecured, considered good)		
	Talentsprint Private Limited	750.00	-
	Total	**750.00**	-

		As at 31.03.2021 (Rs. in Lakhs)	As at 31.03.2020 (Rs. in Lakhs)
8	**Other non current financial assets**		
	Non-current bank balances		
	Fixed deposits with maturity for more than 12 months	-	-
	Others		
	Interest accrued on bank deposits	-	-
	Deposits	0.10	0.10
	Total	**0.10**	0.10

		As at 31.03.2021 (Rs. in Lakhs)	As at 31.03.2020 (Rs. in Lakhs)
9	**Income tax assets (Net)**		
	Income Tax paid including TDS (Net of provision)	61.22	120.52
	Total	**61.22**	120.52

		As at 31.03.2021 (Rs. in Lakhs)	As at 31.03.2020 (Rs. in Lakhs)
10	**Other non-current assets**		
	Pre-Paid Expense	0.23	0.17
	Deferred Transaction Cost	96.66	-
	Total	**96.89**	0.17

KHANDELWAL JAIN & COMPANY ★ MUMBAI ★ CHARTERED ACCOUNTANTS

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NSE ACADEMY LIMITED

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2021

NOTE- 11: CURRENT INVESTMENTS

(Rs. in Lakhs)

	31.03.2021		31.03.2020	
	Number of Units	Amount	Number of Units	Amount
Investment in Mutual Funds				
Unquoted investments in mutual funds at FVPL				
Mirae Asset Cash Management Fund - Direct - Growth	-	-	2,404	50.35
Kotak Liquid Fund - Direct - Growth,	-	-	1,457	58.51
Nippon India Money Market Fund - Direct - Growth	-	-	4,970	151.73
Aditya Birla Sunlife Money Manager Fund - Direct - Growth	-	-	97,874	265.16
Kotak Money Market Scheme - Direct Plan - Growth	-	-	2,832	93.83
SBI Magnum Ultra Short Duration Fund - Direct - Growth	-	-	3,787	169.66
ICICI Prudential Money Market Fund - Direct - Growth	2,13,554	630.58	-	-
Total unquoted mutual funds		**630.58**		789.24
Total current investments		**630.58**		789.24
Aggregate amount of quoted investments and market value thereof		-		-
Aggregate amount of unquoted investments		630.58		789.24

KHANDELWAL JAIN & COMPANY ★ CHARTERED ACCOUNTANTS ★ MUMBAI

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12 Trade Receivables

	As at 31.03.2021 (Rs. in Lakhs)	As at 31.03.2020 (Rs. in Lakhs)
Trade Receivables	72.29	73.82
Trade Receivables from Related Party	44.45	-
Less : Loss Allowances	-	-
	116.74	73.82
Breakup of security details		
Trade Receivables considered good -Secured	-	-
Trade Receivables considered good -Unsecured	116.74	73.82
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables - credit impaired	-	-
Total	116.74	73.82
Loss allowance	-	-
Total	**116.74**	**73.82**

13 Cash and cash equivalents

	As at 31.03.2021 (Rs. in Lakhs)	As at 31.03.2020 (Rs. in Lakhs)
Cash and cash equivalents		
Balances with banks :		
In current accounts	220.03	98.70
Total	**220.03**	98.70

14 Bank balances other than cash and cash equivalents

	As at 31.03.2021 (Rs. in Lakhs)	As at 31.03.2020 (Rs. in Lakhs)
Fixed deposits		
- with original maturity for more than 3 months but less than 12 months	-	-
- with maturity of less than 12 months at the balance sheet date	13.71	12.80
Total	**13.71**	12.80

15 Other current financial assets

	As at 31.03.2021 (Rs. in Lakhs)	As at 31.03.2020 (Rs. in Lakhs)
Others		
-Interest accrued on Bank deposits	0.44	0.62
-Interest accrued on inter company loan	2.20	-
-Deposits	5.00	0.30
Total	**7.64**	0.92

16 Other Current Assets

	As at 31.03.2021 (Rs. in Lakhs)	As at 31.03.2020 (Rs. in Lakhs)
Prepaid Expenses	6.17	3.66
Balance with GST Authorities	151.61	142.22
Other Advance recoverable	-	1.37
Deferred Transaction Cost	19.12	-
Total	**176.90**	**147.25**

17 a) Share Capital

	As at 31.03.2021 (Rs. in Lakhs)	As at 31.03.2020 (Rs. in Lakhs)
Authorised		
2,00,00,000 Equity Shares of Rs 10 each. (Previous year : 2,00,00,000 equity shares of Rs.10 each)	2,000.00	2,000.00
28,00,00,000 Preference Shares of Rs 10 each. (Previous year : NIL)	28,000.00	-
Total	**30,000.00**	**2,000.00**
Issued, Subscribed and Paid-up		
1,00,00,000 Equity Shares of Rs 10 each, fully paid (Previous year : 1,00,00,000 equity shares of Rs.10 each)	1,000.00	1,000.00
13,50,00,000 Cumulative Optionally Convertible Redeemable Preference Shares of Rs 10 each, fully paid (Previous year: NIL)	13,500.00	-
Total	**14,500.00**	**1,000.00**

A reconciliation of the number of Shares outstanding at the beginning and at the end of the reporting period

	As at 31.03.2021		As at 31.03.2020	
	No.of Shares	**(Rs.)**	No.of Shares	(Rs.)
Equity Shares:				
At the beginning of the year	1,00,00,000	10,00,00,000	1,00,00,000	10,00,00,000
Add: Issued during the year	-	-	-	-
At the end of the year	**1,00,00,000**	**10,00,00,000**	1,00,00,000	10,00,00,000
Preference Shares:				
At the beginning of the year	-	-	-	-
Add: Issued during the year	13,50,00,000	1,35,00,00,000	-	-
At the end of the year	**13,50,00,000**	**1,35,00,00,000**	-	-

The company has allotted 13,50,00,000 number of fully paid preference shares Rs.10 each on November 10,2020 on right basis.

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Equity Shares

The Company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Director is subject to the approval of the shareholder in the ensuing Annual General Meeting except in the case of interim dividend.

In the event of liquidation of the company, the holder of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholder.

Shares in respect of each class in the company held by its holding company or its ultimate holding company including shares held by or by subsidiaries or associates of the holding company or the ultimate holding company in aggregate

Equity Shares :

Name of the Company	As at 31.03.2021		As at 31.03.2020	
	No.of Shares	% holding	No.of Shares	% holding
NSE Investments Limited (holding company) and its nominee	1,00,00,000	100.00%	1,00,00,000	100.00%
Total	**1,00,00,000**	**100.00%**	1,00,00,000	100.00%

Details of Equity Shareholder holding more than 5% share in the Company (No of Shares)

Name of the Company	As at 31.03.2021		As at 31.03.2020	
	No.of Shares	% holding	No.of Shares	% holding
NSE Investments Limited (holding company) and its nominee	1,00,00,000	100.00%	1,00,00,000	100.00%
Total	**1,00,00,000**	**100.00%**	1,00,00,000	100.00%

Preference shares :

Name of the Company	As at 31.03.2021		As at 31.03.2020	
	No.of Shares	% holding	No.of Shares	% holding
NSE Investments Limited (holding company) and its nominee	13,50,00,000	100.00%	-	-
Total	**13,50,00,000**	**100.00%**	-	-

Details of Preference Shareholder holding more than 5%

Name of the Company	As at 31.03.2021		As at 31.03.2020	
	No.of Shares	% holding	No.of Shares	% holding
NSE Investments Limited (holding company) and its nominee	13,50,00,000	100.00%	-	-
Total	**13,50,00,000**	**100.00%**	-	-

b) Other equity

	As at 31.03.2021 (Rs. in Lakhs)	As at 31.03.2020 (Rs. in Lakhs)
Surplus / (Deficit) in the Statement of Profit and Loss		
Balance at the beginning of the year	531.40	366.91
Profit / (Loss) for the year	(576.03)	164.49
Total reserves and surplus	**(44.63)**	531.40

18 Borrowings

	As at 31.03.2021 (Rs. in Lakhs)	As at 31.03.2020 (Rs. in Lakhs)
7% Cumulative Optionally Convertible Redeemable Preference Shares 13,50,00,000 Shares of Rs 10 each, fully paid (Previous year: NIL)	13,500.00	-
	13,500.00	-

Terms and conditions for issue of Preference shares

Rate of Dividend : Dividend rate will be 7% p.a. (on the face value) which will remain fixed over the tenure of the OCRPS

Cumulative: The OCRPS will carry Cumulative Dividend Right

Priority with Respect to payment of dividend or repayment of captial : The OCRPS will carry a preferential right vis-a-vis equity shares of the Company with respect to the payment of dividend and repayment of capital.

Tenure & conversion / Redemptions Terms

Conversion: OCRPS shall be optionally convertible into equity shares

Voting rights : OCRPS shall carry voting rights as per the provisions of Section 47(2) of the Companies Act 2013

Redemption: OCRPS shall be redeemable at par upon maturity or redeemed early at the option of the Company at 8 years from the date of allotment.

19 Provisions

	As at 31.03.2021 (Rs. in Lakhs)	As at 31.03.2020 (Rs. in Lakhs)
Employee benefits obligation		
Provision for gratuity	0.79	-
	0.79	-

20 Trade Payable

	As at 31.03.2021 (Rs. in Lakhs)	As at 31.03.2020 (Rs. in Lakhs)
Trade Payable (Refer note 36)	127.32	77.24
Trade Payable to MSME	-	-
Trade Payable to Related Party (Refer note 35)	108.81	58.54
	236.13	135.78

Payable to Related Party (Refer note 35)

NSE IT Limited	108.81	58.54
	108.81	58.54

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21 **Other Financial Liabilities**

	As at 31.03.2021 (Rs. in Lakhs)	As at 31.03.2020 (Rs. in Lakhs)
Liability for Expense (Refer note 36)	-	-
Payable to Related Party (Refer note 35)	367.64	73.18
Total	**367.64**	73.18
Payable to Related Party (Refer note 35)		
NSE Investments Ltd	367.64	-
National Stock Exchange of India Limited	-	73.18
	367.64	73.18

22 **Current liabilities**

Provisions

	As at 31.03.2021 (Rs. in Lakhs)	As at 31.03.2020 (Rs. in Lakhs)
Employee benefits obligation		
Provision for gratuity	-	-
Provision for leave encashment	0.83	-
Others	9.70	-
	10.53	-

23 **Other Current liabilities**

	As at 31.03.2021 (Rs. in Lakhs)	As at 31.03.2020 (Rs. in Lakhs)
Statutory Dues Payable	39.38	79.90
Income Received in advance	45.38	63.08
Total	**84.77**	142.98

24 a) **Income taxes**

	As at 31.03.2021 (Rs. in Lakhs)	As at 31.03.2020 (Rs. in Lakhs)
Income tax expense		
Particulars		
Income tax expense		
Current Tax		
Current tax expense (i)	-	36.11
Short /(Excess) provision for previous years	1.04	(6.15)
Deferred Tax		
Decrease / (increase) in deferred tax assets (ii)	(14.33)	0.29
(Decrease) / increase in deferred tax liabilities (iii)	5.72	16.38
Adjustment in other equity or retained earning (iv)	-	-
Total deferred tax expense/ (benefit) (v)=(ii)+(iii)+(iv)	**(8.61)**	16.67
Total Income tax expenses* (vi)= (i)+(v)	**(7.57)**	46.63

b) **Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:**

		As at 31.03.2021 (Rs. in Lakhs)	As at 31.03.2020 (Rs. in Lakhs)
Particulars			
Profit before income tax expense	a	(583.60)	211.12
Tax rate (%)	b	25.17%	25.17%
Tax at the Indian Tax Rate	c=a*b	(146.88)	53.14
Tax effect of amounts which are not deductible (taxable) in calculating taxable income			
Net (gain)/loss on financial assets mandatorily measured at fair value through profit or loss		-	-
(Profit) / Loss on sale of investments taxed at other than Statutory rate		(0.25)	0.25
Provision for tax of earlier years		1.04	(6.15)
Impact of rate change		-	(0.61)
Stamp Duty & Registration fees		35.94	-
Finance cost - dividend on Prefrence shares		92.53	-
Expenditure disallowance under Income Tax		10.06	-
Income Tax Expense		**(7.57)**	46.63

c) **Deferred tax liabilities (net)**

	As at 31.03.2021 (Rs. in Lakhs)	As at 31.03.2020 (Rs. in Lakhs)
The balance comprises temporary differences attributable to:		
Particulars		
Preliminary expense	-	0.23
Provision for leave encashment and Gratuity	**0.41**	
Others	**14.15**	-
Total deferred tax assets (a)	**14.56**	0.23
Deferred income tax liabilities		
Property, plant and equipment	**28.44**	14.16
Financial Assets at Fair Value through OCI	-	-
Financial Assets at Fair Value through profit and Loss	**0.62**	9.18
Others	-	-
Total deferred tax liabilities (b)	**29.06**	23.34
Net Deferred Tax Assets / (Liabilities) (a)-(b)	**(14.50)**	(23.11)

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d) **Deferred tax assets**

Movement in deferred tax assets

	Provision for leave encashment and Gratuity (Rs. in Lakhs)	Preliminary Expense (Rs. in Lakhs)	Others (Rs. in lakhs)	Total (Rs. in Lakhs)
At 1 April 2019	-	0.52	-	0.52
Charged/(credited)				
- to profit or loss	-	(0.29)	-	(0.29)
- to other comprehensive income	-	-	-	-
At 31 March 2020	-	**0.23**	-	**0.23**
Charged/(credited)				
- to profit or loss	0.41	(0.23)	14.15	14.33
- to other comprehensive income				
At 31 March 2021	0.41	-	14.15	**14.56**

e) **Movement in deferred tax liabilities**

	Property, plant and equipment (Rs. in Lakhs)	Financial Assets at Fair Value Through Profit & Loss (Rs. in Lakhs)	Other (Rs. in Lakhs)	Total (Rs. in Lakhs)
At 1 April 2019	(0.09)	7.05	-	6.96
Charged/(credited)				
- to profit or loss	14.25	2.13	-	16.38
- to other comprehensive income	-	-	-	-
At 31 March 2020	**14.16**	**9.18**	-	**23.34**
Charged/(credited)				
	-	-	-	0.00
- to profit or loss	14.28	(8.56)	-	5.72
- to other comprehensive income				
At 31 March 2021	**28.44**	**0.62**	**0.00**	**29.06**

25 **Current Tax Liabilities (Net)**

	As at 31.03.2021 (Rs. in Lakhs)	As at 31.03.2020 (Rs. in Lakhs)
Provision for Income Tax (Net of advances)	-	-
	-	-

26 **Revenue from operations**

	For the year ended 31.03.2021 (Rs. in Lakhs)	For the year ended 31.03.2020 (Rs. in Lakhs)
Operating revenues		
Income from Test Enrollment & Registration Fees	1,087.92	1,490.35
Income from Post Graduate Programme Fees	16.55	301.40
Income from Training Fees	321.75	251.05
Income from NSMART	32.47	14.35
Income from NSE Knowledge Hub	35.64	-
Total	**1,494.34**	**2,057.15**

Company operates in India only and renders services in financial sector

Company's significant revenue (more than 10%) is derived from services to National Stock Exchange of India Limited amounting to Rs.546.09 lakhs during the financial year ended March 31, 2021 (Rs.788.86 lakhs in previous financial year ended March 31, 2020).

27 **Other Income**

	For the year ended 31.03.2021 (Rs. in Lakhs)	For the year ended 31.03.2020 (Rs. in Lakhs)
Interest Income from Post gradution Installement Fees	-	1.35
Interest on intercompany loan	2.37	-
Interest income from financial assets at amortised cost	0.80	3.07
Net Gain/ Loss on financial asset madatorily measured at fair value through profit or loss	2.46	34.95
Net gain on sale of investments mandatorily measured at Fair Value through Profit or Loss	39.24	2.53
Gain on foreign currency transaction (net)	0.03	-
Interest on income tax refund	5.70	0.96
Total	**50.61**	42.86

28 **Employee benefits expenses**

	For the year ended 31.03.2021 (Rs. in Lakhs)	For the year ended 31.03.2020 (Rs. in Lakhs)
Salaries, wages and bonus (Refer Note 32&33)	404.17	442.86
Contributions to provident and other fund	1.43	-
Gratuity and compensated absences	2.17	-
Total	**407.77**	442.86

29 **Finance cost**

	For the year ended 31.03.2021 (Rs. in Lakhs)	For the year ended 31.03.2020 (Rs. in Lakhs)
Dividend on 7% Cumulative Optionally Convertible Redeemable Preference Shares	367.64	
Transaction Cost	7.65	
	375.29	-

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30 **Other expenses**

	For the year ended 31.03.2021 (Rs. in Lakhs)	For the year ended 31.03.2020 (Rs. in Lakhs)
Test Expenses	421.78	590.02
CPE Programme Expenses	96.51	175.43
MDP Programme Expenses	21.70	7.55
Expenses relating to SFL Test Expenses	4.91	14.27
Expenses relating to MBA Course Expenses	1.82	2.41
Expenses relating to NCCMP Course Expenses	1.41	6.02
Expenses related to Post graduate Global Financial Market course	15.24	137.51
Training Expenses	130.43	130.38
NSE Knowledge Hub Expenses	0.12	12.14
NSMART Expenses	31.43	0.58
Travelling Expense	7.75	13.46
Advertisement & Business promotion Expenses	30.95	18.74
Space And Infrastructure Usage Charges	48.71	49.80
Repairs & Maintenance	-	3.60
Professional fees	111.25	88.38
Electricity Charges	27.74	33.09
Outsourcing Charges	35.89	26.90
Printing & Stationery	0.47	4.79
Books & Periodicals	0.22	0.96
Director Sitting Fees	12.00	10.00
Stamp Duty & Registration fees	135.13	0.16
Custody Charges	0.23	0.28
Payment To Auditor (Refer Note Below)	12.57	4.21
Website Hosting Charges	0.85	2.05
Legal fees	0.03	1.27
Other Expenses	4.44	16.79
Total	**1,153.58**	**1,350.78**

Note :		
Payment to Auditor		
As Auditor		
Audit Fees	2.50	1.25
Limited review	0.75	0.75
Tax Audit Fees	0.83	0.65
GST Audit fees (for earlier years)	6.26	-
In other Capacity		
Certification Matters	0.15	0.38
Taxation Matters	1.93	0.93
Out of Pocket Expenses	0.16	0.25
Total	**12.57**	**4.20**

31 **Earning per Share**

Basic earnings per share are computed by dividing profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. The Company did not have any potentially dilutive securities in any of the periods presented. Consequently, the basic and diluted earning per share of the company remain the same.

Earning per Share

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Profit/ (Loss) for the year (Rs. in Lakhs)	(576.03)	164.49
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	1,00,00,000	1,00,00,000
Earnings per equity share (basic and diluted)	**(5.76)**	1.64

32 **Deputed Personnel Cost**

The Company is paying deputation expenses in respect of the employees, space and infrastructure charges and other reimbursement of expenses to National Stock Exchange of India Limited (NSEIL) (ultimate holding Company). Accordingly, necessary provisions as required for all retirement benefits and other long term employee benefits as per the requirements of Indian Accounting Standard 19 on "Employee Benefits" notified under rule 3 of the Companies (Indian Accounting Standard) Rules, 2015 and Companies (Indian Accounting Standard) Rules, 2016 are carried out by NSEIL. Deputation expenses for the year ended March 31, 2021 is Rs.360.29 lakhs (Rs.442.86 lakhs in previous financial year ended March 31, 2020).

33 Disclosure under Indian Accounting Standard 19 (Ind As 19) on Employee Benefit as notified under Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

i) Defined Benefit Plan :

a) Provident Fund: Company has contributed Rs.1.35 lakhs towards Provident Fund during the year ended March 31, 2021 to Employee Provident Fund Organisation.

b) Gratuity: The company provides for gratuity for employees as per Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity, The amount of Gratuity is payable on retirement/termination of the emplyee's last drawn basic salary per month multiplied for the number of years of service. The gratuity plan is a non funded plan and the company makes provision on the basis of Actuarial Valuation.

A. Balance Sheet

(i)

The amounts recognised in the consolidated balance sheet and the movements in the net defined benefit obligation over the year are as follows:

	Current Year 31.03.2021	Previous Year 31.03.2020
Liability at the beginning of the year	-	-
Interest cost	-	-
Current Service Cost	0.79	-
Liability transferred	-	-
Benefits Paid	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	-	-
Actuarial (Gains)/Losses on Obligations - Due to Experience	-	-
Liability at the end of the year	**0.79**	-

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(ii)

The amounts recognised in the balance sheet and the movements in the fair value of plan assets over the year are as follows:		
	Current Year 31.03.2021	Previous Year 31.03.2020
Fair Value of plan assets at the beginning of the year	-	-
Interest Income	-	-
Expected return on plan assets	-	-
Contributions	-	-
Transfer from other company	-	-
Benefits paid	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	-	-
Fair Value of plan assets at the end of the year	-	-

(iii)

The net liability disclosed above relates to funded plans are as follows:		
	Current Year 31.03.2021	Previous Year 31.03.2020
Fair value of plan assets as at the end of the year	-	-
Liability as at the end of the year	(0.79)	-
Net (liability) / asset	**(0.79)**	-

(iv)

Balance Sheet Reconciliation		
	Current Year 31.03.2021	Previous Year 31.03.2020
Opening Net Liability	-	-
Expenses Recognized in Statement of Profit or Loss	0.79	-
Expenses Recognized in OCI	-	-
Net (Liability)/Asset Transfer in	-	-
Employers Contribution	-	-
Amount recognised in the Balance Sheet	**0.79**	-

B. Statement of Profit & Loss

(i)

Net Interest Cost for Current Period		
	Current Year 31.03.2021	Previous Year 31.03.2020
Interest Cost	-	-
Interest Income	-	-
Net Interest Cost for Current Period	-	-

(ii)

Expenses recognised in the Statement of Profit & Loss		
	Current Year 31.03.2021	Previous Year 31.03.2021
Current Service cost	0.79	-
Net Interest Cost	-	-
Expenses recognised in the Statement of Profit & Loss	**0.79**	-

(iii)

Expenses recognised in the Other Comprehensive Income		
	Current Year 31.03.2021	Previous Year 31.03.2020
Expected return on plan assets	-	-
Actuarial (Gain) or Loss	-	-
Net (Income)/Expense for the Period Recognized in OCI	-	-

C

Fair value of plan assets at the Balance Sheet Date for defined benefit obligations		
	Current Year 31.03.2021	Previous Year 31.03.2020
Insurer Managed Funds	-	-
Total	-	-

D

Sensitivity Analysis		
	Current Year 31.03.2021	Previous Year 31.03.2020
Projected Benefit Obligation on Current Assumptions	0.79	-
Delta Effect of +1% Change in Rate of Discounting	(0.08)	-
Delta Effect of -1% Change in Rate of Discounting	0.09	-
Delta Effect of +1% Change in Rate of Salary Increase	0.08	-
Delta Effect of -1% Change in Rate of Salary Increase	(0.07)	-
Delta Effect of +1% Change in Rate of Employee Turnover	(0.04)	-
Delta Effect of +1% Change in Rate of Employee Turnover	0.05	-

E

Significant actuarial assumptions are as follows:		
	Current Year 31.03.2021	Previous Year 31.03.2020
Discount Rate	6.49%	-
Rate of Return on Plan Assets	N.A.	-
Salary Escalation	10.00%	-
Attrition Rate	12.00%	-

34 **Segment Reporting**

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 Chief Executive Officer of the Company. The Company operates only in one Business Segment i.e. Imparting Education in relation to various areas including financial market and the activities incidental thereto within India, hence does not have any reportable Segments as per Indian Accounting Standard 108 "Operating Segments".

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35 **Related Party**

As defined in Ind AS 24 - "Related Party Disclosures", as notified under Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 the required disclosures are given in the table below:

Names of the related parties and related party relationship

Sr.No	Related Party	Nature of Relationship
1	National Stock Exchange of India Limited	The Ultimate Holding Company
2	NSE Investments Limited	Holding Company
3	Talentsprint Private Limited (w.e.f. 10th November 2020)	Subsidiary Company
4	NSE Foundation	Holding Company's Fellow Subsidiary
5	NSE Clearing Limited	Holding Company's Fellow Subsidiary
6	NSE IFSC Limited	Holding Company's Fellow Subsidiary
7	National Securities Depository Limited	Ultimate Holding Company's Associate
8	BFSI Sector Skill Council of India	Ultimate Holding Company's Associate
9	NSDL e-Governance Infrastructure Limited	Holding Company's Associate Company
10	Power Exchange India Limited	Holding Company's Associate Company
11	Market Simplified India Limited	Holding Company's Associate Company
12	Receivable Exchange of India Limited	Holding Company's Associate Company
13	Indian Gas Exchange Limited (w.e.f. 16th March 2021)	Holding Company's Associate Company
14	NSE IT Limited	Fellow Subsidiary Company
15	NSE Data & Analytics Limited	Fellow Subsidiary Company
16	Cogencis Information Services Limited (w.e.f 21st January 2021)	Subsidiary of the Fellow Subsidiary Company
17	Capital Quant Solutions Private Limited (w.e.f. 26th February 2021)	Fellow Subsidiary's Associate Company
18	NSE Infotech Services Limited	Fellow Subsidiary Company
19	NSE Indices Limited	Fellow Subsidiary Company
20	NSE IFSC Clearing Corporation Limited	Subsidiary of Holding Company's Fellow Subsidiary
21	NSEIT (US) Inc.	Subsidiary of the Fellow Subsidiary Company
22	Aujas Cybersecurity Limited (Formerly known as Aujas Networks Limited/Aujas Networks Private Limited)	Subsidiary of the Fellow Subsidiary Company
23	Dr. K R. S. Murthy	Key Managerial Personnel
24	Mr. Ninad Karpe	Key Managerial Personnel
25	Mr. Ravi Varanasi	Key Managerial Personnel
26	Mr. Yatrik Vin	Key Managerial Personnel
27	Mr. Abhilash Misra	Key Managerial Personnel

(Rs. in Lakhs)

Name of the Related Party	Nature of Transactions	For year ended 31.03.2021	For year ended 31.03.2020
NSE Investments Limited	Contribution towards Preference Share Capital	13,500.00	-
	Dividend on 7% Cumulative Optionally Convertible Redeemable Preference Shares	367.64	-
	Outstanding balance included in Financial Liabilities	367.64	-
Talentsprint Private Limited	Investment in equity instruments	5,774.62	-
	Investment in Compulsory Convertible Preference Shares (Series A)	6,208.77	-
	Investment in Compulsory Convertible Preference Shares (Series A1)	616.62	-
	Loan given	750.00	-
	Interest income on intercompany loan	2.37	-
	Outstanding balance included in Non current financial assets	750.00	-
	Outstanding balance included in other current financial assets (net of TDS)	2.20	-
National Stock Exchange of India Limited (NSEIL)	Reimbursement of expenses for staff on deputation paid / payable	430.82	520.57
	Space and Infrastructure usage charges paid / payable	57.47	54.04
	Reimbursement for other expenses incurred	748.90	299.48
	Revenue towards CPE/ online exam & NSE Knowledge hub subscription	629.77	930.86
	Outstanding balance included in Trade receivables / (Financial Liabilities)	44.45	(73.18)
NSEIT Limited	NCFM/ NISM test Expenses	497.60	683.76
	Outsourcing Charges	6.44	16.51
	NSMART expenses	32.57	2.53
	Reimbursement for other expenses incurred	-	0.59
	Outstanding balance included in Trade Payables	108.81	58.54
DR. K. R. S. Murthy	Director Sitting Fees	6.00	5.00
Mr. Ninad Karpe	Director Sitting Fees	6.00	5.00
Mr. Abhilash Misra	Short term employee benefits	93.43	80.76
	Post-employment benefits*	2.70	2.54

*As the liabilities for defined benefit plan are provided on acturial basis for the Company as a whole, the amount pertaining to key managerial persons are not included

36 There is no Micro & Small enterprise to which the company owes dues as at March 31, 2021. This information as required to be disclosed under Micro, Small and Medium Enterprises Development Act 2006 has been determined to the extent such parties have been identified on the basis of information available with the company.

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NOTE- 37: FINANCIAL RISK MANAGEMENT

The Company's business activities expose it to a variety of financial risks, namely liquidity risk, market risks and credit risk. The Company's senior management has the overall responsibility for the establishment and oversight of the Company's risk management framework. A group level risk Assessment & Review Committee (RARC) is formed, which is responsible for developing and monitoring the Company's risk management policies. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The RARC is supported by Treasury department among others, that provides assurance that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Treasury department activities are designed to:
- protect the Company's financial results and position from financial risks
- maintain market risks within acceptable parameters, while optimising returns; and
- protect the Company's financial investments, while maximising returns.

A MANAGEMENT OF LIQUIDITY RISK

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's approach to managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions.

The Company maintains a conservative funding and investment strategy, with a positive cash balance throughout the year ended 31st March, 2021.

The Company's treasury department regularly monitors the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet operational needs. Any short term surplus cash generated by the operating entities, over and above the amount required for working capital management and other operational requirements, is retained as cash equivalents (to the extent required), other highly liquid investments and excess is invested in interest bearing term deposits and other highly marketable debt investments with appropriate maturities to optimise the returns on investments while ensuring sufficient liquidity to meet its liabilities.

The following table shows the maturity analysis of the Company's financial liabilities based on contractually agreed undiscounted cash flows as at the Balance Sheet date.

(Rs. in Lakhs)

	Carrying amount	Less Than 12 Month	More than 12 months	Total
As at March 31, 2021				
Borrowings	13,500.00	-	13,500.00	13,500.00
Trade payables	236.13	236.13	-	236.13
Other liablities	367.64	367.64	-	367.64

	Carrying amount	Less Than 12 Month	More than 12 months	Total
As at March 31, 2020				
Trade payables	135.78	135.78	-	135.78
Other liablities	73.18	73.18	-	73.18

B MANAGEMENT OF MARKET RISK

The Company's size and operations result in it being exposed to the following market risks that arise from its use of financial instruments:
• price risk; and
• interest rate risk

The above risks may affect the Company's income and expenses, or the value of its financial instruments. The objective of the Company's management of market risk is to maintain this risk within acceptable parameters, while optimising returns. The Company's exposure to, and management of, these risks is explained below.

0

POTENTIAL IMPACT OF RISK	MANAGEMENT POLICY	SENSITIVITY TO RISK
1. PRICE RISK		
The Company is mainly exposed to the price risk due to its investment in mutual funds and exchange traded funds. The price risk arises due to uncertainties about the future market values of these investments. At 31st March 2021, the exposure to price risk due to investment in mutual funds amounted to Rs. 630.58 lakhs (March 31, 2020: Rs. 789.24 lakhs).	In order to manage its price risk arising from investments in mutual funds, the Company diversifies its portfolio in accordance with the limits set by the risk management policies. The Treasury department maintains a list of approved financial instruments. The use of any new investment must be approved by the Chief Financial Officer.	As an estimation of the approximate impact of price risk, with respect to mutual funds , the Company has calculated the impact as follows. For mutual funds, a 0.25% increase in prices would have led to approximately an additional Rs. 1.57 lakhs gain in the Statement of Profit and Loss (2019-20: Rs. 1.97 lakh gain). A 0.25% decrease in prices would have led to an equal but opposite effect.

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C MANAGEMENT OF CREDIT RISK

Credit risk is the risk of financial loss to the Company if a customer or counter-party fails to meet its contractual obligations.

Trade receivables

Concentrations of credit risk with respect to trade receivables are limited, since the Company's customer base is large and diverse. All trade receivables are reviewed and assessed for default on a regular basis. Based on historical experience of collecting receivables, supported by the level of default, our assessment of credit risk is low. Accordingly, our provision for expected credit loss on trade receivable is not material.

Other financial assets

The Company maintains exposure in cash and cash equivalents, term deposits with banks and investments in mtutual funds. The Company has diversified portfolio of investment with various number of counter parties which have secure credit ratings hence, the risk is reduced. Individual risk limits are set for each counter party based on financial position, credit rating and past experience. Credit limits and concentration of exposures are actively monitored by the Company's treasury department.

The Company's maximum exposure to credit risk as at March 31, 2021, is the carrying value of each class of financial assets as disclosed in note 5,11, 13, 14 and 15.

D CAPITAL MANAGEMENT

The Company considers the following components of its Balance Sheet to be managed capital:
Total equity (as shown in the balance sheet, including retained profit.

The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to our shareholders. The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the group may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure. The Company is not subject to financial covenants in any of its significant financing agreements.

The management monitors the return on capital as well as the level of dividends to shareholders. The Company's goal is to be able to return excess liquidity to shareholders by continuing to distribute dividends in future periods.

The capital gearing ratio for the reporting year is as follows:

	31 March 2021	31 March 2020
Total borrowings	13,500.00	-
Less: Cash and bank balances	233.74	111.50
Net debt	13,266.26	-
Total Equity	955.37	1,531.40
Total capital	**955.37**	**1,531.40**
Net debt to equity ratio	13.89	-

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Note-38: Fair Value Measurements

(i) Fair Value Hierarchy:

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three level prescribed under the accounting standard. An explaination of each level follows underneath the table.

(Rs. in Lakhs)

Financial Assets and Liabilities measured at Fair Value - recurring fair Value measurements At 31 Mar, 2021	Notes	Level 1	Level 2	Level 3	Total 31 Mar, 2021
<u>Financial Assets</u>					
Financial Investments at FVPL					
Mutual Fund - Growth Plan	11	630.58	-	-	630.58
Total Financial Assets		**630.58**	**-**	**-**	**630.58**

Assets and Liabilities which are measured at Amortised Cost for which - recurring fair Value measurements At 31 Mar, 2021	Notes	Level 1	Level 2	Level 3	Total 31 Mar,2021
<u>Financial Assets</u>					
Investments					
Fixed Deposit	14,15	-	14.15	-	14.15
Total Financial Assets		**-**	**14.15**	**-**	**14.15**

Financial Assets and Liabilities measured at Fair Value - recurring fair Value measurements At 31 Mar, 2020	Notes	Level 1	Level 2	Level 3	Total 31 Mar, 2020
<u>Financial Assets</u>					
Financial Investments at FVPL					
Mutual Fund - Growth Plan	11	789.24	-	-	789.24
Total Financial Assets		**789.24**	**-**	**-**	**789.24**

Assets and Liabilities which are measured at Amortised Cost for which - recurring fair Value measurements At 31 Mar, 2020	Notes	Level 1	Level 2	Level 3	Total 31 Mar,2020
<u>Financial Assets</u>					
Investments					
Fixed Deposit	14,15	-	13.42	-	13.42
Total Financial Assets		**-**	**13.42**	**-**	**13.42**

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NSE ACADEMY LIMITED ★ MUMBAI

The fair value of financial instruments as referred to in note above have been classified into three categories depending on the inputs used in the valuation technique. The hierarachy gives the highest priority to quoted prices in active market for identical assets or liabilities (level 1 measurements) and lowest priority to unobservable inputs (level 3 measurements). The categories used are as follows :

- Level 1:

This hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, exchange traded funds and mutual funds that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing Net Assets Value (NAV). NAV represents the price at which the issuer will issue further units and will redeem such units of mutual fund to and from the investors.

- Level 2:

The fair value of financial instruments that are not traded in an active market (such as traded bonds, debentures, government securities and commercial papers) is determined using Fixed Income Money Market and Derivatives Association of India (FIMMDA) value and valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. Since If all significant inputs required to fair value such instrument are observable, instruments are included in level 2.

Valuations of Level 2 instruments can be verified to recent trading activity for identical or similar instruments, broker or dealer quotations or alternative pricing sources with reasonable levels of price transparency. Consideration is given to the nature of the quotations (e.g., indicative or firm) and the relationship of recent market activity to the prices provided from alternative pricing sources.

- Level 3:

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

There are no transfers between levels 1 and 2 during the year. The Company's policy is to recognise transfers into and transfers out of fair value hirerchy level as at the end of reporting period.

ii) Valuation processes :

The finance department of the Company includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values.

Financial Instruments by category

Financial Instruments by category

Particulars	As at 31.03.2021			As at 31.03.2020		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Financial Assets						
Investments				789.24		
- Mutual Funds	630.58					
Trade receivables			122.99			73.82
Cash and Cash equivalents			220.03			98.70
Bank balances other than Cash and Cash equivalents			13.71			12.80
-Others			7.74			1.02
Loans			750.00			
Total Financial assets	**630.58**	-	**1,114.47**	**789.24**	-	**186.34**
Financial Liabilities						
Borrowings			13,500.00			-
Trade payables			236.13			135.78
Other liablities			367.64			73.18
Total Financial assets	-	-	**14,103.77**	-	-	**208.95**

KHANDELWAL JAIN & COMPANY ★ MUMBAI ★ CHARTERED ACCOUNTANTS

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39 Earnings in foreign currency (accrual basis) :

Particulars	For year ended 31.03.2021	For year ended 31.03.2020
Income from NSE Knowledge Hub	3.21	-

40 As at March 31, 2021 the Company does not have any pending litigations which would impact its financial position (refer note 44).

41 In accordance with relevant provisions of Companies Act, 2013, the Company did not have any long-term contracts including derivative contracts as at March 31, 2021.

42 For the year ended March 31, 2021, the company is not required to transfer any amount into the Investor Education & Protection Fund as required under relevant provisions of the Companies Act, 2013.

43 **Capital and other commitments**	**As at 31.03.2021 (Rs. in Lakhs)**	As at 31.03.2020 (Rs. in Lakhs)
Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided	-	15.95
Other commitments*	13,400.00	-
	13,400.00	**15.95**

* above includes variable consideration up to Rs.8000 lakhs linked to achievement of revenue and performance targets over the period of three years.

44 **Contingent liability:**	**As at 31.03.2021 (Rs. in Lakhs)**	As at 31.03.2020 (Rs. in Lakhs)
Contingent Liabilities	-	-
	-	-

45 On September 30, 2020, the Company has entered into a Share Purchase and Shareholder's Agreement ("SPSHA") for acquisition of 100% Shares of TalentSprint Private Limited ("TalentSprint"), in a phased manner over a period of 3-4 years, a Company engaged in business of providing skill development and training programs. Out of above, on November 10, 2020, the Company acquired 70% of shareholding (with dilution effect of ESOP and Share Warrants) of TalentSprint for a cash consideration of Rs. 12,600 lakhs. Based on Shareholding pattern of TalentSprint, the Company holds 74.54% of voting power. By virtue of this investment, TalentSprint has become a subsidiary of the Company.

Further, remaining number of shares shall be acquired over a period of next three years, for a minimum consideration of Rs. 5400 lakhs and may range upto Rs. 13,400 lakhs, which shall be based on achievement of Revenue and EBIDTA targets by the TalentSprint.

46 During the year, the Company has issued 7% Cumulative Optionally Convertible Redeemable Preference Shares (OCRPS) of face value of Rs.10 each, for an amount of Rs. 13,500 lakhs on rights basis to its Holding Company, NSE Investments Limited on November 10, 2020. OCRPS shall be optionally convertible into equity shares. Accordingly, the said OCPRS has been shown as borrowings and Rs.367.64 lakhs being dividend payable on a propionate basis on OCRPS has been charged to Statement of Profit and Loss as Finance Cost.
Further, the related cost of stamp duty and registration charges of Rs.123.43 lakhs for increase in authorised share capital and alteration of MoA is considered as transaction cost as per Ind AS 109 and will be charged to Statement of Profit and Loss under the head 'Finance Cost' over a period of eight years on effective interest rate method. Accordingly, during the year ended March 31, 2021 an amount of Rs.7.65 lakhs has been charged to the statement of Profit and Loss on a propionate basis.

47 During the year, COVID-19 has partially affected business operations of the Company in respect of the test enrolment & registrations, post graduate programmes, examination services etc. and continues to be impacted. Post the unlock advisory issued by the Government, Company has started test enrolment, registration and examination services. Based on the current indicators of future economic conditions and the impact of COVID-19 on its operations, the company has also made an assessment of its liquidity position, recoverability and carrying values of its assets and ability to pay its liabilities as they become due and is of the view that there is no material impact or adjustments required to be made in these financial results. The impact assessment of COVID-19 may be different from that presently estimated and the company will continue to evaluate any significant changes to its operations and its resultant impact on the financial performance.

48 The Code on Social Security, 2020 (Code) relating to employee benefits during employment and post-employment benefits has received Presidential assent on 28th September 2020. The Code has been published in the Gazette of India. However, the date on which the Code comes into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

49 Previous years' figures are regrouped, reclassified and rearranged wherever necessary.

As per our report of even date attached

For KHANDELWAL JAIN & CO.
Chartered Accountants
Firm's Registration no: 105049W

KHANDELWAL JAIN & COMPANY MUMBAI CHARTERED ACCOUNTANTS

NARENDRA JAIN
Partner
Membership No.: 048725

Place : Mumbai
Date : April 29, 2021

For and on behalf of the Board of Directors

NINAD KARPE	**RAVI VARANASI**	**YATRIK VIN**
Director	**Director**	**Director**
DIN : 00030971	**DIN : 06573046**	**DIN : 07662795**

ABHILASH MISRA	**BHAVESH SHAH**	**PENAAZ DASTOOR**
Chief Executive Officer	**Chief Financial Officer**	**Company Secretary**

NSE ACADEMY LIMITED MUMBAI

NSE ACADEMY LIMITED
(U67190MH2016PLC274239)
CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2021

(Rs. in Lakhs)

Particulars	NOTES	As at 31.03.2021
ASSETS		
Non-current assets		
Property, Plant and Equipments	3	171.88
Goodwill on Consolidation		12,574.22
Other Intangible assets	4 (a)	504.55
Intangible assets under development	4 (a)	2.71
Right-of-use assets	4 (b)	598.46
Financial Assets		
Investments	5	0.00
Trade receivable	6	6.25
Loans receivables	7	-
Other financial assets	8	0.10
Deferred Tax Asset (Net)	24 (c)	124.68
Income tax assets (Net)	9	129.21
Other non-current assets	10	135.37
Total non-current assets		**14,247.43**
Current assets		
Inventories		
Financial Assets		
Investments	11	630.58
Trade receivable	12	346.75
Cash and Cash equivalents	13	1,146.39
Bank balances other than (iii) above	14	961.50
Others	15	148.44
		3,233.66
Current Tax Assets (Net)		
Other current assets	16	209.04
Total current assets		3,442.70
TOTAL ASSETS		**17,690.13**
EQUITY AND LIABILITIES		
EQUITY		
Equity Share capital	17 (a)	1,000.00
Other Equity	17 (b)	(122.82)
Equity attributable to owners of NSE Academy Limited		877.18
Non Controlling Interest		(17.90)
TOTAL EQUITY		859.29
LIABILITIES		
Non-current liabilities		
Financial Liabilities		
Borrowings	18	13,500.00
Lease liability	32	617.72
		14,117.72
Provisions	19	55.18
Deferred tax liabilities (Net)	24 (c)	14.50
Total non-current liabilities		**14,187.40**
Current liabilities		
Financial Liabilities		
Deposits (Unsecured)		
Trade Payables	20	
- Total Outstanding dues of micro enterprises and small enterprises		14.19
- Total Outstanding dues of creditors other than micro enterprises and small enterprises		1,403.41
Lease liability	32	72.32
Other financial liabilities (Other than Provisions in (b) below)	21	374.64
		1,864.56
Provisions	22	29.04
Other current liabilities	23	749.83
Current Tax Liabilities (Net)	25	-
Total current liabilities		2,643.44
TOTAL LIABILITIES		16,830.83
TOTAL EQUITY AND LIABILITIES		**17,690.13**

Summary of significant accounting policies 2
The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

For KHANDELWAL JAIN & CO.
Chartered Accountants
Firm's Registration no: 105049W

KHANDELWAL JAIN & COMPANY ★ MUMBAI ★ CHARTERED ACCOUNTANTS

Narendra Jain

NARENDRA JAIN
Partner
Membership No.: 048725

Place : Mumbai
Date : April 29, 2021

For and on behalf of the Board of Directors

NBKarpe

NINAD KARPE
Director
DIN : 00030971

RAVI VARANASI
Director
DIN : 06573046

YATRIK VIN
Director
DIN : 07662795

ABHILASH MISRA
Chief Executive Officer

B U Shah

BHAVESH SHAH
Chief Financial Officer

PMDastoor

PENAAZ DASTOOR
Company Secretary

NSE ACADEMY LIMITED ★ MUMBAI

NSE ACADEMY LIMITED

CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2021

(Rs. in Lakhs)

Particulars	NOTES	For the year ended 31.03.2021
Income		
Revenue from operations	26	3,709.71
Other income	27	73.59
Total Income		**3,783.30**
Expenses		
Employee benefits expenses	28	897.75
Finance Cost	29	527.85
Depreciation and amortisation expense	3, 4 (a) & 4 (b)	256.50
Other expenses	30	2,852.10
Total Expenses		**4,534.20**
Profit/(Loss) before exceptional items & tax		**(750.90)**
Less: Exception Items		-
Profit/(Loss) before tax		**(750.90)**
Less : Tax expense	24	
Current tax		-
For earlier period		1.04
Deferred tax		(45.69)
Total tax expenses		**(44.65)**
Profit/(Loss) for the year (A)		**(706.25)**
Other Comprehensive Income		
Items that will not be reclassified to profit or loss		
- Remeasurement (losses)gains on defined benefit plans		4.75
Total Other Comprehensive Income for the year (Net of Taxes) (B)		4.75
Total Comprehensive Income/(Loss) for the year (A+B)		**(701.50)**
Profit/(Loss) for the year attributable to:		
-Owners of the company		(673.10)
-Non controlling interest		(33.15)
		(706.25)
Other comprehensive income for the year		
-Owners of the company		3.54
-Non controlling interest		1.21
		4.75
Total comprehensive income/(Loss) for the year		
-Owners of the company		**(669.56)**
-Non controlling interest		(31.94)
		(701.50)
Earnings per equity share (Face Value Rs. 10 each)		
- Basic (Rs.)	31	**(6.73)**
- Diluted (Rs.)	31	**(6.73)**
Summary of significant accounting policies	2	
The accompanying notes are an integral part of the financial statements.		

As per our report of even date attached

For KHANDELWAL JAIN & CO.
Chartered Accountants
Firm's Registration no: 105049W

KHANDELWAL JAIN & COMPANY MUMBAI CHARTERED ACCOUNTANTS

NARENDRA JAIN
Partner
Membership No.: 048725

Place : Mumbai
Date : April 29, 2021

For and on behalf of the Board of Directors

NINAD KARPE	**RAVI VARANASI**	**YATRIK VIN**
Director	**Director**	**Director**
DIN : 00030971	**DIN : 06573046**	**DIN : 07662795**
ABHILASH MISRA	**BHAVESH SHAH**	**PENAAZ DASTOOR**
Chief Executive Officer	**Chief Financial Officer**	**Company Secretary**

NSE ACADEMY LIMITED MUMBAI

NSE ACADEMY LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2021

(A) **Equity Share Capital**

	(Rs. in Lakhs)
Balance as at 31.03.2020	**1,000.00**
Changes in equity share capital during the year ended 31.03.2021	-
Balance as at 31.03.2021	**1,000.00**

(B) **Other Equity**

(Rs. in Lakhs)

Particulars	Retained Earnings	Share Application Money	ESOP reserve	Total	Non Controlling Interest
Balance as at March 31, 2020	531.40	-	-	531.40	-
NCI Share on acquisition of subsidiary	-	-	-	-	8.81
Share Application money received during the year	-	0.46	-	0.46	0.16
Share based payment	-	-	14.88	14.88	5.08
Loss for the year	(673.10)	-	-	(673.10)	(33.15)
OCI for the year ended March 31, 2021	3.54	-	-	3.54	1.21
Balance as at March 31, 2021	**(138.16)**	**0.46**	**14.88**	**(122.82)**	**(17.90)**

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

For KHANDELWAL JAIN & CO.
Chartered Accountants
Firm's Registration no: 105049W

KHANDELWAL JAIN & COMPANY ★ MUMBAI ★ CHARTERED ACCOUNTANTS

NARENDRA JAIN
Partner
Membership No.: 048725

Place : Mumbai
Date : April 29, 2021

For and on behalf of the Board of Directors

NINAD KARPE
Director
DIN : 00030971

RAVI VARANASI
Director
DIN : 06573046

YATRIK VIN
Director
DIN : 07662795

ABHILASH MISRA
Chief Executive Officer

BHAVESH SHAH
Chief Financial Officer

PENAAZ DASTOOR
Company Secretary

NSE ACADEMY LIMITED MUMBAI ★

NSE ACADEMY LIMITED

STATEMENT OF CONSOLIDATED CASH FLOW FOR THE YEAR ENDED MARCH 31, 2021

	Particulars	(Rs. in Lakhs) For the year ended 31.03.2021
A)	**CASH FLOW FROM OPERATING ACTIVITIES**	
	NET PROFIT BEFORE TAX	(750.89)
	Add : Adjustments for :	
	Depreciation & Amortization Expenses	256.50
	Finance Cost	382.52
	Lease interest	23.41
	Subvention charges	97.86
	Share Issue Expenses	142.78
	ESOP reserve	19.96
	Net gain on financial assets mandatorily measured at fair value through profit or loss	(2.46)
	Interest Income	(20.67)
	Interest on security deposits	(1.62)
	Gain on sale of Investments	(39.24)
	Interest on income tax refund	(5.70)
	Loss on sale of assets	1.13
	Liabilities no longer required	(5.00)
	Provision for doubtful debts	0.93
	OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	**99.51**
	Adjustments for :	
	Trade Receivabes	(97.65)
	Trade Payables	828.36
	Loans & Advances and other Receivables	76.75
	Current Liabilities & Provisions	(132.80)
	Other current assets & non- current assets	(15.23)
	Non-Current Liabilities & Provisions	0.79
	CASH GENERATED FROM OPERATIONS	**759.73**
	Direct Taxes paid (Net of Refunds)	49.52
	NET CASH FROM (USED IN) OPERATING ACTIVITIES - Total (A)	**809.25**
B)	**CASHFLOW FROM INVESTING ACTIVITIES**	
	Purchase of Property, plant and equipment & intangibles	(42.93)
	Sale of Property & Equipment	(7.55)
	Purchase of Mutual Funds	(1,730.00)
	Payment for acquisition of Subsidiary	(12,600.00)
	Redemption of Fixed Deposits	(175.59)
	Sale of Mutual Funds	1,930.36
	Investment in Fixed Deposits	(13.71)
	Interest Income	13.64
	NET CASH FROM (USED IN) INVESTING ACTIVITIES - Total (B)	**(12,625.79)**
C)	**CASHFLOW FROM FINANCING ACTIVITIES**	
	Proceeds from share application money	0.62
	Proceeds from Issue of Preference Shares	13,500.00
	Stamp Duty & Registration fees	(258.56)
	Payment of lease liability	(50.24)
	Payment of interest & subvention charges	(112.92)
	Borrowings (Net)	(275.99)
	NET CASH FROM (USED IN) FINANCING ACTIVITIES - Total (C)	**12,802.91**
	NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	**986.38**
	CASH AND CASH EQUIVALENTS : OPENING BALANCE	**160.01**
	CLOSING CASH AND CASH EQUIVALENTS : CLOSING BALANCE	**1,146.39**
	NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENT	**986.38**

Notes to Cash Flow Statement :

1. Cash and cash equivalent represent cash and bank balances.
2. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Ind AS - 7 on Statement of Cash Flow.

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

For KHANDELWAL JAIN & CO.
Chartered Accountants
Firm's Registration no: 105049W

NARENDRA JAIN
Partner
Membership No.: 48725

Place : Mumbai
Date : April 29, 2021

KHANDELWAL JAIN & COMPANY CHARTERED ACCOUNTANTS MUMBAI

For and on behalf of the Board of Directors

NINAD KARPE	**RAVI VARANASI**	**YATRIK VIN**
Director	**Director**	**Director**
DIN : 00030971	**DIN : 06573046**	**DIN : 07662795**
ABHILASH MISRA	**BHAVESH SHAH**	**PENAAZ DASTOOR**
Chief Executive Officer	**Chief Financial Officer**	**Company Secretary**

NSE ACADEMY LIMITED MUMBAI

Background and Significant Accounting Policies

Note 1: Background

NSE Academy Limited ("Holding Company") Incorporated on 12th March 2016 is a wholly owned Subsidiary of NSE Investments Limited (formerly known as NSE Strategic Investments Corporation Ltd). The Holding company commenced its operations from 1st July 2016. Holding Company is inter alia formed to carry business in India and abroad, tests and certification programs in various areas including financial markets, to set up placement assistance programs to provide trainings to individuals for employment by partnering brokers and other financial institutions and financial utilities, to startup, conduct, manage online and/ or offline educational testing systems, to impart training to interested persons for developing and enhancing their understanding of financial markets and enable such persons to take up various functions in various areas including financial markets and to enhance the competitiveness of all functions in various areas including the financial services industry in India and aboard, to conduct continuing professional education programs such as management development programs to persons in various areas including financial industry, to conduct independently or in collaboration with various schools, colleges, universities, management institutes, other autonomous bodies and educational institutions, and regulatory authorities and financial institutions, in India or aboard, short-term courses, full-time, part-time or executive programs offering degrees, diploma.

TalentSprint Private Limited ("subsidiary") is a company domiciled in India and registered under the provisions of the Companies Act, 2013 (the Act"). The Subsidiary Company was incorporated in India on December 19, 2008 to carry on the business of providing skill development and deployment of programs.

The consolidated financial statements relate to the Holding Company and its subsidiary TalentSprint Private Limited (together referred as Group).

The Consolidated Financial Statements are approved for issue by the Holding Company's Board of Directors on April 29, 2021.

Note 2: Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of Indian Accounting Standard (Ind AS) financial statements ("Ind AS financial statements"). These policies have been consistently applied to all the years / periods presented, unless otherwise stated.

(a) Basis of preparation

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ('Act') (to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities that are measured at fair value, and
- defined benefit plans - plan assets are measured at fair value.

KHANDELWAL JAIN & COMPANY MUMBAI CHARTERED ACCOUNTANTS

NSE ACADEMY LIMITED MUMBAI

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability which market participants would take into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
Level 3 inputs are unobservable inputs for the asset or liability.

Current versus non-current classification:
The Group presents assets and liabilities in the balance sheet based on current/ non-current classification.
(i) An asset is classified as current when it is :

- Expected to be realised or intended to be sold or consumed in normal operating cycle.

- Held primarily for the purpose of trading.
- Expected to be realised within twelve months after the reporting period.

- Cash or cahs equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

(ii) All other assets are classified as non-current

(iii) A liability is classified as current when:
- It is expected to ve settled in normal operating cycle:

- It is hed primarily for the purpose of trading;

- It is due to be settled within twelve months after the reporting period

- There is no unconditional right to defer the settlement of the liability for atleast twelve months after the repoerting period.
(iv) All other liabilties are classified as non-current

(b) Principles of consolidation and equity accounting

(i) Subsidiaries

Subsidiaries are all entities over which the group has control. The group control an entity when the group is exposed to or has right to, variable returns from its involvement with the entity and has the ability to affect those returns though its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.
The acquisition method of accounting is used to account for business combinations by the group.

KHANDELWAL JAIN & COMPANY MUMBAI CHARTERED ACCOUNTANTS

NSE ACADEMY LIMITED MUMBAI

The group combines the financial statements of the parents and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intergroup transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.
Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

(ii) *Associates*
Associates are all entities over which the group has significant influence but not control or joint control. This is generally the case where the group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting (see (iv) below), after initially being recognised at cost

(iii) *Joint Arrangements*
Under Ind AS 111 Joint Arrangements, investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement.
Interests in joint ventures are accounted for using the equity method (see (iv) below), after initially being recognised at cost in the consolidated balance sheet.

(iv) *Equity Method*
Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post - acquisition profits or losses of the investee in profit and loss, and the group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the group's share of losses in an equity accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the group and its associates and joint ventures are eliminated to the extent of the group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the group.

The carrying amount of equity accounted investments are tested for impairment in accordance with the policy described in note (n) below.

(V) *Changes in ownership interests*
The group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.
When the group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured

KHANDELWAL JAIN & COMPANY MUMBAI CHARTERED ACCOUNTANTS

NSE ACADEMY LIMITED MUMBAI

to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to statement of profit or loss.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate

(c) Foreign currency translation and transactions

(i) Functional and presentation currency

Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian currency (INR), which is the Group's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the period end exchange rates are recognised in profit or loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equity instruments held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equity investments classified as FVOCI are recognised in other comprehensive income.

(d) Revenue recognition

The Group earns revenue from tests and certification programs in various areas including financial markets, to set up placement assistance programs to provide trainings to individuals for employment by partnering brokers and other financial institutions and financial utilities, to startup, conduct, manage online and/ or offline educational testing systems.

Revenue is recognised upon transfer of control of promised services to customers in an amount that reflects the consideration which the Group expects to receive in exchange for those services.

The Group recognises revenue when the amount of revenue can be reliably measured and it is probable that future economic benefits will flow to the entity. Revenue is recognised in the period when the service is provided as per arrangements/agreements with the customers.

Revenue is measured at the fair value of the consideration received or receivable and represents the amounts receivable towards services provided in the normal course of business, net of allowances, incentives, GST and amounts collected on behalf of third parties.

KHANDELWAL JAIN & COMPANY ★ MUMBAI ★ CHARTERED ACCOUNTANTS

NSE ACADEMY LIMITED ★ MUMBAI

Further, where the Group is primary obligor, revenue is recorded on gross basis and the amounts incurred / paid to institutes and franchise owners is recorded as expense. Revenue is recognized net of costs when the Group is acting as an agent between the customer and the other party. Several factors are considered to determine whether the Group is a principal or an agent, most notably but not limited to whether the Group is the primary obligor to the customer, has control over pricing, and has inventory and credit risks.

Revenue is recognised over the performance period using the percentage-of-completion method ('POC method') of accounting for completion of the related services or milestones as stipulated by the contracts with customers.

(i) Revenue from online examination services are recognised on Examination conducted or on expiry of 3 Months from the date of registration

(ii) Revenue from registration of the candidates are recognised at the time of registration in respect of post-graduation courses.

(iii) Revenue from post-graduation course is recognised over the duration of the respective courses.

(iv) Revenue in respect of tie-up courses with other educational institutions is recognised on the completion of the respective courses/Semester.

(v) Revenue in respect of the interest income is recognised when there is a reasonable certainty regarding ultimate collection.

(vi) Revenue from Training fees is recognised on the completion of Training.

(vii) Insurance claims are accounted on accrual basis when the claims become due and receivable.

(e) Income taxes

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses, if any.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

The carrying amount of deferred tax assets are reviewed at the end of each reporting period and are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, associates and interest in joint arrangements

KHANDELWAL JAIN & COMPANY MUMBAI CHARTERED ACCOUNTANTS

NSE ACADEMY LIMITED MUMBAI

where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(f) Impairment of assets

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

(g) Cash and cash equivalents

Cash and Cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. These do not include bank balances earmarked/restricted for specific purposes.

(h) Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

(i) Investments and other financial assets

(i) Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

KHANDELWAL JAIN & COMPANY MUMBAI CHARTERED ACCOUNTANTS

NSE ACADEMY LIMITED MUMBAI

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. The Group reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

- **Amortised cost**: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

- **Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

- **Fair value through profit or loss (FVPL):** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

Equity investments (other than Investments in subsidiaries, associates and joint venture)

The Group subsequently measures all equity investments at fair value. Where the Group 's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments continue to be recognised in profit or loss as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/ (losses) in the statement of profit and loss. Impairment losses (and reversal of

KHANDELWAL JAIN & COMPANY MUMBAI CHARTERED ACCOUNTANTS

NSE ACADEMY LIMITED MUMBAI

impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Equity Investments (in associates and joint venture)

Investments in associates and joint venture are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. The accounting policy on impairment of non-financial assets is disclosed in Note f. On disposal of investments in associates and joint venture, the difference between net disposal proceeds and the carrying amounts are recognized in the statement of profit and loss.

(iii) Impairment of financial assets

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Group applies the simplified approach permitted by Ind AS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(iv) De-recognition of financial assets

A financial asset is de-recognised only when

- The Group has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Group has transferred an asset, it evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is de-recognised. Where the Group has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognised.

Where the Group has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognised if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(v) Income recognition

Interest income

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial assets to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

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Dividends

Dividends are recognised in profit and loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be reliably measured.

(j) Financial liabilities

(i) Classification as debt or equity

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

(ii) Initial recognition and measurement

Financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss.

(iii) Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the statement of profit and loss.

(iv) Derecognition

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

(k) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

(l) Property, plant and equipment (including Capital Work In Progress)

All items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

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Depreciation methods, estimated useful lives and residual value

For Holding Company:

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives as follows:

Assets	Management Estimate of Useful Life in years
Computer systems office automation	3 years
Computer systems – others	4 years
Telecommunication systems	4 years

The property, plant and equipment is depreciated over the asset's useful life

For Subsidiary Company:

Depreciation on property, Plant and equipment are provided under the written down value method ('WDV') using the rates arrived at based on the useful lives estimated by the management, which are equal to the life prescribed under Schedule II to the companies Act, 2013.

Depreciation on leasehold improvements is provided over lease period.

The useful lives have been determined based on technical evaluation done by the management's expert which are higher than those specified by Schedule II to the Companies Act, 2013, in order to reflect the actual usage of the assets. The residual values are not more than 5% of the original cost of the asset. The asset's residual values and useful lives are reviewed, and adjusted on a prospective basis if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount and are included in profit or loss.

Depreciation on assets purchased / disposed off during the year is provided on pro rata basis with reference to the date of additions / deductions.

Fixed assets whose aggregate cost is Rs. 5,000 or less are depreciated fully in the year of acquisition.

(m) Intangible assets

Costs associated with maintaining software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use
- management intends to complete the software and use or sell it
- there is an ability to use or sell the software
- it can be demonstrated how the software will generate probable future economic benefits

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- adequate technical, financial and other resources to complete the development and to use or sell the software are available, and
- the expenditure attributable to the software during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software include employee costs and an appropriate portion of relevant overheads.

Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is available for use.

Computer software/ intellectual property rights is amortised over a period of 4 years in case of Holding Company and in case of Subsidiary, Software has been amortized over a period of license or three years whichever is lower, except trademarks are amortized over a period of three years on pro rata basis..

Goodwill

Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, which in our case are the operating segments.

(n) Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

(o) Provisions

Provisions for legal claims and discounts/incentives are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

At the end of each reporting year, provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at a future date. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

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(p) Contingent Liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

(q) Employee benefits

(i) Provident Fund:
Both the employee and the employer make monthly contribution equal to 12% of the employee's basic salary respectively and the same is being transferred to Regional Provident Fund Office.

(ii) Superannuation:
Superannuation benefits for employees designated as chief managers and above are covered by group policies with the Life Insurance Corporation of India maintained by the Holding Company. The contribution for the year is reimbursed to the holding company is charged to revenue. There are no other obligations other than the annual contribution payable.

(iii) Gratuity:
Provisions are made for the defined benefit with respect to gratuity liability based on the present value of defined benefit obligation as reduced by the fair value of plan assets as per the actuarial valuation calculation.

(iv) Leave Encashment:
Liability on account of Leave encashment is provided based on Actuarial Valuation at Balance Sheet date.

Short term employee benefits are charged to revenue in the year in which the related service is rendered

(r) Contributed equity

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(s) Dividends

Provision is made for the amount of any dividend declared including dividend distribution tax, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

(t) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Holding Company

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- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(u) Leases

Effective April 1, 2019, the Group has adopted Ind AS 116 "Leases". Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards incidental to ownership to the lessee. All other leases are classified as operating leases.

(i) As a lessee

The Group's lease asset classes primarily consist of leases for land and buildings. The Group assesses whether a contract contains a lease, at inception of the contract. Ind AS 116 defines a lease as a contract, or a part of a contract, that conveys the right of use an asset (the underlying asset) for a period of time in exchange of consideration. To assess whether as contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset

.

At the date of commencement of the lease, the Group recognizes a right-of-use asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on straight line basis over the shorter of the lease term and useful life of the underlying assets.

(ii) As a lessor

Lease for which the Group is a lessor is classified as finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. For operating leases, rental income is recognized on straight line basis over the term of the relevant lease.

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(v) Business Combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises:

• the fair values of the assets transferred;
• liabilities incurred to the former owners of the acquired business;
• equity interests issued by the Group; an
• fair value of any asset or liability resulting from a contingent consideration arrangement

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognizes any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.
The excess of the
• consideration transferred;
• amount of any non-controlling interest in the acquired entity, an
• acquisition-date fair value of any previous equity interest in the acquired entity
over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognised directly in equity as capital reserve

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

If the business consideration is achieved in stages, the acquisition date carrying value of the acquirers previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss or other comprehensive income, as appropriate.

(w) Employee Stock Option

Equity-settled share-based payments to employees are measured at the fair value of options at the grant date. The fair value of options at the grant is expensed over the respective vesting period in which all of the specified vesting conditions are to be satisfied with a corresponding increase in equity as ESOP Reserve. In case of forfeiture of unvested option portion of amount already expensed is reversed. In a situation where the vested options are forfeited or expires unexercised the related balance standing to the credit of the ESOP Reserve are transferred to the Retained Earnings. When the options are exercised the Group issues new equity shares of the Group of Rs. 1/- each fully paid-up. The proceeds received and the related balance standing to credit of the ESOP Reserve are credited to share capital (nominal value) and Securities Premium Account.

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(x) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

(y) Reclassification

Previous year figures have been reclassified / regrouped wherever necessary.

(z) Critical accounting estimates and judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgments are:
Tax expense refer Note 24
Estimation of useful life of tangible and intangible asset refer Note 3 and 4 (a)
Estimation of contingent liabilities and commitments refer Note 44
Estimation of Impairment of Assets
Estimation of doubtful debts
Determining Lease term including extension and termination option
Recoverability of Trade Receivables/advances

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.

(aa) Recent Pronouncements

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

(i) Balance Sheet:

- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.

- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.

- Specified format for disclosure of shareholding of promoters.

- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.

- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.

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- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

(ii) Statement of profit and loss:

- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the standalone financial statements.

The amendments are extensive and the Group will evaluate the same to give effect to them as required by law.

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Notes to consolidated financial statements for the year ended March 31, 2021

Note 3 : Property, plant and equipment

(Rs. in Lakhs)

	Computer Systems - Others	Computer Systems - Office Automation	Telecom Installations	Leasehold Improvements	Furniture and fittings	Vehicles	Office and electrical Equipment	Computer equipment and IT systems	TOTAL
Gross carrying amount									
Cost as at 01.04.2020	1.48	2.52	3.00	-	-	-	-	-	7.00
Adjustment on acquisition				135.93	35.70	0.42	29.62	29.69	231.36
Additions	-	-	-	-	-	-	2.33	14.06	16.39
Disposals	-	-	-	8.74	-0.31	-	6.74	-	15.17
Transfers	-	-	-	-	-	-	-	-	-
Closing gross carrying amount	1.48	2.52	3.00	144.67	35.39	0.42	38.69	43.75	269.92
Accumulated depreciation	-								
Opening as at 01.04.2020	1.39	2.52	2.82	-	-	-	-	-	6.72
Adjustment on acquisition				23.92	10.53	0.19	10.39	19.78	64.81
Depreciation charge during the year	0.09	-	0.18	7.64	3.06	0.04	3.52	3.22	17.76
Disposals	-	-	-	2.34	-0.14	-	6.55	-	8.75
Closing accumulated depreciation	1.48	2.52	3.00	33.90	13.45	0.23	20.46	23.00	98.04
Net carrying amount as at 31.03.2021	-	-	-	110.77	21.95	0.19	18.23	20.75	**171.88**

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Notes to consolidated financial statements for the year ended March 31, 2021

Note 4 (a) : Other intangible assets

(Rs. in Lakhs)

	Computer Software	Intellectual Property	Intangible assets under development	TOTAL
Gross carrying amount				
Cost as at 01.04.2020	758.62	-	-	758.62
Adjustment on acquisition	20.55	6.56		27.11
Additions	21.58	-	18.66	40.24
Disposals	-	-	-	-
Transfers	-	-	(15.95)	(15.95)
Closing gross carrying amount	800.75	6.56	2.71	810.03
Accumulated depreciation	-	-		-
Opening as at 01.04.2020	95.97	-	-	95.97
Adjustment on acquisition	6.47	6.56		13.03
Depreciation charge during the year	193.75	-	-	193.75
Disposals	-	-	-	-
Closing accumulated depreciation	296.20	6.56	-	302.76
Net carrying amount as at 31.03.2021	**504.55**	**-**	**2.71**	**507.27**

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Notes to consolidated financial statements for the year ended March 31, 2021

Note 4 (b) : Right-of-use assets

(Rs. in Lakhs)

	Right-to-use Bulding	TOTAL
Gross carrying amount		
Cost as at 01.04.2020	-	-
Adjustment on acquisition	833.87	833.87
Additions	-	-
Disposals	-	-
Transfers	-	-
Closing gross carrying amount	833.87	833.87
Accumulated depreciation		-
Opening as at 01.04.2020	-	-
Adjustment on acquisition	190.41	190.41
Depreciation charge during the year	45.00	45.00
Disposals	-	-
Closing accumulated depreciation	235.41	235.41
Net carrying amount as at 31.03.2021	**598.46**	**598.46**

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NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2021

NOTE-5: NON-CURRENT INVESTMENTS

(Rs. in Lakhs)

		31.03.2021	
		Number of Units	**Amount**
I	**Investment in equity instruments (fully paid up)**		
A)	**Unquoted equity instruments at cost**		
(i)	**In subsidiary companies**	-	-
(ii)	**In Other Company**		
	NSE Foundation (Section 8 Company)	1,000	0.00
	Total equity instruments		0.00
	Total non-current investments		0.00
	Aggregate amount of quoted investments and market value thereof		-
	Aggregate amount of unquoted investments		0.00

Note : In the earlier year, the Company has written down the value of its investment in equity shares of NSE Foundation amounting to Rs. 0.10 lakh, since, it has been set up to carry out CSR activities for the Company and will not have profits which can be distributed to the Company. The loss had been debited to the Statement of profit and Loss.

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		As at 31.03.2021 (Rs. in Lakhs)
6	**Trade Receivables**	
	Unsecured, Considered Good	6.25
	Total	**6.25**

		As at 31.03.2021 (Rs. in Lakhs)
7	**Loans (unsecured)**	
	Loans	-
	Total	**-**

		As at 31.03.2021 (Rs. in Lakhs)
8	**Other non current financial assets**	
	Interest accrued on bank deposits	-
	Deposits	0.10
	Total	**0.10**

		As at 31.03.2021 (Rs. in Lakhs)
9	**Income tax assets (Net)**	
	Income Tax paid including TDS (Net of provision)	129.21
	Total	**129.21**

		As at 31.03.2021 (Rs. in Lakhs)
10	**Other non-current assets**	
	Capital advance	15.27
	Pre-Paid Expense	23.44
	Deferred Transaction Cost	96.66
	Total	**135.37**

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Notes to consolidated financial statements for the year ended March 31, 2021

NOTE- 11: CURRENT INVESTMENTS

(Rs. in Lakhs)

	31.03.2021	
	Number of Units	**Amount**
Investment in Mutual Funds		
Unquoted investments in mutual funds at FVPL		
ICICI Prudential Money Market Fund - Direct - Growth	2,13,554	630.58
Total unquoted mutual funds		**630.58**
Total current investments		**630.58**
Aggregate amount of quoted investments and market value thereof		-
Aggregate amount of unquoted investments		630.58

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Notes to consolidated financial statements for the year ended March 31, 2021

12	**Trade Receivables (Unsecured)**	**As at 31.03.2021 (Rs. in Lakhs)**
	Considered Good	302.30
	Trade Receivables from Related Party	44.45
	Credit impaired	1.46
		348.21
	Less : Provision for Doubtful Debts	(1.46)
		346.75
	Total	**346.75**
	Breakup of security details	
	Trade Receivables considered good -Unsecured	346.75
	Trade Receivables which have significant increase in credit risk	-
	Trade Receivables - credit impaired	1.46
	Total	348.21
	Loss allowance	(1.46)
	Total	**346.75**

13	**Cash and cash equivalents**	**As at 31.03.2021 (Rs. in Lakhs)**
	Cash and cash equivalents	
	Balances with banks :	
	In current accounts	1,093.57
	In deposit accounts (original maturity of 3 months or less)	52.75
	Cash on hand	0.06
	Total	**1,146.39**

14	**Bank balances other than cash and cash equivalents**	**As at 31.03.2021 (Rs. in Lakhs)**
	Fixed deposits	
	- with original maturity for more than 3 months but less than 12 months	606.21
	- with maturity of less than 12 months at the balance sheet date	351.90
	Earmarked fixed deposit**	3.39
	Total	**961.50**

**Fixed deposit against the bank guarantee given to IIT Jammu.

15	**Other current financial assets**	**As at 31.03.2021 (Rs. in Lakhs)**
	Others	
	-Interest accrued on Bank deposits	11.57
	Other receivables	74.91
	-Deposits	61.96
	Total	**148.44**

16	**Other Current Assets**	**As at 31.03.2021 (Rs. in Lakhs)**
	Prepaid Expenses	35.35
	Balance with GST Authorities	151.61
	Other Advance recoverable	2.96
	Deferred Transaction Cost	19.12
	Total	**209.04**

17 a)	**Share Capital**	**As at 31.03.2021 (Rs. in Lakhs)**
	Authorised	
	2,00,00,000 Equity Shares of Rs 10 each.	2,000.00
	28,00,00,000 Preference Shares of Rs 10 each.	28,000.00
	Total	**30,000.00**
	Issued, Subscribed and Paid-up	
	1,00,00,000 Equity Shares of Rs 10 each, fully paid	1,000.00
	Total	**1,000.00**

A reconciliation of the number of Equity Shares outstanding at the beginning and at the end of the reporting period

	As at 31.03.2021	
	No.of Shares	**(Rs.)**
At the beginning of the year	1,00,00,000	10,00,00,000
Add: Issued during the year	-	-
At the end of the year	**1,00,00,000**	**10,00,00,000**

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Equity Shares

The Holding Company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Director is subject to the approval of the shareholder in the ensuing Annual General Meeting except in the case of interim dividend.

In the event of liquidation of the company, the holder of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholder.

Shares in respect of each class in the holding company held by its holding company or the ultimate holding company including shares held by subsidiaries or associates of its holding company or the ultimate holding company in aggregate

Equity Shares :

Name of the Company	As at 31.03.2021	
	No.of Shares	% holding
NSE Investments Limited (holding company) and its nominee	1,00,00,000	100.00%
Total	**1,00,00,000**	**100.00%**

Details of Equity Shareholder holding more than 5% share in the Company (No of Shares)

Name of the Company	As at 31.03.2021	
	No.of Shares	% holding
NSE Investments Limited (holding company) and its nominee	1,00,00,000	100.00%
Total	**1,00,00,000**	**100.00%**

Preference shares :

Name of the Company	As at 31.03.2021	
	No.of Shares	% holding
NSE Investments Limited (holding company) and its nominee	13,50,00,000	100.00%
Total	**13,50,00,000**	**100.00%**

Details of Preference Shareholder holding more than 5% share in the Company (No of Shares)

Name of the Company	As at 31.03.2021	
	No.of Shares	% holding
NSE Investments Limited (holding company) and its nominee	13,50,00,000	100.00%
Total	**13,50,00,000**	**100.00%**

b) **Other equity**

	As at 31.03.2021 (Rs. in Lakhs)
Surplus / (Deficit) in the Statement of Profit and Loss	
Balance at the beginning of the year	531.40
Share application money received during the year	0.46
Share based payment	14.88
Loss for the year	(673.10)
OCI for the year	3.54
Total reserves and surplus	**(122.82)**

Non-current liabilities

Financial Liabilities

18 **Borrowings**

	As at 31.03.2021 (Rs. in Lakhs)
7% Cumulative Optionally Convertible Redeemable Preference Shares 13,50,00,000 Shares of Rs 10 each, fully paid	13,500.00
	13,500.00

Terms and conditions for issue of Preference shares

Rate of Dividend : Dividend rate will be 7% p.a. (on the face value) which will remain fixed over the tenure of the OCRPS

Cumulative: The OCRPS will carry Cumulative Dividend Right
Priority with Respect to payment of dividend or repayment of captial : The OCRPS will carry a preferential right vis-a-vis equity shares of the Holding Company with respect to the payment of dividend and repayment of capital.

Tenure & conversion / Redemptions Terms

Conversion: OCRPS shall be optionally convertible into equity shares
Voting rights : OCRPS shall carry voting rights as per the provisions of Section 47(2) of the Companies Act 2013
Redemption: OCRPS shall be redeemable at par upon maturity or redeemed early at the option of the Holding Company at 8 years from the date of allotment.

19 **Provisions**

	As at 31.03.2021 (Rs. in Lakhs)
Employee benefits obligation	
Provision for gratuity	51.87
Provision for Leave Encashment	3.31
	55.18

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			As at 31.03.2021 (Rs. in Lakhs)
20	**Trade Payable**		
	Trade Payable		1,294.60
	Trade Payable to MSME (Refer note 37)		14.19
	Trade Payable to Related Party		108.81
			1,417.60
	Payable to Related Party (Refer note 36)		
	NSE IT Limited		108.81
			108.81

			As at 31.03.2021 (Rs. in Lakhs)
21	**Other Financial Liabilities**		
	Payable to Related Party		367.64
	Payable for purchase of capital goods		7.00
	Total		**374.64**
	Payable to Related Party (Refer note 36)		
	NSE Investments Ltd (holding company)		367.64
			367.64

22 **Current liabilities**

			As at 31.03.2021 (Rs. in Lakhs)
	Provisions		
	Employee benefits obligation		
	Provision for gratuity		16.84
	Provision for leave encashment		2.50
	Others		9.70
			29.04

			As at 31.03.2021 (Rs. in Lakhs)
23	**Other Current liabilities**		
	Statutory Dues Payable		108.25
	Advances from customers		596.20
	Income Received in advance		45.38
	Total		**749.83**

			As at 31.03.2021 (Rs. in Lakhs)
24 a)	**Income taxes**		
	Current Tax		
	Current tax expense (i)		-
	Short /(Excess) provision for previous years		1.04
	Deferred Tax		
	Decrease / (increase) in deferred tax assets (ii)		(51.41)
	(Decrease) / increase in deferred tax liabilities (iii)		5.72
	Adjustment in other equity or retained earning (iv)		-
	Total deferred tax expense/ (benefit) (v)=(ii)+(iii)+(iv)		**(45.69)**
	Total Income tax expenses* (vi)= (i)+(v)		**(44.65)**

			As at 31.03.2021 (Rs. in Lakhs)
b)	**Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:**		
	Profit before income tax expense	a	(750.90)
	Tax rate (%)	b	25.17%
	Tax at the Indian Tax Rate	c=a*b	(188.99)
	Tax effect of amounts which are not deductible (taxable) in calculating taxable income		-
	Net (gain)/loss on financial assets mandatorily measured at fair value through profit or loss		-
	(Profit) / Loss on sale of investments taxed at other than Statutory rate		(0.25)
	Provision for tax of earlier years		1.04
	Stamp Duty & Registration fees		35.94
	Finance cost - dividend on Prefrence shares		92.53
	Expenditure disallowance under Income Tax		15.08
	Income Tax Expense		**(44.65)**

			As at 31.03.2021 (Rs. in Lakhs)
c)	**Deferred tax liabilities (net)**		
	The balance comprises temporary differences attributable to:		
	Particulars		
	Provision for leave encashment and Gratuity		**5.53**
	Business Loss & Unabsorbed Depreciation		**106.98**
	Others		**26.73**
	Total deferred tax assets	(a)	**139.24**
	Deferred income tax liabilities		
	Property, plant and equipment		**28.44**
	Financial Assets at Fair Value through OCI		-
	Financial Assets at Fair Value through profit and Loss		**0.62**
	Others		-
	Total deferred tax liabilities	(b)	**29.06**
	Net Deferred Tax Assets / (Liabilities)	(a)-(b)	**110.18**
	Deferred tax assets		**124.68**
	Deferred tax liabilities		**(14.50)**

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d) **Deferred tax assets**

Movement in deferred tax assets	Provision for leave encashment & Gratuity (Rs. in Lakhs)	Preliminary Expense (Rs. in Lakhs)	Business Loss & Unabsorbed Depreciation (Rs. in Lakhs)	Others (Rs. in Lakhs)	Total (Rs. in Lakhs)
At 1st April 2020	-	**0.23**	-	-	**0.23**
Charged/(credited)					
- to profit or loss	1.51	(0.23)	30.13	20.00	51.41
- to other comprehensive income					
- Changes on account of acquisition of subsidiary	4.02	-	76.85	6.73	87.60
At 31 March 2021	5.53	-	106.98	26.73	139.24

e) **Movement in deferred tax liabilities**

	Property, plant and equipment (Rs. in Lakhs)	Financial Assets at Fair Value Through Profit & Loss (Rs. in Lakhs)	Other (Rs. in Lakhs)	Total (Rs. in Lakhs)
At 1st April 2020	**14.16**	**9.18**	-	**23.34**
Charged/(credited)				
- to profit or loss	14.28	(8.56)		5.72
- to other comprehensive income				
At 31 March 2021	**28.44**	**0.62**	-	**29.06**

25 **Current Tax Liabilities (Net)**

	As at 31.03.2021 (Rs. in Lakhs)
Provision for Income Tax (Net of advances)	-
	-

26 **Revenue from operations**

	For the year ended 31.03.2021 (Rs. in Lakhs)
Operating revenues	
Income from Test Enrollment & Registration Fees	1,087.92
Income from Post Graduate Programme Fees	16.55
Income from Training Fees	321.75
Income from NSMART	32.47
Income from NSE Knowledge Hub	35.64
Income from Skill training services	2,215.37
Total	**3,709.71**

Groups's significant revenue (more than 10%) is derived from services to National Stock Exchange of India Limited amounting to Rs.546.09 lakhs during the financial year ended March 31, 2021

27 **Other Income**

	For the year ended 31.03.2021 (Rs. in Lakhs)
Interest income from financial assets at amortised cost	20.67
Net Gain/ Loss on financial asset madatorily measured at fair value through profit or loss	2.46
Net gain on sale of investments mandatorily measured at Fair Value through Profit or Loss	39.24
Gain on foreign currency transaction (net)	0.03
Interest on income tax refund	5.70
Interest on security deposits	1.62
Liabilities no longer required	5.00
Others	(1.13)
Total	**73.59**

28 **Employee benefits expenses**

	For the year ended 31.03.2021 (Rs. in Lakhs)
Salaries, wages and bonus (Refer Note 33&34)*	840.49
Contributions to provident and other fund	11.84
Gratuity and compensated absences	12.35
Share based payments	19.96
Staff welfare expenses	13.11
Total	**897.75**

* includes variable pay of Rs.3.11 lakhs to Managing Director & CEO of the subsidiary company, which is subject to approval of board of the subsidiary company.

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29 Finance cost	For the year ended 31.03.2021
	(Rs. in Lakhs)
Dividend on 7% Cumulative Optionally Convertible Redeemable Preference Shares	367.64
Transaction Cost	7.65
Interest	14.88
Lease interest	23.41
Subvention charges	97.86
Bank charges	16.41
	527.85

30 Other expenses	For the year ended 31.03.2021
	(Rs. in Lakhs)
Test Expenses	421.78
CPE Programme Expenses	96.51
MDP Programme Expenses	21.70
Expenses relating to SFL Test Expenses	4.91
Expenses relating to MBA Course Expenses	1.82
Expenses relating to NCCMP Course Expenses	1.41
Expenses related to Post graduate Global Financial Market course	15.24
Training Expenses	132.86
NSE Knowledge Hub Expenses	0.12
NSMART Expenses	31.43
Travelling Expense	29.89
Advertisement & Business promotion Expenses	586.41
Space And Infrastructure Usage Charges	48.71
Rent - Commercial Premises	23.53
Repairs & Maintenance- Buildings	12.72
Repairs & Maintenance- Others	28.48
Professional fees	309.85
Electricity Charges	31.96
Outsourcing Charges	35.89
Printing & Stationery	0.47
Provision for doubtful debts	0.93
Books & Periodicals	0.22
Director Sitting Fees	12.00
Stamp Duty & Registration fees	135.13
Custody Charges	0.23
Payment To Auditor (Refer Note Below)	16.06
Website Hosting Charges	0.85
Legal fees	0.03
Exchange Loss (Net)	4.67
Rates and taxes	1.76
Royalty	823.72
Loss on sale of assets/Write off	1.13
Other Expenses	19.69
Total	**2,852.10**

Note :	
Payment to Auditor	
As Auditor	
Audit Fees	5.75
Limited review	0.75
Tax Audit Fees	0.83
GST Audit fees (for earlier years)	6.26
In other Capacity	
Certification Matters	0.15
Taxation Matters	1.93
Out of Pocket Expenses	0.40
Total	**16.06**

31 **Earning per Share**

Basic earnings per share are computed by dividing profit or loss attributable to equity shareholders of the Holding Company by the weighted average number of equity shares outstanding during the year. The Holding Company did not have any potentially dilutive securities in any of the periods presented. Consequently, the basic and diluted earning per share of the Holding Company remain the same.

Earning per Share

Particulars	Year ended 31.03.2021
Profit for the year (Rs. in Lakhs)	(673.10)
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	1,00,00,000
Earnings per equity share (basic and diluted)	**(6.73)**

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32 **Leases**

The Group has taken building on finance lease. The following is the summary of future minimum lease rental payment under the finance lease arrangement entered into by the Group.

	Minimum lease payments
Lease obligations	**31 March 2021**
- Not later than one year	128.27
- Later than one year and not later than 5 years	646.71
- Later than five year	102.81
Total minimum lease commitments	**877.79**
Less: future finance charges	187.75
Present value of minimum lease premium	690.04
Other financial liabilities - current	**72.32**
Other financial liabilities - non current	**617.72**

	Present value of minimum lease payments
Lease obligations	**31 March 2021**
- Not later than one year	72.32
- Later than one year and not later than 5 years	517.10
- Later than five year	100.62
Total minimum lease commitments	**690.04**

Apart from whatever in mentioned, The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis. (the same should incorporate all leases including short term leases)

Lease obligations including short term leases	**31 March 2021**
- Not later than one year	194.41
- Later than one year and not later than 5 years	646.71
- Later than five year	102.81

The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.
Rental expense recorded for short-term leases was INR 23.53 Lakhs for the period ended 31 March 2021.

(ii) Extension and termination options
Extension and termination options are included in many of the leases. In determining the lease term, the Managementconsiders all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise atermination option. This assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment and that is within the control of the Group.

33 **Deputed Personnal Cost**

The Group is paying deputation expenses in respect of the employees, space and infrastructure charges and other reimbursement of expenses to National Stock Exchange of India Limited (NSEIL) (ultimate holding Company). Accordingly, necessary provisions as required for all retirement benefits and other long term employee benefits as per the requirements of Indian Accounting Standard 19 on "Employee Benefits" notified under rule 3 of the Companies (Indian Accounting Standard) Rules, 2015 and Companies (Indian Accounting Standard) Rules, 2016 are carried out by NSEIL. Deputation expenses for the year ended March 31, 2021 is Rs.360.29 lakhs.

34 Disclosure under Indian Accounting Standard 19 (Ind As 19) on Employee Benefit as notified under Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

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Notes to consolidated financial statements for the year ended March 31, 2021

i) Defined Benefit Plan :

a) The Group is registered with Empoyee Provident Fund to which both the employee and the employer make monthly contribution equal to 12% of the employee's basic salary, respectively. Such contribution amounting to Rs.11.76 lakhs to the provident fund for all employees, are charged to the profit and loss.

b) Gratuity: The Group provides for gratuity for employees as per Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity, The amount of Gratuity is payable on retirement/termination of the emplyee's last drawn basic salary per month multiplied for the number of years of service. The gratuity plan is a non funded plan and the Group makes provision on the basis of Actuarial Valuation.

A. Balance Sheet

(i)

The amounts recognised in the consolidated balance sheet and the movements in the net defined benefit obligation over the year are as follows:	
	As at 31.03.2021
Liability at the beginning of the year	-
Interest cost	-
Current Service Cost	0.79
Liability transferred	67.92
Benefits Paid	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	-
Actuarial (Gains)/Losses on Obligations - Due to Experience	-
Liability at the end of the year	**68.71**

(ii)

The amounts recognised in the balance sheet and the movements in the fair value of plan assets over the year are as follows:	
	As at 31.03.2021
Fair Value of plan assets at the beginning of the year	-
Interest Income	-
Expected return on plan assets	-
Contributions	-
Transfer from other company	-
Benefits paid	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	-
Fair Value of plan assets at the end of the year	-

(iii)

The net liability disclosed above relates to funded plans are as follows:	
	As at 31.03.2021
Fair value of plan assets as at the end of the year	-
Liability as at the end of the year	68.71
Net (liability) / asset	**68.71**

(iv)

Balance Sheet Reconciliation	
	As at 31.03.2021
Opening Net Liability	-
Expenses Recognized in Statement of Profit or Loss	0.79
Expenses Recognized in OCI	-
Net (Liability)/Asset Transfer in	67.92
Employers Contribution	-
Amount recognised in the Balance Sheet	**68.71**

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B. Statement of Profit & Loss

(i)

Net Interest Cost for Current Period	
	For the year ended 31.03.2021
Interest Cost	-
Interest Income	-
Net Interest Cost for Current Period	**-**

(ii)

Expenses recognised in the Statement of Profit & Loss	
	For the year ended 31.03.2021
Current Service cost	0.79
Adjustment with respect to TalentSprint	8.59
Net Interest Cost	-
Expenses recognised in the Statement of Profit & Loss	**9.38**

(iii)

Expenses recognised in the Other Comprehensive Income	
	For the year ended 31.03.2021
Expected return on plan assets	-
Actuarial (Gain) or Loss	(3.64)
Net (Income)/Expense for the Period Recognized in OCI	**(3.64)**

C

Fair value of plan assets at the Balance Sheet Date for defined benefit obligations	
	As at 31.03.2021
Insurer Managed Funds	-
Total	**-**

D

Sensitivity Analysis	
	As at 31.03.2021
Projected Benefit Obligation on Current Assumptions	68.71
Delta Effect of +1% Change in Rate of Discounting	(4.78)
Delta Effect of -1% Change in Rate of Discounting	5.61
Delta Effect of +1% Change in Rate of Salary Increase	3.66
Delta Effect of -1% Change in Rate of Salary Increase	(3.39)
Delta Effect of +1% Change in Rate of Employee Turnover	(0.04)
Delta Effect of +1% Change in Rate of Employee Turnover	0.05

E

Significant actuarial assumptions are as follows:	
	For the year ended 31.03.2021
Discount Rate	4.93% - 6.49%
Rate of Return on Plan Assets	N.A.
Salary Escalation	7% - 10%
Attrition Rate	upto 40%

35 **Segment Reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Group. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Chief Executive Officer of the Holding Company. The Group operates only in one Business Segment i.e. Imparting Education and Skills Training in relation to various areas. Hence, the Group does not have any reportable Segments as per Indian Accounting Standard 108 "Operating Segments".

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Notes to consolidated financial statements for the year ended March 31, 2021

36 **Related Party**

As defined in Ind AS 24 - "Related Party Disclosures", as notified under Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 the required disclosures are given in the table below:

Names of the related parties and related party relationship

Sr.No	Related Party	Nature of Relationship
1	National Stock Exchange of India Limited	The Ultimate Holding Company
2	NSE Investments Ltd	Holding Company
3	NSE Foundation	Holding Company's Fellow Subsidiary
4	NSE Clearing Limited	Holding Company's Fellow Subsidiary
5	NSE IFSC Limited	Holding Company's Fellow Subsidiary
6	National Securities Depository Limited	Ultimate Holding Company's Associate
7	BFSI Sector Skill Council of India	Ultimate Holding Company's Associate
8	NSDL e-Governance Infrastructure Limited	Holding Company's Associate Company
9	Power Exchange India Limited	Holding Company's Associate Company
10	Market Simplified India Limited	Holding Company's Associate Company
11	Receivable Exchange of India Limited	Holding Company's Associate Company
12	Indian Gas Exchange Limited (w.e.f. 16th March 2021)	Holding Company's Associate Company
13	NSE IT Limited	Fellow Subsidiary Company
14	NSE Data & Analytics Limited	Fellow Subsidiary Company
15	Cogencis Information Services Limited (w.e.f 21st January 2021)	Subsidiary of the Fellow Subsidiary Company
16	Capital Quant Solutions Private Limited (w.e.f. 26th February 2021)	Fellow Subsidiary's Associate Company
17	NSE Infotech Services Limited	Fellow Subsidiary Company
18	NSE Indices Limited	Fellow Subsidiary Company
19	NSE IFSC Clearing Corporation Limited	Subsidiary of Holding Company's Fellow Subsidiary
20	NSEIT (US) Inc.	Subsidiary of the Fellow Subsidiary Company
21	Aujas Cybersecurity Limited (Formerly known as Aujas Networks Limited/Aujas Networks Private Limited)	Subsidiary of the Fellow Subsidiary Company
22	Dr. K R. S. Murthy	Key Managerial Personnel
23	Mr. Ninad Karpe	Key Managerial Personnel
24	Mr. Ravi Varanasi	Key Managerial Personnel
25	Mr. Yatrik Vin	Key Managerial Personnel
26	Mr. Abhilash Misra	Key Managerial Personnel

(Rs. in Lakhs)

Name of the Related Party	Nature of Transactions	For year ended 31.03.2021
NSE Investments Ltd	Contribution towards Preference Share Capital	13,500.00
	Dividend on 7% Cumulative Optionally Convertible Redeemable Preference Shares	367.64
	Outstanding balance included in Financial Liabilities	367.64
National Stock Exchange of India Limited (NSEIL)	Reimbursement of expenses for staff on deputation paid / payable	430.82
	Space and Infrastructure usage charges paid / payable	57.47
	Reimbursement for other expenses incurred	748.98
	Revenue towards CPE/ online exam & NSE Knowledge hub subscription	630.30
	Outstanding balance included in Financial Liabilities / Trade receivables	44.45
NSE IT Limited	NCFM/ NISM test Expenses	497.60
	Outsourcing Charges	6.44
	NSMART expenses	31.39
	Outstanding balance included in Trade Payables	108.81
DR. K. R. S. Murthy	Director Sitting Fees	6.00
Mr. Ninad Karpe	Director Sitting Fees	6.00
Mr. Abhilash Misra	Short term employee benefits	93.43
	Post-employment benefits*	2.70

*As the liabilities for defined benefit plan are provided on acturial basis for the Group as a whole, the amount pertaining to key managerial persons are not included.

Earnings in foreign currency (on accrual basis):	**For the year ended March 31, 2021**
Income from skill training services	361.85
Income from NSE Knowledge Hub	3.21
	365.06
Expenditure in foreign currency (on accrual basis):	
Advertisement and business promotion expenses	156.69
	156.69

37 The information as required to be disclosed under Micro and Small Enterprises Development Act 2006 has been determined to the extent such parties have been identified on the basis of information available with the Group.

Details under the MSMED Act, 2006 for dues to micro and small enterprises

	31 March 2021
Principal outstanding	14.19
Interest	-
Total outstanding	**14.19**

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38 FINANCIAL RISK MANAGEMENT

The Group's business activities expose it to a variety of financial risks, namely liquidity risk, market risks and credit risk. The Group's senior management has the overall responsibility for the establishment and oversight of the Group's risk management framework. A group level risk Assessment & Review Committee (RARC) is formed, which is responsible for developing and monitoring the Group's risk management policies. The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

The RARC is supported by Treasury department among others, that provides assurance that the Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. The Treasury department activities are designed to:
- protect the Group's financial results and position from financial risks
- maintain market risks within acceptable parameters, while optimising returns; and
- protect the Group's financial investments, while maximising returns.

A MANAGEMENT OF LIQUIDITY RISK

Liquidity risk is the risk that the Group will face in meeting its obligations associated with its financial liabilities. The Group's approach to managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions.

The Group maintains a conservative funding and investment strategy, with a positive cash balance throughout the year ended 31st March, 2021.

The Group's treasury department regularly monitors the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet operational needs. Any short term surplus cash generated by the operating entities, over and above the amount required for working capital management and other operational requirements, is retained as cash equivalents (to the extent required), other highly liquid investments and excess is invested in interest bearing term deposits and other highly marketable debt investments with appropriate maturities to optimise the returns on investments while ensuring sufficient liquidity to meet its liabilities.

The following table shows the maturity analysis of the Group's financial liabilities based on contractually agreed undiscounted cash flows as at the Balance Sheet date.

(Rs. in Lakhs)

	Carrying amount	Less Than 12 Month	More than 12 months	Total
As at March 31, 2021				
Borrowings	13,500.00	-	13,500.00	13,500.00
Trade payables	1,417.60	1,417.60	-	1,417.60
Other liablities	374.64	374.64	-	374.64

B MANAGEMENT OF MARKET RISK

The Group's size and operations result in it being exposed to the following market risks that arise from its use of financial instruments:
• price risk; and
• interest rate risk

The above risks may affect the Group's income and expenses, or the value of its financial instruments. The objective of the Group's management of market risk is to maintain this risk within acceptable parameters, while optimising returns. The Group's exposure to, and management of, these risks is explained below.

POTENTIAL IMPACT OF RISK	MANAGEMENT POLICY	SENSITIVITY TO RISK
1. PRICE RISK		
The Group is mainly exposed to the price risk due to its investment in mutual funds and exchange traded funds. The price risk arises due to uncertainties about the future market values of these investments. At 31st March 2021, the exposure to price risk due to investment in mutual funds amounted to Rs. 630.58 lakhs (March 31, 2020: Rs. 789.24 lakhs).	In order to manage its price risk arising from investments in mutual funds, the Group diversifies its portfolio in accordance with the limits set by the risk management policies. The Treasury department maintains a list of approved financial instruments. The use of any new investment must be approved by the Chief Financial Officer.	As an estimation of the approximate impact of price risk, with respect to mutual funds , the Group has calculated the impact as follows. For mutual funds, a 0.25% increase in prices would have led to approximately an additional Rs. 1.57 lakhs gain in the Statement of Profit and Loss (2019-20: Rs. 1.97 lakh gain). A 0.25% decrease in prices would have led to an equal but opposite effect.

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C MANAGEMENT OF CREDIT RISK

Credit risk is the risk of financial loss to the Group if a customer or counter-party fails to meet its contractual obligations.

Trade receivables

Concentrations of credit risk with respect to trade receivables are limited, since the Group's customer base is large and diverse. All trade receivables are reviewed and assessed for default on a regular basis. Based on historical experience of collecting receivables, supported by the level of default, our assessment of credit risk is low. Accordingly, our provision for expected credit loss on trade receivable is not material.

Other financial assets

The Group maintains exposure in cash and cash equivalents, term deposits with banks and investments in mtutual funds. The Group has diversified portfolio of investment with various number of counter parties which have secure credit ratings hence, the risk is reduced. Individual risk limits are set for each counter party based on financial position, credit rating and past experience. Credit limits and concentration of exposures are actively monitored by the Group's treasury department.

The Group's maximum exposure to credit risk as at March 31, 2021, is the carrying value of each class of financial assets as disclosed in note 5,11, 13, 14 and 15.

D CAPITAL MANAGEMENT

The Group considers the following components of its Balance Sheet to be managed capital:
Total equity (as shown in the balance sheet, including retained profit.

The Group manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to our shareholders. The capital structure of the Group is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the group may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Group's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Group will take appropriate steps in order to maintain, or if necessary adjust, its capital structure. The Group is not subject to financial covenants in any of its significant financing agreements.

The management monitors the return on capital as well as the level of dividends to shareholders. The Group's goal is to be able to return excess liquidity to shareholders by continuing to distribute dividends in future periods.

The capital gearing ratio for the reporting year is as follows:

	31 March 2021
Total borrowings	13,500.00
Less: Cash and bank balances	2,107.89
Net debt	11,392.11
Equity attributable to owners of NSE Academy Limited	877.18
Total capital	**877.18**
Net debt to equity ratio	12.99

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Notes to consolidated financial statements for the year ended March 31, 2021

Note 39 - Fair Value Measurements

(i) Fair Value Hierarchy:

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three level prescribed under the accounting standard. An explaination of each level follows underneath the table.

(Rs. in Lakhs)

Financial Assets and Liabilities measured at Fair Value - recurring fair Value measurements At 31 Mar, 2021	Notes	Level 1	Level 2	Level 3	Total 31 Mar, 2021
<u>Financial Assets</u>					
Financial Investments at FVPL					
Mutual Fund - Growth Plan	11	630.58	-	-	630.58
Total Financial Assets		**630.58**	**-**	**-**	**630.58**

Assets and Liabilities which are measured at Amortised Cost for which - recurring fair Value measurements At 31 Mar, 2021	Notes	Level 1	Level 2	Level 3	Total 31 Mar,2021
<u>Financial Assets</u>					
Investments					
Fixed Deposit	14,15	-	973.08	-	973.08
Total Financial Assets		**-**	**973.08**	**-**	**973.08**

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The fair value of financial instruments as referred to in note above have been classified into three categories depending on the inputs used in the valuation technique. The hierarachy gives the highest priority to quoted prices in active market for identical assets or liabilities (level 1 measurements) and lowest priority to unobservable inputs (level 3 measurements). The categories used are as follows :

- Level 1:
This hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, exchange traded funds and mutual funds that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing Net Assets Value (NAV). NAV represents the price at which the issuer will issue further units and will redeem such units of mutual fund to and from the investors.

- Level 2:
The fair value of financial instruments that are not traded in an active market (such as traded bonds, debentures, government securities and commercial papers) is determined using Fixed Income Money Market and Derivatives Association of India (FIMMDA) value and valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. Since If all significant inputs required to fair value such instrument are observable, instruments are included in level 2.

Valuations of Level 2 instruments can be verified to recent trading activity for identical or similar instruments, broker or dealer quotations or alternative pricing sources with reasonable levels of price transparency. Consideration is given to the nature of the quotations (e.g., indicative or firm) and the relationship of recent market activity to the prices provided from alternative pricing sources.

- Level 3:
If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

There are no transfers between levels 1 and 2 during the year. The Group's policy is to recognise transfers into and transfers out of fair value hirerchy level as at the end of reporting period.

ii) Valuation processes :
The finance department of the Group includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values.

Financial Instruments by category

Particulars	As at 31.03.2021		
	FVPL	FVOCI	Amortised cost
Financial Assets			
Investments			
- Mutual Funds	630.58	-	-
Trade receivables	-	-	353.00
Cash and Cash equivalents	-	-	1,146.39
Bank balances other than Cash and Cash equivalents	-	-	961.50
-Others	-	-	148.54
Total Financial assets	**630.58**	**-**	**2,609.44**
Financial Liabilities			
Borrowings	-	-	13,500.00
Lease liability	690.05	-	-
Trade payables	-	-	1,417.60
Other liablities	-	-	374.64
Total Financial assets	**690.05**	**-**	**15,292.25**

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40 As at March 31, 2021 the Group does not have any pending litigations which would impact its financial position (refer note 44).

41 In accordance with relevant provisions of Companies Act, 2013, the Group did not have any long–term contracts including derivative contracts as at March 31, 2021.

42 For the year ended March 31, 2021, the Group is not required to transfer any amount into the Investor Education & Protection Fund as required under relevant provisions of the Companies Act, 2013.

43 **Capital and other commitments**

	As at 31.03.2021 (Rs. in Lakhs)
Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided	35.63
Other commitments for balance acquisition in subsidiary company *	13,400.00
	13,435.63

* above includes variable consideration up to Rs.8000 lakhs linked to achievement of revenue and performance targets over the period of three years.

44 **Contingent liability:**

	As at 31.03.2021 (Rs. in Lakhs)
Contingent Liabilities	-
	-

45 On September 30, 2020, the Holding Company has entered into a Share Purchase and Shareholder's Agreement ("SPSHA") for acquisition of 100% Shares of TalentSprint Private Limited ("TalentSprint"), in a phased manner over a period of 3-4 years, a Company engaged in business of providing skill development and training programs. Out of above, on November 10, 2020, the Holding Company acquired 70% of shareholding (with dilution effect of ESOP and Share Warrants) of TalentSprint for a cash consideration of Rs.12,600 lakhs. Based on Shareholding pattern of TalentSprint, the Holding Company holds 74.54% of voting power. By virtue of this investment, TalentSprint has become a subsidiary of the Holding Company.

Further, remaining number of shares shall be acquired over a period of next three years, for a minimum consideration of Rs.5400 lakhs and may range upto Rs.13,400 lakhs, which shall be based on achievement of Revenue and EBIDTA targets by the TalentSprint.

The assets and liabilities recognised as a result of the acquisition are as follows:

Details of Assets and Liabilities of acquired	Fair Value November 9, 2020
Tangible, Intangible Fixed Assets and ROU Assets	824.11
Financial Assets	1,135.51
Other Assets	139.82
Financial Liabilities	-1,451.33
Other Liabilities & Provisions	-754.67
Income tax and deferred tax assets (net)	141.15
Net Identifiable Assets	**34.58**

Calculation of Goodwill	Rs. In lakhs
Consideration	12,600.00
Less :- Net Identifiable Assets acquired (74.54%)	25.78
Goodwill as at November 9, 2020	**12,574.22**

46 INTERESTS IN OTHER ENTITIES

Subsidiary

The Group's subsidiary is set out below. Share capital consisting of equity shares and Compulsary Convertiable Preference Shares that are held directly by the Group and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation or registration is also their principal place of business.

Name of Entity	With effect from	Place of business / country of	Owership interest held by 31-Mar-21	Principle Activity
TalentSprint Private Limited	10-Nov-20	India	74.54%	Skill development and training programs

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Notes to consolidated financial statements for the year ended March 31, 2021

Note 47 Additional Information Required By Schedule III

Name of the entity in the group	Net assets (total assets minus total liabilities)		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated Net Assets	Amount (Rs.in lakhs)	As % of consolidated profit or loss	Amount (Rs.in lakhs)	As % of consolidated other comprehensive income	Amount (Rs.in lakhs)	As % of consolidated total comprehensive income	Amount (Rs.in lakhs)
Parent Company								
-NSE Academy Limited	110.26	947.48	81.56	(576.04)	-	-	82.12	**(576.04)**
Subsidiary Company								
-TalentSprint Private Limited	(8.18)	(70.29)	13.74	(97.06)	74.54	3.54	13.33	**(93.52)**
Non-controlling Interest	(2.08)	(17.90)	4.69	(33.15)	25.46	1.21	4.55	**(31.94)**
Total	**100.00**	**859.29**	**100.00**	**(706.25)**	**100.00**	**4.75**	**100.00**	**(701.50)**

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48 Employee Stock Option Plan

ESOP 2010 plan

ESOP 2010 plan came into force on September 24, 2010. It applies only to the bona fide Employees of the Subsidiary Company, all its subsidiaries whether now or hereafter existing. The initial exercise price was set at Rs.5. Shares will vest over a five year period equally.

ESOP 2012 plan

ESOP 2012 plan was constituted on 28 September 2012 to award shares which couldn't be granted under 2010 plan. It applies only to the bona fide Employees of the Subsidiary Company, all its subsidiaries whether now or hereafter existing. The initial exercise price was set at Rs.31. Shares will vest over a five year period equally.

The activity in the 2012 and 2010 Plan for equity-settled, share-based payment transactions during the years ended March 31, 2021, March 31, 2020 is as follows :

	March 31, 2021	
	Share arising out of options	Weighted average exercise price
2010 Plan		
Outstanding as at Nov 9, 2020	-	-
Granted	-	-
Exercised*	-	-
Expired	-	-
Forfeited	-	-
Outstanding at the end of the period	-	-
Exercisable at the end	-	-
2012 Plan		
Outstanding as at Nov 9, 2020	3,26,400	31.00
Granted	-	-
Exercised*	-	31.00
Expired	-	-
Forfeited	4,000	31.00
Outstanding at the end of the period	3,22,400	31.00
Exercisable at the end	2,27,400	31.00

* The weighted average share price on the date of exercise was Rs.125.00

The fair value of the awards are estimated using the Black-Scholes Model. The inputs to the model include the share price at date of grant, exercise price, expected volatility, expected dividends, expected term and the risk free rate of interest.
The fair value of each equity-settled award is estimated on the date of grant with the following assumptions :

	For options granted on:	
	Apr 22, 2019	Nov 5, 2019
Weighted average share price	105.77	105.77
Exercise price (INR)	31.00	31.00
Expected volatility (%)	**10%**	**10%**
Expected life of the option (years)	**1-5 years**	**1-5 years**
Expected dividends (%)	0%	0%
Risk-free interest rate (%)	6.53% - 7.21%	5.25% - 6.22%
Weighted average fair value as on grant date	**80.51**	**79.70**

Further, on April 22, 2019, the Subsidiary Company had entered into a Right to Subcribe Agreement with Mr. Santanu Paul, CEO of the Subsidiary Company. Pursuant to the said agreement, Mr. Paul is entitled to subscribe to 100,000 equity shares of the Subsidiary Company at agreed price of Rs.14.57 per share upto December 1, 2021. The Subsidiary Company has determined the fair value of the said option given to CEO on the date of grant as Rs.92.67.

The summary of expenses recognized during the period Nov 10, 2020 to March 31, 2021 and year ended March 31, 2020 is as follows:

	10 Nov 2020 to 31 Mar 2021
Right to Subcribe Agreement: KMP of Subsidiary (Mr. Santanu Paul)	10.62
ESOP 2010 plan	-
ESOP 2012 plan	9.34
Total	**19.96**

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49 The acquisition date for the transaction is November 10, 2020 and hence Statement of Profit and Loss for the period from November 10, 2020 to March 31, 2021 has been incorporated in the Consolidated Financial Statements, based on Special Purpose Financial Statements of TalentSprint for the period from November 10, 2020 till March 31, 2021. Intercompany transactions has been eliminated.

50 During the year, the Holding Company has issued 7% Cumulative Optionally Convertible Redeemable Preference Shares (OCRPS) of face value of Rs.10 each, for an amount of Rs. 13,500 lakhs on rights basis to its Holding Company, NSE Investments Limited on November 10, 2020. OCRPS shall be optionally convertible into equity shares. Accordingly, the said OCPRS has been shown as borrowings and Rs.367.64 lakhs being dividend payable on a propionate basis on OCPRS has been charged to Statement of Profit and Loss as Finance Cost.
Further, the related cost of stamp duty and registration charges of Rs.123.43 lakhs for increase in authorised share capital and alteration of MoA is considered as transaction cost as per Ind AS 109 and will be charged to Statement of Profit and Loss under the head 'Finance Cost' over a period of eight years on effective interest rate method. Accordingly, during the year ended March 31, 2021 an amount of Rs.7.65 lakhs has been charged to the statement of Profit and Loss on a propionate basis.

51 During the year, COVID-19 has partially affected business operations of the Group in respect of the test enrolment & registrations, post graduate programmes, examination services etc. and continues to be impacted. Post the unlock advisory issued by the Government, Group has started test enrolment, registration and examination services. Based on the current indicators of future economic conditions and the impact of COVID-19 on its operations, the Group has also made an assessment of its liquidity position, recoverability and carrying values of its assets and ability to pay its liabilities as they become due and is of the view that there is no material impact or adjustments required to be made in these financial results. The impact assessment of COVID-19 may be different from that presently estimated and the Group will continue to evaluate any significant changes to its operations and its resultant impact on the financial performance.

52 The Code on Social Security, 2020 (Code) relating to employee benefits during employment and post-employment benefits has received Presidential assent on 28th September 2020. The Code has been published in the Gazette of India. However, the date on which the Code comes into effect has not been notified. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

53 This being the first year of the Group, hence comparative figures for previous year has not been given.

As per our report of even date attached

For KHANDELWAL JAIN & CO.
Chartered Accountants
Firm's Registration no: 105049W

KHANDELWAL JAIN & COMPANY MUMBAI CHARTERED ACCOUNTANTS

NARENDRA JAIN
Partner
Membership No.: 048725

Place : Mumbai
Date : April 29, 2021

For and on behalf of the Board of Directors

NINAD KARPE	**RAVI VARANASI**	**YATRIK VIN**
Director	**Director**	**Director**
DIN : 00030971	**DIN : 06573046**	**DIN : 07662795**
ABHILASH MISRA	**BHAVESH SHAH**	**PENAAZ DASTOOR**
Chief Executive Officer	**Chief Financial Officer**	**Company Secretary**

NSE ACADEMY LIMITED MUMBAI

INDEPENDENT AUDITORS' REPORT

To the Members of NSEIT Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **NSEIT Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Loss), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion & Analysis and Board's Report including Annexures to Board's Report, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the **Annexure 'A'**, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, based on our audit we report that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

    b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

    c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Loss, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.

    d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

    e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **Annexure 'B'**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

   In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company has disclosed the impact of pending litigations as at March 31, 2021 on its financial position in its standalone financial statements – Refer Note 42 to the standalone financial statements.

   ii. The Company did not have any long term contracts including derivatives contracts as at March 31, 2021 for which there were any material foreseeable losses - Refer Note 44 to the standalone financial statements.

   iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2021 - Refer Note 45 to the standalone financial statements.

For Khandelwal Jain & Co.
Chartered Accountants
Firm Registration Number:105049W

Sd/-
Narendra Jain
Partner
Membership Number: 048725
UDIN: 21048725AAAABL4374

Place: Mumbai
Date: April 21, 2021

Annexure A to Independent Auditors' Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of **NSEIT Limited** of even date)

i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.

(b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of two years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and we have been informed that no material discrepancies have been noticed on such verification.

(c) The Company does not have any immovable property and accordingly the provisions of Clause 3(i)(c) of the said Order are not applicable to the Company.

ii. The Company is in the business of providing software and IT enabled services and does not have any physical inventories. Accordingly, reporting under clause 3 (ii) of the Order is not applicable to the Company.

iii. The Company has granted unsecured loans to a company covered in the register maintained under Section 189 of the Act and with respect to the same:

a) Based on the information and explanations and in our opinion, the terms and conditions of grant of such loans are not, prima facie, prejudicial to the Company's interest;

b) The schedule of repayment of principal and payment of interest has been stipulated and repayments or receipts of principal amounts and interest have been regular as per stipulations; and

c) There is no overdue amount remaining outstanding as at the year-end.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.

vi. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus reporting under clause 3(vi) of the order is not applicable to the Company.

vii (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues, including provident fund, employees' state insurance, income tax, service tax, goods and service tax (GST) and other material statutory dues, as applicable, with the appropriate authorities. According to the records of the Company, there were no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, service-tax, GST, duty of custom, duty of excise, value added tax and other statutory dues in arrears as at March 31, 2021 for a period of more than six months from the date they became payable.

(b) According to the information and explanation given to us, there are no dues in respect of sales tax, value added tax, GST, income tax, duty of customs, wealth tax and duty of excise including cess which have not been deposited with the appropriate authorities on account of any dispute, except the following:

Name of the Statute	**Nature of the Dues**	**Amount (Rs.)**	**Period to which the amount relates**	**Forum where dispute is pending**
Income Tax Act, 1961	Income Tax-Demand u/s 143(1)(a)	Rs. 12.24 Lakhs	AY 2016-17	Assessing Officer
Income Tax Act, 1961	Income Tax-Demand u/s 143(1)(B)	Rs. 1.05 Lakhs	AY 2019-20	Company is in process of filing rectification before Assessing Officer

viii. As the Company does not have any loans or borrowings from any financial institution or bank or Government, nor has it issued any debentures as at the balance sheet date, the provisions of Clause 3(viii) of the Order are not applicable to the Company.

ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.

x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.

xi. The Company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.

xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.

xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For Khandelwal Jain & Co.
Chartered Accountants
Firm Registration Number:105049W

Sd/-
Narendra Jain
Partner
Membership Number: 048725
UDIN: 21048725AAAABL4374

Place: Mumbai
Date: April 21, 2021

Annexure B to Independent Auditors' Report

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of **NSEIT Limited** of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls over financial reporting of **NSEIT Limited** ("the Company") as of March 31, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

6. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

7. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Khandelwal Jain & Co.
Chartered Accountants
Firm Registration Number:105049W

Sd/-
Narendra Jain
Partner
Membership Number: 048725
UDIN: 21048725AAAABL4374

Place: Mumbai
Date: April 21, 2021

NSEIT Limited

(Formerly known as *NSE.IT LIMITED* **)**

BALANCE SHEET AS AT MARCH 31, 2021

(Rs in Lakhs)

	Particulars	Notes	As at 31.03.2021 (Audited)	As at 31.03.2020 (Audited)
	ASSETS			
1	**Non-current assets**			
a	Property, Plant and Equipment	2	549.66	676.25
b	Capital work-in-progress	2.1	-	102.25
c	Intangible assets under development	2.2	46.91	118.51
d	Right Of Use Asset	2.3	1,371.85	1,898.51
e	Other Intangible assets	2	884.74	608.99
f	Financial Assets			
i	Investments	3	9,954.00	9,383.69
ii	Other Financials assets			
	- Non-Current Bank Balances	4	2,057.95	236.05
	- Loans	4	1,901.93	2,161.49
	- Others	4	3.26	0.39
g	Deferred Tax Assets (net)	15	419.83	432.28
h	Income Tax Assets (net)	16	912.87	701.58
i	Other assets	5	117.01	90.64
	Total Non-current assets		**18,220.01**	**16,410.63**
2	**Current assets**			
a	Inventories		-	-
b	Financial Assets			
i	Investments	3	2,188.06	5,321.96
ii	Trade receivable	6	7,859.39	5,283.14
iii	Unbilled receivables	7	2,139.47	587.99
iv	Cash and Cash equivalents	8a	2,346.63	3,320.99
v	Bank balances other than (iv) above	8b	3,684.94	2,926.94
vi	Loans	4	556.87	638.56
vii	Other Financial assets	4	31.16	173.09
c	Other assets	5	561.76	839.02
	Total Current assets		**19,368.28**	**19,091.69**
	TOTAL ASSETS		**37,588.29**	**35,502.32**

(Rs in Lakhs)

	Particulars	Notes	As at 31.03.2021 (Audited)	As at 31.03.2020 (Audited)
	EQUITY AND LIABILITIES			
(A)	**EQUITY**			
a	Equity Share capital	9	1,000.00	1,000.00
b	Other Equity	10	18,819.18	16,731.53
	Total Equity		**19,819.18**	**17,731.53**
(B)	**LIABILITIES**			
1	**Non-current liabilities**			
a	Financial Liabilities			
i	Borrowings	11	10,000.00	10,000.00
ii	Other financial liabilities	13	527.49	976.30
b	Provisions	14	263.37	244.10
c	Deferred tax liabilities (net)	15	-	-
d	Other liabilities	17	-	-
	Total Non-current liabilities		**10,790.86**	**11,220.40**
2	**Current liabilities**			
a	Financial Liabilities			
i	Trade Payables	12		
	- Total Outstanding dues of micro enterprises and small enterprises		19.34	33.40
	- Total Outstanding dues of creditors other than micro enterprises and small enterprises		2,472.38	2,167.14
ii	Other financial liabilities	13	1,620.87	2,068.75
b	Provisions	14	852.29	1,187.35
c	Income Tax Liabilities (net)	16	97.68	40.36
d	Other liabilities	17	1,915.69	1,053.39
	Total Current liabilities		**6,978.25**	**6,550.39**
	TOTAL EQUITY AND LIABILITIES		**37,588.29**	**35,502.32**
	Summary of significant accounting policies	1		

Notes refer to above form an integral part of Balance Sheet

This is the Balance Sheet referred to in our report of even date

As per our report of even date attached

For Khandelwal Jain & Co.
Chartered Accountants
(Reg No : 105049W)

Sd/-
NARENDRA JAIN
Partner
Membership No.048725

Place : Mumbai
Date : April 21, 2021

For and on behalf of Board of Directors

Sd/-
Prof. S. SADAGOPAN
Chairman
DIN No. 00118285

Sd/-
N. MURALIDARAN
Managing Director & CEO
DIN No. 06567029

Sd/-
M.S.SUNDRA RAJAN
Director
DIN No. 00169775

Sd/-
M. N. HARIHARAN
Chief Financial Officer

Sd/-
VAIBHHAV KULKARNI
Company Secretary

NSEIT LIMITED

(Formerly known as *NSE.IT LIMITED*)

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2021

(Rs in Lakhs)

Particulars	Notes	For the year ended 31.03.2021 (Audited)	For the year ended 31.03.2020 (Audited)
Income			
Revenue from operations	18	25,537.09	27,290.23
Other income	19	1,698.80	898.83
Total Income		**27,235.88**	**28,189.06**
Expenses			
Employee benefits expense	20	9,923.02	8,993.57
Technical & Sub Contract Charges	22	2,519.74	3,000.12
Finance Cost	21	909.17	953.05
Depreciation and amortisation expense	2	1,904.61	1,483.75
Other expenses	22	8,624.62	10,994.78
Total Expenses		**23,881.16**	**25,425.27**
Profit before tax		**3,354.73**	**2,763.79**
Less : Income Tax expense	15		
- Current tax		1,022.00	941.00
- Short / (excess) Tax for earlier years		14.82	39.78
- Deferred tax		42.10	(50.73)
Total tax expenses		**1,078.92**	**930.05**
Profit after tax (A)		**2,275.81**	**1,833.74**
Other Comprehensive Income (OCI)			
Items that will not be reclassified to profit or loss			
- Remeasurements of post-employment benefit obligations		(117.82)	(94.36)
Income tax relating to items that will not be reclassified to profit or loss			
- Remeasurements of post-employment benefit obligations		29.65	23.75
Total Other Comprehensive Income, net of tax (B)		**(88.17)**	**(70.61)**
Total Comprehensive Income (A+B)		**2,187.64**	**1,763.13**
Earnings per equity share (FV ₹ 10 each)			
- Basic (₹)	23	**22.76**	**18.34**
- Diluted (₹)		**22.76**	**18.34**
Summary of significant accounting policies	1		

Notes refer to above form an integral part of the Statement of Profit & Loss

This is the Statement of Profit & Loss referred to in our report of even date

As per our report of even date attached

For Khandelwal Jain & Co.

Chartered Accountants

(Reg No : 105049W)

Sd/-

NARENDRA JAIN

Partner

Membership No.048725

Place : Mumbai

Date : April 21, 2021

For and on behalf of the Board of Directors

Sd/-

Prof. S. SADAGOPAN

Chairman

DIN No. 00118285

Sd/-

N. MURALIDARAN

Managing Director & CEO

DIN No. 06567029

Sd/-

M.S. SUNDARA RAJAN

Director

DIN No. 00169775

Sd/-

M. N. HARIHARAN

Chief Financial Officer

Sd/-

VAIBHHAV KULKARNI

Company Secretary

NSEIT Limited (Rs in Lakhs)

(Formerly known as *NSE.IT LIMITED*)

STATEMENT OF CHANGES IN EQUITY MARCH 31, 2021

(A) Equity Share Capital

Balance at the beginning of the reporting period	Changes in equity share capital during the year	Balance at the end of the reporting period
1,000.00	-	1,000.00

(B) Other Equity

Particulars	General reserve	Retained Earnings	Total
Balance at the beginning of the reporting period	**5,436.06**	**11,295.47**	**16,731.53**
Profit for the year	-	2,275.81	2,275.81
Other Comprehensive Income for the year		(88.17)	(88.17)
Dividends		(100.00)	(100.00)
Dividend Tax		-	-
Total Other Equity	**5,436.06**	**13,383.12**	**18,819.18**

STATEMENT OF CHANGES IN EQUITY MARCH 31, 2020

(A) Equity Share Capital

Balance at the beginning of the reporting period	Changes in equity share capital during the year	Balance at the end of the reporting period
1,000.00	-	1,000.00

(B) Other Equity

Particulars	General reserve	Retained Earnings	Total
Balance at the beginning of the reporting period	**5,436.06**	**9,652.90**	**15,088.96**
Profit for the year		1,833.74	1,833.74
Other Comprehensive Income for the year		(70.61)	(70.61)
Dividends		(100.00)	(100.00)
Dividend Tax		(20.56)	(20.56)
Total Other Equity	**5,436.06**	**11,295.47**	**16,731.53**

This is the statement of changes in equity refered to in our report of even date

For Khandelwal Jain & Co.
Chartered Accountants
(Reg No : 105049W)

Sd/-
NARENDRA JAIN
Partner
Membership No.048725

Place : Mumbai
Date : April 21, 2021

For and on behalf of the Board of Directors

Sd/-
Prof. S. SADAGOPAN
Chairman
DIN No. 00118285

Sd/-
N. MURALIDARAN
Managing Director & CEO
DIN No. 06567029

Sd/-
M.S. SUNDARA RAJAN
Director
DIN No. 00169775

Sd/-
M. N. HARIHARAN
Chief Financial Officer

Sd/-
VAIBHAV KULKARNI
Company Secretary

NSEIT Limited
STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2021
(Formerly known as *NSE.IT LIMITED* **)**

(Rs in Lakhs)

		2020-21	2019-20
A)	**CASHFLOW FROM OPERATING ACTIVITIES**		
	PROFIT BEFORE TAX	3,354.73	2,763.79
	Add : Adjustments for :		
	- Depreciation and amortisation expense	1,904.61	1,483.75
	- Bad Debts written off	-	103.35
	- Provision for Doubtful Debts	257.01	94.48
	- Interest on Lease	156.24	190.36
	Less : Adjustments for :		
	- Interest income on Bank deposits	(299.69)	(340.72)
	- Interest income on Others	(137.64)	(150.74)
	Net gain on sale of mutual funds mandatorily measured at fair value through Profit and Loss	(105.26)	(97.88)
	- Net gain on mutual funds mandatorily measured at fair value through Profit and Loss	(137.52)	(177.38)
	- Net Loss on disposal of property,plant and equipment	4.68	0.02
	- Dividend and other cost for issue of peference shares	715.91	717.40
	- Exchange difference on items grouped under financing/investing activities	-	83.12
	- Extinguishment of lease liabilities due rent concession	(62.82)	-
	- Reversal of lease liabilities on account of closer of certain lease	(11.76)	(1.01)
	- Excess provision written back	(826.28)	-
	- Sundry Balance W/ Back	(72.55)	(41.06)
	Change in Operating Assets and Liabilities		
	- Trade Receivable and Unbilled Receivable	(4,384.74)	461.35
	- Trade Payable and Provisions	502.65	(580.40)
	- Other Financial & Non-Financial Assets	310.83	692.58
	- Other Financial & Non-Financial Liabilities	1,116.05	(2,226.33)
	CASH GENERATED / (USED) FROM OPERATIONS	2,284.44	2,974.69
	- Income Taxes paid (Net of Refunds)	(1,190.79)	(1,790.44)
	NET CASH FROM (USED IN) OPERATING ACTIVITIES - Total (A)	1,093.65	1,184.25
B)	**CASHFLOW FROM INVESTING ACTIVITIES**		
	- Payment for Property Plant, Equipment	(716.64)	(1,012.15)
	- Sale Proceed from Property Plant, Equipment		-
	- Increase in Foreign Currency Translation Reserve	-	-
	- Interest received	577.04	396.96
	- Payment from fixed deposits / Bank Balances other than cash & cash equivalents (Net)	(2,579.91)	523.24
	- Payment for investment	(1,992.51)	(5,100.00)
	- Sale Proceeds from investment	5,369.20	6,325.67
	- Investment in Aujas Networks Pvt. Ltd.	(941.88)	(18.42)
	- Loan given to Subsidairies (net)	259.56	(337.30)
	NET CASH FROM (USED IN) INVESTING ACTIVITIES - Total (B)	(25.14)	777.99

C) **CASHFLOW FROM FINANCING ACTIVITIES**

- Dividend paid on Equity Shares	(100.00)	(100.00)
- Dividend paid on Preference Shares	(700.00)	(23.01)
- Dividend distribution tax paid on Equity & Prefenece Shares	-	(25.29)
- Payments towards lease obligation	(1,242.87)	(1,050.92)
NET CASH FROM (USED IN) FINANCING ACTIVITIES - Total (C)	(2,042.87)	(1,199.22)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	(974.36)	763.02
CASH AND CASH EQUIVALENTS : OPENING BALANCE	3,320.99	2,561.88
CLOSING CASH AND CASH EQUIVALENTS : CLOSING BALANCE	2,346.63	3,320.99
TOTAL CASH AND CASH EQUIVALENTS AS PER BALANCE SHEET	(974.36)	759.11
- Add: Unrealised exchange (gain)/loss on cash and cash equivalents	-	(3.91)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENT	(974.36)	763.02
Reconciliation of cash and cash equivalents as per the cash flow statement		
Cash and cash equivalents as per above comprise of the following		
- Cash and cash equivalents	2,346.63	3,320.99
- Bank overdrafts	-	-
Balance as per statement of cash flows	2,346.63	3,320.99

Notes :

1. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Ind AS-7 on Statement of Cash Flow as notified under Compaines (Accounts) Rules, 2015.
2. Previous years figures have been regrouped, rearranged and reclassified wherever necessary to confirm to the current year classifications

The above statement of cash flows should be read in conjunction with the accompanying notes.

As per our report of even date attached

For Khandelwal Jain & Co.
Chartered Accountants
(Reg No : 105049W)

Sd/-
NARENDRA JAIN
Partner
Membership No.048725

For and on behalf of Board of Directors

Sd/-
Prof. S. SADAGOPAN
Chairman
DIN No. 00118285

Sd/-
N. MURALIDARAN
Managing Director & CEO
DIN No. 06567029

Sd/-
M.S. SUNDARA RAJAN
Director
DIN No. 00169775

Sd/-
M. N. HARIHARAN
Chief Financial Officer

Sd/-
VAIBHAV KULKARNI
Company Secretary

Place : Mumbai
Date : April 21, 2021

1 **Summary of significant accounting policies :**

a) **Company Overview**

The NSEIT Limited ("the Company") is a Step-down Subsidiary of the National Stock Exchange of India Limited (NSE), the world's second largest stock exchange by trade volume. NSEIT is a global technology firm with a focus on the financial services industry. The Company is a vertical specialist organization with deep domain expertise and technology focus aligned to the needs of financial institutions and offering end-to-end technology solutions covering the entire gamut of Application Services, Testing Center of Excellence, Infrastructure Services, Integrated Security Response Center, Analytics as a Service and IT Enabled Services (e-Assessments and e-Auctions) for BFSI segment.

The Financial Statements are approved for issue by the Company's Board of Directors on April 21, 2021.

b) **Basis of preparation of Financial Statements**

These financial statements have been prepared in accordance with the historical cost basis, except for certain financial instruments which are measured at fair value, and are drawn up in accordance with the provisions of the Companies Act, 2013 and Indian Accounting Standards (“Ind AS”) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015], Companies (Indian Accounting Standards) Amendment Rules, 2016 and other relevant provisions of the Act.

i) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

• certain financial instruments that is measured at fair value, and

• defined benefit plans - plan assets measured at fair value.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability which market participants would take into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability.

c) **Use of estimates**

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Although these estimate are based on management’s best knowledge of current events and actions, uncertainity about the assumption and estimates could result in the outcome requiring material adjustment to the carrying amount of asset and liabilities.

d) **Investments and other financial assets**

(i) Classification

The Company classifies its financial assets in the following measurement categories:

· those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and

· those measured at amortised cost.

The classification depends on the entity’s business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. The Company reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.
Debt instruments :-
Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

· Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

· Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in Other Comphrensive Income (OCI) is reclassified from equity to profit or loss and recognised in net gain on sale of financial assets measured at FVOCI under other income. Interest income from these financial assets is included in other income using the effective interest rate method.

· Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net in the statement of profit and loss in Net fair value gain / (loss) on financial assets mandatorily measured at FVPL under other income in the period in which it arises. Interest income from these financial assets is included in other income.

Equity investments (other than investments in subsidiary, associates and joint venture) :-

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments continue to be recognised in profit or loss as other income when the Company's right to receive payments is established.
Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/ (losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Equity Investments (in subsidiaries, associates and joint venture)

Investments in subsidiaries, associates and joint venture are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. The accounting policy on impairment of non-financial assets is disclosed in Note (m) below. On disposal of investments in subsidiaries, associates and joint venture, the difference between net disposal proceeds and the carrying amounts are recognized in the statement of profit and loss.

Acquisition-related costs are costs the acquirer incurs to effect a business combination. Those costs include finder's fees; advisory, legal, accounting, valuation and other professional or consulting fees; general administrative costs, including the costs of maintaining an internal acquisitions department. The company accounts for acquisition-related costs as expenses in the periods in which the costs are incurred and the services are received.

(iii) Impairment of financial assets :-

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.
For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

De-recognition of financial assets :-

A financial asset is de-recognised only when

· The Company has transferred the rights to receive cash flows from the financial asset or
· retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company has transferred an asset, it evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is de-recognised. Where the Company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognised.
Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(iv) Income recognition

Interest income :-

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial assets to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

Dividends :-

Dividends are recognised in profit and loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be reliably measured.

e) **Financial liabilities**

(i) Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

(ii) Initial recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss.

(iii) Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the statement of profit and loss.

(iv) Derecognition

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

f) **Transaction costs**

Transaction costs are “Incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or financial liability. An incremental cost is one that would not have been incurred if the entity had not acquired, issued or disposed of the financial instrument. Transaction costs include fees and commission paid to agents, advisers, brokers and dealers, levies by regulatory agencies and security exchanges, and transfer taxes and duties. Under effective interest method, Company amortises transaction costs over the expected life of the financial instrument.

g) **Derivatives**

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period.

h) **Leases**

Effective April 1, 2019, the Company has adopted Ind AS 116 “Leases” and applied to all lease contracts existing on April 1, 2019 using the simplified approach.

As a lessee

The Company’s lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of the contract. Ind AS 116 defines a lease as a contract, or a part of a contract, that convey as the right of use an asset (the underlying asset) for a period of time in exchange of consideration. To assess whether as contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expenses on a straight line basis over the term of the lease.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on straight line basis over the shorter of the lease term and useful life of the underlying assets.

As a lessor

Lease for which the Company is a lessor is classified as finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. For operating leases, rental income is recognized on straight line basis over the term of the relevant lease.

i) **Revenue Recognition**

The Company earns revenue primarily from providing end-to-end technology solutions covering the entire gamut of Application Services, Testing Center of Excellence, Infrastructure Services, Integrated Security Response Center, Analytics as a Service and IT Enabled Services (e-Assessments and e-Auctions) for BFSI segment.

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

(i) Revenue from time and material and job contracts is recognised on output basis measured by units delivered, efforts expended, number of transactions processed, etc.

(ii) Revenue related to fixed price maintenance and support services contracts where the Company is standing ready to provide services is recognised based on time elapsed mode and revenue is straight lined over the period of performance.

(iii) In respect of other fixed-price contracts, revenue is recognised using percentage-of-completion method ('POC method') of accounting with contract costs incurred determining the degree of completion of the performance obligation. The contract costs used in computing the revenues include cost of fulfilling warranty obligations.

(iv) Revenue from Online examination services are recognized on the basis of exams conducted and in cases where there are multiple performance obligation, revenue is recognised using expected cost plus a margin approach where company forecast its expected costs of satisfying a performance obligation and then add an appropriate margin for that good or service.

(v) Revenue from the sale of distinct third party hardware is recognised at the point in time when control is transferred to the customer.

(vi) The solutions offered by the Company may include supply of third-party equipment or software. In such cases, revenue for supply of such third party products are recorded at gross or net basis depending on whether the Company is acting as the principal or as an agent of the customer. The Company recognises revenue in the gross amount of consideration when it is acting as a principal and at net amount of consideration when it is acting as an agent.

(vii) Insurance claims are accounted on accrual basis when the claims become due and receivable.

(viii) Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms

Unearned and deferred revenue ("contract liability") is recognised when there is billings in excess of revenues.

In accordance with Ind AS 37, the Company recognises an onerous contract provision when the unavoidable costs of meeting the obligations under a contract exceed the economic benefits to be received

Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

The Company disaggregates revenue from contracts with customers by contract type, geography and nature of services.

(ix) **Use of significant judgements in revenue recognition**

The Company's contracts with customers could include promises to transfer multiple products and services to a customer. The Company assesses the products / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. The Company allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

The Company uses judgement to determine an appropriate standalone selling price for a performance obligation. The Company allocates the transaction price to each performance obligation on the basis of the relative standalone selling price of each distinct product or service promised in the contract. Where standalone selling price is not observable, the Company uses the expected cost plus margin approach to allocate the transaction price to each distinct performance obligation.

The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

Revenue for fixed-price contract is recognised using percentage-of-completion method. The Company uses judgement to estimate the future cost-to-completion of the contracts which is used to determine the degree of completion of the performance obligation

Contract fulfilment costs are generally expensed as incurred except for certain software licence costs which meet the criteria for capitalisation. The assessment of this criteria requires the application of judgement, in particular when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.

j) **Property, plant and equipment**

Property, plant and equipment are stated at cost of acquisition less accumulated depreciation/amortization and impairment loss, if any. The cost is inclusive of freight, installation cost, duties, taxes, borrowing cost and other incidental expenses for bringing the asset to its working conditions for its intended use but net of Input Tax Credits, wherever input credit is claimed.
When significant parts of property, plant and equipment are required to be replaced in intervals, the Company recognizes such parts as separate component of assets with specific useful lives and provides depreciation over their useful life.
Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.
All other repair and maintenance costs are recognized in Income statement as incurred.

k) **Depreciation**

(i) Depreciation on tangible fixed assets is provided on Straight Line Method as per the useful life and in the manner prescribed in Schedule II to Companies Act, 2013. Fixed Furniture and fixtures, Electrical installation and Office equipment including civil improvements at lease hold premises are depreciated over the lease period.

The estimated useful lives, residual values and depreciation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

(ii) Depreciation on assets purchased / disposed off during the year is provided on pro rata basis with reference to the date of additions / deductions.

(iii) The gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amounts of the asset and is recognised in profit or loss.

l) **Intangible assets**

Intangible assets comprising of software are recorded at acquisition cost and are amortized over the estimated useful life on straight line basis. Software products/ licenses purchased/ acquired for internal use of the Company which have expected longer life are capitalised and depreciated over a period of 3 years on Straight Line Method.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.Costs associated with maintaining software programs are recognised as an expense as and when incurred.

<u>Development costs</u>
Development expenditures on an individual project are recognised as an intangible asset when the Company can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use
- Its intention to complete and its ability and intention to use the asset
- How the asset will generate future economic benefits
- The ability to measure reliably the expenditure during development
- Availability of adequate, financial and other resources to complete the development and to use / sell the intangible asset
- Adequate technical, financial and other resources to complete the development and to use or sell the software are available

The costs which can be capitalized include the cost of material, direct labour, overhead costs that are directly attributable for preparing the asset for its intended use.

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation expense is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.
During the period of development, the asset is tested for impairment annually.

m) **Impairment of tangible and intangible assets excluding goodwill**

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset’s carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset’s fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

n) **Inventory :**

The Inventory is valued at cost or net realizable value whichever is lower.

o) **Cash and cash equivalents in the statement of cash flows**

Cash and Cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignifican risk of changes in value. These do not include bank balances earmarked/restricted for specific purposes.

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

p) **Foreign currency transactions and translation**

Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates (‘the functional currency’). The financial statements are presented in Indian currency (INR), which is the Company’s functional and presentation currency.

Transactions and translations

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the period end exchange rates are recognised in profit or loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equity instruments held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equity investments classified as FVOCI are recognised in other comprehensive income.

Effective April 1, 2018 the company has adopted Appendix B to Ind AS 21- Foreign Currency Transactions and Advance Consideration which clarifies the date of transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income when an entity has received or paid advance consideration in a foreign currency. The effect on account of adoption of this amendment was insignificant.

q) **Employee benefits**

i **Short-term obligations**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are the amounts expected to be paid when the liabilities are settled. Short term employee benefits are recognised in statement of profit and loss in the period in which the related service is rendered. The liabilities are presented as current employee benefit obligations in the balance sheet.

ii **Other long-term employee benefit obligations**

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss. The obligations are presented as current liabilities in the balance sheet since the company does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

iii **Post-employment obligations**

The Company operates the following post-employment schemes:

(a) Defined benefit plans such as gratuity, and

(b) Defined contribution plans such as provident fund and superannuation

iv **Gratuity obligations**

The Company has maintained a Group Gratuity Cum Life Assurance Scheme with the Life Insurance Corporation of India (LIC) towards which it annually contributes a sum determined by LIC. The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to yields on government securities at the end of the reporting period that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

v **Defined contribution plans**

Superannuation

Superannuation benefit for employees designated as managers and above is covered by Group Superannuation Scheme with the Life Insurance Corporation of India towards which it annually contributes a sum based on a specified percentage of each covered employees' salary. The contribution paid for the year on the Group Superannuation Scheme is charged to revenue.

Provident Fund

W.e.f. 1st August 2010, the Company had transferred the corpus balance of the NSEIT Ltd. Employees Provident Fund Trust to the Regional Provident Fund Office, Kandivali, Mumbai. As per the applicable rule the Company contributes 12% of the employee's basic salary to the said recognized provident fund and the same is charged to revenue.

vi **Bonus plans**

The Company recognises a liability and an expense for bonuses. The Company recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

r) **Income tax**

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses, if any.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

The carrying amount of deferred tax assets are reviewed at the end of each reporting period and are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, associates and interest in joint arrangements where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Dividend distribution tax paid on the dividends is recognised consistently with the presentation of the transaction that creates the income tax consequence. Dividend distribution tax is charged to statement of profit and loss if the dividend itself is charged to statement of profit and loss. If the dividend is recognised in equity, the presentation of dividend distribution tax is recognised in equity.

s) **Contributed equity**
Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

t) **Provisions, Contingent liabilities and Contingent assets**

A provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions (excluding retirement benefits) are discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements. Contingent liabilities are not disclosed in case the possibility of an outflow of resources embodying economic benefits is remote. A contingent asset is neither recognised nor disclosed in the financial statements.

u) **Trade and other payables**
These amounts represent liabilities for goods and services provided to the Company prior to the end of financial period which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

v) **Current versus non-current classification**

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.
An asset is treated as current when it is:
- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.
A liability is current when:
- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

all other liabilities as non-current.
Deferred tax assets and liabilities are classified as non-current assets and liabilities.
The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

w) **Dividends**
Final dividends on shares are recorded as a liability on the date of approval by shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

x) **Trade receivables**
Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

y) **Offsetting financial instruments**
Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

z) **Earnings per share**

Basic and diluted earnings per share is computed by dividing the net profit attributable to equity shareholders for the year, by weighted average number of equity shares outstanding during the year.
(i) Basic earnings per share
Basic earnings per share is calculated by dividing:
• the profit attributable to owners of the company
• by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.
(ii) Diluted earnings per share
Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:
• the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
• the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

aa) Critical accounting estimates and judgements
The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.
The areas involving critical estimates or judgements are:
Use of significant judgements in revenue recognition
Estimation of useful life of tangible asset and intangible asset (Note 2)
Recognition of deferred tax assets [Note 15(D)]
Estimation of defined benefit obligation (Note 24)
Estimation of contingent liabilities and commitments (Note 26 & 27)
Impairment of Assets (Note 1 (m))
Recoverability of Trade Receivables [Note 37 (C)]

Estimates and judgments are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

ab) **Recent Pronouncement:**

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet:
• Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
• Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
• Specified format for disclosure of shareholding of promoters.
• Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
• If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
• Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

Statement of profit and loss:
• Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the standalone financial statements.

The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

ac) **Rounding of amounts**
All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

2: Property, Plant & Equipment and Intangible Assets (Rs in Lakhs)

Sr No.	Category	GROSS CARRYING AMOUNT				ACCUMULATED DEPRECIATION				NET CARRYING AMOUNT	
		As on 1-Apr-20	Additions	Deductions	As on 31-Mar-21	As on 1-Apr-20	For the year	Deductions	As on 31-Mar-21	As on 31-Mar-21	As on 1-Apr-20
A	**Tangible Assets**										
1	Computer Hardware and Servers & Networks	2,131.67	46.98	4.43	2,174.22	1,575.04	300.19	4.41	1,870.81	303.40	556.63
2	Office Equipment	631.64	117.31	5.40	743.54	527.15	59.61	5.40	581.36	162.18	104.49
3	Furniture & Fixtures	288.00	14.79	11.25	291.54	272.86	10.23	6.55	276.53	15.00	15.14
4	Building - Civil Work	105.53	103.46	-	208.99	105.53	34.39	-	139.92	69.07	0.00
		3,156.83	**282.54**	**21.08**	**3,418.29**	**2,480.58**	**404.42**	**16.37**	**2,868.63**	**549.66**	**676.25**
B	**Intangible Assets**										
1	Computer Software *	1,585.00	609.28	-	2,194.29	976.02	333.53	-	1,309.55	884.74	608.99
2	Software copyrights	259.06	-	-	259.06	259.06	-	-	259.06	0.00	0.00
		1,844.07	**609.28**	**-**	**2,453.35**	**1,235.08**	**333.53**	**-**	**1,568.61**	**884.74**	**608.99**
	GRAND TOTAL	**5,000.90**	**891.82**	**21.08**	**5,871.64**	**3,715.66**	**737.95**	**16.37**	**4,437.24**	**1,434.40**	**1,285.24**
	PREVIOUS YEAR	**4,306.60**	**785.69**	**91.39**	**5,000.90**	**3,252.16**	**554.87**	**91.37**	**3,715.66**	**1,285.24**	

Sr No.	Category	GROSS CARRYING AMOUNT				ACCUMULATED DEPRECIATION				NET CARRYING AMOUNT	
		As on 1-Apr-19	Additions	Deductions	As on 31-Mar-20	As on 1-Apr-19	For the year	Deductions	As on 31-Mar-20	As on 31-Mar-20	As on 1-Apr-19
A	**Tangible Assets**										
1	Computer Hardware and Servers & Networks	1,988.61	186.72	43.65	2,131.67	1,274.34	344.36	43.65	1,575.04	556.63	714.27
2	Office Equipment	621.62	47.96	37.95	631.64	534.71	30.37	37.93	527.15	104.49	86.91
3	Furniture & Fixtures	286.33	11.45	9.79	288.00	277.92	4.72	9.79	272.86	15.14	8.41
4	Building - Civil Work	105.53			105.53	105.53			105.53	0.00	0.00
		3,002.09	**246.13**	**91.39**	**3,156.83**	**2,192.50**	**379.45**	**91.37**	**2,480.58**	**676.25**	**809.59**
B	**Intangible Assets**										
1	Computer Software	1,045.45	539.56		1,585.00	800.60	175.41		976.02	608.99	244.84
2	Software copyrights	259.06			259.06	259.06			259.06	0.00	0.00
		1,304.51	**539.56**	**-**	**1,844.07**	**1,059.67**	**175.41**	**-**	**1,235.08**	**608.99**	**244.84**
	GRAND TOTAL	**4,306.60**	**785.69**	**91.39**	**5,000.90**	**3,252.16**	**554.87**	**91.37**	**3,715.66**	**1,285.24**	**1,054.44**
	PREVIOUS YEAR	**3,927.32**	**585.07**	**205.80**	**4,306.60**	**2,983.28**	**472.73**	**203.85**	**3,252.16**	**1,054.44**	

* During the year, the Company has carried out development / enhancement of various software for rendering its existing business services. Since these software will generate future economic benefits, the company has capitalised the development/ enhancement cost of Rs. 490.71 Lakhs. The estimated useful life of these software is 3 years and are amortised over the said period.

2.1 Capital Work In Progress

(Rs in Lakhs)

Particulars	31-Mar-21	31-Mar-20
Opening Balance - Carrying amount	**102.25**	**8.10**
Additions	186.40	389.13
Disposals	-	-
Transfers	288.65	294.98
Closing Balance - Carrying amount	**-**	**102.25**

2.2 Intangible assets under development -

Particulars	31-Mar-21	31-Mar-20
Opening Balance - Carrying amount	**118.51**	**-**
Additions	531.57	609.21
Disposals	-	-
Transfers	603.17	490.71
Closing Balance - Carrying amount	**46.91**	**118.51**

*As at 31.03.2021, a sum of Rs. 46.91 Lakhs (previous year Rs. 118.51 Lakhs) has been shown as Intangible Assets Under Development. These are towards various software under development which will enhance the existing business services as well offering new products in the market.

2.3 : Right to Use

Notes : Right to Use

Following are the changes in the carrying value of right of use assets:

Particulars	Category of ROU asset As at 31 March 2021	 As at 31 March 2020
	Building	Building
Balance as at biginning	1,898.51	-
Reclassified on account of adoption of Ind AS 116	-	-
Additions	786.20	2,851.26
Deletion	(146.20)	(23.87)
Depreciation	(1,166.66)	(928.88)
Balance as at end	**1,371.85**	**1,898.51**

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the statement of Profit and Loss.

The following is the break-up of current and non-current lease liabilities.

Particulars	As at 31 March 2021	As at 31 March 2020
Current lease liabilities	917.13	989.52
Non-current lease liabilitie	527.49	976.30
Total	**1,444.62**	**1,965.82**

The following is the movement in lease liabilities during the year ended 31 March 2021:

Particulars	As at 31 March 2021	As at 31 March 2020
Balance at the beginning	**1,965.82**	-
Additions	786.20	2,851.26
Finance cost accrued during the year	156.24	190.36
Deletions	(157.96)	(24.88)
Payment / accrual of lease liabilities	(1,242.87)	(1,050.92)
Extinguishment of lease liabilities (refer note 43)	(62.82)	-
Balance at the end	**1,444.61**	**1,965.82**

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

Particulars	As at 31 March 2021	As at 31 March 2020
Less than one year	1,147.91	1,137.83
One to five years	388.91	1,017.83
More than five years	-	-
Total	**1,536.82**	**2,155.65**

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Rental expense recorded for short-term leases was Rs 42.85 Lakhs for the year ended 31 March 2021 (Rs 217.48 Lakhs for the year ended 31 March 2020)

The table below provides details regarding the contractual maturities of lease liabilities as at 31 March 2021 on an undiscounted basis:

Particulars	As at 31 March 2021	As at 31 March 2020
Less than one year	10.95	56.72

3 i **Investments**

		Non-current		Current	
		31.03.2021	31.03.2020	31.03.2021	31.03.2020
		(Rs in Lakhs)		(Rs in Lakhs)	
A	**Investments in subsidiaries**				
	Investment in Equity Instrument (fully paid up)				
	Unquoted Equity Instrument (at cost)				
i	NSEIT(US) Inc. (refer Note 41)	533.69	533.69	-	-
	[1000000 Equity share of $ 1 each fully paid]		-	-	-
	Ownership interest 100% (previous year 100%)				
ii	Aujas Cybersecurity Limited				
	(Formerly known as Aujas Networks Limited /Aujas Networks Private Limited)				
	(Refer Note 32)				
	[2010 (previous year 2010) Series A Equity shares of Rs. 1 each fully paid]	0.06	0.06	-	-
	[1000 (previous year 1000) Series B Equity shares of Rs. 1 each fully paid]	0.03	0.03	-	-
	[26,73,34,100 (previous year 25,93,41,400) Equity shares of Rs. 1 each fully paid]	9,420.21	8,849.90	-	-
	Ownership interest 99.29% (previous year 96.84%)				
	"Series A Equity Shares" of face value of Rs 1/- carry differential voting rights which entitle the owner thereof to 57,732 votes for such equity share				
	"Series B Equity Shares" of face value of Rs 1/- carry differential voting rights which entitle the owner thereof to 77,121 votes for such equity share				
B	**Unquoted Equity instrument**				
	NSE Foundation *	0.00	0.00	-	-
	[1000 Equity share of Rs. 10 each fully paid]				
C	**Investments in Mutual Funds**	-	-	2,188.06	5,321.96
	Unquoted Investment in Mutual funds at FVPL (Refer Note 34)				
		9,954.00	**9,383.69**	**2,188.06**	**5,321.96**

* NSE Foundation is incorporated under section 8 of the Companies Act, 2013 and intends to apply its profits, if any, or other income in promoting its objects and any payment of dividend to its members is prohibited.

4 **Other Financial Assets**

		Non-current		Current	
		31.03.2021	31.03.2020	31.03.2021	31.03.2020
		(Rs in Lakhs)		(Rs in Lakhs)	
i	**Non-Current Bank Balances**				
	Fixed deposits with maturity for more than 12 months	31.43	-	-	-
	Earmarked fixed deposits with maturity for more than 12 months *	2,026.52	236.05	-	-
		2,057.95	**236.05**	**-**	**-**
ii	**Loans**				
a	Security deposit (unsecured, considered good)	-	-	556.87	638.56
b	**Loans to related parties (Subsidiaries)**				
	(unsecured, considered good)				
	NSEIT(US) Inc. (USD 9,55,000) (previous year USD 12,75,528) (refer note 41)	701.93	961.49	-	-
	Aujas Cybersecurity Limited	1,200.00	1,200.00	-	-
	Total	**1,901.93**	**2,161.49**	**556.87**	**638.56**

iii **Others**				
Interest accrued on Bank deposits	3.26	0.39	30.50	68.60
Interest accrued on Loans (unsecured, considered good)	-	-	-	104.49
Other advances (unsecured, considered good)	-	-	0.66	-
	3.26	0.39	31.16	173.09
Total	**3,963.14**	**2,397.93**	**31.16**	**173.09**

* Earmarked deposits are restricted. These deposits are earmarked against forward contracts / performance guarantee

5 **Other assets**

	Non-current		Current	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
	(Rs in Lakhs)		(Rs in Lakhs)	
Advance to Creditors (unsecured, considered good)	-	-	157.14	312.27
Advance to Related Party (unsecured, considered good) (refer note 25)	-	-	-	57.70
Advance to Staff for Expenses (unsecured, considered good)	-	-	88.57	332.72
Capital Advance	8.60	13.81	-	-
Salary Advance (unsecured, considered good)	-	-	-	1.84
Prepaid expenses	61.85	15.71	301.49	118.58
Deferred Transaction Cost	46.56	61.12	14.55	15.91
	117.01	**90.64**	**561.76**	**839.02**

6 **Trade receivables**

Particulars	Current	
	31.03.2021	31.03.2020
	(Rs in Lakhs)	
Trade Receivables	8,601.76	5,768.50
Less : Loss Allowances	(742.37)	(485.36)
	7,859.39	5,283.14
Breakup of security details		
Trade Receivables considered good -Secured	-	-
Trade Receivables considered good -Unsecured	7,859.39	5,283.14
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables credit impaired (Refer note 6.1)	742.37	485.36
Total	8,601.76	5,768.50
Loss allowances	(742.37)	(485.36)
Total Trade Receivables	**7,859.39**	**5,283.14**

6.1 This includes an amount of Rs.583.00 Lakhs for Provision for Doubtful Debts (Previous year Rs. 408.94 Lakhs) and Rs.159.38 Lakhs for Provison for Expected Credit Loss (Previous Year Rs. 76.42 Lakhs).

	Non-current		Current	
7 **Unbilled Receivables**	31.03.2021	31.03.2020	31.03.2021	31.03.2020
		-	(Rs in Lakhs)	
Unbilled Receivables	-	-	2,139.47	587.99

8 a **Cash and Cash equivalents**

	Non-current		Current	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
		-	(Rs in Lakhs)	
Balances with banks				
- In Current Accounts			284.77	311.39
- In Flexi Deposits			2,052.75	3,009.47
Fund in transit			9.10	-
Cash on hand			-	0.13
	-	-	2,346.63	3,320.99

b **Bank Balances other than Cash and cash equivalents**

	Non-current 31.03.2021	Non-current 31.03.2020	Current 31.03.2021	Current 31.03.2020
Fixed deposits				
- with original maturity for more than 3 months but less than 12 months			-	-
- with original maturity for more than 12 months			-	674.40
Earmarked fixed / flexi deposits *				
- with original maturity for more than 3 months but less than 12 months				-
- with original maturity for more than 12 months			3,684.94	1,880.97
Escrow Account with ICICI Bank **			-	371.57
	-	-	3,684.94	2,926.94
Total	**-**	**-**	**6,031.57**	**6,247.93**

* Earmarked deposits are restricted. These deposits are earmarked against forward contracts / performance guarantee
** Amount of previous year represents part of the deferred consideration payable towards investment in subsidiary (Aujas Cybersecurity Limited).

9 A **Equity Share Capital**

	31.03.2021	31.03.2020
	(Rs in Lakhs)	
Authorised		
15,000,000 (Previous Year 15,000,000) Equity Shares of Rs 10 each.	**1,500.00**	**1,500.00**
Issued, Subscribed and Paid-up		
10,000,010 (Previous year 10,000,010) Equity shares of Rs.10 each fully paid up.	**1,000.00**	**1,000.00**

There is no movement either in the number of shares or in amount between previous year and current year.

Terms and rights attached to equity shares
The Company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

The Board of Directors in the meeting on April 21 2021 , have proposed a final dividend of Rs. 150.00 lakhs for the Financial Year ended March 31, 2021. The proposal is subject to approval of the shareholders at the ensuing annual general meeting to be held and if approved would result in a cash outflow of approximately Rs. 150.00 lakhs.

The Board of Directors, in their meeting on June 20,2020, proposed a final dividend of Rs 1 /- per equity share which has been approved by the shareholders at the Annual General Meeting held on July 15, 2020. The total dividend paid during the year ended March 31, 2021 amounts to Rs.100 Lakhs.

Details of shareholders holding more than 5% equity shares in the Company

	31.03.2021		31.03.2020	
	No.	% holding	No.	% holding
Equity shares of Rs 10/- each fully paid NSE Investments Limited (Holding Company)	1,00,00,010	100%	1,00,00,010	100%

B **Preference Share Capital**

	31.03.2021	31.03.2020
	(Rs in Lakhs)	
Authorised, Issued, Subscribed and Paid-up Preference capital	10,000.00	10,000.00

Details of shareholders holding more than 5% cumulative redeemable preference shares in the Company

	31.03.2021		31.03.2020	
	No.	% holding	No.	% holding
Cumulative redeemable preference shares of Rs. 100 each NSE Investments Limited (Holding Company)	1,00,00,000	100%	1,00,00,000	100%

10,000,000 (March 31, 2020: 10,000,000) cumulative redeemable preference shares of Rs. 100 each	**10,000.00**	**10,000.00**

10 **Other Equity**

	31.03.2021	31.03.2020
	(Rs in Lakhs)	
General reserve		
As per last balance sheet	5,436.06	5,436.06
Add : Transferred from surplus balance in the Statement of Profit & Loss	-	-
	5,436.06	5,436.06
Retained Earnings - Surplus/(deficit) in the statement of profit and loss		
As per last balance sheet	11,295.47	9,652.90
Add : Profit / (Loss) for the year	2,275.81	1,833.74
Add : Other Comprehensive Income	(88.17)	(70.61)
Less : Equity Dividend Paid	100.00	100.00
Less : Tax on equity dividend paid	-	20.56
	13,383.12	**11,295.47**
Total Other Equity	**18,819.18**	**16,731.53**

11 **Borrowings**

Unsecured

7%, Seven Years, Cumulative Redeemable Preference Shares (CRPS) 10,000,000 (Previous year 10,000,000) Preference shares of Rs.100 each fully paid up	10,000.00	10,000.00

Terms and conditions for issue of Preference shares

Rate of Dividend : Dividend rate will be 7% p.a. (on the face value) which will remain fixed over the tenure of the CRPS

Cumulative: The CRPS will carry Cumulative Dividend Right.

Priority with Respect to payment of dividend or repayment of captial : The CRPS will carry a preferential right vis-a-vis equity shares of the Company with respect to the payment of dividend and repayment of capital during winding up.

Tenure & conversion / Redemptions Terms : The amount subscribed/paid on each CRPS shall be redeemed after 7 years from the date of allotment of the CRPS. Each CRPS shall be redeemed at the same price as received at the time of subscription i.e. Face Value.

Conversion: CRPS shall not be convertible into equity shares

Voting rights : CRPS shall carry voting rights as per the provisions of Section 47(2) of the Companies Act 2013

Redemption: All the CRPS shall be redeemed at the end of 7 years from the date of allotment i.e. 20th March 2019.

12 **Trade Payables**

	Non-current		Current	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
	(Rs in Lakhs)		(Rs in Lakhs)	
Trade payables	-	-	2,295.34	2,053.10
Trade payables to MSME (Refer note 28)	-	-	19.34	33.40
Trade payables to related Party (refer note 25)	-	-	177.04	114.04
	-	**-**	**2,491.72**	**2,200.54**

13 **Other Financial Liabilities**

Creditors for Investment	-	-	-	371.57
Creditors for Capital Expenditure	-	-	3.75	7.66
Lease Liablility	527.49	976.30	917.12	989.53
Dividend payable on preference shares			700.00	700.00
	527.49	**976.30**	**1,620.87**	**2,068.75**

14 **Provisions**

	Non-current		Current	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
	(Rs in Lakhs)		(Rs in Lakhs)	
Employee benefits obligation				
Provision for Gratuity (Ref. Note 24)	-	97.69	103.77	169.21
Provision for Leave Encashment (Ref. Note 24)	197.99	114.98	75.26	53.74
Provision for variable pay and incentives	65.38	31.43	673.26	964.40
Total	**263.37**	**244.10**	**852.29**	**1,187.35**

15 **Income Taxes**

(A) The major components of income tax expense are as follows:

Profit or loss section

Particulars	31.03.2021	31.03.2020
	(Rs in Lakhs)	
Current taxes	1,022.00	941.00
Short / Excess Tax for earlier years	14.82	39.78
Deferred taxes movement of Asset	42.10	(50.73)
Deferred taxes movement of Liability	-	-
Income tax expense reported in the statement of profit or loss	1,078.92	930.05

OCI section

Deferred tax related to items recognised in OCI during in the year:

Particulars	31.03.2021	31.03.2020
	(Rs in Lakhs)	
Re-measurement of the defined benefit liability / asset	29.65	23.75
Equity instruments through Other Comprehensive Income	-	-
Income tax charged to Other Comprehensive Income	29.65	23.75

(B) Reconciliation of the Income Tax provision to the amount computed by applying the statutory income tax rate to the income before income taxes

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Profit before income tax expense	3,354.73	2,763.79
Tax at the Indian Tax Rate of 25.168% (PY 25.168%)	25.168%	25.168%
Computed expected tax expenses	844.32	695.59
Tax effect of amounts which are not deductible (taxable) in calculating taxable income		
- Disallowance due to contribution to NSE Foundation and 80G benefit (net)	18.19	8.95
- Expenditure not allowable	16.22	-
- Dividend & other cost for issue of Preference shares	180.18	180.55
- Short / (excess) Tax for earlier years	14.82	39.78
- Other Impacts	5.18	5.17
Current Income Tax for the year	1,078.92	930.05

(C) The movement in the current income tax asset/ (liability) is as follows:

Particulars	31.03.2021	31.03.2020
	(Rs in Lakhs)	
Net current income tax asset/(liability) at the beginning	661.22	(148.43)
Income tax Paid / (Refund)	1,190.79	1,790.43
Current income tax expense	(1,022.00)	(941.00)
Short / Excess Tax for earlier years	(14.82)	(39.78)
Net current income tax asset/(liability) at the end	**815.19**	**661.22**

(D) The tax effects of significant temporary differences that resulted in deferred income tax assets and liabilities are as follows:

Particulars	31.03.2021	31.03.2020
	(Rs in Lakhs)	
Deferred income tax assets		
Impact of difference between depreciation /amortization charged for the financial reporting and tax depreciation	97.48	70.64
Impact of difference arising on account of impairment of intangible asset and tax depreciation,	1.51	2.02
Impact of Gratuity , Leave Encashment & Perfomance Bonus disallow u/s 43 B	164.90	276.13
Imapct of Provision for Doubtful Debts	186.84	122.16
Impact on account of Lease obligation	18.31	17.19
Total deferred income tax assets	**469.05**	**488.14**
Deferred income tax liabilities		
Impact of fair value on Investment in Mutual Funds	49.22	55.86
Total deferred income tax liabilities	**49.22**	**55.86**
Deferred income tax asset after set off	**419.83**	**432.28**

(E) **Movement in Deferred Tax Assets**

Particulars	Depreciation on Tangible Assets	Amortization on Intangible Assets	Provision for Gratuity, Leave Encashment & Performance Pay	Disallowance u/s 40 (a)(ia) Non Deduction of TDS	Provision for Doubtful Debts	Actuarial Gain / (Loss) through OCI for Gratuity & Leave Encashment	Total
At 1st April 2019	**79.15**	**3.11**	**161.41**	**-**	**113.83**	**21.38**	**378.88**
Charged / (Credited)							
- to profit or loss	(8.51)	(1.09)	69.59	17.19	8.33		**85.52**
- to other comprehensive income	-	-				23.75	**23.75**
- to retained earning	-	-					
At 31st March 2020	**70.64**	**2.02**	**231.00**	**17.19**	**122.16**	**45.13**	**488.14**
Charged / (Credited)							
- to profit or loss	26.84	(0.51)	(140.88)	1.12	64.68		**(48.75)**
- to other comprehensive income		-				29.65	**29.65**
- to retained earning	-	-					
At 31st March 2021	**97.48**	**1.51**	**90.12**	**18.31**	**186.84**	**74.78**	**469.05**

(F) **Movement in Deferred Tax Liabilities**

Particulars	Depreciation on Tangible Assets	Amortization on Intangible Assets	Financial Assets at Fair Value through profit and Loss	Total
At 1st April 2019	**-**	**-**	**21.07**	**21.07**
Charged / (Credited)				
- to profit or loss	-	-	34.79	34.79
- to other comprehensive income	-	-		
- to retained earning	-	-		
At 31st March 2020	**-**	**-**	**55.86**	**55.86**
Charged / (Credited)				
- to profit or loss	-	-	(6.64)	(6.64)
- to other comprehensive income	-	-		
- to retained earning	-	-		
At 31st March 2021	**-**	**-**	**49.22**	**49.22**

16 **Income Tax Liabilities / Assets**

	Non-current		Current	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
	(Rs in Lakhs)		(Rs in Lakhs)	
Income Tax Assets (net)	912.87	701.58	-	-
Income Tax Liabilities (net)	-	-	97.68	40.36
	912.87	**701.58**	**97.68**	**40.36**

17 **Other liabilities**

	Non-current		Current	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
	(Rs in Lakhs)		(Rs in Lakhs)	
Statutory dues payable	-	-	1,013.03	555.70
Advance received from customers	-	-	705.37	474.40
Income received in advance	-	-	197.30	23.29
Total	-	-	**1,915.69**	**1,053.39**

18 **Revenue from operations**

	Year ended 31.03.2021	Year ended 31.03.2020
	(Rs in Lakhs)	
Operating revenues		
Sale of Products :		
- Software Products	13.62	2.05
- Traded Goods	72.54	37.08
	86.16	39.13
Sale of Services :		
- Software Product Revenues	719.67	420.57
- Application Development & Maintenance Services	7,826.01	7,580.20
- Infrastructure Management Services	4,345.72	3,444.65
- ITES - Assessment Services	12,048.27	15,192.73
- Customer Care Services	511.26	612.96
	25,450.92	27,251.10
Total	**25,537.09**	**27,290.23**

Disaggregate revenue information

The table below presents disaggregated revenues from contracts with customers for the year ended March 31, 2021 by contract-type .The Company believe that this disaggregation best depicts how the nature, amount, timing and uncertainty of our revenues and cashflows are affected by industry, market and other economic factors.

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Revenues by contract type		
Fixed Price	19,676.39	22,915.48
Time & Materials	5,860.70	4,374.76
Total	**25,537.09**	**27,290.23**

Performance obligations and remaining performance obligations

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the Company expects to recognize these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the remaining performance obligation related disclosures for contracts where the revenue recognized corresponds directly with the value to the customer of the entity's performance completed to date, typically those contracts where invoicing is on time and material basis. Remaining performance obligation estimates are subject to change and are affected by several factors, including terminations, changes in the scope of contracts, periodic revalidations, adjustment for revenue that has not materialized and adjustments for currency.

The aggregate value of performance obligations that are completely or partially unsatisfied as at March 31, 2021, other than those meeting the exclusion criteria mentioned above, is Rs. 894.61 Lakhs (Pevious year Rs. 497.69 lakhs). The Company expects to recognize entire revenue within the next one year. This includes contracts that can be terminated for convenience without a substantive penalty since, based on current assessment, the occurrence of the same is expected to be remote.

Revenue disaggregation by geography is as follows:

Geography	Year ended 31.03.2021	Year ended 31.03.2020
India	24,752.70	25,495.94
Singapore	65.29	71.76
Sweden	241.44	1,160.36
UK	-	9.68
Brunei Darussalam	179.71	353.72
Muscat (Oman)	-	11.48
US	297.95	187.29
Total	**25,537.09**	**27,290.23**

Information about major customers:

Company's significant revenue of 0.09 % (previous year 15.35%) being Rs. 22.35 lakhs (previous year Rs. 4189.73 lakhs) is derived from a customer under ITES-Assessement Services Segment. Also, the Company's significant revenue of 35.11% (previous year 29.60%) is derived from a group of entities under common control, the total Operating Revenue from such entities amounted to Rs. 8966.82 lakhs in FY 2020-21 (End to End Solutions Rs. 8537.67 lakhs and ITES-Assessment Service Rs 429.15 lakhs) and Rs. 8076.72 lakhs in FY 2019-20 (End to End Solutions Rs. 7451.87 lakhs and ITES-Assessment Service Rs 624.85 lakhs). No other single customer contributed 10% or more to the Company's revenue for FY 2020-21 and FY 2019-20.

Changes in Contract assets (Unbilled receivable) are as follows:	**31.03.2021**	**31.03.2020**
Balance at the beginning of the year	**587.99**	**1,884.53**
Invoices raised during the year	(587.99)	(1,883.03)
Contract assets reversed for financial year 2019-20	-	(1.50)
Revenue recognised during the year	2,139.47	587.99
Balance at the end of the year	**2,139.47**	**587.99**

Changes in advance received from customer are as follows:	**31.03.2021**	**31.03.2020**
Balance at the beginning of the year	**(474.40)**	**(372.74)**
Increase due to invoicing during the year, excluding amounts recognised as revenue during the year	-	-
Advance adjusted against trade receivables	474.40	372.74
Advance received during the year	(705.37)	(474.40)
Balance at the end of the year	**(705.37)**	**(474.40)**

19 **Other income**

	Year ended 31.03.2021	Year ended 31.03.2020
	(Rs in Lakhs)	
Interest Income		
- On Bank Deposits	299.69	340.72
- Interest Others	137.64	150.74
Net gain on sale of mutual funds mandatorily measured at fair value through Profit and Loss	105.26	97.88
Net gain on mutual funds mandatorily measured at fair value through Profit and Loss	137.52	177.38
Gain on foreign currency transaction (net)	-	73.55
Excess provision written back (*)	826.28	-
Sundry Balance Written Back (net)	72.55	41.06
Extinguishment of lease liabilities due rent concession (refer note 43)	62.82	-
Miscellaneous Income	57.03	17.51
Total	**1,698.80**	**898.83**

(*) Includes a sum of Rs. 681.16 Lakhs, being amount of employee performance pay/ variable pay of earlier years no longer payable.

20	**Employee benefits expenses**	Year ended 31.03.2021	Year ended 31.03.2020
		(Rs in Lakhs)	
	Salaries and wages	9,456.34	8,325.35
	Contribution to provident and other funds	399.74	429.47
	Gratuity (Refer Note 24)	6.67	85.22
	Contribution to Superannuation Scheme	0.30	2.59
	Staff welfare expenses	59.97	150.93
	Total	**9,923.02**	**8,993.57**

			Year ended 31.03.2021	Year ended 31.03.2020
			(Rs in Lakhs)	
21		**Finance Cost**		
		Bank Charges	28.96	28.72
		Interest on lease liability	156.24	190.36
		Interest Expense (Others)	8.06	16.57
		Dividend and other cost for issue of peference shares	715.91	717.40
			909.17	**953.05**
22	i	Technical & Sub Contract Charges	2,519.74	3,000.12
	iii	**Other expenses**		
		Power and fuel	238.76	316.49
		Rent	2,219.96	2,380.55
		Insurance	177.51	165.18
		Repairs to machinery	76.52	95.10
		Rates and taxes, excluding taxes on income	22.90	36.74
		Travelling expenses	300.18	808.67
		Project Related Purchases	2,795.90	4,406.47
		Professional Fees	287.09	180.44
		Conveyance	223.63	252.34
		Telephone & Internet Expenses	294.55	299.26
		Security Services Charges	155.79	187.90
		Fees & Subscription	682.57	763.78
		Payment to Auditors (refer note below)	65.02	43.21
		Directors' Sitting Fees	69.75	55.50
		Office Expenses	267.72	191.64
		Contribution to NSE Foundation towards CSR (Refer Note 40)	72.27	71.11
		Loss on foreign currency transaction (net)	32.89	-
		Bad Debts Written Off	-	103.35
		Provision for Doubtful Debts / Expected Credit Loss model	257.01	94.48
		Miscellaneous expenses	384.61	542.57
		Total	**8,624.62**	**10,994.78**

Note :
Payment to Auditors
As Auditors :

Audit Fees	23.00	16.00
Limited Review	9.00	6.00
Tax Audit Fees	3.50	3.50
In Other Capacities		
Taxation matters	4.50	4.50
GST Audit for earlier years	15.00	7.50
Certification matters	9.25	5.30
Out of pocket expenses	0.77	0.41
Total	**65.02**	**43.21**

23 In accordance with Indian Accounting Standard - 33 “Earning per Share”

Earning per share

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Net Profit attributable to Shareholders		
Profit after tax (Rs. In Lakhs)	2,275.81	1,833.74
Weighted Average number of equity shares issued (in nos)	1,00,00,010	1,00,00,010
Basic earnings per share of ₹ 10/- each (in ₹)		
Basic	22.76	18.34
Diluted	22.76	18.34

The Company does not have any outstanding dilutive potential equity shares. Consequently, the basic and diluted earning per share of the Company remain the same.

24 **Disclosure Under Indian Accounting Standard 19 (Ind AS 19) On Employee Benefits:**

(a) **Defined Contribution Plan**

The Company’s contribution towards Provident Fund and ESIC during the year ended March 31, 2021 amounting to Rs 399.74 Lakhs (31.03.2020 : Rs 429.47 Lakhs) and superannuation fund during the year ended March 31, 2021 amounting to Rs. 0.30 Lakhs (31.03.2020: Rs. 2.59 Lakhs) has been charged to Statement of Profit & Loss.

(b) **Perfomance Pay & Leave Encashment**

i) **Provision for Employee Benefit : Performance Pay**

(Rs in Lakhs)

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Carrying amount at the beginning of the year	995.84	792.27
Amounts paid during the year	(521.66)	(607.14)
Amounts written back during the year	(681.16)	(2.86)
Provisions made during the year	945.63	813.57
Carrying amount at the end of the year	**738.65**	**995.84**

ii) **Provision for Employee Benefit : Leave Encashment**

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Carrying amount at the beginning of the year	168.72	136.15
Amounts paid during the year	(65.28)	(38.65)
Amounts transferred during the year	(3.65)	-
Provisions made during the year	173.47	71.22
Carrying amount at the end of the year	**273.26**	**168.72**

(c) **Gratuity:** Company has charged the Gratuity expense to Profit & Loss account based on the actuarial valuation of gratuity liability at the end of the year. The projected unit credit method used to show the position as at the reporting date is as under.

(i) Assumptions:

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Discount Rate	6.48%	6.56%
Rate of Return on Plan Assets	6.48%	6.56%
Salary Escalation	8.00%	8.00%
Attrition Rate	For Service 4 years and below 30.00% p.a. and for service 5 years and above 3.00% p.a.	For Service 4 years and below 30.00% p.a. and for service 5 years and above 3.00% p.a.

(ii) Change in defined benefit obligation:

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Liability at the beginning of the year	647.92	459.32
Interest cost	42.50	34.86
Current Service Cost	105.65	75.98
Past Service Cost	(116.49)	
Liability transferred out	(6.21)	-
Benefits Paid	(45.98)	(14.60)
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	7.96	75.25
Actuarial (Gains)/Losses - Due to Experience Adjustments	121.86	17.12
Liability at the end of the year	**757.21**	**647.92**

(iii) Fair value of plan assets:

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Fair Value of plan assets at the beginning of the year	381.02	337.47
Interest Income	25.00	25.61
Expected return on plan assets	-	-
Contributions	281.41	34.53
Transfer from other company	-	-
Benefits paid	(45.98)	(14.60)
Expected return on plan assets	11.99	(1.99)
Fair Value of plan assets at the end of the year	**653.43**	**381.02**

(iv) Amount recognised in the Balance Sheet

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Fair value of plan assets as at the end of the year	653.43	381.02
Liability as at the end of the year	757.21	647.92
Net (liability) / asset disclosed in the Balance Sheet	**(103.77)**	**(266.90)**

(v) Net Interest Cost for Current Period

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Interest Cost	42.50	34.86
Interest Income	25.00	25.61
Net Interest Cost for Current Period	**17.51**	**9.25**

(vi) Expenses recognised in the Statement of Profit & Loss

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Current Service cost	105.65	75.98
Net Interest Cost	17.51	9.24
Past Service cost	(116.49)	-
Expenses recognised in the Statement of Profit & Loss	**6.67**	**85.22**

(vii) Expenses recognised in the Other Comprehensive Income

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Expected return on plan assets	(11.99)	1.99
Actuarial (Gain) or Loss	129.81	92.36
Net (Income)/Expense for the Period Recognized in OCI	**117.82**	**94.35**

(viii) Balance Sheet Reconciliation

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Opening Net Liability	266.90	121.85
Expenses Recognized in Statement of Profit or Loss	6.67	85.22
Expenses Recognized in OCI	117.82	94.35
Net (Liability)/Asset Transfer out	(6.21)	-
Employers Contribution	(281.41)	(34.53)
Amount recognised in the Balance Sheet	**103.77**	**266.90**

(ix) Category of Assets

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Insurer Managed Funds (Rs)	653.43	381.02
% of Insurer Managed Funds	100%	100%
Total	**653.43**	**381.02**

(x) **Maturity Analysis of the Benefit Payments : From the Fund**

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
1st Following Year	69.86	42.09
2nd Following Year	22.31	37.85
3rd Following Year	29.30	24.51
4th Following Year	26.93	29.83
5th Following Year	21.95	25.52
Sum of Years 6 To 10	151.58	151.43
Sum of Years 11 and above	1,844.30	1,451.63

(xi) **Sensitivity Analysis**

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Project Benefit Obligation on Current Assumptions	757.21	647.92
Delta Effect of + 1% Change in Rate of Discounting	(91.04)	(73.25)
Delta Effect of - 1% Change in Rate of Discounting	110.98	88.53
Delta Effect of + 1% Change in Rate of Salary Increase	108.15	86.35
Delta Effect of - 1% Change in Rate of Salary Increase	(90.64)	(72.98)
Delta Effect of + 1% Change in Rate of Employer Turnover	(17.38)	(12.85)
Delta Effect of - 1% Change in Rate of Employer Turnover	19.82	14.57

25 In compliance with Ind AS 24 - “Related Party Disclosures”, as notified under Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016, the required disclosures are given in the table below :

(a) **Names of the related parties and related party relationship**

Sr. No.	Related Party	Nature of Relationship
1	National Stock Exchange of India Limited	Ultimate Holding Company
2	NSE Investments Limited (formerly known as NSE Strategic Investment Corporation Limited)	Holding Company
3	NSE Clearing Limited (formerly known as National Securities Clearing Corporation Limited)	Holding Company's Fellow Subsidiary
4	NSE IFSC Limited	Holding Company's Fellow Subsidiary
5	National Securities Depository Limited	Ultimate Holding Company's Associate
6	NSDL Database Management Limited	Ultimate Holding Co.'s Associate Co's Subsidiary
7	NSDL e-Governance Infrastructure Limited	Holding Company's Associate Company
8	Power Exchange India Limited	Holding Company's Associate Company
9	NSE Data & Analytics Limited (formerly known as DotEx International Limited)	Fellow Subsidiary
10	NSE Infotech Services Limited	Fellow Subsidiary
11	NSE Indices Limited (formerly known as India Index Services & Products Limited)	Fellow Subsidiary

12	NSE Academy Limited	Fellow Subsidiary
13	NSE IFSC CLEARING Corporation Limited	Subsidiary of Holding Company's Fellow Subsidiary
14	TalentSprint Private Limited (w.e.f. 10th November 2020)	Fellow Subsidiary's Subsidiary Company
15	Cogencis Information Services Limited (w.e.f. 21st January 2021)	Fellow Subsidiary's Subsidiary Company
16	Indian Gas Exchange Limited (w.e.f. 16th March 2021)	Holding Company's Associate Company
17	Capital Quant Solutions Private Limited (w.e.f. 3rd March 2021)	Fellow Subsidiary's Associate Company
18	National Stock Exchange Investor Protection Fund Trust	Ultimate Holding Co.'s Trust
19	NSE Foundation	Holding Company's Fellow Subsidiary
20	NSEIT (US) Inc.	Subsidiary Company
21	Aujas Cybersecurity Limited (Formerly known as Aujas Networks Limited / Aujas Networks Private Ltd)	Subsidiary Company
22	Dr. N. Muralidaran - Managing Director & CEO	Key Management Personnel
23	Mr. Nilesh Shivji Vikamsey	Key Management Personnel
24	Mr. Sowmyanarayanan Sadagopan	Key Management Personnel
25	Mr. Swaminathan Sundara Rajan Mittur	Key Management Personnel
26	Mr. Ram Narayanan Colathur (upto 29th March 2020)	Key Management Personnel
27	Mr. Vikram Mukund Limaye	Key Management Personnel
28	Mr. Suryakant B Mainak (upto 15th February 2020)	Key Management Personnel
29	Mr. Yatrik Rushikesh Vin	Key Management Personnel
30	Dr Gulshan Rai	Key Management Personnel
31	Ms. Poornima Shenoy	Key Management Personnel
32	Mr. Chandrasekaran Ramakrishnan (w.e.f. 20th June 2020)	Key Management Personnel

(b) **Details of transactions (including GST/service tax wherever levied) with related parties are as follows :**

Name of the Related Party	Nature of Transactions	Year ended 31.03.2021	Year ended 31.03.2020
National Stock Exchange of India Limited	Infrastructure Management Services	3,372.67	2,561.26
	Application Development and Maintenance Services	2,319.95	2,176.42
	Software Product Revenues	-	-
	ITES - Assessment Services	-	1.18
	Customer Care Services	360.69	341.10
	Integrated Security	248.71	247.74
	Robotic Process Automation	-	76.83
	Analytics	-	7.20
	Taxes recovered	1,134.36	974.11
	CTCL empanelment fee paid	2.50	10.00
	Usage Charges paid - STP Central HUB & other	0.16	0.31
	Reimbursement paid for other expenses incurred	-	15.23
	Closing Balance - Dr./ (Cr.) (Net)	1,623.42	848.94

NSE Clearing Limited (formerly known as National Securities Clearing Corporation Limited)	Application Development and Maintenance Services	846.12	846.83
	Infrastructure Management Services	29.61	27.82
	Customer Care Services	56.72	54.91
	Integrated Security	-	7.20
	Taxes recovered	167.84	194.49
	Reimbursement of expenses received	-	143.74
	Closing Balance - Dr./ (Cr.)	369.69	396.70
	Closing Balance - Provision for Doubtful Debts	8.02	-
National Stock Exchange Investor Protection Fund Trust	Provision for Doubtful Debts	-	-
	Closing Balance - Dr./ (Cr.)	23.00	23.00
	Closing Balance - Provision for Doubtful Debts	23.00	23.00
NSE Academy Limited	ITES - Assessment Services	421.70	579.46
	Application Development and Maintenance Services	27.60	2.15
	Customer Care Services	5.46	13.99
	Taxes recovered	81.86	107.21
	Reimbursement paid for other expenses incurred	-	0.50
	Closing Balance - Dr./ (Cr.)	110.77	58.54
NSE Data & Analytics Limited (Formerly known as DotEx International Limited)	Application Development and Maintenance Services	(1.26)	106.50
	Integrated Security	-	34.16
	Customer Care Services	-	97.04
	Infrastructure Management Services	19.67	25.98
	Taxes recovered	3.31	47.46
	Closing Balance - Dr./ (Cr.)	-	71.32
Power Exchange India Limited	Application Development and Maintenance Services	16.52	44.62
	Taxes recovered	2.97	8.03
	Closing Balance - Dr./ (Cr.)	5.05	5.79
National Securities Depository Limited	Application Development and Maintenance Services	25.00	26.48
	Infrastructure Management Services	-	-
	Taxes recovered	4.50	4.77
	Closing Balance - Dr./ (Cr.)	12.74	13.17
	Closinig Balance - Provision For Doubtful Debts	5.86	-
NSDL e-Governance Infrastructure Limited	Application Development and Maintenance Services	43.28	52.80
	Taxes recovered	7.79	8.87
	Closing Balance - Dr./ (Cr.)	26.11	27.34
	Closinig Balance - Provision For Doubtful Debts	17.65	-
NSDL Database Management Limited	Application Development and Maintenance Services	66.73	100.60
	Taxes recovered	12.01	17.69
	Closing Balance - Dr./ (Cr.)	30.38	70.24
	Closinig Balance - Provision For Doubtful Debts	2.69	-
NSE IFSC Clearing Corporation Limited	Application Development and Maintenance Services	131.46	73.61
	Infrastructure Management Services	9.71	-
	Integrated Security	-	12.48
	Closing Balance - Dr./ (Cr.)	60.87	24.65

NSE IFSC Limited	Application Development and Maintenance Services	521.07	425.25
	Infrastructure Management Services	132.44	113.96
	Integrated Security	-	3.12
	Customer Care Services	10.11	-
	Taxes recovered	3.52	-
	Closing Balance - Dr./ (Cr.)	304.84	404.69
		-	-
NSE Indices Limited (formerly known as India Index Services & Products Limited)	Application Development and Maintenance Services	69.17	53.25
	Taxes recovered	12.45	9.58
	Closing Balance - Dr./ (Cr.)	81.62	62.13
		-	-
NSE Foundation	Contribution towards CSR	72.27	71.11
	Closing Investment	0.10	0.10
NSE Investments Limited (formerly known as NSE Strategic Investment Corporation Limited)	Cumulative Redeemable Preference Shares (Borrowings)	-	-
	Dividend paid to equity shareholders	100.00	100.00
	Dividend payable to preference shareholders	700.00	700.00
	Dividend Paid on Prefrence share for FY-2019-20	-	23.01
	Closing Borrowings -Preference shares	10,000.00	10,000.00
NSEIT(US) Inc.	Application Development and Maintenance Services	290.50	143.07
	ITES - Assessment Services	7.45	44.22
	Taxes recovered	1.34	7.96
	Interest on Loan	46.63	66.23
	Loan repaid USD 3,20,528 (Previous year USD 7,24,472)	232.69	512.64
	Interest on Loan repaid	74.93	53.44
	Closing Balance - Loan given including interest accrued	701.93	989.81
	Closing Balance - Unbilled Revenue	59.34	
	Closing Balance - Investment	533.69	533.69
	Closing Balance - Dr./ (Cr.)	281.66	179.70
	Closing Balance - Provision for Doubtful Debts	152.46	152.46
Aujas Cybersecurity Limited (Formerly known as Aujas Networks Limitd to Aujas Networks Private Ltd)	Loan given	-	680.00
	Interest on Loan	90.65	84.12
	GRC & Prof Fee Service towards ISRC	265.70	202.63
	ISRC /Project related Income	39.20	-
	Taxes recovered	15.48	-
	Business Support Charges recovered	48.08	-
	Investment in Equity Shares	570.31	441.84
	Closing Balance -Trade Receivable	30.54	-
	Closing Balance -Trade Payable	63.12	21.60
	Closing Balance - Unbilled Revenue	1.27	-
	Closing Balance - Provision for Expenses	12.18	-
	Closing advance paid	-	57.70
	Closing Balance - Investment in Equity Shares	9,420.31	8,850.00
	Closing Balance - Loan given including interest accrued	1,200.00	1,276.17
Key Management Personnel - Dr N.Muralidaran - MD & CEO	(a) short-term employee benefits includes Rs 3.68 Lakhs (Previous year Rs. 2.17 Lakhs) towards leave encashment	228.90	239.87
	(b) post-employment benefits #	12.43	11.50
	(c) other long-term benefits	33.95	-

Mr. Ram Narayanan Colathur	Director Sitting Fees	-	10.50
Mr. Swaminathan Sundara Rajan Mittur	Director Sitting Fees	15.75	13.75
Mr. Nilesh Shivji Vikamsey	Director Sitting Fees	13.50	9.25
Mr. Sowmyanarayanan Sadagopan	Director Sitting Fees	12.00	10.00
Mr. Suryakant B Mainak	Director Sitting Fees	-	5.50
Dr Gulshan Rai	Director Sitting Fees	8.25	3.75
Ms. Poornima Shenoy	Director Sitting Fees	12.00	2.75
Mr. R Chandrasekaran	Director Sitting Fees	8.25	-

As the liabilities for defined benefit plan are provided on actuarial basis for the Company as a whole, the amount pertaining to key managerial persons are not included.

All related parties transaction entered during the year were in ordinary course of business. Outstanding balances as at the year end are unsecured and settlement occurs in cash. There have been no guarantee provided or received for any related parties receivables or payables as of March 31, 2021 and March 31, 2020.

26 **Capital and other commitments**

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Estimated amount of contracts remaining to be executed on capital account and not provided for	47.59	164.19
Commitment towards acquisition of 19,23,520 (Previous year 84,59,626) equity shares of Rs. 1/- each of Aujas Cybersecurity Ltd, Subsidiary Company	147.50	648.69
Commitment towards acquisition equity shares of Aujas Cybersecurity Limited, Subsidiary Company, by way of rights issue	139.61	251.31

27 **Contingent liability:**

(a)

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
On Account of Income Tax Demand	13.29	41.40
On Account of GST Demand	26.81	-
On Account of Bank Guarantees	4,645.01	1,290.49

(b) The Company has been providing Straight Through Processing (STP) services to its customers based on an approval granted by Securities and Exchange Board of India (SEBI) since June 2004. During the course of time there has been certain key managerial function changes within the Company and as a consequence of which the renewal which was required was missed out inadvertently though the Company continued to render the STP services. The Company thereafter applied for renewal of the approval in December 2019, which was processed by SEBI and an approval was granted on 5th February, 2021 which is valid for a period of 3 years from the date of issuance.

Subsequently the Company is in receipt of a Show Cause Notice (SCN) dated 26th March 2021 from SEBI, wherein it has been alleged that the Company has been providing services of STP as a service provider as specified in the STP guidelines, however the Company has not obtained renewal of approval from SEBI within the stipulated time. The Company is in the process of filing of the settlement application under the SEBI Settlement Regulations. The Company’s management reasonably expects that the impact of this SCN, when ultimately concluded and determined, will not have material impact on the Company’s financial statements.

28 **Details of dues to micro and small, medium enterprises as defined under the MSMED Act, 2006**

The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31 March 2021 (31 March 2020) has been made in the financial statements based on information received and available with the Company. The Company has not received any claim for interest from any supplier under the said Act. Further in view of the Management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material.

(Rs in Lakhs)

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
(a) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;		
(i) Principal	19.34	33.40
(ii) Interest	0.07	-
(b) The amount of interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amounts of the payment made to the supplier beyond the appointed day during the year*;		
(i) Principal	-	-
(ii) Interest	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
(d) The amount of interest accrued and remaining unpaid at the end of the year	0.07	-
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-

29 **Expenditure in foreign currency (accrual basis)**

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Travelling expenses	-	25.24
Direct Fees & Subscription	4.69	5.58
Subcontract / Technical Fees	1,039.31	1,295.27
Software Licenses	436.91	156.31

30 **Earnings in foreign currency (accrual basis) :**

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Application Development and Maintenance Services	810.68	1,623.78
ITES - Assessment Services	7.45	53.91

31 In the opinion of the Board, current assets, loans and advances are approximately of the value stated, if realised in the ordinary course of business.

32 **Acquisition of Aujas Cybersecurity Ltd. (Aujas), Subsidiary Company**

On November 28, 2018, the Company had entered into a Share Purchase and Shareholder's Agreement ("SPSHA") for acquisition of Aujas Cybersecurity Limited (formerly known as Aujas Networks Private Limited), ("Aujas") for a total consideration of Rs.9750 lakhs (Rs.9345.16 lakhs for acquisition of 100% equity shareholding and Rs.404.84 lakhs by way of rights issue). In terms of the said SPSHA, on March 22, 2019, the Company acquired 95.39% of equity shareholding of Aujas for a consideration aggregating to Rs.8408.06 lakhs. During the financial year 2019-20, the Company paid a sum of Rs. 288.31 Lakhs to the ex-promoters of Aujas for purchase of 37,59,833 equity shares of Aujas of Re 1 each and invested a sum of Rs. 153.53 Lakhs for 26,68,705 shares by way of subscription to the rights issue. Further during the current year, the Company paid a sum of Rs. 458.62 Lakhs to the ex-promoters of Aujas for purchase of 65,36,106 equity shares of Aujas of Re 1 and invested a sum of Rs. 111.69 lakhs for 14,56,594 shares by way of subscription to the rights issue, taking the total investment in Aujas to Rs. 9420.21 lakhs. As on March 31, 2021, the Company holds 99.29% of equity shareholding of Aujas.

33 Segment Reporting:

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 Company has identified two segments i.e. "End to End solutions" and "ITES - Assessment Services" as reporting segments based on the information reviewed by CODM.

Reportable business segment viz. offering "End to End solutions" includes revenues from sale and maintenance of software products, software consultancy services, custom software development, information technology infrastructure services provided predominantly to market participants in the securities and commodity markets and "ITES - Assessment Services" includes sale and maintenance of ITES-Assessment Services software products, online education and examination services and other incidental services as its primary segments. This takes into consideration the commonality in the risks and rewards of the products/ solutions and related services offered nature of services, type / class of customers for the products / services, management structure and system of financial reporting. Accordingly, the results of the said segments have been disclosed hereunder.

The above business segments have been identified considering :
a) the nature of products and services
b) the differing risks
c) the internal organisation and management structure, and
d) 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 Company. 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 :

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.Transactions between segments are eliminated on consolidation. The CODM primarily uses a measure of profit before tax to assess the performance of the operating segments.

(Rs in Lakhs)

Particulars	2020-21	2019-20
Segment Revenue		
End to End Solution	13,488.81	12,097.50
ITES - Assessment Services	12,048.27	15,192.73
	25,537.09	**27,290.23**
Inter-segment revenue		
End to End Solution	-	-
ITES - Assessment Services	-	-
	-	**-**
Revenue from external customers		
End to End Solution	13,488.81	12,097.50
ITES - Assessment Services	12,048.27	15,192.73
Total	**25,537.09**	**27,290.23**
Segment Results		
End to End Solution	3,835.27	3,176.16
ITES - Assessment Services	1,691.41	2,169.24
Total	**5,526.68**	**5,345.41**
Less: Unallocable Expenses (Net of income)	1,700.11	2,120.03
Less: Finance Cost	909.17	953.05
Add: Interest income	437.33	491.45
Profit before Tax	**3,354.73**	**2,763.79**

Less : Income Tax expense		
- Current tax	1,022.00	941.00
- Short / Excess Tax for earlier years	14.82	39.78
- Deferred tax	42.10	(50.74)
Total Tax Expenses	**1,078.92**	**930.04**
Net profit after tax	**2,275.81**	**1,833.74**

c Revenue From External Customers based on geographies

The Parent company is domiciled in India. The amount of Company revenue from external customers broken down by location of customers.

Particulars	**31.03.2021**	**31.03.2020**
India	24,752.70	25,495.94
Outside India	784.39	1,794.29
Total	**25,537.09**	**27,290.23**

d 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	**31.03.2021**	**31.03.2020**
End to End Solution	4,894.92	5,331.14
ITES - Assessment Services	7,533.81	3,298.01
Total Segment Assets	**12,428.73**	**8,629.16**
Unallocable Assets	25,159.56	26,873.16
Total Assets	**37,588.29**	**35,502.32**

There are no non current assets situated outside the domicile of India.

e Segment Liabilities

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

Segments	**31.03.2021**	**31.03.2020**
End to End Solution	1,174.01	554.72
ITES - Assessment Services	3,695.84	2,590.80
Total Segment Liabilities	**4,869.85**	**3,145.52**
Unallocable Liabilities	12,899.26	14,625.27
Total Liabilities	**17,769.11**	**17,770.79**

f Segment Capital Expenditure

Segments	**31.03.2021**	**31.03.2020**
End to End Solution	49.39	697.78
ITES - Assessment Services	1,192.66	77.53
Total Segment Capital Expenditure	**1,242.05**	**775.31**
Add: Unallocable Capital Expenditure	256.91	223.04
Total Capital Expenditure	**1,498.97**	**998.35**

g Segment Depreciation / Amortisation

Segments	**31.03.2021**	**31.03.2020**
End to End Solution	21.40	52.20
ITES - Assessment Services	1,074.94	806.46
Total Segment Depreciation / Amortisation	**1,096.34**	**858.66**
Add: Unallocable Depreciation / Amortisation	808.27	625.09
Total Depreciation / Amortisation	**1,904.61**	**1,483.75**

Note :

Information about major customers

Company's significant revenue of 0.09 % (previous year 15.35%) being Rs. 22.35 lakhs (previous year Rs. 4189.73 lakhs) is derived from a customer under ITES-Assessement Services Segment. Also, the Company's significant revenue of 35.11% (previous year 29.60%) is derived from a group of entities under common control, the total Operating Revenue from such entities amounted to Rs. 8966.82 lakhs in FY 2020-21 (End to End Solutions Rs. 8537.67 lakhs and ITES-Assessment Service Rs 429.15 lakhs) and Rs. 8076.72 lakhs in FY 2019-20 (End to End Solutions Rs. 7451.87 lakhs and ITES-Assessment Service Rs 624.85 lakhs). No other single customer contributed 10% or more to the Company's revenue for FY 2020-21 and FY 2019-20.

34 Unquoted Mutual funds at FVPL

(Rs in Lakhs)

Mutual Funds	No.of Units	Mkt as at 31.03.2021	No.of Units	Mkt as at 31.03.2020
Kotak Treasury Advantage Fund - Dir - Growth			7,33,065.28	240.84
ICICI Prudential Money Market Fund - Dir- Growth	60,957.22	179.99	60,957.22	170.23
Invesco India Money Market Fund-Direct -Growth			12,018.07	278.17
Invesco India Liquid Fund - Direct Plan Growth			9,357.08	255.29
UTI Liquid Cash Plan - Direct Growth Plan			32,711.38	1,063.59
Tata Liquid Fund Direct Plan - Growth			8,164.97	255.73
Kotak Money Market Scheme - Dir - Growth			15,448.29	511.81
HDFC Low Duration fund-Dir-Growth	11,62,196.09	552.91	11,62,196.09	513.78
ICICI Prudential Savings Fund - Dir - Growth	1,31,297.42	551.04	1,31,297.42	512.55
SBI Savings Fund - Dir - Growth	10,71,915.53	366.55	30,98,252.15	1,002.81
SBI Savings Fund - Dir - Growth			31,294.69	10.13
HDFC Money Market Fund - Dir - Growth	12,015.53	537.57	12,015.53	507.04
Total of Investments		**2,188.06**		**5,321.96**
Aggregate Book value - Quoted Investments		-		-
Aggregate Book Value - Unquoted Investments		2,188.06		5,321.96
Aggregate Market Value of Quoted Investments		-		-

35 Fair Value Measurements

Financial Instruments by category

(Rs in Lakhs)

	31-Mar-21			31-Mar-20		
Particulars	**FVPL**	**FVOCI**	**Amortised Cost**	**FVPL**	**FVOCI**	**Amortised Cost**
Financial Assets						
Investments						
- Mutual Funds	2,188.06	-	-	5,321.96	-	-
Trade receivables	-	-	7,859.39	-	-	5,283.14
Unbilled receivable	-	-	2,139.47	-	-	587.99
Cash and Cash equivalents	-	-	2,346.63	-	-	3,320.99
Bank balances other than Cash and Cash equivalents	-	-	3,684.94	-	-	2,926.94
- Non-Current Bank Balances	-	-	2,057.95			236.05
- Others	-	-	3.26	-	-	0.39
Loans			2,458.80			2,800.05
Other Financial assets	-	-	31.16	-	-	173.09
Total	**2,188.06**	**-**	**20,581.60**	**5,321.96**	**-**	**15,328.64**
Financial Liabilities						
Borrowings			10,000.00			10,000.00
Trade Payables	-	-	2,491.72	-	-	2,200.54
Other financial liabilities - Non current			527.49			976.30
Other financial liabilities - Current	-	-	1,620.87	-	-	2,068.75
Total	**-**	**-**	**14,640.08**	**-**	**-**	**15,245.59**

36 Fair Value Measurements

a Fair value of the Company’s financial assets that are measured at fair value on a recurring basis

Some of the Company’s financial assets are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets are determined.

(Rs in Lakhs)

Financial assets/ financial liabilities	Fair value as at		Fair value hierarchy	Valuation technique(s) and key input(s)
	31-Mar-21	31-Mar-20		
Investment in mutual funds	2,188.06	5,321.96	Level 1	NAV declared by respective Asset Management Companies.

b Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

Management considers that the carrying amounts of financial assets and financial liabilities recognized in the financial statements except as per note a above approximate their fair values.

37 **FINANCIAL RISK MANAGEMENT**

The Company’s business activities expose it to a variety of financial risks, namely liquidity risk, market risks and credit risk. The Company’s senior management has the overall responsibility for the establishment and oversight of the Company’s risk management framework

The Company has developed a Risk Management Policy in accordance with the provisions of the Companies Act, 2013. It establishes various levels of accountability and overview within the Company, while vesting identified managers with responsibility for each significant risk. Risk Management policy has been formulated with an aim to (a) Overseeing the Company's risk management process and controls, risk tolerance (b) Setting strategic plans and objectives for risk management and review of risk assessment of the Company (c) Review the Company's risk appetite and strategy relating to key risks, including credit risk, liquidity and funding risk, market risk, product risk and reputational risk as well as the guidelines, policies and processes for monitoring and mitigating such risks.

Apart from this, the core business & operational risk is managed through cross functional involvement and communication across businesses and as part of the same, various functional heads submit a compliance certificate covering respective areas of operations to the Company Secretary or Managing Director and CEO who in turn submits a compliance certificate quarterly to the Audit Committee and the Board of Directors.

The Treasury department activities are designed to:

- protect the Company’s financial results and position from financial risks
- maintain market risks within acceptable parameters, while optimising returns; and
- protect the Company’s financial investments, while maximising returns.

The Treasury department is responsible to maximise the return on companies internally generated funds.

A. MANAGEMENT OF LIQUIDITY RISK

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company’s approach to managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions.

The Company’s treasury department regularly monitors the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet operational needs. Any short term surplus cash generated by the operating entities, over and above the amount required for working capital management and other operational requirements, is retained as cash and cash equivalents (to the extent required) and any excess is invested in mutual funds to optimise the cash returns on investments while ensuring sufficient liquidity to meet its liabilities.

(Rs in Lakhs)

Particulars	**Carrying amount**	**Less than 12 months**	**More than 12months**	**Total**
	amount			
As at 31st March 2021				
Borrowings	10,000.00	-	10,000.00	10,000.00
Trade payables	2,491.72	2,491.72	-	2,491.72
Other financial liabilities-Non Current	527.49	-	527.49	527.49
Other financial liabilities-Current	1,620.87	1,620.87	-	1,620.87
As at 31st March 2020				
Borrowings	10,000.00		10,000.00	10,000.00
Trade payables	2,200.54	2,200.54	-	2,200.54
Other financial liabilities-Current	2,068.75	2,068.75	-	2,068.75

B MANAGEMENT OF MARKET RISK

The Company's size and operations result in it being exposed to the following market risks that arise from its use of financial instruments:
• price risk;

The Company's exposure to, and management of, these risks is explained below.

POTENTIAL IMPACT OF RISK	MANAGEMENT POLICY	SENSITIVITY TO RISK
1. PRICE RISK		
The Company is mainly exposed to the price risk due to its investment in mutual funds and investments in equity instruments. The price risk arises due to uncertainties about the future market values of these investments. At 31st March 2021, the exposure to price risk due to investment in mutual funds amounted to Rs. 2188.06 Lakhs (March 31, 2020 : Rs 5321.96 lakhs)	In order to manage its price risk arising from investments in mutual funds, the Company diversifies its portfolio in accordance with the investments limits set as par the Board resolution passed	As an estimation of the approximate impact of price risk, with respect to mutual funds and investments in equity instruments, the Company has calculated the impact as follows. For mutual funds, a 0.25% increase in prices would have led to approximately Rs. 5.47 Lakhs (Previous year Rs 13.30 Lakhs) gain in the Statement of Profit and Loss. A 0.25% decrease in prices. would have led to an equal but opposite effect.

C : MANAGEMENT OF CREDIT RISK

Credit risk is the risk of financial loss to the Company if a customer or counter-party fails to meet its contractual obligations.

Concentrations of credit risk with respect to trade receivables are limited, due to the Company's customer base being large and diverse

Trade receivables

The Company provides for expected credit loss on trade receivables based on a provision matrix. This matrix is a simpified basis of recognition of expected credit losses in case of trade receivables.The model uses historical credit loss experience for trade receivables.

Reconciliation of loss allowance (ECL) provision for Trade Receivables

Particulars	**March 31, 2021**	**March 31, 2020**
Balance as at the beginning of the year	76.42	41.48
Add: Provision on trade receivables based on Expected credit loss model	82.96	34.94
Balance at end of the year	**159.38**	**76.42**

Particulars	**March 31, 2021**	**March 31, 2020**
Balance as at the beginning of the year	408.94	349.40
Add: Provision for Doubtful Debts	174.06	59.54
Balance at end of the year	**583.00**	**408.94**

Other financial assets

The Company maintains exposure in cash and cash equivalents, term deposits with banks, securities, investments in mutual funds. The Company has diversified portfolio of investment with various number of counter-parties which have secure credit ratings hence the risk is reduced. Individual risk limits are set for each counter-party based on financial position, credit rating and past experience. Credit limits and concentration of exposures are actively monitored

Derivative Instruments - Forward Contracts

The Company uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to certain payments in foreign currency. The use of foreign currency forward contracts is governed by the Company's strategy. The Company does not use forward contracts for speculative purposes. There were no outstanding Hedging Contracts as at March 31, 2021.

38 **Impact of COVID 19 (Global Pandemic)** :

The Coronavirus (COVID-19) outbreak is an unprecedented global situation. World Health Organization (WHO) has declared the COVID-19 virus a ‘Pandemic’. The Government of India and various state governments had put in place several measures including instituting a complete lockdown w.e.f March 25, 2020 to combat the spread and transmission of the virus. Effective June 8, 2020 the said lockdown has being partially lifted in a phased manner. Post unlock advisory issued by the Government, COVID-19 continued to impact the business operations and revenue of the Company in respect of ITES-Assessment Services (On-Line Examination Services).

The Company has taken into account the possible impacts of COVID-19 in preparation of the standalone financial statements including but not limited to its assessment of impact on revenues, operating costs and impact on leases. Based on the current indicators of future economic conditions and the impact of COVID-19 on its operations, the Company has also made an assessment of its liquidity position, recoverability and carrying values of its assets and ability to pay its liabilities as they become due and is of the view that there is no material impact or adjustments required to be made in these financial results. The impact assessment of COVID-19 may be different from that presently estimated and the Company will continue to evaluate any significant changes to its operations and its resultant impact on the financial performance.

39 The Code on Social Security, 2020 (Code) relating to employee benefits during employment and post-employment benefits has received Presidential assent on 28th September 2020. The Code has been published in the Gazette of India. However, the date on which the Code comes into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

40 **Amounts Paid / Contribution to NSE Foundation towards CSR :**

a As per the provisions of Companies Act 2013, Gross amount required to be spent by the Company on CSR activities during the financial year ended March 31, 2021 is Rs. 72.27 Lakhs (Previous Year Rs 71.11 Lakhs).

b Amount spent during the year on:

	Particulars		In Cash	Yet to be paid in Cash	Total
i	Construction / acquisition of any asset	Current Year	-	-	-
		Previous Year	-	-	-
ii	Contribution to NSE Foundation towards CSR	Current Year	72.27	-	72.27
		Previous Year	71.11	-	71.11
iii	On purposes other than (i) & (ii) above	Current Year #	-	-	-
		Previous Year #	-	-	-

* During the year, the Company has contributed Rs 72.27 lakhs (previous year Rs.71.11 lakhs) to NSE Foundation to be spent on activities as stated in the Group CSR policy which has been adopted by the Company as Company’s CSR policy.The amount unspent by NSE Foundation as on March 31, 2021 is Rs. 72.27 lakhs (as on March 31, 2020 Rs. 71.11 lakhs).

41 The Company holds an investment of Rs.533.69 lakhs (USD 1,000,000) and has given a unsecured loan amounting to Rs. 701.93 lakhs (USD 955,000) to NSEIT (US) Inc., a wholly owned subsidiary company. The said subsidiary company has incurred losses during the year amounting to Rs. 6.11 lakhs (USD 8,698), it has accumulated losses of Rs.1159.86 lakhs (USD 1,851,900) and has negative net worth of Rs. 626.17 lakhs (USD 851,900) as at March 31, 2021. Considering long term and strategic nature of the investments and future business plans, no provision for impairment has been made in the value of investment and loan given to the said subsidiary company.

42 The Company’s pending litigations comprise of proceedings pending with Tax Authorities. The Company has reviewed all its pending litigations and proceedings and has made adequate provisions, wherever required and disclosed the contingent liabilities, wherever applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a material impact on its financial position (Refer note no. 27 for details on contingent liabilities).

43 During the year ended March 31, 2021, the Company has negotiated with various landlords on the rent reduction / wavier due to COVID 19 pandemic. The Management believes that such reduction/ waiver in rent is short term in nature and also meets the other conditions specified in the notification issued by the Central Government in consultation with National Financial Reporting Authority dated July 24, 2020 as Companies (Indian Accounting Standards) Amendment Rules, 2020 with effect from April 1, 2020. Thus, in accordance with the said notification, the Company has elected to apply the exemption, as the reduction/ waiver does not necessitate a lease modification as envisaged in the Standard by recording the same in the "Other income". Accordingly, during the year, the Company has recognised ₹ 62.82 Lakhs as an extinguishment of lease liability being lease rent concession on account of COVID 19 pandemic and the same has been disclosed as 'Other Income' in the Statement of Profit and Loss.).

44 In accordance with the relevant provisions of the Companies Act, 2013, the Company did not have any long term contracts as of March 31, 2021 and March 31, 2020 including derivatives contracts for which there were any material foreseeable losses. The Company did not have any derivative contracts as at March 31, 2021 and March 31, 2020.

45 For the year ended March 31, 2021 and March 31, 2020, the Company is not required to transfer any amount into the Investor Education & Protection Fund as required under relevant provisions of the Companies Act, 2013.

46 Previous years figures have been regrouped, rearranged and reclassified wherever necessary to confirm to the current year / period classifications.

As per our report of even date attached

For Khandelwal Jain & Co.
Chartered Accountants
(Reg No : 105049W)

Sd/-
NARENDRA JAIN
Partner
Membership No.048725

Place : Mumbai
Date : April 21, 2021

For and on behalf of the Board of Directors

Sd/-
Prof. S. SADAGOPAN
Chairman
DIN No. 00118285

Sd/-
N. MURALIDARAN
Managing Director & CEO
DIN No. 06567029

Sd/-
M.S. SUNDARA RAJAN
Director
DIN No. 00169775

Sd/-
M. N. HARIHARAN
Chief Financial Officer

Sd/-
VAIBHHAV KULKARNI
Company Secretary

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF NSEIT Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **NSEIT Limited** ("the Holding Company") and its subsidiaries, (Holding Company and its subsidiaries together referred to as "the Group") which comprise the Consolidated Balance Sheet as at March 31, 2021, and the Consolidated Statement of Profit and Loss, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information prepared based on the relevant records, (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2021, of consolidated total comprehensive income (comprising profit and other comprehensive loss), consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their report referred to in 'Other Matter' paragraph below, is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed and the report of the other auditors as furnished to us [refer 'Other Matter' paragraph below], we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows, and changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matter

We did not audit the financial statements of a subsidiary whose financial statements reflect total assets of Rs. 7,609.00 lakhs and net assets of Rs 2,802.73 lakhs as at March 31, 2021, total revenue of Rs. 14,661.19 lakhs, total comprehensive income of Rs. 404.77 lakhs (comprising of profit of Rs. 335.77 lakhs and other comprehensive income of Rs. 69.00 lakhs) and net cash inflows amounting to Rs. 312.44 lakhs for the year ended on that date, as considered in the consolidated financial statements. This financial statements have been audited by other auditors whose report have been furnished to us by the Management, and our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub-section (3) of Section 143 of the Act including report on Other information insofar as it relates to the aforesaid subsidiary is based solely on the report of the other auditors.

Our opinion on the consolidated financial statements, and our report on other legal and regulatory requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the report of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, based on our audit we report, to the extent applicable, that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

   (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

   (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account and records maintained for the purpose of preparation of the consolidated financial statements.

   (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.

   (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2021 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company incorporated in India, none of the directors of the Group company incorporated in India is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164(2) of the Act.

(f) With respect to the adequacy of internal financial controls with reference to consolidated financial statements of the Group and the operating effectiveness of such controls, refer to our separate report in **Annexure 'A'**.

(g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Holding Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements of the subsidiary, as noted in the Other Matter paragraph:

(i) The consolidated financial statements disclose the impact, if any, of pending litigations on the consolidated financial position of the Group – refer Note 50 to the consolidated financial statements.

(ii) The Group did not have any long term contracts including derivatives contracts as at March 31, 2021 for which there were any material foreseeable losses - refer Note 51 to the consolidated financial statements

(iii) During the year ended March 31, 2021, there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary company incorporated in India - refer Note 52 to the consolidated financial statements

For Khandelwal Jain & Co.
Chartered Accountants
Firm's Registration No. 105049W

Sd/-
Narendra Jain
Partner
Membership No. 048725
UDIN: 21048725AAAABH8616

Place: Mumbai
Date: April 21, 2021

Annexure A to the Independent Auditor's Report
(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report on consolidated financial statements to the Members of **NSEIT Limited** of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

In conjunction with our audit of the consolidated financial statements of the Holding Company as of and for the year ended March 31, 2021, we have audited the internal financial controls with reference to consolidated financial statements of **NSEIT Limited** (hereinafter referred to as "the Holding Company") and its subsidiary companies which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding company, its subsidiary companies, to whom reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls over financial reporting is applicable, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's internal financial controls system with reference to consolidated financial statements.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matter

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to a subsidiary company, which is company incorporated in India, is based on the corresponding report of the auditors of such company incorporated in India.

Our opinion is not modified in respect of this matter.

For Khandelwal Jain & Co.
Chartered Accountants
Firm's Registration No. 105049W

Sd/-
Narendra Jain
Partner
Membership No. 048725
UDIN: 21048725AAAABH8616

Place: Mumbai
Date: April 21, 2021

NSEIT Limited

(Formerly known as *NSE.IT LIMITED*)

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2021

(Rs in Lakhs)

	Particulars	Notes	As at 31.03.2021	As at 31.03.2020
	ASSETS			
1	**Non-current assets**			
a	Property, Plant and Equipment	2.a	804.46	847.92
b	Capital work-in-progress	2.b	24.97	102.25
c	Intangible assets under development	2.c	46.91	118.51
d	Right of Use Asset	2.d	1,854.20	2,430.67
e	Other Intangible assets	2.a	884.74	608.99
f	Goodwill	42.a	6,524.05	6,121.51
g	Financial Assets			
i	Investments	3	0.00	0.00
ii	Other Financials assets			
	- Non-Current Bank Balances	4	2,064.95	376.71
	- Loans	4	65.07	66.26
	- Others	4	3.26	0.39
h	Deferred Tax Assets (net)	21	424.83	437.28
i	Income Tax Assets (net)	5	1,229.41	1,770.18
j	Other assets	6	117.01	90.64
	Total Non-current assets		**14,043.86**	**12,971.31**
2	**Current assets**			
a	Financial Assets			
i	Investments	7	2,273.06	5,321.96
ii	Trade receivable	8	11,917.45	8,058.28
iii	Unbilled receivables	9	3,305.96	1,296.95
iv	Cash and Cash equivalents	10.a	2,948.15	3,891.68
v	Bank balances other than (iv) above	10.b	3,867.93	2,950.47
vi	Loans	11	577.94	669.66
vii	Other Financial assets	11	82.20	98.82
b	Other assets	12	842.55	1,018.42
	Total Current assets		**25,815.24**	**23,306.24**
	TOTAL ASSETS		**39,859.10**	**36,277.55**
	EQUITY AND LIABILITIES			
(A)	**EQUITY**			
a	Equity Share capital	13	1,000.00	1,000.00
b	Other Equity	14	17,532.78	15,034.75
	Equity attributable to owners of NSEIT Limited		**18,532.78**	**16,034.75**
	Non controlling Interest	42.b	20.02	72.25
	Total Equity		**18,552.80**	**16,107.00**
(B)	**LIABILITIES**			
1	**Non-current liabilities**			
a	Financial Liabilities			
i	Borrowings	15	10,000.00	10,000.00
ii	Other financial liabilities	16	971.93	1,466.00
b	Provisions	17	483.79	399.58
	Total Non-current liabilities		**11,455.72**	**11,865.58**

2	**Current liabilities**			
a	Financial Liabilities			
i	Trade Payables	18		
	- Total Outstanding dues of micro enterprises and small enterprises		40.92	33.40
	- Total Outstanding dues of creditors other than micro enterprises and small enterprises		4,107.92	3,221.94
ii	Other financial liabilities	19	1,817.57	2,176.36
b	Provisions	20	1,189.82	1,464.70
c	Income Tax Liabilities (net)	22	100.60	42.47
d	Other liabilities	23	2,593.75	1,366.10
	Total Current liabilities		**9,850.58**	**8,304.97**
	TOTAL EQUITY AND LIABILITIES		**39,859.10**	**36,277.55**
	Summary of significant accounting policies	1		

Notes refer to above form an integral part of Consolidated Balance Sheet

This is the Consolidated Balance Sheet referred to in our report of even date

As per our report of even date attached

For Khandelwal Jain & Co.
Chartered Accountants
(Reg No : 105049W)

Sd/-

NARENDRA JAIN
Partner
Membership No.048725

For and on behalf of the Board of Directors

Sd/-

Prof. S. SADAGOPAN
Chairman
DIN No. 00118285

Sd/-

N. MURALIDARAN
Managing Director & CEO
DIN No. 06567029

Sd/-

M.S. SUNDARA RAJAN
Director
DIN No. 00169775

Sd/-

M. N. HARIHARAN
Chief Financial Officer

Sd/-

VAIBHHAV KULKARNI
Company Secretary

Place : Mumbai
Date : April 21, 2021

NSEIT Limited
(Formerly known as NSE.IT LIMITED)
CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2021

(Rs in Lakhs)

Particulars	Notes	Year ended 31.03.2021	Year ended 31.03.2020
Income			
Revenue from operations	24	39,778.99	37,629.00
Other income	25	1,674.93	910.82
Total Income		**41,453.92**	**38,539.82**
Expenses			
Employee benefits expense	26	20,100.16	16,623.19
Purchases of Stock-in-Trade	28	1,054.00	335.86
Technical & Sub Contract Charges	29	2,519.73	3,729.04
Finance Cost	27	976.81	1,031.32
Depreciation and amortisation expense	2a & 2d	2,132.40	1,667.80
Other expenses	29	10,768.73	12,991.59
Total Expenses		**37,551.83**	**36,378.80**
Profit before tax		**3,902.09**	**2,161.02**
Less : Income Tax expense	15		
- Current tax		1,136.01	941.00
- Foreign tax		103.67	1.80
- Short / (excess) Tax for earlier years		14.82	39.78
- Deferred tax		42.10	(50.73)
Total tax expenses		1,296.60	931.85
Profit after tax (A)		**2,605.49**	**1,229.17**
Other Comprehensive Income (OCI)			
Items that will not be reclassified to profit or loss			
- Equity Instruments through Other Comprehensive Income			
(i) Remeasurements of post-employment benefit obligations		(48.82)	(68.62)
- Deferred Tax		29.65	23.75
Items that will be reclassified to profit or loss			
- Changes in foreign currancy translation reserve		15.55	(50.80)
Total Other Comprehensive Income, net of tax (B)		**(3.62)**	**(95.67)**
Total Comprehensive Income (A+B)		**2,601.87**	**1,133.50**
Profit for the year attributable to:			
-Owners of the company		2,602.14	1,254.73
-Non controlling interest		3.35	(25.56)
		2,605.49	**1,229.17**
Other comprehensive income for the year			
-Owners of the company		(4.11)	(96.48)
-Non controlling interest		0.49	0.81
		(3.62)	**(95.67)**
Total comprehensive income for the year			
-Owners of the company		2,598.03	1,158.25
-Non controlling interest		3.84	(24.74)
		2,601.87	**1,133.50**
Earnings per equity share (FV Rs 10 each)	30		
- Basic (Rs.)		**26.02**	**12.55**
- Diluted (Rs.)		**26.02**	**12.55**

Summary of significant accounting policies 1
Notes refer to above form an integral part of the Consolidated Statement of Profit & Loss
This is the Consolidated Statement of Profit & Loss referred to in our report of even date

As per our report of even date attached
For Khandelwal Jain & Co.
Chartered Accountants
(Reg No : 105049W)

Sd/-
NARENDRA JAIN
Partner
Membership No.048725

For and on behalf of the Board of Directors

Sd/-
Prof. S. SADAGOPAN
Chairman
DIN No. 00118285

Sd/-
N. MURALIDARAN
Managing Director & CEO
DIN No. 06567029

Sd/-
M.S. SUNDARA RAJAN
Director
DIN No. 00169775

Sd/-
M. N. HARIHARAN
Chief Financial Officer

Sd/-
VAIBHHAV KULKARNI
Company Secretary

Place : Mumbai
Date : April 21, 2021

NSEIT Limited

(Formerly known as NSE.IT LIMITED)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY MARCH 31, 2021

(A) Equity Share Capital

(Rs in Lakhs)

Balance at the beginning of the reporting year	Changes during the year	Balance at the end of the reporting year
1,000.00	-	1,000.00

(B) Other Equity

Particulars	General reserve	Retained Earnings	Foreign Currency Translation Reserve	Equity attributable to owners (a)	Non controlling Interest (b)	Total (a+b)
Balance at the beginning of the reporting year	**5,436.06**	**9,591.61**	**7.08**	**15,034.75**	**72.25**	**15,107.00**
Profit / (Loss) for the year	-	2,602.14		**2,602.14**	3.35	**2,605.49**
Other Comprehensive Income /(Loss)		(19.66)	15.55	**(4.11)**	0.49	**(3.62)**
Dividends		(100.00)		**(100.00)**		**(100.00)**
Reversal on reduction in Shareholding of Non-controling parties and share in equity					(56.07)	**(56.07)**
Total Other Equity	**5,436.06**	**12,074.09**	**22.63**	**17,532.78**	**20.02**	**17,552.80**

STATEMENT OF CHANGES IN EQUITY MARCH 31, 2020

(A) Equity Share Capital

Balance at the beginning of the reporting year	Changes during the year	Balance at the end of the reporting year
1,000.00	-	1,000.00

(B) Other Equity

Particulars	General reserve	Retained Earnings	Foreign Currency Translation Reserve	Equity attributable to owners (a)	Non controlling Interest (b)	Total (a+b)
Balance at the beginning of the reporting year	**5,436.06**	**8,503.12**	**57.88**	**13,997.06**	**124.00**	**14,121.06**
Profit / (Loss) for the year	-	1,254.73		**1,254.73**	(25.56)	**1,229.17**
Other Comprehensive Income /(Loss)	-	(45.68)	(50.80)	**(96.48)**	0.81	**(95.67)**
Dividends	-	(100.00)		**(100.00)**		**(100.00)**
Dividend Tax	-	(20.56)		**(20.56)**		**(20.56)**
Reversal on reduction in Shareholding of Non-controling parties and share in equity	-			**-**	(27.01)	**(27.01)**
Total Other Equity	**5,436.06**	**9,591.61**	**7.08**	**15,034.75**	**72.25**	**15,107.00**

Notes refer to above form an integral part of the Consolidated statement of changes in equity

This is the Consolidated statement of changes in equity refered to in our report of even date

For Khandelwal Jain & Co.
Chartered Accountants
(Reg No : 105049W)

Sd/-
NARENDRA JAIN
Partner
Membership No.048725

For and on behalf of the Board of Directors

Sd/-
Prof. S. SADAGOPAN
Chairman
DIN No. 00118285

Sd/-
N. MURALIDARAN
Managing Director & CEO
DIN No. 06567029

Sd/-
M.S. SUNDARA RAJAN
Director
DIN No. 00169775

Sd/-
M. N. HARIHARAN
Chief Financial Officer

Sd/-
VAIBHAV KULKARNI
Company Secretary

Place : Mumbai
Date : April 21, 2021

NSEIT Limited

CONSOLIDATED STATEMENT OF CASHFLOW FOR THE YEAR ENDED MARCH 31, 2021

(Rs in Lakhs)

		Year ended March 31, 2021	Year ended March 31, 2020
A)	**CASHFLOW FROM OPERATING ACTIVITIES**		
	PROFIT BEFORE TAX	3,902.09	2,161.02
	Add Adjustments for :		
	- Depreciation and amortisation expense	2,132.40	1,667.80
	- Bad Debts written off	-	103.35
	- Provision for Doubtful Debts	342.14	154.68
	- Interest on lease obiligation	208.88	247.68
	- Extinguishment of lease liabilities due rent concession	(62.82)	-
	- Reversal of lease liabilities on account of closer of certain lease	(16.62)	(1.01)
	- Interest income on Bank deposits	(316.31)	(356.10)
	- Interest income on Others	(0.38)	(6.80)
	- Interest on Income tax refund	(61.02)	(28.46)
	- Interest expense	8.07	22.13
	- Net gain on sale of mutual funds mandatorily measured at fair value through P&L	(105.26)	(97.88)
	- Net gain on mutual funds mandatorily measured at fair value through P&L	(140.71)	(177.38)
	- Gain on disposal of property,plant and equipment	(4.86)	
	- Loss on disposal of property,plant and equipment	4.68	0.02
	- Excess provision written back	(826.28)	-
	- Dividend, DDT and other cost for issue of peference shares	715.91	717.40
	- Sundry Balance W/ Back	(72.55)	(41.06)
	- Foreign Currency Translation Reserve	15.55	(50.80)
	- Gain on foreign currency transaction (net)	-	3.91
	Change in Operating Assets and Liabilities		
	- Trade Receivable and Unbilled Receivable net of Unearned Liability	(6,210.32)	(405.91)
	- Trade Payable and Provisions	1,552.84	(483.59)
	- Other Financial & Non-Financial Assets	211.59	761.02
	- Other Financial & Non-Financial Liabilities incl NCI	816.63	(1,170.32)
	CASH GENERATED / (USED) FROM OPERATIONS	**2,093.63**	**3,019.70**
	- Income Taxes paid (Net of Refunds)	(655.60)	(1,896.40)
	NET CASH FROM (USED IN) OPERATING ACTIVITIES - Total (A)	**1,438.03**	**1,123.30**
B)	**CASHFLOW FROM INVESTING ACTIVITIES**		
	- Payment for Property Plant, Equipment	(866.49)	(1,127.63)
	- Sale Proceed from Property Plant, Equipment	5.25	-
	- Proceeds/(Payment) from sale/purchase of current investment	3,294.88	1,235.67
	- Proceeds from fixed deposits/Bank Balances other than cash & cash equivalents (Net)	(2,605.70)	524.96
	- Payment to NCI for acquisition of additional stake in subsidiary over net assets	(402.54)	(268.98)
	- Interest received	401.15	386.25
	NET CASH FROM (USED IN) INVESTING ACTIVITIES - Total (B)	**(173.45)**	**750.27**
C)	**CASHFLOW FROM FINANCING ACTIVITIES**		
	- Proceeds from / (repayment of) borrowings	(8.38)	(8.38)
	- Dividend Equity shares	(100.00)	(100.00)
	- Dividend Preference shares	(700.00)	(23.01)
	- Dividend distrubusion tax paid	-	(25.29)
	- Interest paid	(8.07)	(22.18)
	- Repayment of lease liability	(1,391.67)	(1,178.29)
	NET CASH FROM (USED IN) FINANCING ACTIVITIES - Total (C)	**(2,208.12)**	**(1,357.15)**
	NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	**(943.53)**	**516.42**
	CASH AND CASH EQUIVALENTS : OPENING BALANCE	3,891.68	3,379.17
	CASH AND CASH EQUIVALENTS : CLOSING BALANCE	2,948.15	3,891.68
	TOTAL CASH AND CASH EQUIVALENTS AS PER BALANCE SHEET	**(943.53)**	**512.51**
	- Add: Unrealised exchange (gain)/loss on cash and cash equivalents	-	3.91
	NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENT	**(943.53)**	**516.42**
	Reconciliation of cash and cash equivalents as per the cash flow statement		
	Cash and cash equivalents as per above comprise of the following		
	- Cash and cash equivalents	2,948.15	3,891.68
	- Bank overdrafts	-	-
	Balance as per statement of cash flows	2,948.15	3,891.68

Notes :

1 The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Ind AS-7 on Statement of Cash Flow as notified under Compaines (Accounts) Rules, 2015.

2 Previous years figures have been regrouped, rearranged and reclassified wherever necessary to confirm to the current year classifications

The above statement of cash flows should be read in conjunction with the accompanying notes.

As per our report of even date attached
For Khandelwal Jain & Co.
Chartered Accountants
(Reg No : 105049W)

For and on behalf of the Board of Directors

Sd/-	Sd/-	Sd/-	Sd/-
NARENDRA JAIN	**Prof. S. SADAGOPAN**	**N. MURALIDARAN**	**M.S. SUNDARA RAJAN**
Partner	Chairman	Managing Director & CEO	Director
Membership No.048725	DIN No. 00118285	DIN No. 06567029	DIN No. 00169775
	Sd/-	Sd/-	
Place : Mumbai	**M. N. HARIHARAN**	**VAIBHHAV KULKARNI**	
Date : April 21, 2021	Chief Financial Officer	Company Secretary	

NSEIT Limited

Notes to the Consolidated financial statements

1 **Summary of significant accounting policies :**

a) **Group Overview**

The NSEIT Limited ("the Group") is a Step-down Subsidiary of the National Stock Exchange of India Limited (NSE), the world's second largest stock exchange by trade volume. NSEIT is a global technology firm with a focus on the financial services industry. The Group is a vertical specialist organization with deep domain expertise and technology focus aligned to the needs of financial institutions and offering end-to-end technology solutions covering the entire gamut of Application Services, Testing Center of Excellence, Infrastructure Services, Integrated Security Response Center, Analytics as a Service and IT Enabled Services (e-Assessments and e-Auctions) for BFSI segment.

The consolidated financial statements relates to the Parent Group, its subsidiary companies (collectively referred to as "the Group")
The Consolidated Financial Statements are approved for issue by the Group's Board of Directors on April 21, 2021

b) **Basis of preparation of Financial Statements**

These consolidated financial statements have been prepared in accordance with the historical cost basis, except for certain financial instruments which are measured at fair value, and are drawn up in accordance with the provisions of the Companies Act, 2013 and Indian Accounting Standards (“Ind AS”) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015], Companies (Indian Accounting Standards) Amendment Rules, 2016 and other relevant provisions of the Act.

i) Historical cost convention
The financial statements have been prepared on a historical cost basis, except for the following:
• certain financial instruments that is measured at fair value, and
• defined benefit plans - plan assets measured at fair value.
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability which market participants would take into account when pricing the asset or liability at the measurement date.
In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:
Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
Level 3 inputs are unobservable inputs for the asset or liability.

ii) **Principles of consolidation and equity accounting**
i) Subsidiaries
Subsidiaries are all entities over which the group has control. The group control an entity when the group is exposed to or has right to, variable returns from its involvement with the entity and has the ability to affact those returns though its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transfered to the group. They are deconsolidated from the date that control ceases.
The acquisition method of accounting is used to account for business combinations by the group.
The group combines the financial statements of the parents and its subsidiaries line by line adding toghether like items of assets, liabilities, equity, income and expenses. InterGroup transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.
Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

ii) Associates
Associates are all entities over which the group has significant influence but not control or joint control. This is generally the case where the group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting (see (iv) below), after initially being recognised at cost

iii) Joint Arrangements
Under Ind AS 111 Joint Arrangements, investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement.
Interests in joint ventures are accounted for using the equity method (see (iv) below), after initially being recognised at cost in the consolidated balance sheet.

iv) Equity Method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post - acquisition profits or losses of the investee in profit and loss, and the group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the group's share of losses in an equity accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the group and its associates and joint ventures are eliminated to the extent of the group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the group.

The carrying amount of equity accounted investments are tested for impairment in accordance with the policy described in note (n) below.

v) Changes in ownership interests

The group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

When the group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to statement of profit or loss.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate

d) **Use of estimates**

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Although these estimate are based on management's best knowledge of current events and actions, uncertainity about the assumption and estimates could result in the outcome requiring material adjustment to the carrying amount of asset and liabilities.

e) **Investments and other financial assets**

(i) Classification

The Group classifies its financial assets in the following measurement categories:

· those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and

· those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. The Group reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Debt instruments :-

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

· Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

· Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in Other Comphrensive Income (OCI) is reclassified from equity to profit or loss and recognised in net gain on sale of financial assets measured at FVOCI under other income. Interest income from these financial assets is included in other income using the effective interest rate method.

· Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net in the statement of profit and loss in Net fair value gain / (loss) on financial assets mandatorily measured at FVPL under other income in the period in which it arises. Interest income from these financial assets is included in other income.

Equity investments (other than investments in subsidiary, associates and joint venture) :-

The Group's subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments continue to be recognised in profit or loss as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/ (losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Equity Investments (in subsidiaries, associates and joint venture)

Investments in subsidiaries, associates and joint venture are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. The accounting policy on impairment of non-financial assets is disclosed in Note (l) below. On disposal of investments in subsidiaries, associates and joint venture, the difference between net disposal proceeds and the carrying amounts are recognized in the statement of profit and loss.

Acquisition-related costs are costs the acquirer incurs to effect a business combination. Those costs include finder's fees; advisory, legal, accounting, valuation and other professional or consulting fees; general administrative costs, including the costs of maintaining an internal acquisitions department. The Group accounts for acquisition-related costs as expenses in the periods in which the costs are incurred and the services are received.

(iii) Impairment of financial assets

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Group applies the simplified approach permitted by Ind AS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

De-recognition of financial assets :-

A financial asset is de-recognised only when

· The Group has transferred the rights to receive cash flows from the financial asset or

· retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Group has transferred an asset, it evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is de-recognised. Where the Group has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognised.

Where the Group has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognised if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(iv) Income recognition

Interest income :-

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial assets to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

Dividends :-

Dividends are recognised in profit and loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be reliably measured.

f) **Financial liabilities**

(i) Classification as debt or equity

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

(ii) Initial recognition and measurement

Financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss.

(iii) Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the statement of profit and loss.

(iv) Derecognition

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

g) **Transaction costs**

Transaction costs are “Incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or financial liability. An incremental cost is one that would not have been incurred if the entity had not acquired, issued or disposed of the financial instrument. Transaction costs include fees and commission paid to agents, advisers, brokers and dealers, levies by regulatory agencies and security exchanges, and transfer taxes and duties. Under effective interest method, Group amortises transaction costs over the expected life of the financial instrument.

h) **Derivatives**

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period.

i) **Lease**

Effective April 1, 2019, the Group has adopted Ind AS 116 “Leases” and applied to all lease contracts existing on April 1, 2019 using the simplified approach.

As a lessee

The Group’s lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of the contract. Ind AS 116 defines a lease as a contract, or a part of a contract, that convey as the right of use an asset (the underlying asset) for a period of time in exchange of consideration. To assess whether as contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes a right-of-use asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expenses on a straight line basis over the term of the lease.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on straight line basis over the shorter of the lease term and useful life of the underlying assets.

As a lessor :

Lease for which the Group is a lessor is classified as finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. For operating leases, rental income is recognized on straight line basis over the term of the relevant lease.

j) **Revenue Recognition**

The Group earns revenue primarily from providing end-to-end technology solutions covering the entire gamut of Application Services, Testing Center of Excellence, Infrastructure Services, Integrated Security Response Center, Analytics as a Service and IT Enabled Services (e-Assessments and e-Auctions) for BFSI segment.

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Group expects to receive in exchange for those products or services.

(i) Revenue from time and material and job contracts is recognised on output basis measured by units delivered, efforts expended, number of transactions processed, etc.

(ii) Revenue related to fixed price maintenance and support services contracts where the Group is standing ready to provide services is recognised based on time elapsed mode and revenue is straight lined over the period of performance.

(iii) In respect of other fixed-price contracts, revenue is recognised using percentage-of-completion method ('POC method') of accounting with contract costs incurred determining the degree of completion of the performance obligation. The contract costs used in computing the revenues include cost of fulfilling warranty obligations.

(iv) Revenue from Online examination services are recognized on the basis of exams conducted and in cases where there are multiple performance obligation, revenue is recognised using expected cost plus a margin approach where Group forecast its expected costs of satisfying a performance obligation and then add an appropriate margin for that good or service.

(v) Revenue from the sale of distinct third party hardware is recognised at the point in time when control is transferred to the customer.

(vi) The solutions offered by the Group may include supply of third-party equipment or software. In such cases, revenue for supply of such third party products are recorded at gross or net basis depending on whether the Group is acting as the principal or as an agent of the customer. The Group recognises revenue in the gross amount of consideration when it is acting as a principal and at net amount of consideration when it is acting as an agent.

(vii) Insurance claims are accounted on accrual basis when the claims become due and receivable.

(viii) Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms

Unearned and deferred revenue ("contract liability") is recognised when there is billings in excess of revenues.

In accordance with Ind AS 37, the Group recognises an onerous contract provision when the unavoidable costs of meeting the obligations under a contract exceed the economic benefits to be received

Contracts are subject to modification to account for changes in contract specification and requirements. The Group reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

The Group disaggregates revenue from contracts with customers by contract type, geography and nature of services.

(ix) **Use of significant judgements in revenue recognition**

The Group's contracts with customers could include promises to transfer multiple products and services to a customer. The Group assesses the products / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. The Group allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

The Group uses judgement to determine an appropriate standalone selling price for a performance obligation. The Group allocates the transaction price to each performance obligation on the basis of the relative standalone selling price of each distinct product or service promised in the contract. Where standalone selling price is not observable, the Group uses the expected cost plus margin approach to allocate the transaction price to each distinct performance obligation.

The Group exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Group considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

Revenue for fixed-price contract is recognised using percentage-of-completion method. The Group uses judgement to estimate the future cost-to-completion of the contracts which is used to determine the degree of completion of the performance obligation

Contract fulfilment costs are generally expensed as incurred except for certain software licence costs which meet the criteria for capitalisation. The assessment of this criteria requires the application of judgement, in particular when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.

k) **Property, plant and equipment**

Property, plant and equipment are stated at cost of acquisition less accumulated depreciation/amortization and impairment loss, if any. The cost is inclusive of freight, installation cost, duties, taxes, borrowing cost and other incidental expenses for bringing the asset to its working conditions for its intended use but net of Input Tax Credits, wherever input credit is claimed.
When significant parts of property, plant and equipment are required to be replaced in intervals, the Group recognizes such parts as separate component of assets with specific useful lives and provides depreciation over their useful life.
Subsequent costs are included in the asset’s carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.
All other repair and maintenance costs are recognized in Income statement as incurred.

l) **Depreciation**

(i) Depreciation on tangible fixed assets is provided on Straight Line Method as per the useful life and in the manner prescribed in Schedule II to Companies Act, 2013 except in case of Aujas Cybersecurity Limited office equipment at 3 years as per management estimation. Fixed Furniture and fixtures, Electrical installation and Office equipment including civil improvements at lease hold premises are depreciated over the lease period.

The estimated useful lives, residual values and depreciation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

(ii) Depreciation on assets purchased / disposed off during the year is provided on pro rata basis with reference to the date of additions / deductions.

(iii) The gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amounts of the asset and is recognised in profit or loss.

m) **Intangible assets**

i) **Goodwill:**

Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cashgenerating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, which in our case are the operating segments

ii) **Other intangible assets:**

Intangible assets comprising of software are recorded at acquisition cost and are amortized over the estimated useful life on straight line basis. Software products/ licenses purchased/ acquired for internal use of the Group which have expected longer life are capitalised and depreciated over a period of 3 years on Straight Line Method.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.Costs associated with maintaining software programs are recognised as an expense as and when incurred.

Development costs

Development expenditures on an individual project are recognised as an intangible asset when the Group can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use
- Its intention to complete and its ability and intention to use the asset
- How the asset will generate future economic benefits
- The ability to measure reliably the expenditure during development
- Availability of adequate, financial and other resources to complete the development and to use / sell the intangible asset
- Adequate technical, financial and other resources to complete the development and to use or sell the software are available

The costs which can be capitalized include the cost of material, direct labour, overhead costs that are directly attributable for preparing the asset for its intended use.

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation expense is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.
During the period of development, the asset is tested for impairment annually.

n) **Impairment of assets**

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

o) **Inventory :**

The Inventory is valued at cost or net realizable value whichever is lower.

p) **Cash and cash equivalents in the statement of cash flows**

Cash and Cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignifican risk of changes in value. These do not include bank balances earmarked/restricted for specific purposes.
Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

q) **Foreign currency transactions and translation**

Functional and presentation currency
Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian currency (INR), which is the Group's functional and presentation currency.
Transactions and translations
Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the period end exchange rates are recognised in profit or loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equity instruments held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equity investments classified as FVOCI are recognised in other comprehensive income.

Group Companies

The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

• assets and liabilities are translated at the closing rate at the date of that balance sheet;

• income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and

• all resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities are recognised in other comprehensive income. When a foreign operation is sold, the associated exchange differences are reclassified to statement of profit or loss, as part of the gain or loss on sale

r) **Employee benefits**

i **Short-term obligations**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are the amounts expected to be paid when the liabilities are settled. Short term employee benefits are recognised in statement of profit and loss in the period in which the related service is rendered. The liabilities are presented as current employee benefit obligations in the balance sheet.

ii Other long-term employee benefit obligations

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss. The obligations are presented as current liabilities in the balance sheet since the Group does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

iii Post-employment obligations

The Group operates the following post-employment schemes:

(a) defined benefit plans such as gratuity, and

(b) Defined contribution plans such as provident fund and superannuation

iv Gratuity obligations

The Group has maintained a Group Gratuity Cum Life Assurance Scheme with the Life Insurance Corporation of India (LIC) towards which it annually contributes a sum determined by LIC. The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to yields on government securities at the end of the reporting period that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

v Defined contribution plans

Superannuation

Superannuation benefit for employees designated as managers and above is covered by Group Superannuation Scheme with the Life Insurance Corporation of India towards which it annually contributes a sum based on a specified percentage of each covered employees' salary. The contribution paid for the year on the Group Superannuation Scheme is charged to revenue.

Provident Fund

W.e.f. 1st August 2010, the Group had transferred the corpus balance of the NSEIT Ltd. Employees Provident Fund Trust to the Regional Provident Fund Office, Kandivali, Mumbai. As per the applicable rule the Group contributes 12% of the employee's basic salary to the said recognized provident fund and the same is charged to revenue.

vi **Bonus plans**

The Group recognises a liability and an expense for bonuses. The Group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

s) **Business Combinations**

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises:

• the fair values of the assets transferred;
• liabilities incurred to the former owners of the acquired business;
• equity interests issued by the Group; an
• fair value of any asset or liability resulting from a contingent consideration arrangement

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognizes any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

The excess of the
• consideration transferred;
• amount of any non-controlling interest in the acquired entity, an
• acquisition-date fair value of any previous equity interest in the acquired entit

over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognised directly in equity as capital reserve

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

If the business consideration is achieved in stages, the acquisition date carrying value of the acquirers previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss or other comprehensive income, as appropriate.

t) **Income tax**

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses, if any.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

The carrying amount of deferred tax assets are reviewed at the end of each reporting period and are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, associates and interest in joint arrangements where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Dividend distribution tax paid on the dividends is recognised consistently with the presentation of the transaction that creates the income tax consequence. Dividend distribution tax is charged to statement of profit and loss if the dividend itself is charged to statement of profit and loss. If the dividend is recognised in equity, the presentation of dividend distribution tax is recognised in equity.

u) **Contributed equity**
Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

v) **Provisions, Contingent liabilities and Contingent assets**

A provision is recognised when the Group has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions (excluding retirement benefits) are discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements. Contingent liabilities are not disclosed in case the possibility of an outflow of resources embodying economic benefits is remote. A contingent asset is neither recognised nor disclosed in the financial statements.

x) **Trade and other payables**
These amounts represent liabilities for goods and services provided to the Group prior to the end of financial period which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

x) **Current versus non-current classification**

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification.
An asset is treated as current when it is:
- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.
A liability is current when:
- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

all other liabilities as non-current.
Deferred tax assets and liabilities are classified as non-current assets and liabilities.
The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

y) **Dividends**
Final dividends on shares are recorded as a liability on the date of approval by shareholders and interim dividends are recorded as a liability on the date of declaration by the Group's Board of Directors.

z) **Trade receivables**
Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

aa) **Group financial instruments**
Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

ab) **Earnings per share**

Basic and diluted earnings per share is computed by dividing the net profit attributable to equity shareholders for the year, by weighted average number of equity shares outstanding during the year.
(i) Basic earnings per share
Basic earnings per share is calculated by dividing:
• the profit attributable to owners of the Group
• by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.
(ii) Diluted earnings per share
Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:
• the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
• the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

ac) Critical accounting estimates and judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgements are:

Use of significant judgements in revenue recognition

Estimation of useful life of tangible asset and intangible asset (Note 2)

Recognition of deferred tax assets [(Note 21(D)]

Estimation of defined benefit obligation (Note 31)

Estimation of contingent liabilities and commitments (Note 33 & 34)

Impairment of Assets [Note 1(n)]

Recoverability of Trade Receivables [Note 43 (C)]

Estimates and judgments are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.

ad) **Recent Pronouncement:**

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet:

• Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.

• Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.

• Specified format for disclosure of shareholding of promoters.

• Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.

• If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.

• Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

Statement of profit and loss:

• Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the standalone financial statements.

The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

ae) **Rounding of amounts**

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

NSEIT Limited
Notes to the Consolidated financial statements
2a: Property, Plant & Equipment and Intangible Assets (Rs in Lakhs)

Sr No.	Category	GROSS CARRYING AMOUNT				ACCUMULATED DEPRECIATION				NET CARRYING AMOUNT	
		As on 1-Apr-20	Additions	Deductions	As on 31-Mar-21	As on 1-Apr-20	For the year	Deductions	As on 31-Mar-21	As on 31-Mar-21	As on 31-Mar-20
a	Tangible Assets										
1	Computer Hardware and Servers & Networks	2,476.16	234.22	145.88	2,564.49	1,758.96	399.05	145.51	2,012.50	551.99	717.20
2	Office Equipment	650.56	121.20	5.40	766.35	535.27	68.39	5.40	598.26	168.09	115.29
3	Furniture & Fixtures	288.39	14.79	11.25	291.93	272.95	10.23	6.55	276.62	15.30	15.44
4	Vehicles	-	-	-	-	-	-	-	-	-	-
5	Building - Civil Work	105.53	103.46	-	208.99	105.53	34.39	-	139.92	69.07	0.00
		3,520.63	**473.67**	**162.54**	**3,831.76**	**2,672.71**	**512.06**	**157.47**	**3,027.30**	**804.46**	**847.93**
b	Intangible Assets										
1	Computer Software	1,585.00	609.28	-	2,194.29	976.02	333.53	-	1,309.55	884.74	608.99
2	Software copyrights	259.06	-	-	259.06	259.06	-	-	259.06	0.00	0.00
		1,844.07	**609.28**	**-**	**2,453.35**	**1,235.08**	**333.53**	**-**	**1,568.61**	**884.74**	**608.99**
	GRAND TOTAL	**5,364.70**	**1,082.95**	**162.54**	**6,285.11**	**3,907.79**	**845.59**	**157.47**	**4,595.91**	**1,689.20**	**1,456.91**
	PREVIOUS YEAR	**4,566.55**	**889.64**	**91.50**	**5,364.69**	**3,368.03**	**631.23**	**91.48**	**3,907.79**	**1,456.91**	

Sr No.	Category	GROSS CARRYING AMOUNT				ACCUMULATED DEPRECIATION				NET CARRYING AMOUNT	
		As on 1-Apr-19	Additions	Deductions	As on 31-Mar-20	As on 1-Apr-19	For the year	Deductions	As on 31-Mar-20	As on 31-Mar-20	As on 31-Mar-19
a	Tangible Assets										
1	Computer Hardware and Servers & Networks	2,235.22	284.59	43.65	2,476.16	1,381.89	420.72	43.65	1,758.96	717.20	853.33
2	Office Equipment	634.57	54.04	38.06	650.56	542.94	30.37	38.04	535.27	115.28	91.63
3	Furniture & Fixtures	286.72	11.45	9.79	288.39	278.01	4.72	9.79	272.95	15.44	8.71
4	Vehicles	-	-	-	-	-	-	-	-	-	-
5	Building - Civil Work	105.53	-	-	105.53	105.53	-	-	105.53	0.00	0.00
		3,262.04	**350.09**	**91.50**	**3,520.63**	**2,308.37**	**455.82**	**91.48**	**2,672.71**	**847.92**	**953.67**
b	Intangible Assets										
1	Computer Software	1,045.45	539.56	-	1,585.00	800.60	175.41	-	976.02	608.99	244.84
2	Software copyrights	259.06	-	-	259.06	259.06	-	-	259.06	0.00	0.00
		1,304.51	**539.56**	**-**	**1,844.07**	**1,059.67**	**175.41**	**-**	**1,235.08**	**608.99**	**244.84**
	GRAND TOTAL	**4,566.55**	**889.64**	**91.50**	**5,364.69**	**3,368.03**	**631.23**	**91.48**	**3,907.79**	**1,456.91**	**1,198.52**
	PREVIOUS YEAR	**3,927.32**	**585.07**	**226.40**	**4,566.55**	**2,983.28**	**472.73**	**212.35**	**3,368.03**	**1,198.52**	

* During the year, the Company has carried out development / enhancement of various software for rendering its existing business services. Since these software will generate future economic benefits, the company has capitalised the development/ enhancement cost of Rs. 490.71 Lakhs. The estimated useful life of these software is 3 years and are amortised over the said period

NSEIT Limited

Notes to the Consolidated financial statements

2.b : Capital Work In Progress

(Rs in Lakhs)

Particulars	As at 31-03-2021	As at 31-03-2020
Opening Balance - Carrying amount	**102.25**	**8.10**
Additions	211.36	389.13
Disposals	-	-
Transfers	288.65	294.98
Closing Balance - Carrying amount	**24.97**	**102.25**

2.c : Intangible assets under development

Particulars	31-Mar-21	31-Mar-20
Opening Balance - Carrying amount	**118.51**	**-**
Additions	531.57	609.21
Disposals	-	-
Transfers	603.17	490.71
Closing Balance - Carrying amount	**46.91**	**118.51**

*As at 31.03.2021, a sum of Rs. 46.91 Lakhs (previous year Rs. 118.51 Lakhs) has been shown as Intangible Assets Under Development. These are towards various software under development which will enhance the existing business services as well offering new products in the market.

2.d : Right to Use

Following are the changes in the carrying value of right of use assets for the year ended 31 March 2021:

Particulars	Category of ROU asset	
	As at 31 March 2021	As at 31 March 2020
	Building	Building
Balance as at begining	2,430.67	-
Additions	923.55	3,491.11
Deletion	(213.22)	(23.87)
Depreciation	(1,286.80)	(1,036.57)
Balance as at end	**1,854.20**	**2,430.67**

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the statement of Profit and Loss.

The following is the break-up of current and non-current lease liabilities as at 31 March 2021

Particulars	As at 31 March 2021	As at 31 March 2020
Current lease liabilities	1,029.42	1,070.62
Non-current lease liabilitie	971.93	1,466.00
Total	**2,001.35**	**2,536.62**

The following is the movement in lease liabilities during the year ended 31 March 2021:

Particulars	As at 31 March 2021	As at 31 March 2020
Balance at the beginning	2,536.62	-
Additions	923.54	3,491.11
Finance cost accrued during the year	208.87	247.67
Deletions	(229.84)	(24.88)
Payment of lease liabilities	(1,375.05)	(1,177.28)
Extinguishment of lease liabilities (refer note 54)	(62.82)	
Balance at the end	**2,001.32**	**2,536.62**

The table below provides details regarding the contractual maturities of lease liabilities as at 31 March 2021 on an undiscounted basis:

Particulars	As at 31 March 2021	As at 31 March 2020
Less than one year	1,246.67	1,269.14
One to five years	856.03	1,614.59
More than five years	-	20.17
Total	**2,102.70**	**2,903.90**

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Rental expense recorded for short-term leases was Rs 193.09 Lakhs for the year ended 31 March 2021 (Rs 298.37 Lakhs for the year ended 31 March 2020)

The table below provides details regarding the contractual maturities of lease liabilities as at 31 March 2021 on an undiscounted basis:

Particulars	As at 31 March 2021	As at 31 March 2020
Less than one year	147.56	209.78

3	i	**Non-current Investments**	As at 31.03.2021	As at 31.03.2020
			(Rs in Lakhs)	
	A	**Unquoted Equity instrument**		
		NSE Foundation *	0.00	0.00
		[1000 Equity share of Rs. 10 each fully paid]		
			0.00	0.00

* NSE Foundation is incorporated under section 8 of the Companies Act, 2013 and intends to apply its profits, if any, or other income in promoting its objects and any payment of dividend to its members is prohibited.

4		**Other Financial Assets (Non-current)**	As at 31.03.2021	As at 31.03.2020
			(Rs in Lakhs)	
	i	**Non-Current Bank Balances**		
		Fixed deposits with maturity for more than 12 months	38.43	7.00
		Earmarked fixed deposits with maturity for more than 12 months *	2,026.52	369.71
			2,064.95	376.71
	ii	**Loans**		
		Security deposit (unsecured, considered good)	65.07	66.26
			65.07	66.26
	iii	**Others**		
		Interest accrued on Bank deposits	3.26	0.39
			3.26	0.39
		Total	**2,133.28**	**443.36**

* Earnmarked deposits are restricted. These deposits are earnmarked against forward contracts /performance guarantee

5	**Income Tax Assets (net) (Non-current)**	As at 31.03.2021	As at 31.03.2020
		(Rs in Lakhs)	
	Income Tax Assets (net)	1,229.41	1,770.18
	Income Tax Liabilities (net)	-	-
	Total	**1,229.41**	**1,770.18**

6	**Other assets (Non-current)**	As at 31.03.2021	As at 31.03.2020
		(Rs in Lakhs)	
	Capital Advance	8.60	13.81
	Prepaid expenses	61.85	15.71
	Deferred Transaction Cost	46.56	61.12
	Total	**117.01**	**90.64**

7	i	**Current Investments**	As at 31.03.2021	As at 31.03.2020
			(Rs in Lakhs)	
	A	**Investments in Mutual Funds**		
		Unquoted Investment in Mutual funds at FVPL (Refer Note 41)	2,273.06	5,321.96
		Total	**2,273.06**	**5,321.96**

8 Trade receivables

	As at 31.03.2021	As at 31.03.2020
	(Rs in Lakhs)	
Trade Receivables	12,840.78	8,639.47
Less : Loss Allowances (Refer Note 43)	(923.33)	(581.19)
	11,917.45	8,058.28
Breakup of security details		
Trade Receivables considered good -Secured	-	-
Trade Receivables considered good -Unsecured	11,917.45	8,058.28
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables credit impaired *	923.33	581.19
Total	12,840.78	8,639.47
Loss allowances (Refer Note 43)	(923.33)	(581.19)
Total	**11,917.45**	**8,058.28**

* This includes an amount of Rs.582.99 Lakhs for Provision for Doubtful Debts (Previous year Rs. 408.94 Lakhs) and Rs.340.34 Lakhs for Provison for Expected Credit Loss (Previous Year Rs. 172.25 Lakhs).

9 Unbilled Receivables

	As at 31.03.2021	As at 31.03.2020
	(Rs in Lakhs)	
Unbilled Receivables	3,305.96	1,296.95
Total	**3,305.96**	**1,296.95**

10 a Cash and Cash equivalents

	As at 31.03.2021	As at 31.03.2020
	(Rs in Lakhs)	
Balances with banks		
- In Current Accounts	883.17	878.87
- In Savings Accounts	2.94	3.01
- In Flexi Deposits	2,052.75	3,009.47
Fund in transit	9.10	-
Cash on hand	0.19	0.33
	2,948.15	3,891.68
b Bank Balances other than Cash and cash equivalents		
Fixed deposits		
- with original maturity for more than 3 months but less than 12 months	-	-
- with original maturity for more than 12 months	45.99	694.53
Earmarked fixed / flexi deposits *		
- with original maturity for more than 3 months but less than 12 months	-	-
- with original maturity for more than 12 months	3,821.94	1,884.37
Escrow Account with ICICI Bank**	-	371.57
	3,867.93	2,950.47
Total	**6,816.08**	**6,842.15**

* Earmarked deposits are restricted. These deposits are earmarked against forward contracts / performance guarantee

** Previous year amount represent the part of deferred consideration payable to ex-promoters towards investment in subsidiary (Aujas Cybersecurity Limited).

11	**Other Financial Assets (Current)**	As at 31.03.2021	As at 31.03.2020
		(Rs in Lakhs)	
i	**Loans**		
a	Security deposit (unsecured, considered good)	577.94	669.66
		577.94	**669.66**
ii	**Others**		
	Interest accrued on Bank deposits	48.34	74.65
	Loan to Employee (unsecured, considered good)	33.20	24.17
	Other advances (unsecured, considered good)	0.66	-
		82.20	98.82
	Total	**660.14**	**768.48**

12	**Other Current assets**	As at 31.03.2021	As at 31.03.2020
		(Rs in Lakhs)	
	Advance to Creditors (unsecured, considered good)	163.61	319.23
	Advance to Staff for Expenses (unsecured, considered good)	88.57	332.72
	Salary Advance (unsecured, considered good)	-	1.84
	Prepaid expenses	575.82	328.91
	Deferred Transaction Cost	14.55	15.91
	Balance with GST Authorities	-	19.81
	Total	**842.55**	**1,018.42**

13 **A Equity Share Capital**

	As at 31.03.2021	As at 31.03.2020
	(Rs in Lakhs)	
Authorised		
15,000,000 (Previous Year 15,000,000) Equity Shares of Rs 10 each.	**1,500.00**	**1,500.00**
Issued, Subscribed and Paid-up		
10,000,010 (Previous year 10,000,010) Equity shares of Rs.10 each fully paid up.	1,000.00	1,000.00

There is no movement either in the number of shares or in amount between previous year and current year.

Terms and rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

The Board of Directors in the meeting on April 21, 2021, have proposed a final dividend of Rs. 150.00 lakhs for the Financial Year ended March 31, 2021. The proposal is subject to approval of the shareholders at the ensuing annual general meeting to be held and if approved would result in a cash outflow of approximately Rs. 150.00 lakhs.

The Board of Directors in the meeting on June 20, 2020, have proposed a final dividend of Rs.100.00 lakhs for the Financial Year ended March 31, 2020. The proposal is subject to approval of the shareholders at the ensuing annual general meeting to be held and if approved would result in a cash outflow of approximately Rs.100.00 lakhs.

Details of shareholders holding more than 5% share in the Company	**As at 31.03.2021**	
	No.	**% holding**
Equity shares of Rs 10/- each fully paid NSE Investments Limited (Holding Company)	1,00,00,010	100%
	As at 31.03.2020	
	No.	**% holding**
Equity shares of Rs 10/- each fully paid NSE Investments Limited (Holding Company)	1,00,00,010	100%

B **Preference Share Capital**

	As at 31.03.2021	As at 31.03.2020
Authorised, Issued, Subscribed and Paid-up Preference capital	(Rs in Lakhs)	
10,000,000 (March 31, 2020:10,000,000) cumulative redeemable preference shares of Rs. 100 each	**10,000.00**	**10,000.00**

Details of shareholders holding more than 5%	**As at 31.03.2021**	
	No.	**% holding**
Cumulative redeemable preference shares of Rs. 100 each NSE Investments Limited (Holding Company)	1,00,00,000	100%
	As at 31.03.2020	
	No.	**% holding**
Cumulative redeemable preference shares of Rs. 100 each NSE Investments Limited (Holding Company)	1,00,00,000	100%

14 Other Equity

	As at 31.03.2021	As at 31.03.2020
General reserve		
As per last balance sheet	5,436.06	5,436.06
Add : Transferred from surplus balance in the Statement of Profit & Loss	-	-
	5,436.06	**5,436.06**
Retained Earnings - Surplus/(deficit) in the statement of profit and loss		
As per last balance sheet	9,591.61	8,503.12
Add : Profit / (Loss) for the year	2,602.14	1,254.73
Less : Other Comprehensive Income	(19.66)	(45.68)
Less : Equity Dividend Paid	(100.00)	(100.00)
Less : Tax on equity dividend paid	-	(20.56)
	12,074.09	**9,591.61**
Foreign Currency Translation Reserve		
As per last balance sheet	7.08	57.88
Add : Transferred from Statement of Profit & Loss	15.55	(50.80)
	22.63	**7.08**
Total Other Equity	**17,532.78**	**15,034.75**

15 Borrowings

	As at 31.03.2021	As at 31.03.2020
	(Rs in Lakhs)	
Unsecured		
7%, Seven Years, Cumulative Redeemable Preference Shares (CRPS)	10,000.00	10,000.00
10,000,000 (Previous year 10,000,000) Preference shares of Rs.100 each fully paid up		
	10,000.00	**10,000.00**

Terms and conditions for issue of Preference shares

Rate of Dividend : Dividend rate will be 7% p.a. (on the face value) which will remain fixed over the tenure of the CRPS

Cumulative: The CRPS will carry Cumulative Dividend Right.

Priority with Respect to payment of dividend or repayment of captial : The CRPS will carry a preferential right vis-a-vis equity shares of the Company with respect to the payment of dividend and repayment of capital during winding up.

Tenure & conversion / Redemptions Terms : The amount subscribed/paid on each CRPS shall be redeemed after 7 years from the date of allotment of the CRPS. Each CRPS shall be redeemed at the same price as received at the time of subscription i.e. Face Value.

Conversion: CRPS shall not be convertible into equity shares

Voting rights : CRPS shall carry voting rights as per the provisions of Section 47(2) of the Companies Act 2013

Redemption: All the CRPS shall be redeemed at the end of 7 years from the date of allotment i.e. 20th March 2019.

16 **Other Financial Liabilities (Non-current)**

	As at 31.03.2021	As at 31.03.2020
	(Rs in Lakhs)	
Lease Liablility	971.93	1,466.00
Total	**971.93**	**1,466.00**

17 **Provisions (Non-current)**

	As at 31.03.2021	As at 31.03.2020
	(Rs in Lakhs)	
Employee benefits obligation		
Provision for Gratuity (Ref. Note 31)	220.42	253.17
Provision for Leave Encashment (Ref. Note 31)	197.99	114.98
Provision for variable pay and incentives	65.38	31.43
Total	**483.79**	**399.58**

18 **Trade Payables (Current)**

	As at 31.03.2021	As at 31.03.2020
	(Rs in Lakhs)	
Trade payables	3,994.00	3,117.69
Trade payables to MSME (Refer note 35)	40.92	33.40
Trade payables to related Party (refer note 32)	113.92	104.25
Total	**4,148.84**	**3,255.34**

19 **Other Financial Liabilities (Current)**

	As at 31.03.2021	As at 31.03.2020
	(Rs in Lakhs)	
Creditors for Investment	-	371.57
Creditors for Capital Expenditure	88.17	25.80
Current maturities of Term Loan (Secured)*	-	8.38
Lease Liablility	1,029.41	1,070.62
Dividend payable on preference shares	700.00	700.00
Total	**1,817.57**	**2,176.36**

* Term loan from kotak Mahindra Bank Limited : Rs. 30 lakhs taken during the previous year. It is repayable in 24 monthly instalments ; interest 16% p.a Secured by lien on fixed deposit.

20 **Provisions (Current)**

	As at 31.03.2021	As at 31.03.2020
	(Rs in Lakhs)	
Employee benefits obligation		
Provision for Gratuity (Ref. Note 31)	169.55	221.32
Provision for Leave Encashment (Ref. Note 31)	317.02	248.98
Provision for variable pay and incentives	703.26	994.41
Total	**1,189.82**	**1,464.70**

21 **Income Taxes**

(A) The major components of income tax expense are as follows:

Profit or loss section

Particulars	As at 31.03.2021	As at 31.03.2020
	(Rs in Lakhs)	
Current tax	1,136.01	942.80
Short / Excess Tax for earlier years	14.82	39.78
Deferred taxes movement of Asset	42.10	(50.73)
Foreign tax	103.67	-
Income tax expense reported in the statement of profit or loss	1,296.60	931.85

OCI section

Deferred tax related to items recognised in OCI during in the year:

Particulars	As at 31.03.2021	As at 31.03.2020
	(Rs in Lakhs)	
Re-measurement of the defined benefit liability / asset	29.65	23.75
Equity instruments through Other Comprehensive Income	-	-
Income tax gain/(charged) to Other Comprehensive Income	29.65	23.75

(B) Reconciliation of the Income Tax provision to the amount computed by applying the statutory income tax rate to the income before income taxes

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Profit before income tax expense	3,902.09	2,161.02
Applicable tax rate	25.168%	25.168%
Computed expected tax expenses	983.26	543.89
-Losses on which deferred tax assets not created by a subsidiary	-	134.36
- Disallowance due to contribution to NSE	18.19	8.95
- Income taxable on issue of equity shares	9.62	-
- Expenditure not allowable	16.22	-
-Brought forward Losses set-off during the year	(107.69)	-
- Dividend & other cost for issue of Preference shares	180.18	180.55
- Tax effect on temporary differences not recognized as deferred taxes	55.78	-
- Short / (excess) Tax for earlier years	14.82	39.78
- Foreign tax	103.67	1.80
- Other Impacts	22.54	22.52
Current Income Tax for the year	**1,296.60**	**931.86**

(C) The movement in the current income tax asset/ (liability) is as follows:

Particulars	As at 31.03.2021	As at 31.03.2020
	(Rs in Lakhs)	
Net current income tax asset/(liability) at the beginning	1,727.71	813.89
Income tax Paid / (Refund)	655.60	1,896.40
Current / Foreign income tax expense	(1,239.68)	(942.80)
Short / Excess Tax for earlier years	(14.82)	(39.77)
Net current income tax asset/(liability) at the end	**1,128.81**	**1,727.71**

NSEIT Limited

Notes to the Consolidated financial statements

(D) The tax effects of significant temporary differences that resulted in deferred income tax assets and liabilities are as follows:

Particulars	As at 31.03.2021	As at 31.03.2020
	(Rs in Lakhs)	
Deferred income tax assets		
Impact of difference between depreciation /amortization charged for the financial reporting and tax depreciation	97.48	70.64
Impact of difference arising on account of impairment of intangible asset and tax depreciation,	1.51	2.02
Impact of Gratuity , Leave Encashment & Perfomance Bonus	169.90	281.13
Imapct of Provision for Doubtful Debts	186.84	122.16
Impact on account of Lease obligation	18.31	17.19
Total deferred income tax assets	**474.05**	**493.14**
Deferred income tax liabilities		
Impact of fair value on Investment in Mutual Funds	49.22	55.86
Total deferred income tax liabilities	**49.22**	**55.86**
Deferred income tax asset after set off	**424.83**	**437.28**

(E) **Movement in Deferred Tax Assets**

Particulars	Depreciation on Tangible Assets	Amortization on Intangible Assets	Provision for Gratuity, Leave Encashment & Performance Pay	Disallowance u/s 40 (a)(ia) Non Deduction of TDS	Provision for Doubtful Debts	Actuarial Gain / (Loss) through OCI for Gratuity & Leave Encashment	Total
At 1st April 2019	79.15	3.11	166.41	-	113.83	21.38	**383.87**
Charged / (Credited)	-	-	-	-	-	-	**-**
- to profit or loss	(8.51)	(1.09)	69.59	17.19	8.33	-	**85.52**
- to other comprehensive income	-	-	-	-	-	23.75	**23.75**
- to retained earning	-	-	-	-	-	-	**-**
- Adjustment of Business combination							**-**
At 31st March 2020	**70.64**	**2.02**	**236.00**	**17.19**	**122.16**	**45.13**	**493.14**
Charged / (Credited)							
- to profit or loss	26.84	(0.51)	(140.88)	1.12	64.68	-	**(48.75)**
- to other comprehensive income						29.65	**29.65**
- to retained earning	-	-	-	-	-		**-**
At 31st March 2021	**97.48**	**1.51**	**95.12**	**18.31**	**186.84**	**74.78**	**474.04**

(F) **Movement in Deferred Tax Liabilities**

Particulars	Depreciation on Tangible Assets	Amortization on Intangible Assets	Financial Assets at Fair Value through profit and Loss	Total
At 1st April 2019	-	-	21.07	**21.07**
Charged / (Credited)				
- to profit or loss	-	-	34.79	**34.79**
- to other comprehensive income	-	-	-	-
- to retained earning	-	-	-	-
At 31st March 2020	-	-	**55.86**	**55.86**
Charged / (Credited)				
- to profit or loss	-	-	**(6.64)**	**(6.64)**
- to other comprehensive income	-	-	-	-
- to retained earning	-	-	-	-
At 31st March 2021	-	-	**49.22**	**49.22**

(g) **In case of Aujas Cybersecurity Limited**

i) **Brought forward losses**

The Subsidiary Company had brought forward losses of ₹ 427 lakhs (31 March 2020 : ₹ 306 lakhs) which the Subsidiary Company has set-off against the taxable income of the current year.

ii) **Recognised deferred taxes**

Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences and carry forward losses can be utilized. Due to lack of convincing evidence, the Subsidiary Company has not recorded deferred tax assets on deductible temporary differences.

ii) The Subsidiary Company has non-current tax assets of ₹ 316.54 lakhs and ₹ 1,068.60 lakhs as at 31 March 2021 and 31 March 2020 respectively. These assets relate to tax deducted at source which are recoverable from the Government.

22 **Income Tax Liabilities (net) (Current)**

	As at 31.03.2021	As at 31.03.2020
	(Rs in Lakhs)	
Income Tax Assets (net)	-	-
Income Tax Liabilities (net)	100.60	42.47
Total	**100.60**	**42.47**

23 **Other liabilities (Current)**

	As at 31.03.2021	As at 31.03.2020
	(Rs in Lakhs)	
Statutory dues payable	1,274.37	705.32
Advance received from customers	709.58	505.29
Income received in advance	609.79	155.50
Total	**2,593.75**	**1,366.10**

24 Revenue from operations

	Year ended 31.03.2021	Year ended 31.03.2020
	(Rs in Lakhs)	
Operating revenues		
Sale of Products :		
- Software Products	13.62	2.05
- Traded Goods	1,597.79	531.94
	1,611.41	533.99
Sale of Services :		
- Software Product Revenues	719.67	599.41
- Application Development & Maintenance Services	20,628.08	17,234.21
- Infrastructure Management Services	4,297.64	3,444.65
- ITES - Assessment Services	12,010.94	15,203.79
- Customer Care Services	511.25	612.96
	38,167.57	37,095.01
Total	**39,778.99**	**37,629.00**

Disaggregate revenue information

The table below presents disaggregated revenues from contracts with customers for the year ended March 31, 2021 by contract-type .The Company believe that this disaggregation best depicts how the nature, amount, timing and uncertainty of our revenues and cashflows are affected by industry, market and other economic factors.

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Revenues by contract type		
Fixed Price	22,469.22	25,266.00
Time & Materials	17,309.77	12,363.00
Total	**39,778.99**	**37,629.00**

Performance obligations and remaining performance obligations

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the Group expects to recognize these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the Group has not disclosed the remaining performance obligation related disclosures for contracts where the revenue recognized corresponds directly with the value to the customer of the entity's performance completed to date, typically those contracts where invoicing is on time and material basis. Remaining performance obligation estimates are subject to change and are affected by several factors, including terminations, changes in the scope of contracts, periodic revalidations, adjustment for revenue that has not materialized and adjustments for currency.

The aggregate value of performance obligations that are completely or partially unsatisfied as at March 31, 2021, other than those meeting the exclusion criteria mentioned above, is Rs. 1319.37 Lakhs (Pevious year Rs. 660.79 lakhs). The Company expects to recognize entire revenue within the next one year. This includes contracts that can be terminated for convenience without a substantive penalty since, based on current assessment, the occurrence of the same is expected to be remote.

Revenue disaggregation by geography is as follows:

Geography	Year ended 31.03.2021	Year ended 31.03.2020
India	31,364.55	29,778.00
Singapore	65.29	72.00
Sweden	241.44	1,160.00
UK	-	10.00
Brunei Darussalam	179.71	354.00
Muscat (Oman)	-	11.00
Middle East (MEA)	3,751.56	2,388.00
US	4,176.44	3,856.00
Total	**39,778.99**	**37,629.00**

Information about major customers:

Company's significant revenue of 0.06 % (previous year 11.13%) being Rs. 22.35 lakhs (previous year Rs. 4189.73 lakhs) is derived from a customer under ITES-Assessement Services Segment. Also, the Company's significant revenue of 24.72% (previous year 21.84%) is derived from a group of entities under common control, the total Operating Revenue from such entities amounted to Rs. 9,835.25 lakhs in FY 2020-21 (End to End Solutions Rs. 9,413.55 lakhs and ITES-Assessment Service Rs 421.70 lakhs) and Rs. 7889.43 lakhs in FY 2019-20 (End to End Solutions Rs. 7308.08 lakhs and ITES-Assessment Service Rs 580.63 lakhs). No other single customer contributed 10% or more to the Company's revenue for FY 2020-21 and FY 2019-20.

Changes in Contract assets (Unbilled receivable) are as follows:	Year ended 31.03.2021	Year ended 31.03.2020
Balance at the beginning of the year	1,296.95	2,992.14
Invoices raised during the year	(1,296.95)	(8,779.25)
Contract assets reversed	-	6,496.06
Revenue recognised during the year	3,305.96	587.99
Balance at the end of the year	**3,305.96**	**1,296.95**

Changes in advance received from customer are as follows:	Year ended 31.03.2021	Year ended 31.03.2020
Balance at the beginning of the year	(505.29)	(374.02)
Increase due to invoicing during the year, excluding amounts recognised as revenue during the year	8.61	22.29
Advance adjusted against trade receivables	786.80	372.74
Advance received during the year	(999.71)	(526.30)
Balance at the end of the year	**(709.59)**	**(505.29)**

25 **Other income**

	Year ended 31.03.2021	Year ended 31.03.2020
	(Rs in Lakhs)	
Interest Income		
- On Bank Deposits	316.31	356.10
- Interest Others	0.38	6.80
Net gain on sale of mutual funds mandatorily measured at fair value through Profit and Loss	105.26	97.88
Net gain on mutual funds mandatorily measured at fair value through Profit and Loss	140.71	177.38
Gain on foreign currency transaction (net)	-	185.09
Gain on derecognition of right-of-use asset and lease liability	4.86	-
Excess provision written back(*)	826.28	-
Interest income on refund of income tax	61.02	28.46
Sundry Balance W/ Back	72.55	41.06
Extinguishment of lease liabilities due rent concession (refer note 53)	62.82	-
Miscellaneous Income	84.73	18.06
Total	**1,674.93**	**910.82**

(*) Includes a sum of Rs. 681.16 Lakhs, being amount of employee performance pay/ variable pay of earlier years no longer payable.

26 **Employee benefits expenses**

	Year ended 31.03.2021	Year ended 31.03.2020
	(Rs in Lakhs)	
Salaries and wages	18,793.64	15,368.26
Contribution to provident and other funds	788.63	728.00
Gratuity (Refer Note 31)	182.01	145.50
Contribution to Superannuation Scheme	0.30	2.59
Staff welfare expenses	335.58	378.82
Total	**20,100.16**	**16,623.19**

27 **Finance Cost**

	Year ended 31.03.2021	Year ended 31.03.2020
	(Rs in Lakhs)	
Bank Charges	43.95	44.12
Interest on lease liability	208.88	247.68
Interest Expense (Others)	8.07	22.13
Dividend, DDT and other cost for issue of peference shares	715.91	717.40
Total	**976.81**	**1,031.32**

		Year ended 31.03.2021	Year ended 31.03.2020
		(Rs in Lakhs)	
28	Purchases of Stock-in-Trade	1,054.00	335.86

			Year ended 31.03.2021	Year ended 31.03.2020
			(Rs in Lakhs)	
29	i	Technical & Sub Contract Charges	2,519.73	3,729.04
	ii	**Other expenses**		
		Power and fuel	257.47	340.93
		Rent	2,371.25	2,481.39
		Insurance	246.47	208.92
		Repairs to machinery	80.65	95.10
		Rates and taxes, excluding taxes on income	65.61	144.00
		Travelling expenses	673.07	1,541.92
		Project Related Purchases	3,387.20	4,406.47
		Professional Fees	537.61	423.31
		Conveyance	259.20	434.42
		Telephone & Internet Expenses	368.07	371.72
		Security Services Charges	155.79	187.90
		Fees & Subscription	696.25	775.64
		Payment to Auditors (refer note below)	99.48	79.18
		Directors' Sitting Fees	69.75	55.50
		Office Expenses	352.97	269.23
		Contribution to NSE Foundation towards CSR (Refer Note 36)	72.27	71.11
		Loss on foreign currency transaction (net)	141.74	-
		Bad Debts Written Off	-	103.35
		Provision for Doubtful Debts / Expected Credit Loss model	342.14	154.68
		Miscellaneous expenses	591.75	846.83
		Total	**10,768.73**	**12,991.59**

Note :
Payment to Auditors

As Auditors :		
Audit Fees	54.50	49.00
Limited Review	9.00	6.00
Tax Audit Fees	5.50	5.50
In Other Capacities		
Taxation matters	4.50	4.50
GST Audit for earlier years	15.00	7.50
Certification matters	9.25	5.30
Out of pocket expenses	1.73	1.38
Total	**99.48**	**79.18**

30 In accordance with Indian Accounting Standard - 33 “Earning per Share”

Earning per share

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Net Profit attributable to Shareholders		
Profit after tax (Rs. In Lakhs)	2,602.14	1,254.73
Weighted Average number of equity shares issued (in nos)	1,00,00,010	1,00,00,010
Basic earnings per share of Rs 10/- each (in Rs)		
Basic	26.02	12.55
Diluted	26.02	12.55

The Company does not have any outstanding dilutive potential equity shares. Consequently, the basic and diluted earning per share of the Group remain the same.

31 Disclosure Under Indian Accounting Standard 19 (Ind As 19) on Employee Benefits:

(a) **Defined Contribution Plan**

The Group's contribution towards Provident Fund and ESIC and superannuation fund during the year has been charged to Statement of Consolidated Profit & Loss as follows.

	Year ended 31.03.2021	Year ended 31.03.2020
Provident Fund and ESIC	788.63	728.00
superannuation fund	0.30	2.59
	788.93	730.59

(b)

i) **Provision for Employee Benefit : Performance Pay - Holding Company**

(Rs in Lakhs)

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Carrying amount at the beginning of the year	995.84	792.27
Amounts paid during the year	(521.66)	(607.14)
Amounts reversed during the year	(681.16)	(2.86)
Provisions made during the year	945.63	813.57
Carrying amount at the end of the year	**738.65**	**995.84**

ii) **Provision for Employee Benefit : Leave Encashment - Holding Company**

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Carrying amount at the beginning of the year	168.72	136.15
Amounts paid during the year	(65.28)	(38.65)
Amounts reversed during the year	(3.65)	-
Provisions made during the year	173.47	71.22
Carrying amount at the end of the year	**273.26**	**168.72**

(c) Gratuity: Group has charged the Gratuity expense to Profit & Loss account based on the actuarial valuation of gratuity liability at the end of the year. The projected unit credit method used to show the position as at the reporting date is as under.

(i)

Assumptions:	**Parent Company**		**Subsidiary Company**	
Particulars	**Year ended 31.03.2021**	**Year ended 31.03.2020**	**Year ended 31.03.2021**	**Year ended 31.03.2020**
Discount Rate	6.48%	6.56%	3% to 5.50%	4% to 6.15%
Rate of Return on Plan Assets	6.48%	6.56%	-	-
Salary Escalation	8.00%	8.00%	3% to 6%	3% to 5%
Attrition Rate	For Service 4 years and below 30.00% p.a. and for service 5 years and above 3.00% p.a.	For Service 4 years and below 30.00% p.a. and for service 5 years and above 3.00% p.a.	26.00%	26.00%
Mortality rate	IALM (2006-08) ultimate	IALM (2006-08) ultimate	IALM (2012-14) ultimate	IALM (2012-14) ultimate

(ii) Change in defined benefit obligation:

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Liability at the beginning of the year	855.50	661.98
Interest cost	52.56	45.37
Current Service Cost	270.94	125.75
Past Service Cost	(116.49)	
Liability transferred out	(6.21)	-
Benefits Paid	(73.69)	(44.23)
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	-	(29.28)
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	(7.91)	75.23
Actuarial (Gains)/Losses - Due to Experience Adjustments	68.73	20.68
Liability at the end of the year	**1,043.42**	**855.50**

(iii) Fair value of plan assets:

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Fair Value of plan assets at the beginning of the year	381.02	337.47
Interest Income	25.00	25.61
Expected return on plan assets	-	-
Contributions	281.41	34.53
Transfer from other Group	-	-
Benefits paid	(45.98)	(14.60)
Expected return on plan assets	11.99	(1.99)
Fair Value of plan assets at the end of the year	**653.43**	**381.02**

(iv) Amount recognised in the Balance Sheet

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Fair value of plan assets as at the end of the year	653.43	381.02
Liability as at the end of the year	1,043.42	855.50
Net (liability) / asset disclosed in the Balance Sheet	**(389.99)**	**(474.48)**

(v) Net Interest Cost for Current Period

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Interest Cost	52.56	45.37
Interest Income	25.00	25.61
Net Interest Cost for Current Period	**27.56**	**19.76**

(vi) Expenses recognised in the Statement of Profit & Loss

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Current Service cost	270.94	125.75
Net Interest Cost	27.57	19.75
Past Service cost	(116.50)	-
Expenses recognised in the Statement of Profit & Loss	**182.01**	**145.50**

(vii) Expenses recognised in the Other Comprehensive Income

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Expected return on plan assets	(11.99)	1.99
Actuarial (Gain) or Loss	60.81	66.62
Net (Income)/Expense for the Period Recognized in OCI	**48.82**	**68.61**

(viii) Balance Sheet Reconciliation

Particulars	**Year ended 31.03.2021**	**Year ended 31.03.2020**
Opening Net Liability	474.47	324.51
Expenses Recognized in Statement of Profit or Loss	182.02	145.51
Expenses Recognized in OCI	48.82	68.62
Net (Liability)/Asset Transfer out	(6.21)	-
Employers Contribution / Benefit paid	(309.12)	(64.16)
Amount recognised in the Balance Sheet	**389.99**	**474.47**

(ix) Category of Assets

Particulars	**Year ended 31.03.2021**	**Year ended 31.03.2020**
Insurer Managed Funds (Rs)	653.43	381.02
% of Insurer Managed Funds	100%	100%
Total	**653.43**	**381.02**

(x) Maturity Analysis of the Benefit Payments : From the Fund

Particulars	**Year ended 31.03.2021**	**Year ended 31.03.2020**
1st Following Year	129.44	94.20
2nd Following Year	79.64	80.26
3rd Following Year	79.39	60.13
4th Following Year	74.15	64.22
5th Following Year	64.53	50.17
Sum of Years 6 To 10	273.19	211.47
Sum of Years 11 and above	1,844.30	1,451.63

(xi) Sensitivity Analysis

Particulars	**Year ended 31.03.2021**	**Year ended 31.03.2020**
Project Benefit Obligation on Current Assumptions	1,037.21	855.50
Delta Effect of + 1% Change in Rate of Discounting	(100.76)	(79.61)
Delta Effect of - 1% Change in Rate of Discounting	121.44	95.33
Delta Effect of + 1% Change in Rate of Salary Increase	118.14	92.40
Delta Effect of - 1% Change in Rate of Salary Increase	(109.37)	(77.59)
Delta Effect of + 1% Change in Rate of Employer Turnover	(17.38)	(12.85)
Delta Effect of - 1% Change in Rate of Employer Turnover	19.82	14.57

32 In compliance with Ind AS 24 - “Related Party Disclosures”, as notified under Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016, the required disclosures are given in the table below :

(a) **Names of the related parties and related party relationship**

Sr. No.	Related Party	Nature of Relationship
1	National Stock Exchange of India Limited	Ultimate Holding Company
2	NSE Investments Limited (formerly known as NSE Strategic Investment Corporation Limited)	Holding Company
3	NSE Clearing Limited (formerly known as National Securities Clearing Corporation Limited)	Holding Company's Fellow Subsidiary
4	NSE IFSC Limited	Holding Company's Fellow Subsidiary
5	National Securities Depository Limited	Ultimate Holding Company's Associate
6	NSDL Database Management Limited	Ultimate Holding Co.'s Associate Co's Subsidiary
7	NSDL e-Governance Infrastructure Limited	Holding Company's Associate Company
8	Power Exchange India Limited	Holding Company's Associate Company
9	NSE Data & Analytics Limited (formerly known as DotEx International Limited)	Fellow Subsidiary
10	NSE Infotech Services Limited	Fellow Subsidiary
11	NSE Indices Limited (formerly known as India Index Services & Products Limited)	Fellow Subsidiary
12	NSE Academy Limited	Fellow Subsidiary
13	NSE IFSC CLEARING Corporation Limited	Subsidiary of Holding Company's Fellow Subsidiary
14	TalentSprint Private Limited (w.e.f. 10th November 2020)	Fellow Subsidiary's Subsidiary Company
15	Cogencis Information Services Limited (w.e.f. 21st January 2021)	Fellow Subsidiary's Subsidiary Company
16	Indian Gas Exchange Limited (w.e.f. 16th March 2021)	Holding Company's Associate Company
17	Capital Quant Solutions Private Limited (w.e.f. 3rd March 2021)	Fellow Subsidiary's Associate Company
18	National Stock Exchange Investor Protection Fund Trust	Ultimate Holding Co.'s Trust
19	NSE Foundation	Holding Company's Fellow Subsidiary
20	Dr. N. Muralidaran - Managing Director & CEO	Key Management Personnel
21	Mr. Nilesh Shivji Vikamsey	Key Management Personnel
22	Mr. Sowmyanarayanan Sadagopan	Key Management Personnel
23	Mr. Swaminathan Sundara Rajan Mittur	Key Management Personnel
24	Mr. Ram Narayanan Colathur (upto 29th March 2020)	Key Management Personnel
25	Mr. Vikram Mukund Limaye	Key Management Personnel
26	Mr. Suryakant B Mainak (upto 15th February 2020)	Key Management Personnel
27	Mr. Yatrik Rushikesh Vin	Key Management Personnel
28	Dr Gulshan Rai	Key Management Personnel
29	Ms. Poornima Shenoy	Key Management Personnel
30	Mr. Chandrasekaran Ramakrishnan (Effective from 20th June 2020)	Key Management Personnel
31	Pattamadai Sundaram Suriyanarayanan (Resigned on 19 June 2020)	Key Management Personnel of Subsidiary Company
32	Mr. Sameer Shelke (Effective from 19 June 2020)	Key Management Personnel of Subsidiary Company
33	Mr. Navinkumar S Kotian (Effective from 19 June 2020)	Key Management Personnel of Subsidiary Company
34	Mr. Srinivas Rao M (Resigned on 30 June 2020)	Key Management Personnel of Subsidiary Company
35	Mr. Saket Verma	Key Management Personnel of Subsidiary Company
36	Aujas ESOP Trust (dissolved during the previous year)	Post Employment benefit entities

(b) **Details of transactions (including GST/service tax wherever levied) with related parties are as follows :** (Rs in Lakhs)

Name of the Related Party	Nature of Transactions	Year ended 31.03.2021	Year ended 31.03.2020
National Stock Exchange of India Limited	Infrastructure Management Services	3,372.67	2,561.26
	Application Development and Maintenance Services	3,548.14	2,176.42
	ITES - Assessment Services	-	1.18
	Customer Care Services	360.69	341.10
	Integrated Security	248.71	247.74
	Robotic Process Automation	-	76.83
	Analytics	-	7.20
	Taxes recovered	1,134.36	974.11
	CTCL empanelment fee paid	2.50	10.00
	Usage Charges paid - STP Central HUB & other	0.16	0.31
	Reimbursement of expenses received	-	15.23
	Closing Balance - Dr./ (Cr.) Unbilled	80.24	-
	Closing Balance - Dr./ (Cr.) (Net)	1,972.36	848.94
NSE Clearing Limited (formerly known as National Securities Clearing Corporation Limited)	Application Development and Maintenance Service	850.44	846.83
	Infrastructure Management Services	29.61	27.82
	Customer Care Services	56.72	54.91
	Integrated Security	-	7.20
	Taxes recovered	167.84	194.49
	Reimbursement of expenses received	-	143.74
	Closing Balance - Dr./ (Cr.)	369.69	396.70
	Closing Balance - Provision for Doubtful Debts	8.02	-
	Closing Balance - Unbilled Revenue	4.31	-
National Stock Exchange Investor Protection Fund Trust	Provision for Doubtful Debts	-	-
	Closing Balance - Dr./ (Cr.)	23.00	23.00
	Closing Balance - Provision for Doubtful Debts	23.00	23.00
NSE Academy Limited	ITES - Assessment Services	421.70	579.46
	Application Development and Maintenance Services	27.60	2.15
	Customer Care Services	5.46	13.99
	Taxes recovered	81.86	107.21
	Reimbursement paid for other expenses incurred	-	0.50
	Closing Balance - Dr./ (Cr.)	110.77	58.54
NSE Data & Analytics Limited (DotEx International Limited)	Application Development and Maintenance Services	19.90	106.50
	Software Product Revenues	-	34.16
	Customer Care Services	-	97.04
	Infrastructure Management Services	19.67	25.98
	Taxes recovered	3.31	47.46
	Closing Balance - Dr./ (Cr.)	9.43	71.32
Power Exchange India Limited	Application Development and Maintenance Services	16.52	44.62
	Taxes recovered	2.97	8.03
	Closing Balance - Dr./ (Cr.)	5.05	5.79
National Securities Depository Limited	Application Development and Maintenance	25.00	26.48
	Infrastructure Management Services	-	-
	Taxes recovered	4.50	4.77
	Closing Balance - Dr./ (Cr.)	12.74	13.17
	Closinig Balance - Provision For Doubtful Debts	5.86	-
NSDL e-Governance Infrastructure Limited	Application Development and Maintenance	43.28	52.80
	Taxes recovered	7.79	8.87
	Closing Balance - Dr./ (Cr.)	26.11	27.34
	Closinig Balance - Provision For Doubtful Debts	17.65	-
NSDL Database Management Limited	Application Development and Maintenance Services	66.73	100.60
	Taxes recovered	12.01	17.69
	Closing Balance - Dr./ (Cr.)	30.38	70.24
	Closinig Balance - Provision For Doubtful Debts	2.69	-
NSE IFSC Clearing Corporation Limited	Application Development and Maintenance Services	131.46	73.61
	Infrastructure Management Services	9.71	-
	Integrated Security	-	12.48
	Closing Balance - Dr./ (Cr.)	60.87	24.65

NSE IFSC Limited	Application Development and Maintenance Services	521.07	425.25
	Infrastructure Management Services	132.44	113.96
	Integrated Security	-	3.12
	Customer Care Services	10.11	-
	Taxes recovered	3.52	-
	Closing Balance - Dr./ (Cr.)	304.84	404.69
NSE Indices Limited (formerly known as India Index Services & Products Limited)	Application Development and Maintenance Services	69.17	53.25
	Taxes recovered	12.45	9.58
	Closing Balance - Dr./ (Cr.)	81.62	62.13
NSE Foundation	Contribution towards CSR	72.27	71.11
	Closing Investment	0.10	0.10
NSE Investments Limited (formerly known as NSE Strategic Investment Corporation Limited)	Cumulative Redeemable Preference Shares (Borrowings)	-	-
	Dividend paid to equity shareholders	100.00	100.00
	Dividend to payable to preference shareholders	700.00	700.00
	Dividend Paid on Prefrence share for FY-2018-19	-	23.01
	Closing Borrowings -Preference shares	10,000.00	10,000.00
Key Management Personnel - Dr N.Muralidaran - MD & CEO	(a) short-term employee benefits includes Rs 3.68 Lakhs (Previous year Rs. 2.17 Lakhs) towards leave encashment	228.90	239.87
	(b) post-employment benefits #	12.43	11.50
	(c) other long-term benefits	33.95	-
Mr. Ram Narayanan Colathur	Director Sitting Fees	-	10.50
Mr. Swaminathan Sundara Rajan Mittur	Director Sitting Fees	15.75	13.75
Mr. Nilesh Shivji Vikamsey	Director Sitting Fees	13.50	9.25
Mr. Sowmyanarayanan Sadagopan	Director Sitting Fees	12.00	10.00
Mr. Suryakant B Mainak	Director Sitting Fees	-	5.50
Dr Gulshan Rai	Director Sitting Fees	20.00	8.25
Ms. Poornima Shenoy	Director Sitting Fees	12.00	2.75
Chandrasekaran Ramakrishnan	Director Sitting Fees	20.00	2.50
Sameer Shelke	Rent paid	46.52	4.43
Pattamadai Sundaram Suriyanarayanan	Remuneration to key managerial personnel	45.79	49.31
Sameer Shelke	Remuneration to key managerial personnel	259.14	150.05
NavinKumar S Kotian	Remuneration to key managerial personnel	59.09	47.65
Srinivas Rao M	Remuneration to key managerial personnel	37.74	84.73
Saket Verma	Remuneration to key managerial personnel	127.51	10.44

As the liabilities for defined benefit plan are provided on actuarial basis for the Group as a whole, the amount pertaining to key managerial persons are not included.

All related parties transaction entered during the year were in ordinary course of business. Outstanding balances as at the year end are unsecured and settlement occurs in cash. There have been no guarantee provided or received for any related parties receivables or payables as of March 31, 2021 and March 31, 2020.

33 **Capital and other commitments**

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Estimated amount of contracts remaining to be executed on capital account and not provided for	84.92	164.19

34 **Contingent liability:**

(a)

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
On Account of Income Tax Demand	13.29	41.40
On Account of GST Demand	26.81	-
On Account of Bank Guarantees	4,645.01	1,290.49

(b) The Holding Company has been providing Straight Through Processing (STP) services to its customers based on an approval granted by Securities and Exchange Board of India (SEBI) since June 2004. During the course of time there has been certain key managerial function changes within the Company and as a consequence of which the renewal which was required was missed out inadvertently though the Company continued to render the STP services. The Holding Company thereafter applied for renewal of the approval in December 2019, which was processed by SEBI and an approval was granted on 5th February, 2021 which is valid for a period of 3 years from the date of issuance.

Subsequently the Holding Company is in receipt of a Show Cause Notice (SCN) dated 26th March 2021 from SEBI, wherein it has been alleged that the Holding Company has been providing services of STP as a service provider as specified in the STP guidelines, however the Holding Company has not obtained renewal of approval from SEBI within the stipulated time. The Holding Company is in the process of filing of the settlement application under the SEBI Settlement Regulations. The Holding Company's management reasonably expects that the impact of this SCN, when ultimately concluded and determined, will not have material impact on the Group financial statements.

35 **Details of dues to micro and small, medium enterprises as defined under the MSMED Act, 2006**

Total outstanding dues to Micro, Small & Medium Enterprises have been determined to the extent such parties have been identified on the basis of information available with the Group.

(Rs in Lakhs)

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year **-Principal amount due to micro, small and medium enterprises**	40.92	33.40
-Interest	0.07	-
(b) The amount of interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amounts of the payment made to the supplier beyond the appointed day during the year*;	-	-
(i) Payment	-	-
(ii) Interest	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
(d) The amount of interest accrued and remaining unpaid at the end of the year	0.07	-
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-

36 **Amounts Paid / Contribution to NSE Foundation towards CSR :**

a As per the provisions of Companies Act 2013, Gross amount required to be spent by the Holding Company on CSR activities during the financial year ended March 31, 2021 is Rs. 72.27 Lakhs (Previous Year Rs 71.11 Lakhs).

b Amount spent during the year on: (Rs in Lakhs)

	Particulars		**In Cash**	**Yet to be paid in Cash**	**Total**
i	Construction / acquisition of any asset	Current Year	-	-	-
		Previous Year	-	-	-
ii	Contribution to NSE Foundation towards CSR	Current Year	72.27	-	72.27
		Previous Year	71.11	-	71.11
			-	-	-
iii	On purposes other than (i) & (ii) above	Current Year #	-	-	-
		Previous Year #	-	-	-

* During the year, the Holding Company has contributed Rs 72.27 lakhs (previous year Rs.71.11 lakhs) to NSE Foundation to be spent on activities as stated in the Group CSR policy which has been adopted by the Company as Company's CSR policy.The amount unspent by NSE Foundation as on March 31, 2021 is Rs.72.27 lakhs (as on March 31, 2020 Rs. 71.11 lakhs).

37 In the opinion of the Board, current assets, loans and advances are approximately of the value stated, if realised in the ordinary course of

38 **Expenditure in foreign currency (accrual basis)**

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Cost of traded products		
Travelling expenses	86.87	45.58
Direct Fees & Subscription	4.69	2.41
Subcontract / Technical Fees	1,039.31	1,575.91
Software Licenses	436.91	56.16
Project expenses	145.28	-
Office expenses- Recruitment	12.00	-
Office expenses - Advertising and sales promotion	11.32	

39 **Earnings in foreign currency (accrual basis) :**

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Application Development and Maintenance Services	964.10	341.00
ITES - Assessment Services	7.45	52.15
Sale of traded products	-	-

40 Segment Reporting:

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 Group. 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 Group. The Group has identified two segments i.e. "End to End solutions" and "ITES - Assessment Services" as reporting segments based on the information reviewed by CODM.

Reportable business segment viz. offering "End to End solutions" includes revenues from sale and maintenance of software products, software consultancy services, custom software development, information technology infrastructure services provided predominantly to market participants in the securities and commodity markets and "ITES - Assessment Services" includes sale and maintenance of ITES-Assessment Services software products, online education and examination services and other incidental services as its primary segments. This takes into consideration the commonality in the risks and rewards of the products/ solutions and related services offered nature of services, type / class of customers for the products / services, management structure and system of financial reporting. Accordingly, the results of the said segments have been disclosed hereunder.

The above business segments have been identified considering :
a) the nature of products and services
b) the differing risks
c) the internal organisation and management structure, and
d) 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 Company. 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 :

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.Transactions between segments are eliminated on consolidation. The CODM primarily uses a measure of profit before tax to assess the performance of the operating segments.

(Rs in Lakhs)

Particulars	2020-21	2019-20
Segment Revenue		
End to End Solution	27,768.05	22,425.20
ITES - Assessment Services	12,010.94	15,203.80
	39,778.99	**37,629.00**
Inter-segment revenue		
End to End Solution	-	-
ITES - Assessment Services	-	-
	-	**-**
Revenue from external customers		
End to End Solution	27,768.05	22,425.20
ITES - Assessment Services	12,010.94	15,203.80
Total	**39,778.99**	**37,629.00**
Segment Results		
End to End Solution	4,520.76	2,654.12
ITES - Assessment Services	1,691.93	2,172.04
Total	**6,212.69**	**4,826.17**
Less: Unallocable Expenses (Net of income)	1,711.50	2,025.19
Less : Finance cost	976.81	1,031.32
Add: Interest income	377.71	391.36
Profit before Tax	**3,902.09**	**2,161.02**
Exceptional item	-	-
Profit before tax	**3,902.09**	**2,161.02**
Less : Income Tax expense		
- Current tax	1,136.01	941.00
- Foreign tax	103.67	1.80
- Short / Excess Tax for earlier years	14.82	39.78
- Deferred tax	42.10	(50.73)
Total Tax Expenses	**1,296.60**	**931.85**
Net profit after tax	**2,605.49**	**1,229.16**

c Revenue From External Customers based on geographies

The Parent company is domiciled in India. The amount of Company revenue from external customers broken down by location of customers.

Particulars	31.03.2021	31.03.2020
India	31,547.15	29,762.93
Outside India	8,231.86	7,866.07
Total	**39,778.99**	**37,629.00**

d 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	31.03.2021	31.03.2020
End to End Solution	18,863.14	17,405.23
ITES - Assessment Services	7,534.18	3,300.15
Total Segment Assets	**26,397.32**	**20,705.38**
Unallocable Assets	13,461.78	15,572.17
Total Assets	**39,859.10**	**36,277.55**

There are no non current assets situated outside the domicile of India.

e Segment Liabilities

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

Segments	31.03.2021	31.03.2020
End to End Solution	14,653.60	12,894.99
ITES - Assessment Services	3,697.10	2,604.36
Total Segment Liabilities	**18,350.70**	**15,499.34**
Unallocable Liabilities	2,955.61	4,671.21
Total Liabilities	**21,306.31**	**20,170.55**

f Segment Capital Expenditure

Segments	31.03.2021	31.03.2020
End to End Solution	402.83	801.73
ITES - Assessment Services	1,192.66	77.53
Total Segment Capital Expenditure	**1,595.49**	**879.26**
Add: Unallocable Capital Expenditure	256.91	223.04
Total Capital Expenditure	**1,852.40**	**1,102.30**

g Segment Depreciation / Amortisation

Segments	31.03.2021	31.03.2020
End to End Solution	249.18	236.26
ITES - Assessment Services	1,074.94	806.46
Total Segment Depreciation / Amortisation	**1,324.12**	**1,042.72**
Add: Unallocable Depreciation / Amortisation	808.28	625.08
Total Depreciation / Amortisation	**2,132.40**	**1,667.80**

Information about major customers:

Company's significant revenue of 0.06 % (previous year 11.13%) being Rs. 22.35 lakhs (previous year Rs. 4189.73 lakhs) is derived from a customer under ITES-Assessement Services Segment. Also, the Company's significant revenue of 24.72% (previous year 21.84%) is derived from a group of entities under common control, the total Operating Revenue from such entities amounted to Rs. 9,835.25 lakhs in FY 2020-21 (End to End Solutions Rs. 9,413.55 lakhs and ITES-Assessment Service Rs 421.70 lakhs) and Rs. 7889.43 lakhs in FY 2019-20 (End to End Solutions Rs. 7308.08 lakhs and ITES-Assessment Service Rs 580.63 lakhs). No other single customer contributed 10% or more to the Company's revenue for FY 2020-21 and FY 2019-20.

NSEIT LIMITED

Notes to the Consolidated financial statements

41 Unquoted Mutual funds at FVPL

(Rs in Lakhs)

Mutual Funds	No.of Units	Mkt as at 31.03.2021	No.of Units	Mkt as at 31.03.2020
Kotak Treasury Advantage Fund - Dir - Growth	-	-	7,33,065.28	240.84
ICICI Prudential Money Market Fund - Dir- Growth	60,957.22	179.99	60,957.22	170.23
Invesco India Money Market Fund-Direct -Growth	3,523.07	85.00	12,018.07	278.17
Invesco India Liquid Fund - Direct Plan Growth	-	-	9,357.08	255.29
UTI Liquid Cash Plan - Direct Growth Plan	-	-	32,711.38	1,063.59
Tata Liquid Fund Direct Plan - Growth	-	-	8,164.97	255.73
Kotak Money Market Scheme - Dir - Growth	-	-	15,448.29	511.81
HDFC Low Duration fund-Dir-Growth	11,62,196.09	552.91	11,62,196.09	513.78
ICICI Prudential Savings Fund - Dir - Growth	1,31,297.42	551.04	1,31,297.42	512.55
SBI Savings Fund - Dir - Growth	10,71,915.53	366.55	30,98,252.15	1,002.81
SBI Savings Fund - Dir - Growth	-	-	31,294.69	10.13
HDFC Money Market Fund - Dir - Growth	12,015.53	537.57	12,015.53	507.04
Total of Investments		**2,273.06**		**5,321.96**
Aggregate Book value - Quoted Investments		-		-
Aggregate Book Value - Unquoted Investments		2,273.06		5,321.96
Aggregate Market Value of Quoted Investments		-		-

NSEIT LIMITED

Notes to the Consolidated financial statements

42 (a) Fair Value Measurements

Financial Instruments by category

(Rs in Lakhs)

Particulars	31-Mar-21 FVPL	31-Mar-21 FVOCI	31-Mar-21 Amortised Cost	31-Mar-20 FVPL	31-Mar-20 FVOCI	31-Mar-20 Amortised Cost
Financial Assets						
Investments						
- Mutual Funds	2,273.06	-	-	5,321.96	-	-
Trade receivables	-	-	11,917.45	-	-	8,058.28
Unbilled receivable	-	-	3,305.96	-	-	1,296.95
Cash and Cash equivalents	-	-	2,948.15	-	-	3,891.68
Bank balances other than Cash and Cash equivalents	-	-	3,867.93	-	-	2,950.47
Non-Current Bank Balances	-	-	2,064.95	-	-	376.71
Loans	-	-	643.01	-	-	735.92
Other Financial assets	-	-	85.46	-	-	99.21
Total	**2,273.06**	**-**	**24,832.91**	**5,321.96**	**-**	**17,409.22**
Financial Liabilities						
Borrowings	-	-	10,000.00	-	-	10,008.38
Trade Payables	-	-	4,148.84	-	-	3,255.35
Other financial liabilities	-	-	2,789.50	-	-	3,633.99
Total	**-**	**-**	**16,938.34**	**-**	**-**	**16,897.71**

42 (b) Fair Value Measurements

a Fair value of the Company’s financial assets that are measured at fair value on a recurring basis

Some of the Company’s financial assets are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets are determined.

(Rs in Lakhs)

Financial assets/ financial liabilities	Fair value as at 31-Mar-21	Fair value as at 31-Mar-20	Fair value hierarchy	Valuation technique(s) and key input(s)
Investment in mutual funds	2,273.06	5,321.96	Level 1	NAV declared by respective Asset Management Companies.

b **Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)**

Management considers that the carrying amounts of financial assets and financial liabilities recognized in the financial statements except as per note a above approximate their fair values.

43 FINANCIAL RISK MANAGEMENT

The Group’s business activities expose it to a variety of financial risks, namely liquidity risk, market risks and credit risk. The Group’s senior management has the overall responsibility for the establishment and oversight of the Group’s risk management framework

The Group has developed a Risk Management Policy in accordance with the provisions of the Companies Act, 2013. It establishes various levels of accountability and overview within the Group, while vesting identified managers with responsibility for each significant risk. Risk Management policy has been formulated with an aim to (a) Overseeing the Group's risk management process and controls, risk tolerance (b) Setting strategic plans and objectives for risk management and review of risk assessment of the Group (c) Review the Group's risk appetite and strategy relating to key risks, including credit risk, liquidity and funding risk, market risk, product risk and reputational risk as well as the guidelines, policies and processes for monitoring and mitigating such risks.

Apart from this, the core business & operational risk is managed through cross functional involvement and communication across businesses and as part of the same, various functional heads submit a compliance certificate covering respective areas of operations to the Group Secretary or Managing Director and CEO who in turn submits a compliance certificate quarterly to the Audit Committee and the Board of Directors.

The Treasury department activities are designed to:

- protect the Group’s financial results and position from financial risks
- maintain market risks within acceptable parameters, while optimising returns; and
- protect the Group’s financial investments, while maximising returns.

The Treasury department is responsible to maximise the return on companies internally generated funds.

A. MANAGEMENT OF LIQUIDITY RISK

Liquidity risk is the risk that the Group will face in meeting its obligations associated with its financial liabilities. The Group’s approach to managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions

The Group’s treasury department regularly monitors the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet operational needs. Any short term surplus cash generated by the operating entities, over and above the amount required for working capital management and other operational requirements, is retained as cash and cash equivalents (to the extent required) and any excess is invested in mutual funds to optimise the cash returns on investments while ensuring sufficient liquidity to meet its liabilities.

(Rs in Lakhs)

Particulars	Carrying amount	Less than 12 months	More than 12months	Total
As at 31st March 2021				
Borrowings	10,000.00	-	10,000.00	10,000.00
Trade payables	4,148.84	4,148.84	-	4,148.84
Other financial liabilities-Non Current	971.93	444.44	527.49	971.93
Other financial liabilities-Current	1,817.57	1,817.57	-	1,817.57
As at 31st March 2020				
Borrowings	10,008.38	8.38	10,000.00	10,008.38
Trade payables	3,255.35	3,255.35	-	3,255.35
Other financial liabilities	3,633.99	3,633.99	-	3,633.99

B MANAGEMENT OF MARKET RISK

The Group's size and operations result in it being exposed to the following market risks that arise from its use of financial instruments:
• price risk;

The Group's exposure to, and management of, these risks is explained below.

POTENTIAL IMPACT OF RISK	MANAGEMENT POLICY	SENSITIVITY TO RISK
1. PRICE RISK		
The Group is mainly exposed to the price risk due to its investment in mutual funds and investments in equity instruments. The price risk arises due to uncertainties about the future market values of these investments. At 31st March 2021, the exposure to price risk due to investment in mutual funds amounted to Rs. 2,273.06 Lakhs (March 31, 2020: Rs 5,321.96 lakhs)	In order to manage its price risk arising from investments in mutual funds, the Group diversifies its portfolio in accordance with the investments limits set as par the Board resolution passed	As an estimation of the approximate impact of price risk, with respect to mutual funds and investments in equity instruments, the Group has calculated the impact as follows. For mutual funds, a 0.25% increase in prices would have led to approximately Rs 5.68 Lakhs (Rs.13.30 lakhs) gain in the Statement of Profit and Loss. A 0.25% decrease in prices. would have led to an equal but opposite effect.

C : MANAGEMENT OF CREDIT RISK
Credit risk is the risk of financial loss to the Group if a customer or counter-party fails to meet its contractual obligations.

Concentrations of credit risk with respect to trade receivables are limited, due to the Group's customer base being large and diverse

Trade receivables
The Group provides for expected credit loss on trade receivables based on a provision matrix. This matrix is a simpified basis of recognition of expected credit losses in case of trade receivables.The model uses historical credit loss experience for trade receivables.

Reconciliation of loss allowance (ECL) provision for Trade Receivables

Particulars	March 31, 2021	March 31, 2020
Balance as at the beginning of the year	172.25	204.25
Add: Provision on trade receivables based on Expected credit loss model	168.09	(32.00)
Balance at end of the year	**340.34**	**172.25**

Particulars	March 31, 2021	March 31, 2020
Balance as at the beginning of the year	408.94	349.40
Add: Provision for Doubtful Debts	174.05	59.54
Balance at end of the year	**582.99**	**408.94**

Other financial assets

The Group maintains exposure in cash and cash equivalents, term deposits with banks, securities, investments in mutual funds. The Group has diversified portfolio of investment with various number of counter-parties which have secure credit ratings hence the risk is reduced. Individual risk limits are set for each counter-party based on financial position, credit rating and past experience. Credit limits and concentration of exposures are actively monitored

Derivative Instruments - Forward Contracts
The Group uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to certain payments in foreign currency. The use of foreign currency forward contracts is governed by the Group's strategy. The Group does not use forward contracts for speculative purposes. There were no outstanding Hedging Contracts as at March 31, 2021.

Market risk - In respect of Aujas Cybersecurity Limited

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates and equity prices, which will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

i) Currency risk
The Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales and loans are denominated and the functional currency of the Company. The functional currency of the Company is primarily INR. The currencies in which these transactions are primarily denominated are USD, AED, SAR, etc.

Management monitors the movement in foreign currency and the Company's exposure in each of the foreign currency. Based on the analyses and study of movement in foreign currency, the Company decides to exchange its foreign currency.

Exposure to currency risk

The summary quantitative data about the Company's exposure to currency risk as reported to the management of the Company is as follows:

Amounts are ₹ in lacs

Particulars	As at 31 March 2021	As at 31 March 2020
As at 31 March 2021		
Financial assets		
Trade receivables	20.35	357.26
Financial liabilities		
Trade payable	29.62	6.24
Net exposure in respect of recognized assets and liabilities	**(9.27)**	**351.02**

The following significant exchange rates have been applied

	Year-end spot rate	
INR	**As at 31 March 2021**	**As at 31 March 2020**
USD 1	73.50	75.39

Sensitivity analysis
A reasonably possible strengthening (weakening) of the USD, SAR, and SGD against INR at 31 March would have affected the measurement of financial instruments denominated in foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

	Impact on profit after tax		Impact on other components of equity	
	As at 31 March 2021	**As at 31 March 2020**	**As at 31 March 2021**	**As at 31 March 2020**
USD sensitivity				
INR/USD - Increase by 1%	(0.09)	3.51	-	-
INR/USD - Decrease by 1%	0.09	(3.51)	-	-

E : Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates.
(a) Liabilities
The Group fixed rate borrowing is not subject to interest rate risk as defined in Ind AS 107, Financial Instruments - Disclosures' since neither the carrying amount nor the future cash flows will fluctuate due to change in market interest ratess.
The Group variable rate borrowing is subject to interest rate risk. Below is the overall exposure of the borrowing:

	As at 31 March 2021	As at 31 March 2020
Fixed rate borrowing	-	8.38

(b) Assets
The Group fixed deposits carry a fixed rate of interest and therefore, are not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

Capital management
The Group objective is to maintain a strong credit rating health capital ratios and establish a capital structure that would maximise the return to stakeholders through optimum mix of debt and equity.

The management reviews the capital structure regularly and balances the Group overall capital structure through issue of new shares. The overall strategy remains unchanged from the prior financial year and the Group is not subject to externally imposed capital requirements.
Gearing ratio
The Group monitors its capital using gearing ratio, which is net debt divided to total equity as given below:

	As at 31 March 2021	As at 31 March 2020
Borrowings	10,000.00	10,008.38
Less: Cash and cash equivalents	2,948.15	3,891.68
Net debt	**7,051.85**	**6,116.70**
Total equity	18,532.78	16,034.75
Gearing ratio	**0.38**	**0.38**

Total equity includes all capital and reserves of the Group that are managed as capital.

44 Acquisition of Aujas Cybersecurity Ltd. (Aujas), Subsidiary Company

On November 28, 2018, the Holding Company had entered into a Share Purchase and Shareholder's Agreement ("SPSHA") for acquisition of Aujas Cybersecurity Limited (formerly known as Aujas Networks Private Limited), ("Aujas") for a total consideration of Rs.9750 lakhs (Rs.9345.16 lakhs for acquisition of 100% equity shareholding and Rs.404.84 lakhs by way of rights issue). In terms of the said SPSHA, on March 22, 2019, the Holding Company acquired 95.39% of equity shareholding of Aujas for a consideration aggregating to Rs.8408.06 lakhs. During the financial year 2019-20, the Holding Company paid a sum of Rs. 288.31 Lakhs to the ex-promoters of Aujas for purchase of 37,59,833 equity shares of Aujas of Re 1 each and invested a sum of Rs. 153.53 Lakhs for 26,68,705 shares by way of subscription to the rights issue. Further during the current year, the Holding Company paid a sum of Rs. 458.62 Lakhs to the ex-promoters of Aujas for purchase of 65,36,106 equity shares of Aujas of Re 1 and invested a sum of Rs. 111.69 lakhs for 14,56,594 shares by way of subscription to the rights issue, taking the total investment in Aujas to Rs. 9420.21 lakhs. As on March 31, 2021, the Holding Company holds 99.29% of equity shareholding of Aujas.

a **The assets and liabilities recognised as a result of the acquisition are as follows:**

(Rs in Lakhs)

Calculation of Goodwill	**March 31, 2021**	**March 31, 2020**
Consideration	-	8,408.00
Non Controlling Interest acquired	-	137.00
Less :- Net Identifiable Assets acquired	-	(2,962.00)
Goodwill as at	**-**	**5,583.00**
On account of restatement	-	269.53
Goodwill as at 31.03.2019 (recalculated) *	**6,121.51**	**5,852.53**
Reversal on reduction in Shareholding of Non-controling parties	7.02	(26.41)
Adjustment towards equity investment and related share premium	(174.79)	(146.46)
Cost of Additional acquisition	570.31	441.84
Closing as at balance sheet date	**6,524.05**	**6,121.51**

b **Movement in Non Controling Interest**

(Rs in Lakhs)

Particulars	**2020-21**	**2019-20**
Opening as at balance sheet date	(72.25)	(124.00)
Share in losses and total equity	(3.84)	24.74
Reversal on reduction in Shareholding of Non-controling parties	56.07	27.01
Closing as at balance sheet date	**(20.02)**	**(72.25)**

45 Derivative instruments and unhedged foreign currency exposure

The Subsidiary, namely Aujas Cybersecurity Limited is not using derivative instruments such as foreign exchange forward contracts to hedge its exposure to movements in foreign exchange and interest rates. The details of items that are denominated in foreign currency are as follows:

Particulars	**As at 31 March 2021**		**As at 31 March 2020**	
	Amount in USD	**Amount (Rs. in lakhs)**	**Amount**	**Amount (Rs. in lakhs)**
Trade receivables	27,794	20.35	4,73,914	357.26
Trade payables	40,446	29.62	8,276.00	6.24

46 INTERESTS IN OTHER ENTITIES

Subsidiaries

The Group's subsidiaries are set out below. Share capital consisting solely of equity shares that are held directly by the Group and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation or registration is also their principal place of business.

Name of Entity	With effect from	Place of business / country of	Owership interest held by the Group		Principle Activity
			31-Mar-21	31-Mar-20	
NSEIT (US) Inc.	04-12-2006	United States of America	100	100	IT Services
Aujas Cybersecurity Limited	22-03-2019	India	99.29	96.84	IT Security Services

47 ADDITIONAL INFORMATION REQUIRED BY SCHEDULE III

Name of the entity in the group	Net assets (total assets minus total liabilities)		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated Net Assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent Company								
NSEIT Limited								
31-Mar-21	88.16	16,356.19	87.22	2,272.46	2,450.57	(88.66)	83.93	2,183.80
31-Mar-20	89.30	14,384.12	151.26	1,859.30	74.65	(71.42)	157.73	1,787.89
Indian Subsidiary								
Aujas Cybersecurity Ltd								
31-Mar-21	15.11	2,802.75	12.89	335.77	(1,907.21)	69.00	15.56	404.77
31-Mar-20	14.19	2,286.24	(45.38)	(557.81)	(26.90)	25.74	(46.94)	(532.08)
Foreign Subsidiary								
NSEIT (US) Inc.								
31-Mar-21	(3.38)	(626.17)	(0.23)	(6.11)	(429.81)	15.55	0.36	9.44
31-Mar-20	(3.95)	(635.61)	(3.80)	(46.76)	53.10	(50.80)	(8.61)	(97.56)
Non-Controlling Interest in all subsidiaries								
31-Mar-21	0.11	20.02	0.13	3.35	(13.54)	0.49	0.15	3.85
31-Mar-20	0.45	72.25	(2.08)	(25.56)	(0.85)	0.81	(2.18)	(24.74)
Total								
31-Mar-21	**100.00**	**18,552.80**	**100.00**	**2,605.47**	**100.00**	**(3.62)**	**100.00**	**2,601.86**
31-Mar-20	**100.00**	**16,107.00**	**100.00**	**1,229.17**	**100.00**	**(95.67)**	**100.00**	**1,133.50**

NSEIT LIMITED

Notes to the Consolidated financial statements

48 Impact of COVID 19 (Global Pandemic) :
The Coronavirus (COVID-19) outbreak is an unprecedented global situation. World Health Organization (WHO) has declared the COVID-19 virus a ‘Pandemic’. The Government of India and various state governments had put in place several measures including instituting a complete lockdown w.e.f March 25, 2020 to combat the spread and transmission of the virus. Effective June 8, 2020 the said lockdown has being partially lifted in a phased manner. Post unlock advisory issued by the Government, COVID-19 continued to impact the business operations and revenue of the Company in respect of ITES-Assessment Services (On-Line Examination Services).

The Group has taken into account the possible impacts of COVID-19 in preparation of the consolidated financial statements including but not limited to its assessment of impact on revenues, operating costs and impact on leases. Based on the current indicators of future economic conditions and the impact of COVID-19 on its operations, the Group has also made an assessment of its liquidity position, recoverability and carrying values of its assets and ability to pay its liabilities as they become due and is of the view that there is no material impact or adjustments required to be made in these financial results. The impact assessment of COVID-19 may be different from that presently estimated and the Group will continue to evaluate any significant changes to its operations and its resultant impact on the financial performance.

49 The Code on Social Security, 2020 (Code) relating to employee benefits during employment and post-employment benefits has received Presidential assent on 28th September 2020. The Code has been published in the Gazette of India. However, the date on which the Code comes into effect has not been notified. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

50 The Group’s pending litigations comprise of proceedings pending with Tax Authorities. The Group has reviewed all its pending litigations and proceedings and has made adequate provisions, wherever required and disclosed the contingent liabilities, wherever applicable, in its financial statements. The Group does not expect the outcome of these proceedings to have a material impact on its financial position (Refer note no. 34 for details on contingent liabilities).

51 In accordance with the relevant provisions of the Companies Act, 2013, the Group did not have any long term contracts as of March 31, 2021 and March 31, 2020 including derivatives contracts for which there were any material foreseeable losses. The Group did not have any derivative contracts as at March 31, 2021 and March 31, 2020.

52 For the year ended March 31, 2021 and March 31, 2020, the Holding Company and Its Subsidiary Company Incorporated in India is not required to transfer any amount into the Investor Education & Protection Fund as required under relevant provisions of the Companies Act, 2013.

53 During the year ended March 31, 2021, the Holding Company has negotiated with various landlords on the rent reduction / wavier due to COVID 19 pandemic. The Management believes that such reduction/ waiver in rent is short term in nature and also meets the other conditions specified in the notification issued by the Central Government in consultation with National Financial Reporting Authority dated July 24, 2020 as Companies (Indian Accounting Standards) Amendment Rules, 2020 with effect from April 1, 2020. Thus, in accordance with the said notification, the Holding Company has elected to apply the exemption, as the reduction/ waiver does not necessitate a lease modification as envisaged in the Standard by recording the same in the "Other income". Accordingly, during the year, the Holding Company has recognised ₹ 62.82 Lakhs as an extinguishment of lease liability being lease rent concession on account of COVID 19 pandemic and the same has been disclosed as 'Other Income' in the Statement of Profit and Loss.).

54 Previous years figures have been regrouped, rearranged and reclassified wherever necessary to confirm to the current year / period classifications.

As per our report of even date attached

For Khandelwal Jain & Co.
Chartered Accountants
(Reg No : 105049W)

Sd/-
NARENDRA JAIN
Partner
Membership No.048725

For and on behalf of the Board of Directors

Sd/-	Sd/-	Sd/-
Prof. S. SADAGOPAN	**N. MURALIDARAN**	**M.S. SUNDARA RAJAN**
Chairman	Managing Director & CEO	Director
DIN No. 00118285	DIN No. 06567029	DIN No. 00169775
Sd/-	Sd/-	
M. N. HARIHARAN	**VAIBHHAV KULKARNI**	
Chief Financial Officer	Company Secretary	

Place : Mumbai
Date : April 21, 2021

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of NSEIT (US) INC

Report on the Special Purpose Financial Statements

1. We have audited the accompanying special purpose financial statements ("special purpose financial statements") of NSEIT US INC ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flow for the year then ended, and a summary of the significant accounting policies and other explanatory information. The accompanying special purpose financial statements have been prepared by the management in accordance with the generally accepted accounting principles applicable in India, including Indian Accounting Standards, solely to enable its holding company, NSEIT Limited ("NSEIT") to prepare its consolidated financial statements.

Management's Responsibility for the Special Purpose Financial Statements

2. The Management is responsible for the preparation of these special purpose financial statements to give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the special purpose financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these special purpose financial statements based on our audit.

4. We conducted our audit of the special purpose financial statements in accordance with the Standards on Auditing and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the special purpose financial statements are free from material misstatement.

5. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the special purpose financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the special purpose financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the special purpose financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial control system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the special purpose financial statements.

6. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the special purpose financial statements.

Opinion

7. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid special purpose financial statements of the Company for the year ended March 31, 2021 are prepared in all material respects, in accordance with the accounting principles generally accepted in India, to enable its holding company, NSEIT to prepare its consolidated financial statements.

Restriction on distribution and use

8. This report is addressed to the Board of Directors and provided in connection with the audit of the consolidated financial statements of NSEIT, the holding company for the year ended March 31, 2021. These special purpose financial statements are prepared solely to enable its holding company, NSEIT to prepare its consolidated financial statements. Our report should not be used, referred to or distributed for any other purpose except with our prior consent in writing.

   Our opinion is not modified in respect of this matter.

For Khandelwal Jain & Co.
Chartered Accountants
Firm Registration Number:105049W

Sd/-
Narendra Jain
Partner
Membership Number: 048725
UDIN: 21048725AAAABG3425

Place: Mumbai
Date: April 21, 2021

NSEIT (US) INC.
(Formerly known as *NSE.IT (US) INC*)

BALANCE SHEET AS AT MARCH 31, 2021
(Special Purpose Financial Statement)

	Particulars	Notes	(Amt in USD) As at 31.03.2021	(Rs in Lakhs) As at 31.03.2021	(Amt in USD) As at 31.03.2020	(Rs in Lakhs) As at 31.03.2020
	ASSETS					
1	**Non-current assets**					
a	Property, Plant and Equipment		-	-	-	-
b	Financial Assets					
i	Other Financials assets					
	- Security Deposit	2	98	0.07	98	0.07
	Total Non-current assets		**98**	**0.07**	**98**	**0.07**
2	**Current assets**					
a	Financial Assets					
i	Trade receivable	3	2,00,689	147.50	71,809	54.13
ii	Unbilled Receivable	4	99,720	73.29	-	-
iii	Cash and Cash equivalents	5	84,005	61.74	4,55,510	343.35
iv	Other Financial assets	6	-	-	-	-
b	Other assets	7	8,672	6.37	312	0.24
	Total Current assets		**3,93,086**	**288.90**	**5,27,631**	**397.72**
	TOTAL ASSETS		**3,93,184**	**288.97**	**5,27,729**	**397.79**
	EQUITY AND LIABILITIES					
(A)	**EQUITY**					
a	Equity Share capital	8	10,00,000	533.69	10,00,000	533.69
b	Other Equity	9	(18,51,900)	(1,159.86)	(18,43,202)	(1,169.30)
	Total Equity		**(8,51,900)**	**(626.17)**	**(8,43,202)**	**(635.61)**
(B)	**LIABILITIES**					
1	**Non-current liabilities**					
a	Financial Liabilities					
i	Borrowings	10	9,55,000	701.93	12,75,528	961.49
	Total Non-current liabilities		**9,55,000**	**701.93**	**12,75,528**	**961.49**
2	**Current liabilities**					
a	Financial Liabilities					
i	Trade Payables	11				
	- Total Outstanding dues of micro enterprises and small enterprises		-	-	-	-
	- Total Outstanding dues of creditors other than micro enterprises and small enterprises		2,54,718	187.22	36,629	27.61
ii	Other financial liabilities	12	20,686	15.20	53,234	40.13
b	Provisions		-	-	-	-
b	Income Tax Liabilities (net)	13	3,975	2.92	2,800	2.11
c	Other liabilities	14	10,705	7.87	2,740	2.06
	Total Current liabilities		**2,90,084**	**213.21**	**95,403**	**71.91**
	TOTAL EQUITY AND LIABILITIES		**3,93,184**	**288.97**	**5,27,729**	**397.79**

Summary of significant accounting policies
Notes refer to above form an intergral part of Balance Sheet
This is the Balance Sheet referred to in our report of even date

As per our report of even date attached
For Khandelwal Jain & Co.
Chartered Accountants
(Firm Reg No : 105049W)

Sd/-

NARENDRA JAIN
Partner
Membership No.048725

Place : Mumbai
Date : April 21, 2021

For and on behalf of Board of Directors

Sd/-

N. MURALIDARAN
Director

NSEIT (US) INC.
(Formerly known as *NSE.IT (US) INC*)
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2021

Particulars	Notes	(Amt in USD) For the year ended 31.03.2021	(Rs in Lakhs) For the year ended 31.03.2021	(Amt in USD) For the year ended 31.03.2020	(Rs in Lakhs) For the year ended 31.03.2020
Income					
Revenue from operations	15	5,23,102	389.07	3,28,190	234.12
Other income	16	-	-	769	0.55
Total Income		**5,23,102**	**389.07**	**3,28,959**	**234.67**
Expenses					
Employee benefits expense	17	-	-	-	-
Technical & Sub Contract Charges	19(i)	4,00,482	297.95	2,62,552	187.29
Finance Cost	18	63,999	47.35	94,025	66.91
Other expenses	19(ii)	65,444	48.49	35,222	25.43
Total Expenses		**5,29,925**	**393.79**	**3,91,799**	**279.63**
Loss before exceptional items and tax		**(6,823)**	**(4.72)**	**(62,840)**	**(44.96)**
Exceptional item		-	-	-	-
Loss before tax		**(6,823)**	**(4.72)**	**(62,840)**	**(44.96)**
Less : Income Tax expense					
- Current tax	13	1,875	1.39	2,500	1.80
- Short / (Excess) for earlier years	13	-	-	-	-
Total tax expenses		**1,875**	**1.39**	**2,500**	**1.80**
Loss after tax (A)		**(8,698)**	**(6.11)**	**(65,340)**	**(46.76)**
Other Comprehensive Income / (Loss) (OCI)					
Items that will not be reclassified to profit or loss					
- Foreign Currency Translation Reserve			15.55		(50.80)
- Remeasurements of post-employment benefit obligations		-	-	-	-
Total Other Comprehensive Income / (Loss), net of tax (B)		**-**	**15.55**	**-**	**(50.80)**
Total Comprehensive Income /(Loss) (A+B)		**(8,698)**	**9.44**	**(65,340)**	**(97.56)**
Earnings per equity share (FV USD 1 each)					
- Basic	20	**$ -0.01**	**Rs -0.61**	**$ -0.07**	**Rs -4.68**
- Diluted	20	**$ -0.01**	**Rs -0.61**	**$ -0.07**	**Rs -4.68**
Summary of significant accounting policies	1				

Notes refer to above form an intergral part of the Statement of Profit & Loss

This is the Statement of Profit & Loss referred to in our report of even date

For Khandelwal Jain & Co.
Chartered Accountants
(Firm Reg No : 105049W)

Sd/-

NARENDRA JAIN
Partner
Membership No.048725

Place : Mumbai
Date : April 21, 2021

For and on behalf of Board of Directors

Sd/-

N. MURALIDARAN
Director

NSEIT (US) INC.
(Formerly known as *NSE.IT (US) INC*)
STATEMENT OF CHANGES IN EQUITY MARCH 31, 2021

(A) Equity Share Capital

Amount in USD

Balance at the beginning of the reporting period	Changes in equity share capital during the year	Balance at the end of the reporting period
10,00,000	-	10,00,000

(Rs in Lakhs)

Balance at the beginning of the reporting period	Changes in equity share capital during the year	Balance at the end of the reporting period
533.69	-	533.69

(B) Other Equity

	Amount in USD	(Rs in Lakhs)	Amount in USD	(Rs in Lakhs)	Amount in USD	(Rs in Lakhs)
Particulars	**Retained Earnings**	**Retained Earnings**	**Foreign Currency Translation Reserve**	**Foreign Currency Translation Reserve**	**Total**	**Total**
Balance at the beginning of the reporting period	(18,43,202)	(1,176.38)	-	7.08	(18,43,202)	(1,169.30)
Loss after tax	(8,698)	(6.11)	-		(8,698)	(6.11)
Other Comprehensive Income / (Loss)				15.55	15.55	15.55
Total Other Equity	**(18,51,900)**	**(1,182.49)**	-	**22.63**	**(18,51,900)**	**(1,159.86)**

STATEMENT OF CHANGES IN EQUITY MARCH 31, 2020

(A) Equity Share Capital

Amount in USD

Balance at the beginning of the reporting period	Changes in equity share capital during the year	Balance at the end of the reporting period
10,00,000	-	10,00,000

(Rs in Lakhs)

Balance at the beginning of the reporting period	Changes in equity share capital during the year	Balance at the end of the reporting period
533.69	-	533.69

(B) Other Equity

	Amount in USD	(Rs in Lakhs)	Amount in USD	(Rs in Lakhs)	Amount in USD	(Rs in Lakhs)
Particulars	**Retained Earnings**	**Retained Earnings**	**Foreign Currency Translation Reserve**	**Foreign Currency Translation Reserve**	**Total**	**Total**
Balance at the beginning of the reporting period	(17,77,862)	(1,129.62)	**-**	57.88	(17,77,862)	(1,071.74)
Loss after tax	(65,340)	(46.76)	-		(65,340)	(46.76)
Other Comprehensive Income / (Loss)				(50.80)	-	(50.80)
Total Other Equity	**(18,43,202)**	**(1,176.38)**	**-**	**7.08**	**(18,43,202)**	**(1,169.30)**

This is the statement of changes in equity refered to in our report of even date

For Khandelwal Jain & Co.
Chartered Accountants
(Firm Reg No : 105049W)

Sd/-

NARENDRA JAIN
Partner
Membership No.048725

Place : Mumbai
Date : April 21, 2021

For and on behalf of the Board of Directors

Sd/-

N. MURALIDARAN
Director

NSEIT (US) INC.

STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2021

(Formerly known as *NSE.IT (US) INC)*

		(Amt in USD) March 31, 2021	(Rs in Lakhs) March 31, 2021	(Amt in USD) March 31, 2020	(Rs in Lakhs) March 31, 2020
A)	**CASHFLOW FROM OPERATING ACTIVITIES**				
	LOSS BEFORE TAX	(6,823)	(4.72)	(62,840)	(44.96)
	Add : Adjustments for :				
	- Interest Expense	63,026	46.63	93,073	66.23
	- Provision for doubtful debts	-	-	-	-
	Less : Adjustments for :				
	- Interest income on Bank deposit	-	-	(1)	-
	OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	**56,203**	**41.91**	**30,232**	**21.27**
	Adjustments for :				
	- Trade Receivable and Unbilled Revenue	(2,28,600)	(166.66)	(35,123)	(28.76)
	- Trade Payable including provisions	2,26,054	165.42	(1,95,110)	(132.52)
	- Other Assets	(8,360)	(6.13)	7,62,096	527.12
	- Other Liabilities	5,016	3.39	(10,875)	(6.55)
	CASH GENERATED FROM OPERATIONS	50,313	37.93	5,51,220	380.56
	- Direct Taxes paid (Net of Refunds)	(700)	(0.58)	(2,100)	(1.35)
	NET CASH FROM (USED IN) OPERATING ACTIVITIES - Total (A)	49,613	37.35	5,49,120	379.21
B)	**CASHFLOW FROM INVESTING ACTIVITIES**				
	- Increase in Foreign Currency Translation Reserve				
	- Interest received	-	-	1	-
	NET CASH FROM (USED IN) INVESTING ACTIVITIES - Total (B)	-	-	1	-
C)	**CASHFLOW FROM FINANCING ACTIVITIES**				
	Interest payment	(1,00,590)	(74.95)	(75,528)	(51.76)
	- Borrowings	(3,20,528)	(259.56)	(7,24,472)	(421.91)
	NET CASH FROM (USED IN) FINANCING ACTIVITIES - Total (C)	(4,21,118)	(334.51)	(8,00,000)	(473.67)
	Changes in Foreign Currency Translation Reserve	-	15.55	-	(50.80)
	NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	**(3,71,505)**	**(281.61)**	**(2,50,879)**	**(145.26)**
	CASH AND CASH EQUIVALENTS : OPENING BALANCE	4,55,510	343.35	7,06,389	488.61
	CLOSING CASH AND CASH EQUIVALENTS : CLOSING BALANCE	84,005	61.74	4,55,510	343.35
	NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENT	**(3,71,505)**	**(281.61)**	**(2,50,879)**	**(145.26)**

Notes to Cash Flow Statement :

1. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Ind AS-7 on Statement of Cash Flow.
2. Previous years figures have been regrouped, rearranged and reclassified wherever necessary to confirm to the current period classifications.

The above statement of cash flows should be read in conjunction with the accompanying notes.

As per our report of even date attached

For Khandelwal Jain & Co.
Chartered Accountants
(Firm Reg No : 105049W)

Sd/-

NARENDRA JAIN
Partner
Membership No.048725

Place : Mumbai
Date : April 21, 2021

For and on behalf of Board of Directors

Sd/-

N. MURALIDARAN
Director

NSEIT (US) INC.
Notes forming integral part of the financial statements

1 **Summary of significant accounting policies :**

a) **Company Overview**

The NSEIT (US) INC. ("the Company") is a Subsidiary of the NSEIT Limited, NSEIT Limited is a global technology firm with a focus on the financial services industry.The Company is a vertical specialist organization with deep domain expertise and technology focus aligned to the needs of financial institutions and offering end-to-end technology solutions covering the entire gamut of Application Services, Testing Center of Excellence, Infrastructure Services, Integrated Security Response Center, Analytics as a Service and IT Enabled Services (e-Assessments and e-Auctions) for BFSI segment.

The Financial Statements are approved for issue by the Company's Board of Directors on April 21, 2021.

b) **Basis of preparation of Financial Statements**

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (including Ind AS), solely to enable its holding Company, NSEIT Limited to prepare its consolidated financial statements. The financial statements have been prepared on an accrual basis and under the historical cost convention.

i) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:
• certain financial instruments that is measured at fair value, and
• defined benefit plans - plan assets measured at fair value.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability which market participants would take into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:
Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
Level 3 inputs are unobservable inputs for the asset or liability.

c) **Use of estimates**

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Although these estimate are based on management's best knowledge of current events and actions, uncertainity about the assumption and estimates could result in the outcome requiring material adjustment to the carrying amount of asset and liabilities.

d) **Investments and other financial assets**

(i) Classification

The Company classifies its financial assets in the following measurement categories:

· those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
· those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. The Company reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Debt instruments :-

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

· Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

· Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in Other Comphrensive Income (OCI) is reclassified from equity to profit or loss and recognised in net gain on sale of financial assets measured at FVOCI under other income. Interest income from these financial assets is included in other income using the effective interest rate method.

· Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net in the statement of profit and loss in Net fair value gain / (loss) on financial assets mandatorily measured at FVPL under other income in the period in which it arises. Interest income from these financial assets is included in other income.

Equity investments (other than investments in subsidiary, associates and joint venture) :-

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments continue to be recognised in profit or loss as other income when the Company's right to receive payments is established. Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/ (losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Equity Investments (in subsidiaries, associates and joint venture)

Investments in subsidiaries, associates and joint venture are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. The accounting policy on impairment of non-financial assets is disclosed in Note (l) below. On disposal of investments in subsidiaries, associates and joint venture, the difference between net disposal proceeds and the carrying amounts are recognized in the statement of profit and loss.

Acquisition-related costs are costs the acquirer incurs to effect a business combination. Those costs include finder's fees; advisory, legal, accounting, valuation and other professional or consulting fees; general administrative costs, including the costs of maintaining an internal acquisitions department. The company accounts for acquisition-related costs as expenses in the periods in which the costs are incurred and the services are received.

(iii) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.
For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

De-recognition of financial assets :-
A financial asset is de-recognised only when

· The Company has transferred the rights to receive cash flows from the financial asset or
· retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company has transferred an asset, it evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is de-recognised. Where the Company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognised.
Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(iv) Income recognition
Interest income :-
Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial assets to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

Dividends :-
Dividends are recognised in profit and loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be reliably measured.

e) **Financial liabilities**
(i) Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

(ii) Initial recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss.

(iii) Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the statement of profit and loss.

(iv) Derecognition
A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

f) **Transaction costs**

Transaction costs are "Incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or financial liability. An incremental cost is one that would not have been incurred if the entity had not acquired, issued or disposed of the financial instrument. Transaction costs include fees and commission paid to agents, advisers, brokers and dealers, levies by regulatory agencies and security exchanges, and transfer taxes and duties. Under effective interest method, Company amortises transaction costs over the expected life of the financial instrument.

g) **Derivatives**

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period.

h) **Leases**

Effective April 1, 2019, the Company has adopted Ind AS 116 Leases and applied to all lease contracts existing on April 1, 2019 using the simplified approach. The adoption of this standard did not have a material impact on the financial statements for year ended March 31, 2020.

As a lessee

The Companys lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of the contract. Ind AS 116 defines a lease as a contract, or a part of a contract, that convey as the right of use an asset (the underlying asset) for a period of time in exchange of consideration. To assess whether as contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expenses on a straight line basis over the term of the lease.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on straight line basis over the shorter of the lease term and useful life of the underlying assets.

As a lessor :

Lease for which the Company is a lessor is classified as finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. For operating leases, rental income is recognized on straight line basis over the term of the relevant lease

i) **Revenue Recognition**

The Company earns revenue primarily from providing end-to-end technology solutions covering the entire gamut of Application Services, Testing Center of Excellence, Infrastructure Services, Integrated Security Response Center, Analytics as a Service and IT Enabled Services (e-Assessments and e-Auctions) for BFSI segment.

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

(i) Revenue from time and material and job contracts is recognised on output basis measured by units delivered, efforts expended, number of transactions processed, etc.

(ii) Revenue related to fixed price maintenance and support services contracts where the Company is standing ready to provide services is recognised based on time elapsed mode and revenue is straight lined over the period of performance.

(iii) In respect of other fixed-price contracts, revenue is recognised using percentage-of-completion method ('POC method') of accounting with contract costs incurred determining the degree of completion of the performance obligation. The contract costs used in computing the revenues include cost of fulfilling warranty obligations.

(iv) Revenue from Online examination services are recognized on the basis of exams conducted and in cases where there are multiple performance obligation, revenue is recognised using expected cost plus a margin approach where company forecast its expected costs of satisfying a performance obligation and then add an appropriate margin for that good or service.

(v) Revenue from the sale of distinct third party hardware is recognised at the point in time when control is transferred to the customer.

(vi) The solutions offered by the Company may include supply of third-party equipment or software. In such cases, revenue for supply of such third party products are recorded at gross or net basis depending on whether the Company is acting as the principal or as an agent of the customer. The Company recognises revenue in the gross amount of consideration when it is acting as a principal and at net amount of consideration when it is acting as an agent.

(vii) Insurance claims are accounted on accrual basis when the claims become due and receivable.

(viii) Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms

Unearned and deferred revenue ("contract liability") is recognised when there is billings in excess of revenues.

In accordance with Ind AS 37, the Company recognises an onerous contract provision when the unavoidable costs of meeting the obligations under a contract exceed the economic benefits to be received

Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

The Company disaggregates revenue from contracts with customers by industry verticals, geography and nature of services.

(ix) **Use of significant judgements in revenue recognition**

The Company's contracts with customers could include promises to transfer multiple products and services to a customer. The Company assesses the products / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. The Company allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

The Company uses judgement to determine an appropriate standalone selling price for a performance obligation. The Company allocates the transaction price to each performance obligation on the basis of the relative standalone selling price of each distinct product or service promised in the contract. Where standalone selling price is not observable, the Company ses the expected cost plus margin approach to allocate the transaction price to each distinct performance obligation.

The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

Revenue for fixed-price contract is recognised using percentage-of-completion method. The Company uses judgement to estimate the future cost-to-completion of the contracts which is used to determine the degree of completion of the performance obligation

Contract fulfilment costs are generally expensed as incurred except for certain software licence costs which meet the criteria for capitalisation. The assessment of this criteria requires the application of judgement, in particular when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.

j) **Property, plant and equipment**

Property, plant and equipment are stated at cost of acquisition less accumulated depreciation/amortization and impairment loss, if any. The cost is inclusive of freight, installation cost, duties, taxes, borrowing cost and other incidental expenses for bringing the asset to its working conditions for its intended use but net of CENVAT and Value Added Tax, wherever input credit is claimed.
When significant parts of property, plant and equipment are required to be replaced in intervals, the Company recognizes such parts as separate component of assets with specific useful lives and provides depreciation over their useful life.
Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.
All other repair and maintenance costs are recognized in Income statement as incurred.

k) **Depreciation**

(i) Depreciation on tangible fixed assets is provided on Straight Line Method as per the useful life in line with holding company.
- Fixed Furniture and fixtures, Electrical installation and Office equipment including civil improvements at lease hold premises are depreciated over the lease period.

The estimated useful lives, residual values and depreciation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

(ii) Depreciation on assets purchased / disposed off during the year is provided on pro rata basis with reference to the date of additions / deductions.

(iii) The gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amounts of the asset and is recognised in profit or loss.

l) **Intangible assets**

Intangible assets comprising of software are recorded at acquisition cost and are amortized over the estimated useful life on straight line basis. Software products/ licenses purchased/ acquired for internal use of the Company which have expected longer life are capitalised and depreciated over a period of 3 years on Straight Line Method.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.Costs associated with maintaining software programs are recognised as an expense as and when incurred.

Development costs

Development expenditures on an individual project are recognised as an intangible asset when the Company can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use
- Its intention to complete and its ability and intention to use the asset
- How the asset will generate future economic benefits
- The ability to measure reliably the expenditure during development
- Adequate technical, financial and other resources to complete the development and to use or sell the software are available

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation expense is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

During the period of development, the asset is tested for impairment annually.

m) **Impairment of tangible and intangible assets excluding goodwill**

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

n) **Inventory :**

The Inventory is valued at cost or net realizable value whichever is lower.

o) **Cash and cash equivalents**

Cash and Cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. These do not include bank balances earmarked/restricted for specific purposes.

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

p) **Foreign currency**

(i) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The functional currency of the Company is USD.

The financial statements are presented in Indian currency (INR), which is the Company's presentation currency, to enable its holding company, NSEIT Limited to prepare its consolidated Ind AS financial statements. Further, the Company also presented its accounts in functional currency which is USD.

(ii) Transactions and balances

Foreign currency transactions are translated into the presentation currency using the exchange rates at the dates of transactions.Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liablilites denominated in foreign currencies at the period end exchange rates are recognised in profit or loss.

Non monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.Translation differences on assets and liablities carried at fair value are reported as a part of the fair value gain or loss. For example, translation differences on non monetary assets and liablities such as equity instruments held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non monetary assets such as equity investments classified as FVOCI are recognised in othe comprehensive income.

(iii) Translation to the presentation currency

The financial statements are translated from functional currency to presentation currency by using the following procedures:

(a) assets and liablities for each balance sheet presented (ie including comparatives) shall be transalated at the closing rate at the date of that balance sheet;

(b) income and expenses for each statement of profit and loss presented (ie including comparatives) shall be translated at monthly exchange rate; and

(c) all resulting exchange differences shall be recognised in other comprehnsive income.

q) **Employee benefits**

i Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are the amounts expected to be paid when the liabilities are settled. Short term employee benefits are recognised in statement of profit and loss in the period in which the related service is rendered. The liabilities are presented as current employee benefit obligations in the balance sheet.

r) **Income tax**

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

s) **Contributed equity**

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

t) **Provisions, Contingent liabilities and Contingent assets**

A provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions (excluding retirement benefits) are discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements. A contingent asset is neither recognised nor disclosed in the financial statements.

u) **Trade and other payables**

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial period which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

v) **Current versus non-current classification**

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.
An asset is treated as current when it is:
- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.
A liability is current when:
- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

all other liabilities as non-current.
Deferred tax assets and liabilities are classified as non-current assets and liabilities.
The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

w) **Dividends**

Final dividends on shares are recorded as a liability on the date of approval by shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

x) **Trade receivables**

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

y) **Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

z) **Earnings per share**

Basic and diluted earnings per share is computed by dividing the net profit attributable to equity shareholders for the year, by weighted average number of equity shares outstanding during the year.
(i) Basic earnings per share
Basic earnings per share is calculated by dividing:
• the profit attributable to owners of the company
• by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.
(ii) Diluted earnings per share
Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:
• the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
• the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

aa) **Critical accounting estimates and judgements**

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgements are:

Use of significant judgements in revenue recognition [Note-i (ix)]
Estimation of useful life of tangible asset and intangible asset
Estimation of contingent liabilities and commitments (Note -27)
Impairment of Assets [Note - 1 (m)]
Recoverability of Trade Receivables [Note -24 (B)]

Estimates and judgments are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

ab) **Recent Pronouncement**

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet:

• Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.

• Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.

• Specified format for disclosure of shareholding of promoters.

• Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.

• If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.

• Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

Statement of profit and loss:

• Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the standalone financial statements.

The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

ac) **Rounding of amounts**

All amounts disclosed in the financial statements and notes have been rounded off to the nearest USD and INR in Lakhs.

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		Non-current		Non-current	
2	**Other Financial Assets**	31.03.2021 (Amt in USD)	31.03.2021 (Rs in Lakhs)	31.03.2020 (Amt in USD)	31.03.2020 (Rs in Lakhs)
i	**Loan**				
	Security deposit	98	0.07	98	0.07
	Total	**98**	**0.07**	**98**	**0.07**

		Current		Current	
3	**Trade receivables**	31.03.2021 (Amt in USD)	31.03.2021 (Rs in Lakhs)	31.03.2020 (Amt in USD)	31.03.2020 (Rs in Lakhs)
	Trade Receivables	**2,00,689**	**147.50**	71,809	54.13
	Less : Loss Allowances	-	-	-	-
		2,00,689	147.50	71,809	54.13
	Breakup of security details				
	Trade Receivables considered good -Secured	-	-	-	-
	Trade Receivables considered good -Unsecured	2,00,689	147.50	71,809	54.13
	Trade Receivables which have significant increase in credit risk	-	-	-	-
	Trade Receivables credit impaired	-		-	-
		2,00,689	**147.50**	**71,809**	**54.13**
	Loss allowances	-	-	-	-
	Total	**2,00,689**	**147.50**	**71,809**	**54.13**

		Current		Current	
4	**Unbilled Receivable**	31.03.2021 (Amt in USD)	31.03.2021 (Rs in Lakhs)	31.03.2020 (Amt in USD)	31.03.2020 (Rs in Lakhs)
	Unbilled Receivable	99,720	73.29	-	-
		99,720	**73.29**	**-**	**-**

		Current		Current	
5	**Cash and Cash equivalents**	31.03.2021 (Amt in USD)	31.03.2021 (Rs in Lakhs)	31.03.2020 (Amt in USD)	31.03.2020 (Rs in Lakhs)
	Balances with banks				
	- In Current Accounts	80,008	58.80	4,51,513	340.34
	- In Savings Accounts	3,997	2.94	3,997	3.01
	Total	**84,005**	**61.74**	**4,55,510**	**343.35**

		Current		Current	
6	**Other Financial Assets**	31.03.2021 (Amt in USD)	31.03.2021 (` in Lakhs)	31.03.2020 (Amt in USD)	31.03.2020 (` in Lakhs)
	Others	-	-	-	-
	Total	**-**	**-**	**-**	**-**

		Current		Current	
7	**Other assets**	31.03.2021 (Amt in USD)	31.03.2021 (` in Lakhs)	31.03.2020 (Amt in USD)	31.03.2020 (` in Lakhs)
	Advance to Creditors (unsecured, considered good)	-	-	-	-
	Prepaid expenses	8,672	6.37	312	0.24
		8,672	**6.37**	**312**	**0.24**

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		31.03.2021 (Amt in USD)	31.03.2021 (` in Lakhs)	31.03.2020 (Amt in USD)	31.03.2020 (` in Lakhs)
8	**Equity Share Capital**				
	Authorised				
	10,00,000 (P.Y. 10,00,000) Equity Shares of USD 1/- each	**10,00,000**	**533.69**	**10,00,000**	**533.69**
	Issued, Subscribed and Paid-up				
	10,00,000 (P.Y. 10,00,000) Equity shares of USD 1/- each fully paid up	**10,00,000**	**533.69**	**10,00,000**	**533.69**

There is no movement either in the number of shares or in amount between previous year and current year.

Terms and rights attached to equity shares
The company has only one class of equity shares having a par value of USD 1/- per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Details of shareholders holding more than 5% share in the company

	31.03.2021		31.03.2020	
	No.	**% holding**	**No.**	**% holding**
Equity shares of USD 1/- each fully paid				
NSEIT Limited (Holding Company)	10,00,000	100%	10,00,000	100%

		31.03.2021 (Amt in USD)	31.03.2021 (` in Lakhs)	31.03.2020 (Amt in USD)	31.03.2020 (` in Lakhs)
9	**Other Equity**				
	Surplus/(deficit) in the statement of profit and loss				
	As per last balance sheet	(18,43,202)	(1,176.38)	(17,77,862)	(1,129.62)
	Add : Profit / (Loss) for the year	(8,698)	(6.11)	(65,340)	(46.76)
		(18,51,900)	**(1,182.49)**	**(18,43,202)**	**(1,176.38)**
	Foreign Currency Translation Reserve				
	As per last balance sheet		7.08		57.88
	Add: Foreign Currency Translation Reserve		15.55		(50.80)
			22.63		**7.08**
	Total Other Equity	**(18,51,900)**	**(1,159.86)**	**(18,43,202)**	**(1,169.30)**

		Non-current		Non-current	
10	**Other Financial Liabilities**	**31.03.2021 (Amt in USD)**	**31.03.2021 (` in Lakhs)**	**31.03.2020 (Amt in USD)**	**31.03.2020 (` in Lakhs)**
	Borrowings	9,55,000	701.93	12,75,528	961.49
		9,55,000	**701.93**	**12,75,528**	**961.49**

Borrowings taken from Parent Company is unsecured.
Interest payable on the above borrowings is @ Libor (as on September 30, 2019) plus 300 basis point i.e 5.0365%
Borrowings is for tenure of 5 years from the date of borrowing taken.

		Current		Current	
11	**Trade Payables**	**31.03.2021 (Amt in USD)**	**31.03.2021 (Rs in Lakhs)**	**31.03.2020 (Amt in USD)**	**31.03.2020 (Rs in Lakhs)**
	Trade payables to micro and small enterprises	-	-	-	-
	Trade payables to other	492	0.36	492	0.37
	Trade payables to related Party (NSEIT Limited)	2,54,226	186.86	36,137	27.24
		2,54,718	**187.22**	**36,629**	**27.61**

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12 **Other Financial Liabilities**

	Current		Current	
	31.03.2021 (Amt in USD)	31.03.2021 (Rs in Lakhs)	31.03.2020 (Amt in USD)	31.03.2020 (Rs in Lakhs)
Interest Payable to related party (NSEIT Limited)	-	-	37,564	28.32
Liabilities for Expenses	20,686	15.20	15,670	11.81
	20,686	**15.20**	**53,234**	**40.13**

13 **Income Taxes**

(A) The major components of income tax expense are as follows:

Profit or loss section

Particulars	31.03.2021 (Amt in USD)	31.03.2021 (Rs in Lakhs)	31.03.2020 (Amt in USD)	31.03.2020 (Rs in Lakhs)
Current taxes	1,875	1.39	2,500	1.80
Short / (Excess) for earlier years	-	-	-	-
Deferred taxes movement of Asset	-	-	-	-
Deferred taxes movement of Liability	-	-	-	-
Income tax expense reported in the statement of profit or loss	1,875	1.39	2,500	1.80

(B) Reconciliation of the Income Tax provision to the amount computed by applying the statutory income tax rate to the income before income taxes

Particulars	Year ended 31.03.2021	Year ended 31.03.2021	Year ended 31.03.2020	Year ended 31.03.2020
	(Amt in USD)	(Rs in Lakhs)	(Amt in USD)	(Rs in Lakhs)
Profit before income tax expense	(6,823)	(4.72)	(62,840)	(44.96)
Current tax	1,875	1.39	2,500	1.80
Short / (Excess) for earlier years	-	-	-	-
Tax expense for the year	**1,875**	**1.39**	**2,500**	**1.80**

(C) The movement in the current income tax asset/ (liability) is as follows:

Particulars	Year ended 31.03.2021	Year ended 31.03.2021	Year ended 31.03.2020	Year ended 31.03.2020
	(Amt in USD)	(Rs in Lakhs)	(Amt in USD)	(Rs in Lakhs)
Net current income tax asset/(liability) at the beginning	(2,800)	(2.11)	(2,400)	(1.66)
Income tax paid (including TDS and net of refund)	700	0.58	2,100	1.35
Current income tax expense	(1,875)	(1.39)	(2,500)	(1.80)
Income tax on other comprehensive income	-	-	-	-
Net current income tax asset/(liability) at the end	**(3,975)**	**(2.92)**	**(2,800)**	**(2.11)**

13 **Income Tax Liabilities / Assets**

	Current		Current	
	31.03.2021 (Amt in USD)	31.03.2021 (Rs in Lakhs)	31.03.2020 (Amt in USD)	31.03.2020 (Rs in Lakhs)
Income Tax Liabilities (net)	3,975	2.92	2,800	2.11
	3,975	**2.92**	**2,800**	**2.11**

14 **Other liabilities**

	Current		Current	
	31.03.2021 (Amt in USD)	31.03.2021 (Rs in Lakhs)	31.03.2020 (Amt in USD)	31.03.2020 (Rs in Lakhs)
Statutory dues payable	9,454	6.95	-	-
Advance received from customers	1,251	0.92	2,740	2.06
Total	**10,705**	**7.87**	**2,740**	**2.06**

15 **Revenue from operations**

	For the year ended 31.03.2021 (Amt in USD)	For the year ended 31.03.2021 (Rs in Lakhs)	For the year ended 31.03.2020 (Amt in USD)	For the year ended 31.03.2020 (Rs in Lakhs)
Sale of Services :				
- Application Development & Maintenance Services	5,10,602	379.76	2,51,398	178.84
- ITES - Assessment Services	12,500	9.31	76,792	55.28
Total	**5,23,102**	**389.07**	**3,28,190**	**234.12**

Disaggregate revenue information

The table below presents disaggregated revenues from contracts with customers for the year ended March 31,2021 by contract-type .The Company believe that this disaggregation best depicts how the nature, amount, timing and uncertainty of our revenues and cashflows are affected by industry, market and other economic factors.

Particulars	For the year ended 31.03.2021 (Amt in USD)	For the year ended 31.03.2021 (Rs in Lakhs)	For the year ended 31.03.2020 (Amt in USD)	For the year ended 31.03.2020 (Rs in Lakhs)
Revenues by contract type				
Fixed Price	12,500	9.31	76,792	55.28
Time & Materials	5,10,602	379.76	2,51,398	178.84
Total	**5,23,102**	**389.07**	**3,28,190**	**234.12**

Performance obligations and remaining performance obligations

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the Company expects to recognize these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the remaining performance obligation related disclosures for contracts where the revenue recognized corresponds directly with the value to the customer of the entity's performance completed to date, typically those contracts where invoicing is on time and material basis. Remaining performance obligation estimates are subject to change and are affected by several factors, including terminations, changes in the scope of contracts, periodic revalidations, adjustment for revenue that has not materialized and adjustments for currency.

Revenue disaggregation by geography is as follows:

Entire revenue from operations is derived from One Country (US)

Information about major customers: (Refer Note 22)

Changes in Contract assets are as follows:	31.03.2021 (Amt in USD)	31.03.2021 (Rs in Lakhs)	31.03.2020 (Amt in USD)	31.03.2020 (Rs in Lakhs)
Balance at the beginning of the year	-	-	-	-
Invoices raised during the year	-	-	-	-
Contract assets reversed	-	-	-	-
Revenue recognised during the year	99,720	73.29	-	-
Balance at the end of the year	**99,720**	**73.29**	**-**	**-**

Changes in advance received from customer are as follows:	31.03.2021 (Amt in USD)	31.03.2021 (Rs in Lakhs)	31.03.2020 (Amt in USD)	31.03.2020 (Rs in Lakhs)
Balance at the beginning of the year	**2,740**	**2.06**	**1,844**	**1.28**
Revenue recognised that was included in the unearned and deferred revenue at the beginning of the year	-	-	-	-
Increase due to invoicing during the year, excluding amounts recognised as revenue during the year	(11,595)	(8.61)	(29,712)	(22.29)
Advance adjusted against trade receivables	-	-	-	-
Advance received during the year	10,107	7.47	30,607	23.07
Balance at the end of the year	**1,251**	**(0.92)**	**2,740**	**2.06**

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16	**Other income**	**For the year ended 31.03.2021 (Amt in USD)**	**For the year ended 31.03.2021 (Rs in Lakhs)**	**For the year ended 31.03.2020 (Amt in USD)**	**For the year ended 31.03.2020 (Rs in Lakhs)**
	Interest Income				
	- On Bank Deposits	-	-	1	-
	Miscellaneous Income	-	-	768	0.55
	Total	**-**	**-**	**769**	**0.55**

17	**Employee benefits expenses**	**For the year ended 31.03.2021 (Amt in USD)**	**For the year ended 31.03.2021 (Rs in Lakhs)**	**For the year ended 31.03.2020 (Amt in USD)**	**For the year ended 31.03.2020 (Rs in Lakhs)**
	Salaries, wages and allowances	-	-	-	-
	Total	**-**	**-**	**-**	**-**

18	**Finance Cost**	**For the year ended 31.03.2021 (Amt in USD)**	**For the year ended 31.03.2021 (Rs in Lakhs)**	**For the year ended 31.03.2020 (Amt in USD)**	**For the year ended 31.03.2020 (Rs in Lakhs)**
	Bank Charges	973	0.72	952	0.68
	Interest Expense	63,026	46.63	93,073	66.23
		63,999	**47.35**	**94,025**	**66.91**

19	i	Technical & Sub Contract Charges	4,00,482	297.95	2,62,552	187.29
	ii	**Other expenses**				
		Rent	1,416	1.05	1,396	0.99
		Insurance	58,628	43.43	18,140	12.90
		Professional Fees	3,600	2.67	4,597	3.25
		GST on Technical & Sub Contract Charges	1,800	1.34	11,058	8.26
		Miscellaneous expenses	-	-	31	0.03
		Total	**65,444**	**48.49**	**35,222**	**25.43**

20 In accordance with Indian Accounting Standard - 33 “Earning per Share”

Earning per share

Particulars	**Year ended 31.03.2021**	**Year ended 31.03.2021**	**Year ended 31.03.2020**	**Year ended 31.03.2020**
Net Profit attributable to Shareholders	**(Amt in USD)**	**(Rs in Lakhs)**	**(Amt in USD)**	**(Rs in Lakhs)**
Loss after tax	(8,698)	(6.11)	(65,340)	(46.76)
Weighted Average number of equity shares issued (in nos)	10,00,000	10,00,000	10,00,000	10,00,000
Basic earnings per share of $ 1/- each				
Basic	$ -0.01	Rs -0.61	$ -0.07	Rs -4.68
Diluted	$ -0.01	Rs -0.61	$ -0.07	Rs -4.68

The Company does not have any outstanding dilutive potential equity shares. Consequently, the basic and diluted earning per share of the Company remain the same.

21 In compliance with Ind AS 24 - "Related Party Disclosures", as notified under Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016, the required disclosures are given in the table below :

(a) **Names of the related parties and related party relationship**

Sr. No	Related Party	Nature of Relationship
1	National Stock Exchange of India Limited	Ultimate Holding Company
2	NSE Investments Limited (formerly known as NSE Strategic Investment Corporation Limited)	Holding Company's Holding Company
3	NSEIT Limited	Holding Company
4	NSE Clearing Limited (formerly known as National Securities Clearing Corporation Limited)	Fellow Subsidiary of Holding Company's Holding Company
5	NSE IFSC Limited	Fellow Subsidiary of Holding Company's Holding
6	National Securities Depository Limited	Ultimate Holding Company's Associate
7	NSDL Database Management Limited	Ultimate Holding Co.'s Associate Co's Subsidiary
8	NSDL e-Governance Infrastructure Limited	Associate Company of Holding Company's Holding Company
9	Power Exchange India Limited	Associate Company of Holding Company's Holding Company
10	NSE Data & Analytics Limited (formerly known as DotEx International Limited)	Fellow Subsidiary of Holding Company
11	NSE Infotech Services Limited	Fellow Subsidiary of Holding Company
12	NSE Indices Limited (formerly known as India Index Services & Products Limited)	Fellow Subsidiary of Holding Company
13	NSE Academy Limited	Fellow Subsidiary of Holding Company
14	NSE IFSC CLEARING Corporation Limited	Subsidiary of Holding Company's Fellow Subsidiary
15	TalentSprint Private Limited (w.e.f. 10th November 2020)	Holding Company's Fellow Subsidiary's Subsidiary Company
16	Cogencis Information Services Limited (w.e.f. 21st January 2021)	Holding Company's Fellow Subsidiary's Subsidiary Company
17	Indian Gas Exchange Limited (w.e.f. 16th March 2021)	Holding Company's Holding Company's Associate Company
18	Capital Quant Solutions Private Limited (w.e.f. 3rd March 2021)	Holding Company's Fellow Subsidiary's Subsidiary Company
19	National Stock Exchange Investor Protection Fund Trust	Ultimate Holding Co.'s Trust
20	NSE Foundation (w.e.f 5th March 2018)	Fellow Subsidiary of Holding Company's Holding Company
21	Aujas Cybersecurity Limited (Formerly known as Aujas Networks Limited / Aujas Networks Private Ltd)	Fellow subsidiary Company
22	Dr. N. Muralidaran - Director	Key Management Personnel

(b) **Details of transactions (including GST/service tax wherever levied) with related parties are as follows :**

Nature of Transactions	Year ended 31.03.2021	Year ended 31.03.2021	Year ended 31.03.2020	Year ended 31.03.2020
	(Amt in USD)	(Rs in Lakhs)	(Amt in USD)	(Rs in Lakhs)
Name of the Related Party -NSEIT Limited				
Application Development and Maintenance Services	3,90,482	290.50	2,01,118	143.07
ITES - Assessment Services	10,000	7.45	61,433	44.22
Taxes recovered	1,800	1.34	-	-
Loan taken	-	-	-	-
Loan Repaid	(3,20,528)	(232.69)	(7,24,472)	(512.64)
Interest on Loan	63,026	46.63	93,073	66.23
Interest paid on Loan	(1,00,590)	(74.93)	(75,527)	(53.44)
Closing Balance - Loan taken including interest accrued	(9,55,000)	(701.93)	(13,13,092)	(989.81)
Closing Balance - Dr./ (Cr.)	(1,74,450)	(128.22)	(36,137)	(27.24)
Closing Balance - Provision for expenses	(79,776)	(58.64)	-	-
Name of the Related Party -Aujas Cybersecurity Limited				
Application Development and Maintenance Services	60,000	44.35	-	-
Closing Balance - Dr./ (Cr.)	25,000	18.38	-	-

All related parties transaction entered during the year were in ordinary course of business. Outstanding balances as at the year end are unsecured and settlement occurs in cash. There have been no guarantee provided or received for any related parties receivables or payables as of March 31, 2021 and March 31, 2020. The Company has not recorded any impairment of receivables relating to amount owed by related parties.

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22 Segment Reporting:

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 by the management of the Company. The Company has identified two segments i.e. "End to End solutions" and "ITES - Assessment Services" as reporting segments based on the information reviewed by CODM.

Reportable business segment viz. offering "End to End solutions" includes revenues from sale and maintenance of software products, software consultancy services, custom software development, information technology infrastructure services provided predominantly to market participants in the securities and commodity markets and "ITES - Assessment Services" includes sale and maintenance of ITES-Assessment Services software products, online education and examination services and other incidental services as its primary segments. This takes into consideration the commonality in the risks and rewards of the products/ solutions and related services offered nature of services, type / class of customers for the products / services, management structure and system of financial reporting. Accordingly, the results of the said segments have been disclosed hereunder.

The above business segments have been identified considering :
a) the nature of products and services
b) the differing risks
c) the internal organisation and management structure, and
d) 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 Company. 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 :

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.Transactions between segments are eliminated on consolidation. The CODM primarily uses a measure of profit before tax to assess the performance of the operating segments.

	(Amt in USD)	**(Rs in Lakhs)**	**(Amt in USD)**	**(Rs in Lakhs)**
Particulars	**2020-21**	**2020-21**	**2019-20**	**2019-20**
Segment Revenue				
End to End Solution	5,10,602	379.76	2,51,398	178.84
ITES - Assessment Services	12,500	9.31	76,792	55.28
	5,23,102	**389.07**	**3,28,190**	**234.12**
Inter-segment revenue				
End to End Solution	-	-	-	-
ITES - Assessment Services	-	-	-	-
	-	**-**	**-**	**-**
Revenue from external customers				
End to End Solution	5,10,602	379.76	2,51,398	178.84
ITES - Assessment Services	12,500	9.31	76,792	55.28
Total	**5,23,102**	**389.07**	**3,28,190**	**234.12**
Segment Results				
End to End Solution	1,20,120	89.26	50,280	35.77
ITES - Assessment Services	700	0.52	4,299	2.80
Total	**1,20,820**	**89.78**	**54,579**	**38.57**
Less: Unallocable Expenses (Net of income)	1,27,643	94.50	1,17,420	83.53
Add: Interest income	-	-	1	-
Profit before Tax	**(6,823)**	**(4.72)**	**(62,840)**	**(44.96)**
Exceptional item	**-**	**-**	**-**	**-**
Profit before tax	**(6,823)**	**(4.72)**	**(62,840)**	**(44.96)**
Less : Income Tax expense				
- Current tax	1,875	1.39	2,500	1.80
- Short / Excess Tax for earlier years	-	-	-	-
- Deferred tax	-	-	-	-
Total Tax Expenses	**1,875**	**1.39**	**2,500**	**1.80**
Net profit after tax	**(8,698)**	**(6.11)**	**(65,340)**	**(46.76)**

NSEIT (US) INC.
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c **Revenue From External Customers based on geographies**

The Parent company is domiciled in India. The amount of Company revenue from external customers broken down by location of customers.

	(Amt in USD)	(Rs in Lakhs)	(Amt in USD)	(Rs in Lakhs)
Particulars	**2020-21**	**2020-21**	**2019-20**	**2019-20**
India	-	-	-	-
Outside India	5,23,102	389.07	3,28,190	234.12
Total	**5,23,102**	**389.07**	**3,28,190**	**234.12**

d **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.

	(Amt in USD)	(Rs in Lakhs)	(Amt in USD)	(Rs in Lakhs)
Segments	**2020-21**	**2020-21**	**2019-20**	**2019-20**
End to End Solution	2,99,899	220.42	68,964	51.99
ITES - Assessment Services	510	0.37	2,845	2.14
Total Segment Assets	**3,00,409**	**220.79**	**71,809**	**54.13**
Unallocable Assets	92,775	68.18	4,55,920	343.66
Total Assets	**3,93,184**	**288.97**	**5,27,729**	**397.79**

The non current assets are situated outside the domicile of India.

e **Segment Liabilities**

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

	(Amt in USD)	(Rs in Lakhs)	(Amt in USD)	(Rs in Lakhs)
Segments	**2020-21**	**2020-21**	**2019-20**	**2019-20**
End to End Solution	2,52,504	185.60	18,400	14.06
ITES - Assessment Services	1,722	1.27	17,738	13.55
Total Segment Liabilities	**2,54,226**	**186.86**	**36,138**	**27.61**
Unallocable Liabilities	9,90,858	728.28	13,34,793	1,005.79
Total Liabilities	**12,45,084**	**915.14**	**13,70,931**	**1,033.40**

f **Segment Capital Expenditure**

	(Amt in USD)	(Rs in Lakhs)	(Amt in USD)	(Rs in Lakhs)
Segments	**2020-21**	**2020-21**	**2019-20**	**2019-20**
End to End Solution	-	-	-	-
ITES - Assessment Services	-	-	-	-
Total Segment Capital Expenditure	**-**	**-**	**-**	**-**
Add: Unallocable Capital Expenditure	-	-	-	-
Total Capital Expenditure	**-**	**-**	**-**	**-**

g **Segment Depreciation / Amortisation**

	(Amt in USD)	(Rs in Lakhs)	(Amt in USD)	(Rs in Lakhs)
Segments	**2020-21**	**2020-21**	**2019-20**	**2019-20**
End to End Solution	-	-	-	-
ITES - Assessment Services	-	-	-	-
Total Segment Depreciation / Amortisation	**-**	**-**	**-**	**-**
Add: Unallocable Depreciation / Amortisation	-	-	-	-
Total Depreciation / Amortisation	**-**	**-**	**-**	**-**

Note :

Information about major customers

Company's significant revenues have been dervied from 3 no. customers (Previous year 2 no. customers). Details of the same are given as under:

Customer	**Forming part of segment**	**2020-21**			**2019-20**		
		(Amt in USD)	**(Rs in Lakhs)**	**% of revenue From Operation**	**(Amt in USD)**	**(Rs in Lakhs)**	**% of revenue From Operation**
3	End to End Solutions - Customer 3 (Previous year Customer 2	4,83,794	359.78	92.47	2,51,398	178.84	76.39
0	ITES-Assessment Services -(Previous year Customer 1)	-	-	-	47,080	33.57	14.34

No other single customer contributed 10% or more to the Company's revenue for FY 2020-21 and FY 2019-20.

NSEIT (US) INC.
Notes forming integral part of the financial statements

23 Fair Value Measurements

a) **Financial Instruments by category**

	(Amt in USD)			(Rs in Lakhs)			(Amt in USD)			(Rs in Lakhs)		
	31-Mar-21			31-Mar-21			31-Mar-20			31-Mar-20		
Particulars	**FVPL**	**FVOCI**	**Amortised Cost**	**FVPL**	**FVOCI**	**Amortised Cost**	**FVPL**	**FVOCI**	**Amortised Cost**	**FVPL**	**FVOCI**	**Amortised Cost**
Financial Assets												
Investments												
Trade receivables	-	-	2,00,689	-	-	147.50	-	-	71,809	-	-	54.13
Unbilled Revenue	-	-	99,720	-	-	73.29	-	-	-	-	-	-
Cash and Cash equivalents	-	-	84,005	-	-	61.74	-	-	4,55,510	-	-	343.35
Other Financial assets	-	-	98	-	-	0.07	-	-	98	-	-	0.07
Total	**-**	**-**	**3,84,512**	**-**	**-**	**282.60**	**-**	**-**	**5,27,417**	**-**	**-**	**397.55**
Financial Liabilities				-			-			-		
Borrowings	-	-	9,55,000	-	-	701.93	-	-	12,75,528	-	-	961.49
Trade Payables	-	-	2,54,718	-	-	187.22	-	-	36,629	-	-	27.61
Other financial liabilities	-	-	20,686	-	-	15.20	-	-	53,234	-	-	40.13
Total	**-**	**-**	**12,30,404**	**-**	**-**	**904.35**	**-**	**-**	**13,65,391**	**-**	**-**	**1,029.23**

b) **Fair Value Measurements**

Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

Management considers that the carrying amounts of financial assets and financial liabilities recognized in the financial statements at approximate their fair values.

24 **FINANCIAL RISK MANAGEMENT**

The Company's business activities expose it to a variety of financial risks, namely liquidity risk, market risks and credit risk. The Company's senior management has the overall responsibility for the establishment and oversight of the Company's risk management framework

The Company has developed a Risk Management Policy. It establishes various levels of accountability and overview within the Company, while vesting identified managers with responsibility for each significant risk. Risk Management policy has been formulated with an aim to (a) Overseeing the Company's risk management process and controls, risk tolerance (b) Setting strategic plans and objectives for risk management and review of risk assessment of the Company (c) Review the Company's risk appetite and strategy relating to key risks, including credit risk, liquidity and funding risk, market risk, product risk and reputational risk as well as the guidelines, policies and processes for monitoring and mitigating such risks.

The core business & operational risk is managed through cross functional involvement and communication across businesses.

The Finance department activities are designed to:

- protect the Company's financial results and position from financial risks
- maintain market risks within acceptable parameters, while optimising returns; and
- protect the Company's financial investments, while maximising returns.

A. MANAGEMENT OF LIQUIDITY RISK

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's approachto managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions

The Company's treasury department regularly monitors the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet operational needs. Any short term surplus cash generated by the operating entities, over and above the amount required for working capital management and other operational requirements, is retained as cash and cash equivalents (to the extent required) and any excess is invested in mutual funds to optimise the cash returns on investments while ensuring sufficient liquidity to meet its liabilities.

	(Amt in USD)				(Rs in Lakhs)			
Particulars	**Carrying amount**	**Less than 12 months**	**More than 12months**	**Total**	**Carrying amount**	**Less than 12 months**	**More than 12months**	**Total**
As at 31st March 2021								
Borrowings	9,55,000		9,55,000	9,55,000	701.93		701.93	701.93
Trade payables	2,54,718	2,54,718	-	2,54,718	187.22	187.22	-	187.22
Other financial liabilities	20,686	20,686	-	20,686	15.20	15.20	-	15.20
As at 31st March 2020								
Borrowings	12,75,528		12,75,528	12,75,528	961.49		961.49	961.49
Trade payables	36,629	36,629	-	36,629	27.61	27.61	-	27.61
Other financial liabilities	53,234	53,234	-	53,234	40.13	40.13	-	40.13

B : MANAGEMENT OF CREDIT RISK

Credit risk is the risk of financial loss to the Company if a customer or counter-party fails to meet its contractual obligations.

Concentrations of credit risk with respect to trade receivables is high, due to the Company's customer base being small.

Trade receivables

All trade receivables are reviewed and assessed for default on a quarterly basis.
Basesd on historical experience of collecting receivables, supported by the level of default, our assessment of credit risk is low.

25 Capital and other commitments - NIL

26 The company has incurred losses during the year amounting to USD 8,698 (Rs.6.11 lakhs), it has accumulated losses of USD 18,51,900 (Rs.1159.86 lakhs) and has negative net worth of USD 851,900 (Rs.626.17 lakhs) as at March 31, 2021. Considering long term and strategic nature of the business and future business plans, the accounts of the company has been prepared on a going concern basis.

27 Contingent liability - NIL

28 Expenditure in foreign currency (accrual basis) - NIL

29 Earnings in foreign currency (accrual basis) - NIL

30 In the opinion of the Board, current assets, loans and advances are approximately of the value stated, if realised in the ordinary course of business.

31 **Impact of COVID 19 (Global Pandemic) :**

Impact of COVID 19 (Global Pandemic) :

The Coronavirus (COVID-19) outbreak is an unprecedented global situation. World Health Organization (WHO) has declared the COVID-19 virus a 'Pandemic'. The Government of India and various state governments had put in place several measures including instituting a complete lockdown w.e.f March 25, 2020 to combat the spread and transmission of the virus. Effective June 8, 2020 the said lockdown has being partially lifted in a phased manner. Post unlock advisory issued by the Government, COVID-19 continued to impact the business operations and revenue of the Company in respect of ITES-Assessment Services (On-Line Examination Services).

The Company has taken into account the possible impacts of COVID-19 in preparation of the standalone financial statements including but not limited to its assessment of impact on revenues, operating costs and impact on leases. Based on the current indicators of future economic conditions and the impact of COVID-19 on its operations, the Company has also made an assessment of its liquidity position, recoverability and carrying values of its assets and ability to pay its liabilities as they become due and is of the view that there is no material impact or adjustments required to be made in these financial results. The impact assessment of COVID-19 may be different from that presently estimated and the Company will continue to evaluate any significant changes to its operations and its resultant impact on the financial performance.

32 Previous years figures have been regrouped, rearranged and reclassified wherever necessary to confirm to the current year / period classifications.

As per our report of even date attached
For Khandelwal Jain & Co.
Chartered Accountants
(Firm Reg No : 105049W)

Sd/-

NARENDRA JAIN
Partner
Membership No.048725

For and on behalf of Board of Directors

Sd/-

N. MURALIDARAN
Director
DIN No. 06567029

Place : Mumbai
Date : April 21, 2021

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Bagmane Tridib, Bagmane
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Independent Auditor's Report

To the Members of Aujas Cybersecurity Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of Aujas Cybersecurity Limited *(formerly known as "Aujas Networks Limited" / "Aujas Networks Private Limited")* ('the Company'), which comprise the Balance Sheet as at 31 March 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the state of affairs of the Company as at 31 March 2021, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information other than the Financial Statements and Auditor's Report thereon

4. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors Report, but does not include the financial statements and our auditor's report thereon.

   Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

   In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

5. The accompanying financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

6. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

7. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

8. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

9. As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

   - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

   - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;

   - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;

   - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are

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Chartered Accountants

inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation;

10. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

11. As required by section 197(16) of the Act, based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.

12. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure I a statement on the matters specified in paragraphs 3 and 4 of the Order.

13. Further to our comments in Annexure I, as required by section 143(3) of the Act, based on our audit, we report, to the extent applicable, that:

    a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying financial statements;

    b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

    c) the financial statements dealt with by this report are in agreement with the books of account;

    d) in our opinion, the aforesaid financial statements comply with Ind AS specified under section 133 of the Act;

    e) on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 from being appointed as a director in terms of section 164(2) of the Act;

    f) we have also audited the internal financial controls with reference to financial statements of the Company as on 31 March 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date and our report dated 20 April 2021 as per Annexure II expressed unmodified opinion; and

    g) with respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

        i. the Company does not have any pending litigations which would impact its financial position as at 31 March 2021;

        ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2021;

        iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2021; and

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iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016, which are not relevant to these financial statements. Hence, reporting under this clause is not applicable.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Ashish Kedia
Partner
Membership No.: 215834
UDIN: 21215834AAAABE6583

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Place: Bengaluru
Date: 20 April 2021

Annexure I

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The fixed assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the fixed assets is reasonable having regard to the size of the Company and the nature of its assets.

(c) The Company does not hold any immovable property (in the nature of 'fixed assets'). Accordingly, the provisions of clause 3(i) (c) of the Order are not applicable.

(ii) The Company does not have any inventory. Accordingly, the provisions of clause 3(ii) of the Order are not applicable.

(iii) The Company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable.

(iv) In our opinion, the Company has not entered into any transaction covered under Sections 185 and 186 of the Act. Accordingly, the provisions of clause 3(iv) of the Order are not applicable.

(v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) The Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.

(vii)(a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and services tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited to the appropriate authorities, though there has been delays in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

(b) There are no dues in respect of income-tax, goods and services tax, duty of customs, duty of excise and value added tax that have not been deposited with the appropriate authorities on account of any dispute.

(viii) The Company has no loans or borrowings payable to a financial institution or a bank or government and no dues payable to debenture-holders during the year. Accordingly, the provisions of clause 3(viii) of the Order are not applicable.

(ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments) and did not have any term loans outstanding during the year. Accordingly, the provisions of clause 3(ix) of the Order are not applicable.

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BENGALURU
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(xi) Managerial remuneration has been paid (and)/ provided by the Company in accordance with the requisite approvals mandated by the provisions of Section 197 of the Act read with Schedule V to the Act.

(xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.

(xiii) In our opinion all transactions with the related parties are in compliance with Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable Ind AS.

(xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.

(xv) In our opinion, the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.

(xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

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Ashish Kedia
Partner
Membership No.: 215834
UDIN: 21215834AAAABE6583

Place: Bengaluru
Date: 20 April 2021

Annexure II

Independent Auditor's Report on the internal financial controls with reference to the financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the financial statements of Aujas Cybersecurity Limited (formerly known as "Aujas Networks Limited" / "Aujas Networks Private Limited") ('the Company') as at and for the year ended 31 March 2021, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

WALKER CHANDIOK & CO LLP BENGALURU CHARTERED ACCOUNTANTS

Meaning of Internal Financial Controls with Reference to Financial Statements

6. A Company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

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Ashish Kedia
Partner
Membership No.: 215834
UDIN: 21215834AAAABE6583

Place: Bengaluru
Date: 20 April 2021

Aujas Cybersecurity Limited

(formerly known as "Aujas Networks Limited" / "Aujas Networks Private Limited")

Balance sheet as at 31 March 2021

(₹ in lakhs, except share data and per share data, unless otherwise stated)

	Note	As at 31 March 2021	As at 31 March 2020
ASSETS			
Non-current assets			
Property and equipment	5	242.82	159.69
Capital work-in-progress	5(a)	24.97	-
Right-of-use assets	6	482.34	532.16
Financial assets			
(i) Other financial assets	7	72.00	206.85
Non-current tax assets (net)		316.54	1,068.60
Total non-current assets		**1,138.67**	**1,967.30**
Current assets			
Financial assets			
(i) Current investments	8 (a)	85.00	-
(ii) Trade receivables	8 (b)	4,150.74	2,748.27
(iii) Cash and cash equivalents	8 (c)	539.79	227.34
(iv) Bank balances other than cash and cash equivalents	8 (d)	182.99	23.53
(v) Loans and advances	8 (e)	33.20	24.17
(vi) Other financial assets	8 (f)	1,204.18	767.71
Other current assets	9	274.43	236.86
Total current assets		**6,470.33**	**4,027.88**
Total assets		**7,609.00**	**5,995.18**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	10	2,692.61	2,678.04
Other equity	11	110.10	(391.78)
Total equity		**2,802.71**	**2,286.26**
Non-current liabilities			
Financial liabilities			
(i) Borrowings	12 (a)	1,200.00	-
(ii) Lease liability	6	444.44	489.70
Provisions	13	220.44	155.48
Total non-current liabilities		**1,864.88**	**645.18**

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AUJAS CYBERSECURITY LTD. · BANGALORE

Aujas Cybersecurity Limited
(formerly known as "Aujas Networks Limited" / "Aujas Networks Private Limited")
Balance sheet as at 31 March 2021
(₹ in lakhs, except share data and per share data, unless otherwise stated)

	Note	As at 31 March 2021	As at 31 March 2020
EQUITY AND LIABILITIES (continued)			
Current liabilities			
Financial liabilities			
(i) Lease liability	6	112.29	81.10
(ii) Trade payables	14 (a)		
Total outstanding dues to micro and small enterprises		21.58	-
Total outstanding dues to creditors other than micro and small enterprises		528.57	305.45
(iii) Other financial liabilities	14 (b)	1,301.25	2,061.47
Provisions	15	307.54	247.35
Other current liabilities	16	670.18	368.37
Total current liabilities		**2,941.41**	**3,063.74**
Total equity and liabilities		**7,609.00**	**5,995.19**
Summary of significant accounting policies	1 - 4		

The accompanying notes are an integral part of these financial statements.

As per our report of even date.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Ashish Kedia
Partner
Membership No : 215834
Bengaluru
20 April 2021

WALKER CHANDIOK & CO LLP • CHARTERED ACCOUNTANTS • BENGALURU

Gulshan Rai
Independent Director
DIN 01594321
Delhi
20 April 2021

For and on behalf of the Board of Directors of
Aujas Cybersecurity Limited

Dr. Muralidharan N
Director
DIN : 06567029
Mumbai
20 April 2021

Suriyanarayanan P S
Chief Financial Officer
Bengaluru
20 April 2021

Navinkumar Kotian
Whole Time Director
DIN : 08292760
Mumbai
20 April 2021

Vaibhav Vijay Kulkarni
Company Secretary
Membership no.: ACS27519
Mumbai
20 April 2021

AUJAS CYBERSECURITY LTD • BANGALORE

Aujas Cybersecurity Limited

(formerly known as "Aujas Networks Limited" / "Aujas Networks Private Limited")

Statement of Profit and Loss for the year ended 31 March 2021

(₹ in lakhs, except share data and per share data, unless otherwise stated)

	Note	Year ended 31 March 2021	Year ended 31 March 2020
Income			
Revenue from operations	17	14,547.80	10,494.56
Other income	18	113.38	161.81
Total income		**14,661.18**	**10,656.37**
Expenses			
Cost of traded products		1,098.04	335.86
Employee benefits expense	19	10,177.15	7,629.61
Finance costs	20	143.28	147.00
Depreciation and amortization	21	227.78	184.06
Other expenses	22	2,462.89	2,925.32
Total expenses		**14,109.14**	**11,221.85**
Profit / (loss) before tax		**552.04**	**(565.48)**
Tax expense			
Current tax	24	114.01	-
Foreign taxes paid	24	102.28	-
		216.29	**-**
Profits / (loss) for the year		**335.75**	**(565.48)**
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of defined benefit liability		51.24	25.74
Income tax effect		17.76	-
Total other comprehensive income for the year, net of taxes		**69.00**	**25.74**
Total comprehensive income for the year		**404.75**	**(539.74)**
Paid-up equity share capital (face value of ₹ 1/- each)		**2,692.61**	**2,678.04**
Earnings per equity share			
Basic and diluted (₹)	23	**0.15**	**(0.20)**

Summary of significant accounting policies 1 - 4

The accompanying notes are an integral part of these financial statements.

As per our report of even date.

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AUJAS CYBERSECURITY LTD · BANGALORE

Aujas Cybersecurity Limited
(formerly known as "Aujas Networks Limited" / "Aujas Networks Private Limited")
Statement of Cash Flows for the year ended 31 March 2021
(₹ in lakhs, except share data and per share data, unless otherwise stated)

		Year ended 31 March 2021	Year ended 31 March 2020
Cash flows from operating activities			
Profit / (loss) before tax		621.04	(539.74)
Adjustments for:			
Depreciation of plant and equipment and right-of-use assets		227.78	184.06
Expected credit losses		85.13	60.20
Interest income on deposits		(16.61)	(21.81)
Interest income on refund of income tax		(61.02)	(28.46)
Interest expense		143.28	147.00
Others		5.31	76.03
Operating cash flows before working capital changes		**1,004.91**	**(122.72)**
Working capital changes:			
Increase in trade receivables		(1,492.85)	(1,180.64)
(Increase) / decrease in financial assets and loans and advances		(432.53)	437.00
Increase in other assets		(37.57)	(49.36)
Increase in trade payables		243.74	34.15
Increase in financial liabilities		458.04	89.37
Increase in other liabilities		301.81	172.34
Increase in provisions		125.14	4.95
Cash used in operations		**170.69**	**(614.91)**
Income taxes paid, net		596.79	(76.15)
Net cash generated from / (used in) operating activities	**A**	**767.48**	**(691.06)**
Cash flows from investing activities			
Purchase of fixed assets		(149.46)	(115.47)
Purchase of mutual funds		(543.86)	(888.00)
Sale of mutual funds		459.06	904.34
Fixed deposits (invested) / redeemed, net		(20.98)	16.32
Net cash used in investing activities	**B**	**(255.24)**	**(82.81)**
Cash flows from financing activities			
Proceeds from issuance of equity shares		111.70	153.54
Proceedings from borrowings		-	680.00
Interest paid		(166.81)	-
Repayment of borrowings		(8.38)	(28.94)
Repayment of lease liabilities		(137.04)	(126.36)
Net cash (used in) / generated from financing activities	**C**	**(200.53)**	**678.24**

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AUJAS CYBERSECURITY LTD. · BANGALORE

Aujas Cybersecurity Limited
(formerly known as "Aujas Networks Limited" / "Aujas Networks Private Limited")
Statement of Cash Flows for the year ended 31 March 2021 (continued)
(₹ in lakhs, except share data and per share data, unless otherwise stated)

		Year ended 31 March 2021	Year ended 31 March 2020
Effect of foreign currency on cash and cash equivalents		0.74	(5.71)
Net decrease in cash and cash equivalents	A+B+C	**312.45**	**(101.34)**
Cash and cash equivalents at the beginning of the year		227.34	328.68
Cash and cash equivalents at the end of the year		**539.79**	**227.34**
Components of cash and cash equivalents			
Cash and cash equivalents (refer 8 (c))		539.79	227.34
Summary of significant accounting policies	1 - 4		

The accompanying notes are an integral part of these financial statements.

As per our report of even date.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Ashish Kedia
Partner
Membership No : 215834
Bengaluru
20 April 2021

WALKER CHANDIOK & CO LLP BENGALURU CHARTERED ACCOUNTANTS

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20 April 2021

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Chief Financial Officer
Bengaluru
20 April 2021

Vaibhav

Vaibhav Vijay Kulkarni
Company Secretary
Membership No : ACS275
Mumbai
20 April 2021

AUJAS CYBERSECURITY LTD. BANGALORE

Aujas Cybersecurity Limited

(formerly known as "Aujas Networks Limited" / "Aujas Networks Private Limited")

Statement of changes in equity for the year ended 31 March 2021

(₹ in lakhs, except share data and per share data, unless otherwise stated)

a Equity share capital

	Number of shares	Amount
Equity shares of ₹ 1 each issued, subscribed and fully paid		
Balance as at 31 March 2019	**265,132,321**	**2,651.32**
Issued during the year	2,668,705	26.69
Balance as at 31 March 2020	**267,801,026**	**2,678.01**
Issued during the year	1,456,594	14.57
Balance as at 31 March 2021	**269,257,620**	**2,692.58**
Series A equity shares of ₹ 1 each issued, subscribed and fully paid		
Balance as at 31 March 2019	**2,010**	**0.02**
Issued during the year	-	-
Balance as at 31 March 2020	**2,010**	**0.02**
Issued during the year	-	-
Balance as at 31 March 2021	**2,010**	**0.02**
Series B equity shares of ₹ 1 each issued, subscribed and fully paid		
Balance as at 31 March 2019	**1,000**	**0.01**
Issued during the year	-	-
Balance as at 31 March 2020	**1,000**	**0.01**
Issued during the year	-	-
Balance as at 31 March 2021	**1,000**	**0.01**

b Other equity

Particulars	Reserves and surplus		Other comprehensive income / (loss)	Total other equity
	Securities premium	Accumulated deficit		
Balance as at 31 March 2019	**4,793.25**	**(4,632.87)**	**(139.26)**	**21.13**
Profit during the year	-	(565.48)	-	(565.48)
Other comprehensive income, net of taxes	-	-	25.74	25.74
Premium on issue of shares	126.85	-	-	126.85
Balance as at 31 March 2020	**4,920.10**	**(5,198.35)**	**(113.53)**	**(391.78)**
Profit during the year	-	335.75	-	335.75
Other comprehensive income, net of taxes	-	-	69.00	69.00
Premium on issue of shares	97.13	-	-	97.13
Balance as at 31 March 2021	**5,017.23**	**(4,862.60)**	**(44.53)**	**110.10**

As per our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Ashish Kedia
Partner
Membership No : 215834
Bengaluru
20 April 2021

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20 April 2021

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AUJAS CYBERSECURITY LTD. * BANGALORE *

1 Company overview

Aujas Cybersecurity Limited (formerly known as "Aujas Networks Limited" / "Aujas Networks Private Limited" ("the Company") was incorporated on 8 February 2008 as a private limited company under the Companies Act, 1956 ("the Act"). The Company has been converted into a public limited company during the current year and has changed its name on 10 August 2020 from "Aujas Networks Private Limited" to "Aujas Networks Limited" and on 15 December 2020 from "Aujas Networks Limited" to "Aujas Cybersecurity Limited". The Company offers data security management services including application security, IT risk management, identity management and vulnerability management.

The Company and has accumulated losses of ₹ 4,862.60 lakhs as at 31 March 2021. However, during the current year, the Company has incurred net profits of ₹ 404.75 lakhs and generated operating cash flows amounting to ₹ 767.48 lakhs. Further, there is significant increase in revenue from operations during the current year compared to the previous year.

Therefore, despite of significant accumulated losses, the accompanying financial statements have been prepared on the going concern assumption, based on the expected growth in the business, cost cutting measures to be undertaken by the Company and the performance of the Company during the current year.

Further, the Company continues to receive financial support from the parent company and the parent company has provided a letter of support as at 31 March 2021 to enable the Company to meet its obligations as and when they fall due, should it be required. Further, the Company and its parent company have adequate liquid assets to support the operations of the Company for next one year. Accordingly, the Company will be able to realize its assets and discharge its liabilities as recorded in these financial statements in the normal course of business.

2 Basis of preparation

2.1 Statement of compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act. The Company is required to prepare its financial statements under Ind AS since the Company is a subsidiary of NSEIT Limited, which is mandatorily required to present its financial statements under Ind AS as per the notification issued by the Ministry of Corporate affairs on 16 February 2015.

Accounting policies have been consistently applied to all the years presented except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

These financial statements are the financial statements of Aujas Cybersecurity Limited ("the Company").

Details of the Company's accounting policies are included in note 3.

The financial statements are approved for issue by the Company's Board of Directors on 20 April 2021.

2.2 Functional and presentation currency

These financial statements are presented in Indian Rupees (₹), which is also the Company's functional currency.

2.3 Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current / non-current classification. An asset is treated as current when it is:

a) expected to be realized or intended to be sold or consumed in normal operating cycle;
b) held primarily for the purpose of trading;
c) expected to be realised within twelve months after the reporting period; or
d) cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when it is:

a) expected to be settled in normal operating cycle;
b) held primarily for the purpose of trading
c) due to be settled within twelve months after the reporting period or
d) there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

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2.4 Basis of measurement

The financial statements have been prepared on the historical cost basis except for certain financial assets and financial liabilities involving measurement at fair value as required as required under relevant Ind AS.

2.5 Critical estimates and judgements

In preparing the financial statements, management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. They are based on historical experience and other factors and that are believed to be reasonable under the circumstance. Revisions to accounting estimates are recognised prospectively.

Judgements, assumptions and estimates

Information about judgments, assumptions and estimates made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

Note 5 and 6: Property and equipment: useful life of assets;

Note 17: Revenue recognition : percentage of completion of contracts;

Note 24: Recognition of deferred tax asset: availability of future taxable profit against which deferred tax can be used;

Note 13, 15 and 29: Recognition and measurement of provisions: key assumptions about the likelihood and magnitude of an outflow of resources;

Note 33: Measurement of defined benefit obligation: key actuarial assumptions;

Note 26: Impairment of financial assets.

2.6 Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

2.7 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The Chief Executive Officer has been identified as the chief operating decision maker.

3 Summary of significant accounting policies

3.1 Property and equipment

a) Recognition and measurement

Items of property and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property and equipment have different useful lives, then they are accounted for as separate items (major components) of property and equipment.

Any gain or loss on disposal of an item of property and equipment is recognised in statement of profit or loss.

b) Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

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AUJAS CYBERSECURITY LTD. * BANGALORE *

3.1 Property and equipment (continued)

c) Depreciation

Depreciation is calculated on cost of items of property and equipment less their estimated residual values over their estimated useful lives using the straight-line method, and is generally recognised in the Statement of profit and loss. The Company believes that the existing useful life as given below represents the best useful estimated lives of these assets.

The estimated useful lives of items of property and equipment for the current and comparative periods are as follows:

Asset	Management estimate of useful life	Useful life as per Schedule II
Computers	3 years	3 years
Office equipment	3 years	5 years

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (up to) the date on which asset is ready for use (disposed of).

3.2 Revenue recognition

Revenue from operations

Revenue is recognised upon transfer of control of promised goods or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those goods or services. The Company recognizes revenue in the period in which it satisfies its performance obligation by transferring promised goods or services to the customer. The sources of revenue and Company 's accounting policy are as follows:

Revenue from time and material is recognized using the output method measured by resources deployed or efforts expended. Revenue related to fixed price contracts, where the Company is standing ready to provide services is recognized based on time elapsed on a straight line basis over the period of performance. In respect of other fixed-price contracts, revenue is recognized over a period of time using percentage-of-completion method of accounting with contract costs incurred determining the degree of completion of the performance obligation. Revenue from the sale of distinct third party software is recognized at the point in time when control is transferred to the customer. The solutions offered by the Company may include supply of third-party software. In such cases, revenue for supply of such third party software are recorded at gross or net basis depending on whether the Company is acting as the principal or as an agent. The Company recognizes revenue at the gross amount of consideration when it is acting as a principal and at net amount of consideration when it is acting as an agent.

Contract assets are recognized when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash as per contractual terms.

Unearned and deferred revenue ("contract liability") is recognized when there is billing in excess of revenues.

Interest income

Interest on deployment of surplus funds is recognised using the time proportionate methods based on underlying interest rates.

Dividend income

Dividend income is recognised in the statement of profit and loss on the date that the Company's right to receive payment is established, it is probable that the economic benefits associated with the dividend will go to the Company, and the amount of dividend can be measured reliably.

3.3 Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the lease term.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section 3.5 (b) impairment of non-financial assets.

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AUJAS CYBERSECURITY LTD. • BANGALORE

3.3 Leases (continued)

(ii) Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

The Company's lease liabilities are included in interest-bearing loans and borrowings.

(iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date). Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

3.4 Financial instruments

a) Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

b) Classification and subsequent measurement

Financial assets: Subsequent measurement and gains and losses

On initial recognition, a financial asset is classified and measured at

a) amortised cost;

b) Fair value through other comprehensive income (FVOCI) – debt or equity investment;

c) Fair value through profit and loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

a) the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and

b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

a) the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment- by- investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

WALKER CHANDIOK & CO LLP BENGALURU CHARTERED ACCOUNTANTS

AUJAS CYBERSECURITY LTD. BANGALORE

3.4 Financial instruments (continued)

Financial assets: Subsequent measurement and gains and losses (continued)

Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified and measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

c) Derecognition

Financial assets

Financial liabilities are classified and measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

d) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

3.5 Impairment

a) Impairment of financial instruments

The Company recognises loss allowances for expected credit losses on financial assets measured at amortised cost.

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

The Company measures loss allowances at an amount equal to lifetime expected credit losses, except for the following, which are measured as 12 month expected credit losses:

a) debt securities that are determined to have low credit risk at the reporting date; and

b) other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

'In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

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3.5 Impairment (continued)

a) Impairment of financial instruments (continued)

Measurement of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written-off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

b) Impairment of non-financial assets

The Company's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of a cash-generating unit (CGU) (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss.

In respect of assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

3.6 Employee benefits

a) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

b) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which contribution are made to appropriate authorities at a predetermined rates and charged to the statement of profit and loss in the year in which they are incurred.

c) Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. Gratuity is accrued based on actuarial valuations at the balance sheet date, carried out by as independent actuary. Actuarial gains and losses are charged to the statement of profit and loss.

d) Compensated absence

The employees can carry-forward a portion of the unutilised accrued compensated absences and utilise it in future service periods. The Company records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of an independent actuarial valuation using the projected unit credit method as at the reporting date. To the extent the employee has unconditional right to avail the leave, the same has been classified as "current" even though the same is measured as "other long-term employee benefit" as per Ind AS 19.

3.7 Foreign currency transaction

Transactions in foreign currencies are translated into the functional currency of the Company at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognised in profit or loss.

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3.8 Income tax

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

a) Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

b) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:

a) temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;

b) temporary differences related to investments in subsidiaries to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future and taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

3.9 Provisions (other than for employee benefits)

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

3.10 Contingent liabilities

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote. Contingent assets are disclosed in the financial statements if an inflow of economic benefits is probable.

3.11 Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current financial liabilities in the balance sheet.

3.12 Cash flow statement

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated.

3.13 Earnings per share

In determining the earning per share, the net profit after tax is divided by the weighted average number of shares outstanding during the year. The number of shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued on the conversion of all potential dilutive equity shares. Potential dilutive equity shares are deemed converted as of the beginning of the period unless issued at a later date. In computing dilutive earning per share, only potential equity shares that are dilutive i.e. which reduces earnings per share or increases loss per share are included.

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3.14 Errors and estimates

The Company revises its accounting policies if the change is required due to a change in Ind AS or if the change will provide more relevant and reliable information to the users of financial statements. Changes in accounting policies are applied retrospectively. A change in an accounting estimate that results in change in the carrying amount of recognised assets or liabilities or to the Statement profit or loss is applied prospectively in the period of change.

Discovery of errors results in revisions retrospectively by restating the comparative amounts of assets, liability and equity of the earliest prior period in which the error is discovered. The opening balance of the earliest presented period are also restated.

4 New and amended standards

There are new or amended standards or pronouncements required to be applied by the Company during the current year.

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5 Property and equipment
Reconciliation of the carrying amount

	Computers including software	Furniture	Office equipment	Total
Gross carrying value				
Balance as at 31 March 2019	**234.61**	**0.39**	**12.95**	**247.95**
Additions	97.88	-	6.08	103.96
Disposals	-	-	0.11	0.11
Balance as at 31 March 2020	**332.49**	**0.39**	**18.92**	**351.80**
Additions	187.24	-	3.89	191.13
Disposals	141.45	-	-	141.45
Balance as at 31 March 2021	**378.28**	**0.39**	**22.81**	**401.48**
Accumulated depreciation				
Balance as at 31 March 2019	**107.53**	**0.09**	**8.23**	**115.85**
For the period	76.37	-	-	76.37
Disposals	-	-	0.11	0.11
Balance as at 31 March 2020	**183.90**	**0.09**	**8.12**	**192.11**
For the period	98.86	-	8.78	107.64
Disposals	141.09	-	-	141.09
Balance as at 31 March 2021	**141.67**	**0.09**	**16.90**	**158.66**
Net carrying value				
As at 31 March 2020	**148.59**	**0.30**	**10.80**	**159.69**
As at 31 March 2021	**236.61**	**0.30**	**5.91**	**242.82**

	As at 31 March 2021	As at 31 March 2020
5(a) Capital work-in-progress		
Leasehold improvements		
Balance at the beginning of the year	-	-
Add: Addition during the year	24.97	-
Less: Capitalised during the year	-	-
Balance at the end of the year	**24.97**	**-**

6 Right-of-use assets
Reconciliation of the carrying amount

	Building	Total
Gross carrying value		
Balance as at 31 March 2019	-	-
Additions	639.85	639.85
Balance as at 31 March 2020	**639.85**	**639.85**
Additions	137.34	137.34
Deletions	(92.96)	(92.96)
Balance as at 31 March 2021	**684.23**	**684.23**
Accumulated depreciation		
Balance as at 31 March 2019	-	-
For the period	107.69	107.69
Balance as at 31 March 2020	**107.69**	**107.69**
For the period	120.14	120.14
Deletions	(25.94)	(25.94)
Balance as at 31 March 2021	**201.89**	**201.89**
Net carrying value		
As at 31 March 2020	**532.16**	**532.16**
As at 31 March 2021	**482.34**	**482.34**

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6 **Right-of-use assets (continued)**

Leases

The Company has lease contracts for buildings from which its activities are conducted.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

Set out below are the carrying amounts of lease liabilities (included under interest-bearing loans and borrowings) and the movements during the period:

Particulars	Amount
As at 1 April 2019	-
Additions	639.85
Accretion of interest	57.31
Payments	126.36
As at 31 March 2020	**570.80**
Accretion of interest	52.64
Additions	137.34
Deletions	67.01
Payments	137.04
As at 31 March 2021	**556.73**
Current	112.29
Non-current	444.44

The effective interest rate for lease liabilities is between 7.5% and 9.4%, with maturity between 2021-2026.

The following are the amounts recognised in profit or loss:

	Year ended 31 March 2021	Year ended 31 March 2020
Depreciation of right-of-use assets	120.14	107.69
Interest expense on lease liabilities	52.64	57.31
Expense relating to short-term leases (included in other expenses)	150.24	99.85
Total amount recognized in profit or loss	**323.02**	**264.85**

The Company had total cash outflows for leases of ₹ 241.60 lakhs for the year ended 31 March 2021 (31 March 2020 : ₹ 291.64 lakhs).

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		As at 31 March 2021	As at 31 March 2020
7	**Other non-current financial assets**		
7 (a)	**Other non-current financial assets**		
	Unsecured, considered good		
	Security deposit	65.00	66.19
	Bank deposits (due to mature after twelve months from the reporting date) *	7.00	140.66
		72.00	**206.85**

* Includes amounts deposited with banks towards bank guarantees amounting to ₹ Nil (31 March 2020 : ₹ 133.66 lakhs)

		As at 31 March 2021	As at 31 March 2020
8	**Current financial assets**		
8 (a)	**Current investments**		
	Investments at fair value through profit or loss		
	Investment in mutual funds - quoted (refer note below)	85.00	-
		85.00	**-**

Investments in quoted mutual funds	**As at 31 March 2021**		**As at 31 March 2020**	
	No of units	**Amount**	**No of units**	**No of units**
Invesco India Money Market fund - Direct Plan Growth	3,523.07	85.00	-	-
	3,523.07	**85.00**	**-**	**-**

		As at 31 March 2021	As at 31 March 2020
8 (b)	**Trade receivables**		
	Unsecured		
	Considered good	4,150.74	2,748.27
	Considered doubtful	180.96	95.84
		4,331.70	**2,844.11**
	Less: Allowance for expected credit loss (refer note 26(a))	180.96	95.84
	Net trade receivables	**4,150.74**	**2,748.27**
	Debts outstanding for a period exceeding six months from the date they became due	176.25	92.61
	Other debts	4,155.45	2,751.50
	Total trade receivables	**4,331.70**	**2,844.11**

		As at 31 March 2021	As at 31 March 2020
8 (c)	**Cash and cash equivalents**		
	Cash on hand	0.19	0.20
	Balance with banks		
	In current accounts	539.53	227.12
	In exchange earners' foreign currency accounts	0.07	0.02
		539.79	**227.34**

		As at 31 March 2021	As at 31 March 2020
8 (d)	**Bank balances other than cash and cash equivalents**		
	Balances with banks		
	In fixed deposit accounts with banks (due to mature within twelve months from the reporting date) *	182.99	23.53
		182.99	**23.53**

* Includes deposits with banks held as guarantee amounting to ₹ 137.02 lakhs (31 March 2020 : ₹ 3.36 lakhs)

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(₹ in lakhs, except share data and per share data, unless otherwise stated)

	As at 31 March 2021	As at 31 March 2020
8 (e) Current loans and advances		
Unsecured, considered good		
Loans to employees	33.20	24.17
	33.20	**24.17**

	As at 31 March 2021	As at 31 March 2020
8 (f) Other current financial assets		
Unsecured, considered good		
Unbilled revenue (refer note 31)	1,165.28	730.56
Security deposit	21.06	31.10
Interest accrued on bank deposits	17.84	6.05
	1,204.18	**767.71**

	As at 31 March 2021	As at 31 March 2020
9 Other current assets		
Prepaid expenses	267.96	210.09
Advances to suppliers	6.47	6.96
GST input	-	19.81
	274.43	**236.86**

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(₹ in lakhs, except share data and per share data, unless otherwise stated)

	As at 31 March 2021	As at 31 March 2020
10 Share capital		
Authorized share capital		
Equity shares of ₹ 1 each		
271,084,000 (31 March 2020 : 268,999,800) equity shares of ₹ 1 each	2,710.84	2,690.00
15,000 Series A equity shares of ₹ 1 each	0.15	0.15
1,000 Series B equity shares of ₹ 1 each	0.01	0.01
Compulsorily convertible preference shares of ₹ 1 each		
205,882 compulsorily convertible Series A preference shares of ₹ 1 each	-	2.06
57,812 compulsorily convertible Series A1 preference shares of ₹ 1 each	-	0.58
57,962 compulsorily convertible Series A2 preference shares of ₹ 1 each	-	0.58
90,581 compulsorily convertible Series A3 preference shares of ₹ 1 each	-	0.91
32,094 compulsorily convertible Series A4 preference shares of ₹ 1 each	-	0.32
14,875 compulsorily convertible Series A5 preference shares of ₹ 1 each	-	0.15
17,250 compulsorily convertible Series A6 preference shares of ₹ 1 each	-	0.17
10,125 compulsorily convertible Series A7 preference shares of ₹ 1 each	-	0.10
385,119 compulsorily convertible Series B preference shares of ₹ 1 each	-	3.84
75,000 compulsorily convertible Series B1 preference shares of ₹ 1 each	-	0.75
37,500 compulsorily convertible Series B2 preference shares of ₹ 1 each	-	0.38
	2,711.00	**2,700.00**
Issued, subscribed and fully paid-up		
Equity shares of ₹ 1 each		
269,257,620 (31 March 2020 : 267,801,026) equity shares of ₹ 1 each fully paid-up	2,692.58	2,678.01
2,010 (31 March 2019 : 2,010) Series A equity shares of ₹ 1 each fully paid-up	0.02	0.02
1,000 (31 March 2019 : 1,000) Series B equity shares of ₹ 1 each fully paid-up	0.01	0.01
	2,692.61	**2,678.04**

a) **Reconciliation of the shares outstanding as at beginning and end of the year:**

	As at 31 March 2021		As at 31 March 2020	
	Number	Amount	Number	Amount
Equity shares of ₹ 1 each				
Balance at the beginning of the year	267,801,026	2,678.01	265,132,321	2,651.32
Add: Issued during the year	1,456,594	14.57	2,668,705	26.69
Balance at the end of the year	**269,257,620**	**2,692.58**	**267,801,026**	**2,678.01**
Series A equity shares of ₹ 1 each				
Balance at the beginning and end of the year	2,010	0.02	2,010	0.02
Series B equity shares of ₹ 1 each				
Balance at the beginning and end of the year	1,000	0.01	1,000	0.01

b) **Rights, preferences and restrictions attached to equity shares:**

The Company has three classes of equity shares namely equity shares, Series A equity shares and Series B equity shares. All equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time subject to payment of dividend to preference shareholders. Series A equity shares carry a voting right of 57,732 votes per shares and Series B equity shares carry a voting right of 77,121 votes per share. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid. Failure to pay any amount called up on shares may lead to forfeiture of the shares.

On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

(₹ in lakhs, except share data and per share data, unless otherwise stated)

c) **Shares held by the parent company:**

	As at 31 March 2021		As at 31 March 2020	
	Number	Amount	Number	Amount
Equity shares of ₹ 1 each				
NSEIT Limited	267,334,100	2,673.34	259,341,400	2,593.41
Series A equity shares of ₹ 1 each				
NSEIT Limited	2,010	0.02	2,010	0.02
Series B equity shares of ₹ 1 each				
NSEIT Limited	1,000	0.01	1,000	0.01

d) **Details of shareholders holding more than 5% shares in the Company:**

	As at 31 March 2021		As at 31 March 2020	
Name of the shareholder	Number of shares	Percentage of shareholding	Number of shares	Percentage of shareholding
Equity shares of ₹ 1 each				
NSEIT Limited	267,334,100	99%	259,341,400	97%
Series A equity shares of ₹ 1 each				
NSEIT Limited	2,010	100%	2,010	100%
Series B equity shares of ₹ 1 each				
NSEIT Limited	1,000	100%	1,000	100%

e) There are no shares allotted as fully paid-up by way of bonus shares and no shares allotted as fully paid-up pursuant to contracts without payment being received in cash during five years immediately preceding the balance sheet date.

		As at 31 March 2021	As at 31 March 2020
11	**Other equity**		
	Securities premium		
	Balance at the beginning of the year	4,920.10	4,793.25
	Add: Addition during the year	97.13	126.85
	Balance at the end of the year	**5,017.23**	**4,920.10**
	Accumulated deficit		
	Balance at the beginning of the year	(5,198.35)	(4,632.87)
	Add: Net profit / (loss) for the year	335.75	(565.48)
	Balance at the end of the year	**(4,862.60)**	**(5,198.35)**
	Other items of other comprehensive loss		
	(i) Remeasurements of defined benefit plan actuarial gains/ (losses)		
	Balance at the beginning of the year	(113.53)	(139.26)
	Add: Addition during the year	69.00	25.74
	Balance at the end of the year	**(44.53)**	**(113.53)**
		110.10	**(391.78)**

Nature of reserves:

Securities premium:

Securities premium is used to record the premium received on issue of shares by the Company. The reserve can be utilized in accordance with the provisions of section 52(2) of the Companies Act, 2013.

Actuarial gain / (loss):

Remeasurements of defined benefit liability (asset) comprises of actuarial gains and losses.

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	As at 31 March 2021	As at 31 March 2020
12 Non-current financial liabilities		
12 (a) Non-current borrowings		
Secured		
Term loan from bank (*)	-	8.38
Unsecured		
Loan from NSEIT Limited (**) (refer note 31)	1,200.00	1,200.00
	1,200.00	1,208.38
Less: Current maturities of long-term borrowings (refer note 14(b))	-	1,208.38
	1,200.00	-

(*) **Term loan from Kotak Mahindra Bank Limited:** ₹ 30.00 lakhs was taken during the previous years. It was repayable in 24 monthly instalments; interest was 16% p.a., secured by lien on fixed deposit.
(**) **Loan from NSEIT Limited:** The Company has entered into loan agreement with its parent company for ₹ 1,200.00 lakhs. The loan is repayable on 31 March 2023 and carries an interest rate of 12 month MCLR as published by SBI at the end of each month +0.5%.

	As at 31 March 2021	As at 31 March 2020
13 Non-current provisions		
Provision for employee benefits (refer note 32)		
Gratuity	220.44	155.47
	220.44	155.47

	As at 31 March 2021	As at 31 March 2020
14 Current financial liabilities		
14 (a) Trade payables (*)		
Total outstanding dues of micro enterprises and small enterprises	21.58	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	528.57	305.45
	550.15	305.45

(*) refer note 31

Due to micro, small and medium enterprises

The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED'). The disclosures pursuant to MSMED are as follows:

The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year:

	As at 31 March 2021	As at 31 March 2020
The principal amount remaining unpaid to any supplier at the end of the accounting year	21.58	-
The interest due thereon remaining unpaid to any supplier at the end of each accounting year	0.42	-
The amount of interest paid by the buyer in terms of Section 16 or the MSMSED along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under Section 23 of the MSMED	-	-

Note: The above information has been determined based on vendors identified by the Company on the basis of confirmations received from them.

(₹ in lakhs, except share data and per share data, unless otherwise stated)

	As at 31 March 2021	As at 31 March 2020
14 (b) Other current financial liabilities		
Current maturities of long-term borrowings (refer note 12(a))		
Secured		
Term loan from bank	-	8.38
Unsecured		
Loan from NSEIT Limited	-	1,200.00
Capital creditors	84.42	18.14
Interest accrued on loan (refer note 31)	-	76.17
Accrued salaries and benefits	788.04	526.22
Accrued expenses (refer note 31)	428.79	232.56
	1,301.25	2,061.47

	As at 31 March 2021	As at 31 March 2020
15 Current provisions		
Provision for employee benefits (refer note 32)		
Gratuity	65.78	52.11
Compensated absences	241.76	195.24
	307.54	247.35

	As at 31 March 2021	As at 31 March 2020
16 Other current liabilities		
Unearned revenue	412.49	132.21
Statutory dues payable	254.39	149.62
Advance from customers (refer note 31)	3.30	86.54
	670.18	368.37

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(₹ in lakhs, except share data and per share data, unless otherwise stated)

	Year ended 31 March 2021	Year ended 31 March 2020
17 Revenue from operations		
Sale of security management services (*)	13,140.15	9,999.70
Sale of traded products	1,407.65	494.86
	14,547.80	**10,494.56**

(*) Refer note 31

Disaggregation of revenues

The table below presents disaggregated revenues from contracts with customers by contract-type. The Company believes that the below disaggregation best depicts the nature, amount, timing and uncertainty of revenue and cash flows from economic factors.

	Year ended 31 March 2021	Year ended 31 March 2020
Revenues		
Fixed price	3,271.06	1,931.30
Time and material	9,691.09	8,068.40
Products	1,585.65	494.86

	Year ended 31 March 2021	Year ended 31 March 2020
18 Other income		
Interest income	16.61	15.39
Interest income on refund of income tax	61.02	28.46
Gain on foreign exchange	-	111.54
Miscellaneous	35.75	6.42
	113.38	**161.81**

	Year ended 31 March 2021	Year ended 31 March 2020
19 Employee benefits expense		
Salaries, wages and bonus	9,337.30	7,042.91
Contribution to provident and other funds	388.89	298.53
Gratuity (refer note 32)	175.35	60.28
Staff welfare and insurance	275.61	227.89
	10,177.15	**7,629.61**

	Year ended 31 March 2021	Year ended 31 March 2020
20 Finance costs		
Interest on borrowings (*)	90.64	89.69
Interest on lease liability	52.64	57.31
	143.28	**147.00**

(*) Refer note 31

	Year ended 31 March 2021	Year ended 31 March 2020
21 Depreciation and amortization		
Depreciation on plant and equipment (refer note 5)	107.64	76.37
Depreciation on right-of-use assets (refer note 6)	120.14	107.69
	227.78	**184.06**

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Aujas Cybersecurity Limited
(formerly known as "Aujas Networks Limited" / "Aujas Networks Private Limited")
Summary of significant accounting policies and other explanatory information (continued)
(All amounts in ₹ in lakhs, unless otherwise stated)

		Year ended 31 March 2021	Year ended 31 March 2020
22	**Other expenses (*)**		
	Project expenses	393.91	523.80
	Software and subscription	463.09	407.74
	Rent (refer note 6)	150.24	99.85
	Legal and professional	321.52	275.59
	Travelling and conveyance	408.46	915.33
	Rates and taxes	41.38	98.99
	Advertising and sales promotion	108.64	174.60
	Communication	73.52	72.46
	Office expenses	119.54	77.59
	Recruitment and training	97.73	109.33
	Provision for doubtful debts	85.13	60.20
	Net loss on foreign currency transactions	108.85	-
	Miscellaneous	90.88	109.84
		2,462.89	2,925.32

(*) As per Section 135 of the Companies Act, 2013, the Company is not required to constitute a Corporate Social Responsibility (CSR) committee. Accordingly, the Company has not spent any amount towards CSR activities.

	Year ended 31 March 2021	Year ended 31 March 2020
Auditor's remuneration (excluding applicable taxes) *		
Statutory audit	31.50	33.00
Tax audit	2.00	2.00
Reimbursement of out of pocket expenses	0.96	0.97
	34.46	35.97

(included in "legal and professional" above)*

		Year ended 31 March 2021	Year ended 31 March 2020
23	**Earnings per share**		
	Net profit / (loss) after tax attributable to existing equity shareholders	404.75	(539.74)
	Weighted average number of equity shares	268,777,759	267,529,517
	Basic and diluted earnings per share	0.15	(0.20)
	Nominal value per equity share (₹)	1	1

		Year ended 31 March 2021	Year ended 31 March 2020
24	**Income tax and deferred tax**		
24(a)	**Income tax expense in the statement of profit and loss consists of:**		
	(i) Amounts recognised in profit and loss		
	Current income taxes	96.25	-
	Deferred taxes	-	-
	Foreign taxes paid	102.28	-
	(ii) Amounts recognised in other comprehensive income		
	Current income taxes	-	-
	Deferred taxes	17.76	-
	Foreign taxes paid	-	-
	Total	**216.29**	**-**

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AUJAS CYBERSECURITY LTD BANGALORE

		Year ended 31 March 2021	Year ended 31 March 2020
24(a)	**Income tax and deferred tax (continued)**		
	The income tax expense for the year can be reconciled to the accounting profit as follows:		
	Profit before tax	552.04	(565.48)
	Enacted income tax rate in India	25.17%	27.82%
	Computed expected tax expense	**138.94**	**(157.32)**
	Tax effect of:		
	Amounts that are not deductible in determining taxable profit:		
	Permanent differences	9.62	34.44
	Brought forward losses set-off during the year	(107.69)	-
	Remeasurement of defined benefit plans	12.90	7.16
	Tax effect on temporary differences not recognized as deferred taxes	60.24	115.72
	Total	**114.01**	-
	Income tax expense reported in the statement of profit or loss	**114.01**	-

24(b) Brought forward losses

The Company had brought forward losses of ₹ 427.83 lakhs (31 March 2020 : ₹ 306.25 lakhs) which the Company has set-off against the taxable income of the current year.

24(c) Recognised deferred taxes

Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences and carry forward losses can be utilized. Due to lack of convincing evidence, the Company has not recorded deferred tax assets on deductible temporary differences.

24(d) The Company has non-current tax assets of ₹ 316.54 lakhs and ₹ 1,068.60 lakhs as at 31 March 2021 and 31 March 2020 respectively. These assets relate to tax deducted at source which are recoverable from the Government.

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(₹ in lakhs, except share data and per share data, unless otherwise stated)

25 Fair value measurements

(i) Financial instruments by category

	Carrying value		Fair value	
	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020
Financial assets				
Amortized cost				
(i) Trade receivables (refer note 8(b))	4,150.74	2,748.27	4,150.74	2,748.27
(ii) Cash and cash equivalents (refer note 8(c))	539.79	227.34	539.79	227.34
(iii) Bank balances other than cash and cash equivalents (refer note 8(d))	182.99	23.53	182.99	23.53
(iv) Loans and advances (refer note 8(e))	4.48	8.98	4.48	8.98
(iv) Others financial assets (refer note 7 and 8(f))	1,276.18	974.56	1,276.18	974.56
	6,154.18	3,982.68	6,154.18	3,982.68
Fair value through profit & loss (FVTPL)				
Mandatorily measured at FVTPL				
(i) Investments in mutual funds (refer note 8(a))	85.00	-	85.00	-
	85.00	-	85.00	-
	6,239.18	3,982.68	6,239.18	3,982.68
Financial liabilities				
Amortized cost				
(i) Borrowings (refer note 12)	1,200.00	-	1,200.00	-
(ii) Lease liability (refer note 6)	556.73	570.80	556.73	570.80
(iii) Trade payables (refer note 14(a))	550.15	305.45	550.15	305.45
(iv) Other financial liabilities (refer note 14(b))	1,301.25	2,061.47	1,301.25	2,061.47
	3,608.13	2,937.72	3,608.13	2,937.72

*The carrying amount of trade receivables, cash and cash equivalents, bank deposits, unbilled revenue, trade payables and other financial liabilities considered to be same as fair values, due to their short term nature.
The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

(ii) Fair value hierarchy

This section explains the judgments and estimates made in determining the fair value of the financial instruments that are recognized and measured at fair value. To provide an indication about the reliability of the inputs used in determining the fair value, the company has classified its financial instruments into the three levels prescribed by the accounting standard. An explanation of each level follows underneath the table.

Financial assets and liabilities measured at fair value - recurring fair value measurements

	Level 1	Level 2	Level 3	Total
As at 31 March 2021				
Financial Assets				
Investments at FVTPL				
Investments in mutual funds	85.00	-	-	85.00
	85.00	-	-	85.00

Financial assets and liabilities measured at fair value - recurring fair value measurements

	Level 1	Level 2	Level 3	Total
As at 31 March 2020				
Financial Assets				
Investments at FVTPL				
Investments in mutual funds	-	-	-	-
	-	-	-	-

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AUJAS CYBERSECURITY LTD. BANGALORE

(ii) Fair value hierarchy (continued)

Level 1 - Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price.

Level 2 - The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3 - If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities included in level 3.

(iii) Valuation technique used to determine fair value

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values.

The fair value of obligations under finance leases is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.

26 Financial instruments - risk management

The Company's activities expose it to the following risks:

(a) credit risk

(b) liquidity risk and

(c) market risk.

Risk management framework

The Company's Board of Directors has the overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive

26(a) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and loans provided to the related parties.

The carrying amount of financial assets represents the maximum credit exposure.

Trade receivables and loans:

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The Company has established a credit policy under which each new customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. The Company's review includes external ratings, if they are available, financial statements, credit agency information, industry information and in some cases bank references. Further, to manage this risk, the Company periodically reviews the financial reliability of its customers, taking into account the financial condition, current economic trends and analysis of historical bad debts and ageing of accounts receivables. To measure the expected credit losses, trade receivables have been grouped based on the days past due.

Reconciliation of loss allowance provision - trade receivables and unbilled revenue

	Amount (₹ in lakhs)
Loss allowance as at 31 March 2019	162.77
Changes in allowance	
Additional allowance made during the year	60.20
Allowance written off during the year	(127.03)
Loss allowance as at 31 March 2020	95.84
Changes in allowance	
Additional allowance made during the year	85.13
Allowance written off during the year	-
Loss allowance as at 31 March 2021	180.96

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(₹ in lakhs, except share data and per share data, unless otherwise stated)

26(a) Credit risk (continued)

Cash and cash equivalents:

Credit risk on cash and cash equivalents is limited as the Company generally invests in deposits with banks and with high credit ratings assigned by international and domestic credit rating agencies.

26(b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company's objective is to maintain a balance in between cash outflow and inflow. Usually the excess of funds is invested in short term mutual funds and fixed deposits. This is generally carried out in accordance with practice and limits set by the Company. These limits vary to take into account the liquidity of the market in which the Company operates.

Maturities of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted contractual cash flow, and include contractual interest payments.

	Carrying value	Less than 1 year	1 - 2 years	More than 2 years
As at 31 March 2021				
Non-derivative financial liabilities				
(i) Trade payables (refer note 14(a))	550.15	550.15	-	-
(ii) Lease liability (refer note 6)	556.73	112.44	124.09	320.21
(iii) Other financial liabilities (refer note 14(b))	1,301.25	1,301.25	-	-
(iv) Borrowings (refer note 12(a))	1,200.00	-	1,200.00	-
As at 31 March 2020				
Non-derivative financial liabilities				
(i) Trade payables (refer note 14(a))	305.45	305.45	-	-
(ii) Lease liability (refer note 6)	570.80	81.10	88.33	401.37
(iii) Other financial liabilities (refer note 14(b))	2,061.47	2,061.47	-	-

26(c) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates and equity prices, which will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

i) Currency risk

The Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales and loans are denominated and the functional currency of the Company. The functional currency of the Company is primarily INR. The currencies in which these transactions are primarily denominated are USD, AED, SAR, etc.

Management monitors the movement in foreign currency and the Company's exposure in each of the foreign currency. Based on the analyses and study of movement in foreign currency, the Company decides to exchange its foreign currency.

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31(b) Summary of transactions with related parties, during the year, is as follows:

	Parties referred to in (a) above		Parties referred to in (b) above	
	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2021	Year ended 31 March 2020
4. Remuneration to key managerial personnel				
Pattamadai Sundaram Suriyanarayanan	-	-	45.79	49.31
Sameer Shelke	-	-	259.14	150.05
Navinkumar S Kotian	-	-	59.09	47.65
Srinivas Rao M	-	-	37.74	84.73
Gulshan Rai	-	-	11.75	4.50
Chandrasekaran Ramakrishnan	-	-	11.75	2.50
Saket Verma	-	-	127.51	10.44

31(c) Balances payable to / receivable from related parties:

	As at 31 March 2021	As at 31 March 2020
1. Loan repayable		
NSEIT Limited	1,200.00	1,200.00
2. Accrued interest payable		
NSEIT Limited	-	76.17
3. Advance received for provision of services		
NSEIT Limited	-	57.70
4. Unbilled receivables		
NSEIT Limited	12.18	23.24
NSE Clearing Limited	4.31	-
National Stock Exchange of India Limited	80.24	-
5. Trade receivables		
NSEIT Limited	63.12	-
NSE Data & Analytics Limited	9.43	-
National Stock Exchange of India Limited	348.94	-
6. Trade payables		
NSEIT Limited	30.54	-
NSEIT (US) Inc.	18.31	-
7. Accrued expenses		
NSEIT Limited	1	-

Notes:

Managerial remuneration does not include gratuity and compensated absences since these have been provided based on the actuarial valuation carried out for the Company as a whole.

32 Gratuity and other employee benefits

32(a) Defined contribution plan

The amount recognized as an expense towards contribution to provident fund, social security and medicare amounted to ₹ 389.89 lakhs and ₹ 298.53 lakhs for the year ended 31 March 2021 and 31 March 2020 respectively.

32(b) Defined benefit plan

The Company has a defined benefit plan (viz., Gratuity plan) covering eligible employees in accordance with the Payment of Gratuity Act, 1972 for Indian employees and UAE Labour Laws for Middle East employees. The Company's liability is actuarially determined (using the projected unit credit method) at the end of each year. Actuarial gains / losses are recognised under other comprehensive income.

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(₹ in lakhs, except share data and per share data, unless otherwise stated)

32(b) Defined benefit plan (continued)

A Reconciliation of the net defined benefit liability:	Year ended 31 March 2021	Year ended 31 March 2020
Balance at the beginning of the year	207.58	202.66
Current service cost	165.29	49.77
Interest cost	10.06	10.51
Actuarial (gains) losses recognised		
Actuarial (gain) / loss - experience adjustment	(53.13)	(29.28)
Actuarial (gain) / loss – demographic assumptions	-	(0.02)
Actuarial (gain) / loss – financial assumptions	(15.87)	3.56
Benefits paid	(27.71)	(29.63)
Balance at the end of the year	**286.22**	**207.58**
Current	65.78	52.11
Non current	220.44	155.47

B Expense recognised in statement of comprehensive income:	Year ended 31 March 2021	Year ended 31 March 2020
Current service cost	165.29	49.77
Interest cost	10.06	10.51
Re-measurement - actuarial gain recognised in OCI	(69.00)	(25.74)
Net gratuity cost	**106.35**	**34.55**

C Actuarial assumptions		
Interest rate		
India	5.50%	6.15%
Middle East	3.00%	4.00%
Salary increase		
India	6.00%	5.00%
Middle East	3.00%	3.00%
Discount rate	26.00%	26.00%
Retirement age	60 years	60 years
Mortality rate	IALM (2012-14) ultimate	IALM (2012-14) ultimate

The estimates of future salary increases considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market.

D Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

	As at 31 March 2021		As at 31 March 2020	
	Increase	Decrease	Increase	Decrease
Discount rate (100 bps movement)	270.29	290.47	201.22	214.38
Future salary growth (1% movement)	289.99	261.28	213.63	202.96

E Expected future cash outflow:	As at 31 March 2021	As at 31 March 2020
Within 1 year	65.78	52.11
1 - 2 years	57.33	42.41
2 - 3 years	50.09	35.62
3 - 4 years	47.22	34.39
4 - 5 years	42.58	24.65
5 - 10 years	121.61	60.04

The Company expects to contribute ₹ Nil to its defined benefit plans during the next fiscal year, as the gratuity liability is unfunded.

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Aujas Cybersecurity Limited

(formerly known as "Aujas Networks Limited" / "Aujas Networks Private Limited")

Summary of significant accounting policies and other explanatory information (continued)

(₹ in lakhs, except share data and per share data, unless otherwise stated)

33 Segment reporting

Based on the "management approach" as defined in Ind AS 108 - Operating Segments, Chief Executive Office of the Company has been identified as the Chief Operating Decision Maker (CODM). The Company is primarily engaged in data security management services including application security, IT risk management, identity management and vulnerability management. The risks and returns of the Company are predominantly determined by its service line and the Company's current activities fall within a single segment. Accordingly, no further disclosures other than those already included in the financial statements are required under Ind AS 108 - Operating Segments.

Geographical information

The geographic information analyses the Company's revenue by the Company's country of domicile and other countries. In presenting the geographic information segment revenue has been based on the geographic location of customers.

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
India	6,997.07	4,469.89
United States	3,799.16	3,636.73
Middle East Asia	3,751.57	2,387.94

Assets and liabilities used in the Company' business are not identified to any of the reportable segments, as these are used interchangeably between the segments. The management believes that it is currently not practicable to provide segment disclosures relating to total assets and liabilities since meaningful segregation of the available data is onerous.

33(b) Information about major customers

Revenue from customers individually contributing more than 10% of the total revenue amounted to Nil and ₹ 2,144.55 lakhs for the year ended 31 March 2021 and 31 March 2020 respectively.

34 Prior period comparatives

Previous year's comparatives have been regrouped / reclassified wherever necessary to conform to the current year's presentation.

As per our report of even date.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Ashish Kedia
Partner
Membership No : 215834
Bengaluru
20 April 2021

Gulshan Rai
Independent Director
DIN 01594321
20 April 2021

For and on behalf of the Board of Directors of Aujas Cybersecurity Limited

Dr. Muralidharan N
Director
DIN : 06567029
Mumbai
20 April 2021

Suriyanarayanan P S
Chief Financial Officer
Bengaluru
20 April 2021

Navinkumar Kotian
Whole Time Director
DIN : 08292760
Mumbai
20 April 2021

Vaibhav Vijay Kulkarni
Company Secretary
Membership No : ACS27519
Mumbai
20 April 2021

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KHANDELWAL JAIN & CO.
CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITORS' REPORT

To the Members of NSE IFSC Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **NSE IFSC Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, the loss and total comprehensive loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

KHANDELWAL JAIN & COMPANY * MUMBAI * CHARTERED ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Members of NSE IFSC Clearing Corporation Limited

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of NSE IFSC Clearing Corporation Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the Ind AS financial statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act, of the state of affairs of the Company as at March 31, 2021, its loss (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Ind AS Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Ind AS financial statements under the provisions of the Act and Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Ind AS financial statements.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report and annexures thereto, but does not include the Ind AS financial statements, and our auditor's report thereon.

Our opinion on the Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including Ind AS prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Ind AS financial statements. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

(1) As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in "Annexure 1", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

(2) As required by section 143(3) of the Act, we report that:

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

c. The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this report are in agreement with the books of account

d. In our opinion, the aforesaid Ind AS financial statements comply with the Ind AS prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;

e. On the basis of the written representations received from the directors as on March 31, 2021, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of section 164(2) of the Act;

f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure 2";

g. With respect to the other matter to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act:

In our opinion and to the best of our information and according to the explanations given to us, no managerial remuneration has been paid / provided by the Company to its directors during the year. Accordingly, the provisions of section 197 of the Act are not applicable to the Company;

h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

(i) The Company does not have any pending litigations which would impact its financial position;

ii) The Company did not have any long-term contracts including derivative contracts. Hence, the question of any material foreseeable losses does not arise; and

iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **Haribhakti & Co. LLP**

Chartered Accountants

ICAI Firm Registration No.103523W / W100048

Sumant Sakhardande

Membership No.: 034828

UDIN: 21034828AAAACO9580

Place: Mumbai

Date: April 30, 2021

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section in the Independent Auditor's Report of even date to the members of NSE IFSC Clearing Corporation Limited on the Ind AS financial statements for the year ended March 31, 2021.

Based on the audit procedures performed for the purpose of reporting a true and fair view on the Ind AS financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, we report that:

(i)

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) During the year, the fixed assets of the Company have been physically verified by the management and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets.

(c) The Company does not hold any immovable property during the year. Accordingly, the provisions of clause 3(i)(c) of the Order is not applicable to the Company.

(ii) The Company is in the business of providing services and does not have any physical inventories. Accordingly, clause 3(ii) of the Order is not applicable to the Company.

(iii) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, clause 3(iii) of the Order is not applicable to the Company.

(iv) The Company has not granted any loan, made any investment or provided any guarantee or security to the parties covered under section 185 and 186 of the Act. Accordingly, clause 3(iv) of the Order is not applicable to the Company.

(v) In our opinion, the Company has not accepted any deposits from the public within the provisions of sections 73 to 76 of the Act and the rules framed there under. Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) The Central Government has not prescribed the maintenance of cost records for any of the products of the Company under sub-section (1) of section 148 of the Act and the rules framed there under.

(vii)

(a) The Company is regular in depositing with appropriate authorities, undisputed statutory dues including provident fund, income tax, goods and services tax (GST), customs duty, cess and any other material statutory dues applicable to it. During the year 2017-18, sales tax, value added tax, service tax and duty of excise subsumed in GST and are accordingly reported under GST.

No undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, GST, customs duty, cess and any other material statutory dues applicable to it, were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) There are no dues with respect to income tax, sales tax, service tax, value added tax, GST, customs duty, excise duty which have not been deposited on account of any dispute.

(viii) During the year, the Company has not taken any loans or borrowings from any financial institution, bank or government nor has it issued any debentures. Accordingly, clause 3(viii) of the Order is not applicable to the Company.

(ix) The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) or term loans during the year. Accordingly, clause 3(ix) of the Order is not applicable to the Company.

(x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or any fraud on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such instance by the management.

(xi) No managerial remuneration has been paid / provided for the year by the Company. Accordingly, clause 3(xi) of the Order is not applicable to the Company.

(xii) In our opinion, the Company is not a Nidhi Company. Therefore, clause 3(xii) of the Order is not applicable to the Company.

(xiii) All transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of Act, where applicable, and the details have been disclosed in the Ind AS financial statements as required by the applicable accounting standards.

(xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Therefore, clause 3(xiv) of the Order is not applicable to the Company.

(xv) The Company has not entered into any non-cash transactions with directors or persons connected with them during the year and hence provisions of section 192 of the Act are not applicable.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 103523W / W100048

Sumant Sakhardande

Partner
Membership No.: 034828
UDIN: 21034828AAAACO9580
Place: Mumbai
Date: April 30, 2021

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section in our Independent Auditor's Report of even date to the members of NSE IFSC Clearing Corporation Limited ("the Company") on the Ind AS Financial Statements for the year ended March 31, 2021]

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of the Company as of March 31, 2021 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing specified under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness.

Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2021, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal controls stated in the Guidance Note issued by the ICAI.

For **Haribhakti & Co. LLP**

Chartered Accountants

ICAI Firm Registration No.103523W / W100048

Sumant Sakhardande

Partner

Membership No.: 034828

UDIN: 21034828AAAACO9580

Place: Mumbai

Date: April 30, 2021

NSE IFSC CLEARING CORPORATION LIMITED

BALANCE SHEET AS AT MARCH 31, 2021

(Rs. in Lakhs)

Particulars	Notes	As at 31.03.2021	As at 31.03.2020
ASSETS			
Non-current assets			
Property, plant and equipment	2	**161.85**	52.13
Right-Of-Use Assets (ROU)	2	**93.92**	105.06
Other intangible assets	3	**287.12**	410.50
Intangible assets under development	3	**39.59**	-
Financial assets			
- Other financial assets			
Non-current bank balances	4	**4,704.30**	150.77
Others	4	**11.70**	14.77
Income tax assets (net)		**18.85**	14.29
Total non-current assets		**5,317.33**	747.52
Investments - Core Settlement Guarantee Fund	5	**1,027.66**	933.76
Current assets			
Financial assets			
- Cash and cash equivalents	6	**982.14**	1,204.97
- Bank balances other than cash and cash equivalents	7	**485.13**	4,793.04
- Other financial assets	8	**15.71**	7.76
Other current assets	9	**46.48**	1.89
Total current assets		**1,529.46**	6,007.66
TOTAL ASSETS		**7,874.45**	7,688.94
EQUITY AND LIABILITIES			
EQUITY			
Equity Share capital	10a	**9,000.00**	8,000.00
Other Equity	10b	**(3,590.10)**	(2,416.92)
TOTAL EQUITY		**5,409.90**	5,583.08
Core Settlement Guarantee Fund (Core SGF)	11	**1,027.66**	933.76
LIABILITIES			
Non-current liabilities			
Financial liabilities			
- Lease Liability		**105.19**	110.74
Provisions	12	**1.54**	0.87
Total non-current liabilities		**106.73**	111.61
Current liabilities			
Financial liabilities			
- Lease Liability		**2.14**	1.44
- Trade payables	13		
(i) total outstanding dues of micro enterprises and small enterprises		**0.19**	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		**177.22**	245.70
- Deposits	14	**477.85**	426.01
- Other financial liabilities	15	**634.42**	358.26
Provisions	16	**4.13**	2.55
Other current liabilities	17	**34.20**	26.55
Total current liabilities		**1,330.15**	1,060.49
TOTAL LIABILITIES		**2,464.54**	2,105.86
TOTAL EQUITY AND LIABILITIES		**7,874.45**	7,688.94

Summary of significant accounting policies 1

Notes refer to above form an integral part of the Balance Sheet

As per our report of even date attached

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 103523W / W100048

Sumant Sakhardande
Partner
Membership No.: 034828

Place : Mumbai
Date : April 30, 2021

For and on behalf of the Board of Directors

Samir K Barua
Director
[DIN:00211077]

Mukesh Agarwal
Director
[DIN:03054853]

Vivek Singhvi
Chief Executive Officer

Nitin Bhadre
Chief Financial Officer
Place : Mumbai
Date : April 30, 2021

Chirag Nagda
Company Secretary
[ACS:23491]

NSE IFSC CLEARING CORPORATION LIMITED

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2021

(Rs. in lakhs)

Particulars	**Notes**	For the year ended 31.03.2021	For the year ended 31.03.2020
Income			
Revenue from operations		**-**	-
Other income	18	**90.78**	109.27
Total Income		**90.78**	109.27
Expenses			
Employee benefits expense	19	**161.46**	149.17
Finance cost		**9.56**	9.09
Depreciation and amortisation expense	2 & 3	**184.70**	141.91
Other expenses	20	**657.63**	449.26
Total Expenses		**1,013.35**	749.43
Profit /(Loss) before tax		**(922.57)**	(640.16)
Less : Tax expense			
Current tax		**-**	-
Deferred tax		**-**	-
Total tax expenses		**-**	-
Profit / (Loss) for the period (A)		**(922.57)**	(640.16)
Other Comprehensive Income			
Items that will be reclassified to profit or loss			
Changes in foreign currency translation reserve		**(150.36)**	476.95
Items that will not be reclassified to profit or loss			
Remeasurements of post-employment benefit obligations		**(0.19)**	0.12
Total Other Comprehensive Income for the period (Net of Taxes) (B)		**(150.55)**	477.07
Total Comprehensive Income for the period (A+B)		**(1,073.12)**	(163.09)
Earnings per equity share (Face Value Rs. 10 each)			
- Basic & Diluted (Rs.)	21	**(1.08)**	(0.82)

Summary of significant accounting policies 1

Notes refer to above form an integral part of the Statement of Profit & Loss

As per our report of even date attached

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 103523W / W100048

Sumant Sakhardande
Partner
Membership No.: 034828

Place : Mumbai
Date : April 30, 2021

For and on behalf of the Board of Directors

Samir K Barua
Director
[DIN:00211077]

Mukesh Agarwal
Director
[DIN:03054853]

Vivek Singhvi
Chief Executive Officer

Nitin Bhadre
Chief Financial Officer
Place: Mumbai
Date : April 30, 2021

Chirag Nagda
Company Secretary
[ACS:23491]

NSE IFSC CLEARING CORPORATION LIMITED

STATEMENT OF CHANGES IN EQUITY FOR YEAR ENDED MARCH 31, 2021

(A) **Equity Share Capital**

	(Rs.in Lakhs)
Balance as at 01.04.2019	**7,500**
Changes in equity share capital during the period	500
Balance as at 31.03.2020	**8,000**
Balance as at 01.04.2020	**8,000**
Changes in equity share capital during the period	1,000
Balance as at 31.03.2021	**9,000**

(B) **Other Equity** (Rs. in Lakhs)

	Reserves and Surplus			
Particulars	**Retained Earnings**	**Foreign Currency Translation Reserve**	**Other Comprehensive Income**	**Total**
Balance as at April 1, 2019	(2,396.66)	195.20	(1.97)	(2,203.43)
Profit /(Loss)for the period	(640.16)	-	-	(640.16)
Changes in Foreign Currency Translation Reserve through Other Comprehensive Income	-	476.95	-	476.95
Contribution to Core SGF	(49.87)	-	-	(49.87)
Share issue expenses	(0.53)	-	-	(0.53)
Other Comprehensive Income	-	-	0.12	0.12
Balance as at March 31, 2020	(3,087.22)	672.15	(1.85)	(2,416.92)
Balance as at April 1, 2020	**(3,087.22)**	**672.15**	**(1.85)**	**(2,416.92)**
Profit /(Loss)for the period	(922.57)	-	-	(922.57)
Changes in Foreign Currency Translation Reserve through Other Comprehensive Income	-	(150.36)	-	(150.36)
Contribution to Core SGF	(99.54)	-	-	(99.54)
Share issue expenses	(0.52)	-	-	(0.52)
Other Comprehensive Income	-	-	(0.19)	(0.19)
Balance as at March 31, 2021	**(4,109.85)**	**521.79**	**(2.04)**	**(3,590.10)**

As per our report of even date attached
For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 103523W / W100048

Sumant Sakhardande
Partner
Membership No.: 034828

Place : Mumbai
Date : April 30, 2021

For and on behalf of the Board of Directors

Samir K Barua
Director
[DIN:00211077]

Mukesh Agarwal
Director
[DIN:03054853]

Vivek Singhvi
Chief Executive Officer

Nitin Bhadre
Chief Financial Officer
Place : Mumbai
Date : April 30, 2021

Chirag Nagda
Company Secretary
[ACS:23491]

NSE IFSC CLEARING CORPORATION LIMITED

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2021

(Rs. in Lakhs)

Particulars	Notes	For the year ended 31.03.2021	For the year ended 31.03.2020
A) **CASH FLOW FROM OPERATING ACTIVITIES**			
NET PROFIT BEFORE TAX		**(922.57)**	(640.16)
Add : Adjustments for :			
Depreciation & Amortization Expenses	2 & 3	**184.70**	141.91
Re-measurement of defined benefits plans		**(0.19)**	0.12
Finance Cost		**9.56**	7.12
Less : Adjustments for :			
Interest income on bank deposits	18	**(90.78)**	(109.26)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		**(819.28)**	(600.27)
Adjustments for :			
Proceed of Deposit from Trading member / applicant	14	**51.85**	93.91
Trade Payables	13	**(68.29)**	(920.39)
Other financial liabilities	15	**276.16**	(416.85)
Other financial assets	4	**(1.02)**	1.35
Other current assets	9	**(44.58)**	0.13
Current Liabilities & Provisions	16 & 17	**10.09**	(39.94)
CASH GENERATED FROM OPERATIONS		**(595.07)**	(1,882.05)
Direct Taxes paid (Net of Refunds)		**(4.56)**	(14.07)
NET CASH FROM (USED IN) OPERATING ACTIVITIES - Total (A)		**(599.63)**	(1,896.12)
B) **CASHFLOW FROM INVESTING ACTIVITIES**			
Purchase of Fixed Assets	2 & 3	**(208.98)**	(76.62)
Investment in fixed deposits	4 & 7	**(245.62)**	(338.22)
Interest received	18	**88.80**	110.03
NET CASH FROM (USED IN) INVESTING ACTIVITIES - Total (B)		**(365.80)**	(304.81)
C) **CASHFLOW FROM FINANCING ACTIVITIES**			
Proceeds from Issue of Equity Shares	10a	**1,000.00**	500.00
Share Issue Expense	10b	**(0.52)**	(0.53)
Increase in Core SGF	10b	**(95.57)**	(49.87)
Payment of Lease Liability		**(10.95)**	(10.43)
NET CASH FROM (USED IN) FINANCING ACTIVITIES - Total (C)		**892.96**	439.16
Changes on account of conversion of balances from functional currency to presentation currency		**(150.36)**	476.95
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)		**(222.83)**	(1,284.82)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	6	**1,204.97**	2,489.79
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	6	**982.14**	1,204.97
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS		**(222.83)**	(1,284.82)
Reconciliation of cash and cash equivalents as per the cash flow statement			
Cash and cash equivalents as per above comprise of the following			
Cash and cash equivalents	6	**982.14**	1,204.97
Bank overdrafts		**-**	-
Balances per statement of cash flows		**982.14**	1,204.97

Notes to Statement of Cash Flows:

1. The above Statement has been prepared under the "Indirect Method" as set out in the Ind AS - 7 on Statement of Cash Flows.
2. Previous year's figures have been regrouped/ reclassified wherever necessary to correspond with the current period classification / disclosure.

As per our report of even date attached

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 103523W / W100048

For and on behalf of the Board of Directors

Sumant Sakhardande
Partner
Membership No.: 034828

Samir K Barua
Director
[DIN:00211077]

Mukesh Agarwal
Director
[DIN:03054853]

Vivek Singhvi
Chief Executive Officer

Place : Mumbai
Date : April 30, 2021

Nitin Bhadre
Chief Financial Officer

Chirag Nagda
Company Secretary
[ACS:23491]

Place: Mumbai
Date : April 30, 2021

NSE IFSC CLEARING CORPORATION LIMITED

Notes to financial statements for the year ended March 31, 2021

1. Background and Summary of significant accounting policies:

The NSE IFSC Clearing Corporation Ltd. (NICCL or the Company), a wholly owned subsidiary of NSE Clearing Limited (Formerly known as National Securities Clearing Corporation Ltd. (NSCCL)), was incorporated in December 2, 2016. It is set up to operate a clearing corporation as a unit in an International Financial Service Centre (IFSC) in India.

During the FY 2020-21, the Government of India has notified International Financial Services Centres Authority (IFSCA) as a unified authority for the development and regulation of financial products, financial services and financial institutions in the International Financial Services Centre (IFSC) in India. Accordingly, w.e.f October 1, 2020 the operations of the Company will be governed by the regulations issued by IFSCA from time to time.

Summary of significant accounting policies:

This note provides a list of the significant accounting policies adopted in the preparation of Indian Accounting Standard (Ind AS) financial statements ("Ind AS financial statements"). These policies have been consistently applied to all the years presented, unless otherwise stated.

a) Basis of preparation

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS), under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, and the provisions of the Companies Act, 2013 ('Act') (to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Amendment Rules. Accounting policies have been consistently applied and are consistent with those used in the previous year except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The financial statements were authorised for issuance by the Company's Board of Directors on April 30, 2021.

Historical cost convention:
The financial statements have been prepared on a historical cost basis, except for the following:
- certain financial assets and liabilities that is measured at fair value, and
- defined benefit plans - plan assets measured at fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company considers the characteristics of the asset or liability which market participants would take into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

b) Foreign currency translation and transactions

(i) Functional and presentation currency:
Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The functional currency of the Company is USD.

The financial statements are presented in Indian currency (INR), which is the Company's presentation currency.

(ii) Transactions and balances:
Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the period end exchange rates are recognised in Statement of Profit and Loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equity instruments held at fair value through profit or loss are recognised in Statement of Profit and Loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equity investments classified as FVOCI are recognised in other comprehensive income.

(iii) Translation to the presentation currency:
The financial statements are translated from functional currency to presentation currency by using the following procedures:
(a) assets and liabilities for each balance sheet presented (i.e. including comparatives) shall be translated at the closing rate at the date of that balance sheet;
(b) income and expenses for each Statement of Profit and Loss presented (i.e. including comparatives) shall be translated at exchange rates at the dates of the transactions; and
(c) all resulting exchange differences shall be recognised in other comprehensive income.

c) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of allowances, incentives, taxes and amounts collected on behalf of third parties.

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Company's activities as described below. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Revenue is recognised in the period when the service is provided as per arrangements/agreements with the customers. The sources of revenue are:

(i) Clearing and Settlement charges, IT & support charges and processing charges are recognized on accrual basis as and when the services are rendered.;
(ii) Income excludes applicable taxes and other levies.

In respect of members who have been declared as defaulters by the Company all amounts (dues) remaining to be recovered, net of available security and insurance cover available if any, till the date of being declared as defaulters are written off as bad debts. All subsequent recoveries are accounted when received.

Penal charges in respect of shortages due from the respective member is recognised in the Statement Profit and Loss as part of other revenue to the extent such charges are recoverable in the period of declaration of default.

Insurance claims are accounted on accrual basis when the claims become due and payable.

The Company considers the terms of the contract in determining the transaction price. The transaction price is based upon the amount the Company expects to be entitled to in exchange for transferring of promised services to the customer after deducting allowances and discounts etc. Revenue excludes any taxes and duties collected on behalf of the government.

The Company is not recognising any revenue as of now as there is waiver of transaction charges in IFSC exchange on which Clearing & Settlement charges are levied.

d) Income taxes

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses, if any.

The current income tax charge is calculated based on the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate based on amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the balance sheet approach, on deductible and taxable temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised, or the deferred income tax liability is settled.

Deferred income tax asset is recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized. Deferred income tax liabilities are recognized for all taxable temporary differences.

The carrying amount of deferred tax assets are reviewed at the end of each reporting period and are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Deferred tax assets and liabilities are not recognised as of now as there is tax exemption for ten years to IFSC companies.

e) Impairment of assets

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

An impairment loss is recognized as an expense immediately, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior years. A reversal of an impairment loss is recognized as income immediately, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

f) Cash Flow Statements & Cash and cash equivalents

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

Cash and Cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. These do not include bank balances earmarked/restricted for specific purposes.

g) Trade receivables

Trade receivables are recognised initially at fair value and subsequently allowances for receivables and unbilled revenues with no significant financing component is measured at an amount equal to lifetime expected credit loss (ECL) where there is significant increase in credit risk.

h) Investments and other financial assets

(i) Classification:
The Company classifies its financial assets in the following measurement categories:
- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. The Company reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Measurement:
At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Debt instruments:
Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the company classifies its debt instruments:

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

Equity investments (other than Investments in subsidiaries, associates and joint venture):
The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments continue to be recognised in profit or loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/ (losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Equity Investments (in subsidiaries, associates and joint venture):
Investments in subsidiaries, associates and joint venture are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. The accounting policy on impairment of non-financial assets is disclosed in Note e above. On disposal of investments in subsidiaries, associates and joint venture, the difference between net disposal proceeds and the carrying amounts are recognized in the statement of profit and loss.

(iii) Impairment of financial assets:
The Company assesses on a forward-looking basis the expected credit loss associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(iv) De-recognition of financial assets:
A financial asset is de-recognised only when
- The Company has transferred the rights to receive cash flows from the financial asset; or
- The Company retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the company has transferred an asset, it evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is de-recognised. Where the company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognised.

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(v) Income recognition:

Interest income
Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial assets to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the

contractual terms of the financial instrument but does not consider the expected credit losses.

Dividends
Dividends are recognised in Statement of Profit and Loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be reliably measured.

i) Financial liabilities

(i) Classification as debt or equity
Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

(ii) Initial recognition and measurement
Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss.

(iii) Subsequent measurement
Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

(iv) Derecognition
A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

j) Offsetting financial instruments

Financial assets and liabilities are offset, and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

k) Property, plant and equipment (including CWIP)

All items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value:
Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives as follows:

Assets	Management Estimate of Useful Life in years
Computer systems office automation	3 years
Computer systems – others	4 years
Furniture and Fixtures	5 years
Electrical equipment	10 years
Office equipment	4 to 5 years
Clearing and Settlement Systems	4 years
Telecommunication systems	4 years

The property, plant and equipment is depreciated over the asset's useful life.

The useful lives have been determined based on technical evaluation done by the management's expert which are higher than those specified by Schedule II to the Companies Act, 2013, in order to reflect the actual usage of the assets. The residual values are not more than 5% of the original cost of the asset. The asset's residual values and useful lives are reviewed, and adjusted on a prospective basis if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount and are included in Statement of Profit and Loss.

Depreciation on assets purchased / disposed off during the year is provided on pro rata basis with reference to the date of additions / deductions.

Fixed assets whose aggregate cost is Rs. 5,000 or less are depreciated fully in the year of acquisition.

I) Intangible assets

Costs associated with maintaining software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Company are recognised as intangible assets when the following criteria are met:
- it is technically feasible to complete the software so that it will be available for use
- management intends to complete the software and use or sell it
- there is an ability to use or sell the software
- it can be demonstrated how the software will generate probable future economic benefits
- adequate technical, financial and other resources to complete the development and to use or sell the software are available, and
- the expenditure attributable to the software during its development can be reliably measured.

Directly attributable costs are capitalised as part of the software.

Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is available for use.

Computer software is amortised over a period of 4 years.

m) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial period which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and de-recognised when the obligation specified in the contract is discharged, cancelled or expires.

n) Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation to be settled at a future date. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

o) Contingent Liabilities and contingent assets

Contingent liabilities are disclosed in notes when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

Contingent assets are not recognized in the financial statements. If the inflow of economic benefits is probable, then it is disclosed in the financial statements.

p) Contributed equity

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

q) Dividends

Provision is made for any dividend declared including dividend distribution tax, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

r) Earnings per share

(i) Basic earnings per share:
Basic earnings per share is calculated by dividing:
- the profit attributable to owners of the company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.

(ii) Diluted Earnings per share:
Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to consider:
- the after-income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

s) Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards incidental to ownership to the lessee. All other leases are classified as operating leases.

As a lessee
The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of the contract. Ind AS 116 defines a lease as a contract, or a part of a contract, that conveys the right of use an asset (the underlying asset) for a period in exchange of consideration. To assess whether as contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight line basis over the term of the lease.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on straight line basis over the shorter of the lease term and useful life of the underlying assets.

As a lessor
Lease for which the Company is a lessor is classified as finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. For operating leases, rental income is recognized on straight line basis over the term of the relevant lease.

t) Employee Benefits

(i) Provident Fund: The Company registered with Regional Provident Fund Office, Ahmedabad, and both the employee and the employer make monthly contribution equal to 12% of the employee's basic salary respectively.
(ii) Gratuity: Provisions are made for the defined benefit with respect to gratuity liability based on the present value of defined benefit obligation as per the actuarial valuation calculation. The present value is calculated using the projected unit credit method. Actuarial gains or losses are recognized in full in the other comprehensive income for the period in which they occur.

(iii) Leave Encashment: Liability on account of Leave encashment is provided based on Actuarial Valuation at Balance Sheet date using the projected unit credit method.
(iv) Short term employee benefits are charged to revenue in the year in which the related service is rendered.

u) Current versus Non-current classification and operating cycle

The Company presents assets and liabilities in the balance sheet based on current/non- current classification.

An asset is treated as current when it is:
- Expected to be realized or intended to be sold or consumed in normal operating cycle i.e. 12 months;
- Held primarily for purpose of trading;
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:
- It is expected to be settled in normal operating cycle i.e. 12 months;
- It is held primarily for purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

v) Rounding of Amounts:

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

w) Critical Accounting Estimates and Judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgements are:
Estimation of useful life of intangible asset refer Note 3
Estimation of contingent liabilities refer Note 31
Estimation of Impairment of Assets

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

x) Core SGF Fund:

As per SEBI IFSC guidelines, ref no. SEBI/HO/MRD/DSA/ CIR / P/2016/125 dated November 28, 2016, Clearing corporations in IFSC shall establish and maintain a Fund to guarantee the settlement of trades executed in the stock exchanges in IFSC. First Clearing corporations shall evolve a detailed framework for the Fund, subject to approval of SEBI. To begin with, such Fund shall have a corpus equivalent to at least 10% of the net worth of the clearing corporation. Accordingly, Company has created Core SGF in January 2017 by transferring 10% of Equity Share contribution received from Holding company to Core SGF fund in order to comply with SEBI norms. In the event of a clearing / Custodian member (s) failing to honour settlement commitments, the Core SGF shall be used to fulfil the obligations of that member and complete the settlement without affecting the normal settlement process. The entire corpus of the Core SGF has been contributed by NSE IFSC Clearing Corporation Ltd. This fund is represented by earmarked Core SGF investments. The income earned on such investments (net of TDS, bank charges, etc.) is credited to the Core SGF. Penalties and fines levied by the Clearing Corporation are transferred to Core SGF as Other Contributions.

y) Recent accounting pronouncements:

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet:

- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

Statement of Profit and Loss:

- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the standalone financial statements.

The amendments are extensive, and the Company will evaluate the same to give effect to them as required by law.

NSE IFSC CLEARING CORPORATION LIMITED

Notes to financial statements for the year ended March 31, 2021

Note 2 : Property, plant and equipment

Rs in Lakhs

Particulars	Office equipments	Electrical installations	Furniture and fixtures	Computer System Others	TOTAL	Capital Work In Progress	Right-Of-Use Assets Building
Gross carrying amount							
Opening as at 01.04.2019	14.02	9.87	45.54	-	69.43	-	-
Additions	-	-	-	-	-	-	112.37
Disposals	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-
Currency Fluctuation	1.17	0.82	3.80	-	5.80	-	0.19
Closing gross carrying amount	15.19	10.69	49.35	-	75.23	-	112.56
Accumulated depreciation							
Opening as at 01.04.2019	1.95	1.89	4.75	-	8.60	-	-
Depreciation charge during the period	3.31	0.93	8.61	-	12.86	-	7.50
Disposals	-	-	-	-	-	-	-
Currency Fluctuation	0.40	0.21	1.02	-	1.64		-
Closing accumulated depreciation	5.67	3.04	14.39	-	23.10	-	7.50
Net carrying amount as at 31.03.2020	**9.52**	**7.65**	**34.96**	**-**	**52.13**	**-**	**105.06**
Gross carrying amount							
Opening as at 01.04.2020	15.19	10.69	49.35	-	75.23	-	112.56
Additions	-	-	-	150.88	150.88	-	-
Disposals	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-
Currency Fluctuation	(1.44)	(1.01)	(4.68)	(2.90)	(10.03)	-	(2.58)
Closing gross carrying amount	13.75	9.68	44.67	147.97	216.07	-	109.98
Accumulated depreciation							
Opening as at 01.04.2020	5.67	3.04	14.39	-	23.10	-	7.50
Depreciation charge during the period	3.52	0.99	9.15	19.32	32.99	-	7.97
Disposals	-	-	-	-	-	-	-
Currency Fluctuation	(0.30)	(0.13)	(0.78)	(0.65)	(1.87)	-	0.59
Closing accumulated depreciation	8.88	3.90	22.77	18.67	54.22	-	16.06
Net carrying amount as at 31.03.2021	**4.87**	**5.78**	**21.90**	**129.31**	**161.85**	**-**	**93.92**

NSE IFSC CLEARING CORPORATION LIMITED

Notes to financial statements for the year ended March 31, 2021

Note 3 : Other intangible assets

(Rs in Lakhs)

Particulars	Clearing and Settlement System	Intangible Assets under development	TOTAL
Gross carrying amount			
Opening as at 01.04.2019	499.87	9.61	509.48
Additions	51.31	-	51.31
Disposals	-	-	-
Transfers	-	(9.61)	(9.61)
Currency Fluctuation	46.02	-	46.02
Closing gross carrying amount	597.20	-	597.20
Accumulated amortisation			
Opening as at 01.04.2019	52.82	-	52.82
Amortisation charge during the period	121.55	-	121.55
Disposals	-	-	-
Currency Fluctuation	12.33	-	12.33
Closing accumulated amortisation	186.70	-	186.70
Net carrying amount as at 31.03.2020	**410.50**	**-**	**410.50**
Gross carrying amount			
Opening as at 01.04.2020	597.20	-	597.20
Additions	67.76	39.81	107.57
Disposals	-	-	-
Transfers	-	-	-
Currency Fluctuation	(57.93)	(0.22)	(58.15)
Closing gross carrying amount	607.04	39.59	646.62
Accumulated amortisation			
Opening as at 01.04.2020	186.70	-	186.70
Amortisation charge during the period	143.74	-	143.74
Disposals	-	-	-
Currency Fluctuation	(10.53)		(10.53)
Closing accumulated amortisation	319.91	-	319.91
Net carrying amount as at 31.03.2021	**287.12**	**39.59**	**326.71**

Note : 3.1 - for Capital and other Contractual commitment, Refer note 30

Significant estimate: Useful life of intangible assets

The Company has completed the development / procurement of software that is used in its various business processes. As at 31 March 2021, the net carrying amount of this software was ₹ 287.12 lakhs (31 March 2020: ₹ 410.50 lakhs). The Company estimates the useful life of the software to be 4 years based on the expected technical obsolescence of such assets. However, the actual useful life may be shorter or longer than 4 years, depending on technical innovations."

(Rs in Lakhs)

4	Other financial assets (non-current)	As at 31.03.2021	As at 31.03.2020
	Non Current bank balances		
	Fixed deposits with maturity for more than 12 months	4,704.30	150.77
		4,704.30	150.77
	Others		
	Security deposit for utilities and premises	8.14	9.16
	Interest Accrued on Bank Deposits	3.56	5.61
		11.70	14.77
	Total	**4,716.00**	165.54

5	Investment -Core Settlement Guarantee Fund (Refer Note No. 11)	As at 31.03.2021	As at 31.03.2020
	Current accounts with Bank	**10.29**	0.20
	Fixed Deposits with Bank	**976.14**	906.89
	Accrued interest on CSGF FD	**41.23**	26.66
	Total	**1,027.66**	933.76

6	Cash and cash equivalents	As at 31.03.2021	As at 31.03.2020
	Balances with banks :		
	Current accounts	**982.14**	1,026.31
	Fixed Deposit with less than 3 month maturity	-	178.66
	Total	**982.14**	1,204.97

7	Bank balances other than Cash and Cash equivalents	As at 31.03.2021	As at 31.03.2020
	Fixed deposits with maturity for less than 12 months	**485.13**	4,793.04
	Total	**485.13**	4,793.04

8	Other financial assets (Current)	As at 31.03.2021	As at 31.03.2020
	Others		
	Interest Accrued on Bank Deposits	**15.71**	7.76
	Total	**15.71**	7.76

9	Other Current Assets	As at 31.03.2021	As at 31.03.2020
	Prepaid Expenses	**34.09**	0.51
	Other Advance recoverable #	**8.30**	-
	Balance with Government Authorities	**4.09**	1.39
	Total	**46.48**	1.89

represents receivable from National Stock Exchange of India Limited

10 a)	Share Capital	As at 31.03.2021	As at 31.03.2020
	Authorised		
	10,00,00,000 (Previous year: 10,00,00,000) Equity Shares of Rs 10 each	**10,000.00**	10,000.00
		10,000.00	10,000.00
	Issued, Subscribed and Paid-up		
	9,00,00,000 (Previous year: 8,00,00,000) Equity Shares of Rs 10 each	**9,000.00**	8,000.00
	Total	**9,000.00**	8,000.00

Equity Shares

The Company has only one class of equity shares having a par value of Rs.10/- per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Director is subject to the approval of the shareholder in the ensuing Annual General Meeting except in the case of interim dividend.

In the event of liquidation of the company, the holder of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholder.

Shares in respect of each class in the Company held by its holding company or its ultimate holding company including shares held by or by subsidiaries or associates of the holding company or the ultimate holding company in aggregate:

Equity Shares

Name of the Company	As at 31.03.2021		As at 31.03.2020	
	No. of Shares	**% holding**	No. of Shares	% holding
NSE Clearing Limited & its nominees	**9,00,00,000**	**100.00%**	8,00,00,000	100.00%
Total	**9,00,00,000**	**100.00%**	8,00,00,000	100.00%

Details o Equity Shareholder holding more than 5% share in the Company (No. of Shares):

Name of the Company	As at 31.03.2021		As at 31.03.2020	
	No. of Shares	**% holding**	No. of Shares	% holding
NSE Clearing Limited & its nominees	**9,00,00,000**	**100.00%**	8,00,00,000	100.00%
Total	**9,00,00,000**	**100.00%**	8,00,00,000	100.00%

Aggregate number of bonus shares issued, shares issued for consideration other than cash & shares bought back during the period of five years immediately preceding the reporting date - Nil

Reconciliation of number of shares

Particulars	31-03-2021	31-03-2020
	No. of Shares	No. of Shares
Outstanding at the beginning of the Year	**8,00,00,000**	7,50,00,000
Issued during the Year	1,00,00,000	50,00,000
Outstanding at the end of the Year	**9,00,00,000**	8,00,00,000

Company has not reserved any shares for issue under options and contract or commitments for sale of shares or disinvestments.

There are no unpaid calls from any Director or Officers.

Under amended Clause 5 (2) of SEBI (IFSC) Guidelines, 2015, Recognised Corporations Clearing operating in IFSC are required to maintain Risk-based capital and networth requirements with a minimum networth of Rs. 50 crores equivalent initially which needs to be enhanced, over a period of three years from commencement of operations, to higher of Rs. 100 crores equivalent or capital required as per risk-based capital requirements. However, the Company has taken a relaxation period of one year from IFSCA to meet those networth criteria. IFSCA has given relaxation to NICCL from maintaining the net worth of Rs. 100 crore or risk-based capital whichever is higher to Rs. 50 crore or risk-based capital whichever is higher for a period of one year i.e. till June 05, 2022.

10 **b) Other Equity**

(Rs. In Lakhs)

	Reserves and Surplus			
Particulars	**Retained Earnings**	**Foreign Currency Translation Reserve**	**Other Comprehensive**	**Total**
Balance as at April 1, 2019	**(2,396.66)**	**195.20**	**(1.97)**	**(2,203.43)**
Profit /(Loss)for the period	(640.16)	-	-	(640.16)
Changes in Foreign Currency Translation Reserve through OCI	-	476.95	-	476.95
Contribution to Core SGF	(49.87)	-	-	(49.87)
Share issue expenses	(0.53)	-	-	(0.53)
Other Comprehensive Income	-	-	0.12	0.12
Balance as at 31.03.2020	**(3,087.22)**	**672.15**	**(1.85)**	**(2,416.92)**

	Reserves and Surplus			
Particulars	**Retained Earnings**	**Foreign Currency Translation Reserve**	Other Comprehensive	**Total**
Balance as at 01.04.2020	**(3,087.22)**	**672.15**	**(1.85)**	**(2,416.92)**
Profit /(Loss)for the period	(922.57)	-	-	(922.57)
Changes in Foreign Currency Translation Reserve through OCI	-	(150.36)	-	(150.36)
Contribution to Core SGF	(99.54)	-	-	(99.54)
Share issue expenses	(0.52)	-	-	(0.52)
Other Comprehensive Income	-	-	(0.19)	(0.19)
Balance as at 31.03.2021	**(4,109.85)**	**521.79**	**(2.04)**	**(3,590.10)**

SEBI vide circular no. SEBI/HO/MRD/DSA/ CIR / P/2016/125 dated November 28, 2016 has issued norms for set up of fund and minimum corpus of fund to guarantee the settlement of trades executed in the stock exchanges in IFSC.

Details of Core SGF are as follows : **(Rs. in Lakhs)**

	As at 31.03.2021	As at 31.03.2020
Company's Own contribution*	**983.83**	904.92
Penalty collected from members	**2.60**	2.18
Accrued interest on CSGF FD	**41.23**	26.66
Total	**1,027.66**	933.76

* Company`s own contribution includes contributions of Rs. 99.54 Lakhs made during current year (Rs. 49.87 Lakhs made during previous year 2019-20), Interest received on Core SGF FDs of Rs 1.56 lakhs (Rs. Nil in previous year 2019-20) and balance movement is on account of currency fluctuation.

(Rs. In lakhs)

		As at 31.03.2021	As at 31.03.2020
12	**Provision (Non Current)**		
	Employee benefits obligation		
	Provision for Gratuity	**1.54**	0.87
	Total	**1.54**	0.87

13	**Trade Payable**	**As at 31.03.2021**	As at 31.03.2020
	Trade Payable to Micro and Small Enterprises (Refer Note No. 26)	**0.19**	
	Trade Payable to other than Micro and Small Enterprises	**74.74**	128.10
	Trade Payable to Related Party (Refer Note No. 25)	**102.48**	117.60
	Total	**177.41**	245.70

14	**Deposits (Unsecured- Current)**	**As at 31.03.2021**	As at 31.03.2020
	Security Deposit from Clearing Members	**477.85**	426.01
	Total	**477.85**	426.01

15	**Other Financial Liabilities (Current)**	**As at 31.03.2021**	As at 31.03.2020
	Margins From Members	**634.26**	358.08
	Other liabilities	**0.16**	0.17
	Total	**634.42**	358.26

		As at 31.03.2021	As at 31.03.2020
16	**Provision (Current)**		
	Provisions for Leave encashment	**0.95**	0.50
	Provision for Gratuity	**0.09**	0.00
	Provision for variable pay and other allowances	**1.79**	0.98
	Bonus Payable	**1.30**	1.07
	Total	**4.13**	**2.55**

17	**Other Current liabilities**	**As at 31.03.2021**	As at 31.03.2020
	Statutory Dues Payable	**34.20**	26.55
	Total	**34.20**	26.55

18	**Other Income**	**For the year ended 31.03.2021**	For the year ended 31.03.2020
	Interest income on bank deposits	**90.78**	109.26
	Interest on Income Tax Refund		0.01
	Miscellaneous Receipts	**0.00**	0.00
	Total	**90.78**	109.27

19	**Employee benefits expense**	**For the year ended 31.03.2021**	For the year ended 31.03.2020
	Salaries, wages and bonus (Refer Note No. 23)	**157.45**	141.24
	Contribution to provident and other fund	**1.02**	4.22
	Staff welfare Expenditure	**2.99**	3.72
	Total	**161.46**	149.17

20 **Other expenses**

(Rs. in lakhs)

	For the year ended 31.03.2021	For the year ended 31.03.2020
Repairs & Maintenance - Computer systems	**294.66**	276.50
Software expenses	**191.61**	108.29
Repairs & Maintenance - Building	**10.18**	8.87
Professional Fees	**34.05**	19.32
Fees and Subscription	**78.40**	6.83
Electricity expenses	**7.75**	4.09
Director Sitting Fees	**10.98**	2.27
Travelling Expense	**8.73**	8.97
Profit / Loss of Exchange Fluctuation	**14.07**	1.34
Payment to auditor (Refer note below)	**2.76**	5.07
Other Expenses	**4.44**	7.71
Total	**657.63**	449.26

Note :

Payment to Auditor		
As Auditor		
Statutory audit	**1.76**	1.50
Limited review for quarterly result	**0.75**	0.75
In other Capacity		
Certification Matters	**0.25**	1.05
Cyber Security Audit Fees		1.77
Total	**2.76**	5.07

21 **Earnings per share**

Basic earnings per share are computed by dividing profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period.

Particulars	**For the year ended 31.03.2021**	For the year ended 31.03.2020
Profit attributable to the equity holders of the		
Profit Before Tax	(922.57)	(640.16)
Tax on above	-	-
Profit for the period (Rs. in Lakhs)	(922.57)	(640.16)
Weighted average number of equity shares used as the denominator in calculating basic and diluted earnings per share	8,53,97,260	7,78,41,530
Earnings per equity share (basic and diluted) (Rs.)	**(1.08)**	(0.82)

The Company does not have any outstanding dilutive potential equity shares. Consequently, the basic and diluted earning per share of the Company remain the same.

22 **Deputed Personal Cost**

Salaries, Wages & Allowances also includes the deputation expenses in respect of the employees of National Stock Exchange of India Limited (NSEIL) and NSE Clearing Limited, ultimate holding company and holding company respectively of the Company.

Note 23: Employee Benefits

(i) Provident Fund: In current year, the Company is registered with Regional Provident Fund Office, Ahmedabad, and both the employee and the employer make monthly contribution equal to 12% of the employee's basic salary respectively.

(ii) Gratuity: Provisions are made for the defined benefit with respect to gratuity liability based on the present value of defined benefit obligation as per the actuarial valuation calculation.

(iii) Leave Encashment : Liability on account of Leave encashment is provided based on Acturial Valuation at Balance Sheet date.

(iv) Short term employee benefits are charged to revenue in the year in which the related service is rendered.

(v) Amounts disclosed below are excluding currency fluctuation impact.

	Long - term		Short - term	
	31.03.2021	31.03.2020	**31.03.2021**	31.03.2020
	(Rs. In lakhs)		(Rs. In lakhs)	
Provision for employee benefits				
Provision for Leave Travel allowance			**0.30**	0.29
Provision for gratuity	**1.56**	0.82	**0.09**	0.00
Provision for Leave encashment			**0.96**	0.46
	1.56	0.82	**1.35**	0.75

Disclosure under Indian Accounting Standard 19 (Ind As 19) on Employee Benefit as notified under Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

i) **Defined Benefit Plan :**

a) Provident Fund: The Company has contributed Rs. 0.47 lakhs (previous year Rs 0.37 lakhs) towards Provident Fund during the year ended March 31, 2021 to Employee Provident Fund Organisation.

b) Gratuity: The company provides for gratuity for employees as per Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of Gratuity is payable on retirement/termination of the emplyee's last drawn basic salary per month multiplied for the number of years of service. The gratuity plan is a non funded plan and the company makes provision on the basis of Actuarial Valuation.

c) Compensated Absences
The increase in provision for compensated absences for the year is Rs. 0.49 Lakhs (PY increased by Rs. 0.06 Lakhs).

A Balance Sheet

(Rs. In lakhs)

(i) **The amounts recognised in the consolidated balance sheet and the movements in the net defined benefit obligation over the year are as follows:**

	Current Year 31.03.2021	Previous Year 31.03.2020
Liability at the beginning of the year	**0.82**	**0.55**
Interest cost	**0.05**	0.04
Current Service Cost	**0.59**	0.35
Liability transferred		
Benefits Paid		
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions		-
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	**0.02**	0.19
Actuarial (Gains)/Losses on Obligations - Due to Experience	**0.17**	(0.31)
Liability at the end of the year	**1.65**	**0.82**

(ii) **The amounts recognised in the balance sheet and the movements in the fair value of plan assets over the year are as follows:**

	Current Year 31.03.2021	Previous Year 31.03.2020
Fair Value of plan assets at the beginning of the year		-
Interest Income	-	
Expected return on plan assets	-	-
Contributions	-	
Transfer from other company		-
Benefits paid		
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	-	
Fair Value of plan assets at the end of the year		

(Rs In lakhs)

(iii) The net liability disclosed above relates to funded plans are as follows:

	Current Year 31.03.2021	Previous Year 31.03.2020
Fair value of plan assets as at the end of the year		
Liability as at the end of the year	(1.65)	(0.82)
Net (liability) / asset	**(1.65)**	**(0.82)**

(iv) Balance Sheet Reconciliation

	Current Year 31.03.2021	Previous Year 31.03.2020
Opening Net Liability	0.82	**0.55**
Expenses Recognized in Statement of Profit or Loss	0.64	0.39
Expenses Recognized in OCI	0.19	(0.12)
Net (Liability)/Asset Transfer in		
Employers Contribution		
Amount recognised in the Balance Sheet	1.65	**0.82**

B Statement of Profit & Loss

Net Interest Cost for Current Period

	Current Year 31.03.2021	Previous Year 31.03.2020
Interest Cost	0.05	0.04
Interest Income		
Net Interest Cost for Current Period	0.05	**0.04**

(ii) Expenses recognised in the Statement of Profit & Loss

	Current Year 31.03.2021	Previous Year 31.03.2021
Current Service cost	0.59	0.35
Net Interest Cost	0.05	0.04
Expenses recognised in the Statement of Profit & Loss	0.64	**0.39**

(iii) Expenses recognised in the Other Comprehensive Income

	Current Year 31.03.2021	Previous Year 31.03.2020
Expected return on plan assets		
Actuarial (Gain) or Loss	0.19	(0.12)
Net (Income)/Expense for the Period Recognized in OCI	0.19	**(0.12)**

C Fair value of plan assets at the Balance Sheet Date for defined benefit obligations

	Current Year 31.03.2021	Previous Year 31.03.2020
Insurer Managed Funds		
Total		

D Sensitivity Analysis

	Current Year 31.03.2021	Previous Year 31.03.2020
Projected Benefit Obligation on Current Assumptions	1.65	0.82
Delta Effect of +1% Change in Rate of Discounting	(0.15)	(0.08)
Delta Effect of -1% Change in Rate of Discounting	0.17	0.09
Delta Effect of +1% Change in Rate of Salary Increase	0.16	0.09
Delta Effect of -1% Change in Rate of Salary Increase	(0.14)	(0.07)
Delta Effect of +1% Change in Rate of Employee Turnover	(0.06)	(0.03)
Delta Effect of +1% Change in Rate of Employee Turnover	0.07	0.04

Significant actuarial assumptions are as follows:

	Current Year 31.03.2021	Previous Year 31.03.2020
Discount Rate	6.49%	6.59%
Rate of Return on Plan Assets	N.A.	N.A.
Salary Escalation	10.00%	10.00%
Attrition Rate	12.00%	12.00%

Maturity analysis of the Benefit Payments

	Current Year 31.03.2021	Previous Year 31.03.2020
1st Following Year	0.09	0.00
2nd Following Year	0.09	0.06
3rd Following Year	0.08	0.06
4th Following Year	0.16	0.06
5th Following Year	0.15	0.08
Sum of 6th to 10th Year	0.70	0.37

24 **Segment Reporting**

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 of the Company. The Company operates only in one Business Segment i.e. operations comprise of only facilitating Clearing & Settlement in securities and the activities incidental thereto within India or global, hence does not have any reportable Segments as per Indian Accounting Standard 108 "Operating Segments".

25 **Related Party**

In compliance with Ind AS 24 - "Related Party Disclosures", as notified under Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Amendment Rules required disclosures are given in the table below:

(a) Names of the related parties and related party relationship

Sr. No.	Related Party	Nature of Relationship
1	National Stock Exchange of India Limited	The Ultimate Holding Company
2	NSE Clearing Limited	Holding Company
3	NSE IFSC Limited	Subsidiary of Ultimate Holding company
4	NSEIT Limited	Fellow Subsidiary of Holding Company
	NSE Data & Analytics Limited	Holding company's Fellow Subsidiary's Subsidiary Company
6	NSE Indices Limited	Holding company's Fellow Subsidiary's Subsidiary Company
7	NSE Infotech Services Limited	Holding company's Fellow Subsidiary's Subsidiary Company
8	NSE.IT (US) Inc.	Holding company's Fellow Subsidiary's Subsidiary Company
9	NSE Academy Limited	Ultimate Holding company Subsidiary's Subsidiary Company
10	NSE Foundation	Subsidiary of Ultimate Holding company
11	National Securities Depository Limited	Ultimate Holding Company's Associate
12	NSDL Database Management Limited	Subsidiary of Associate of the Ultimate Holding Company
13	BFSI Sector Skill Council of India	Ultimate Holding Company's Associate
14	Power Exchange India Limited	Associate of Subsidiary of Ultimate Holding company
15	NSDL e-Governance Infrastructure Limited	Associate of Subsidiary of Ultimate Holding company
16	Market Simplified India Limited	Associate of Subsidiary of Ultimate Holding company
17	Receivables Exchange Of India Limited	Associate of Subsidiary of Ultimate Holding company
18	Aujas Cybersecurity Limited (Formerly known as Aujas Networks Limited/Aujas Networks Private Limited)	Subsidiary of Fellow Subsidiary of Holding Company
19	NSE Investments Ltd	Subsidiary Company of Ultimate Holding Company
20	Talentsprint Private Limited (w.e.f. November 10, 2020)	Ultimate Holding company Subsidiary's Subsidiary's Subsidiary Company
21	Indian Gas Exchange Limited (w.e.f. March 16, 2021)	Ultimate Holding company Subsidiary's Associate
22	Cogencis Information Services Limited (w.e.f. January 21, 2021)	Holding company's Fellow Subsidiary's Subsidiary' Subsidiary Company
23	Capital Quants Solutions Private Limited (w.e.f. February 26, 2021)	Holding company's Fellow Subsidiary's Subsidiary' Associate Company
24	Prof. Samir K Barua	Key Managerial Personnel
25	Mr. Mukesh Agarwal	Key Managerial Personnel
26	Mr. Natarajan Ramasamy	Key Managerial Personnel
27	Mr Vivek Singhvi - Chief Executive Officer	Key Managerial Personnel

(b) Details of transaction with parties are as follows :

(Rs in lakhs)

Name of the Related Party	Nature of Transactions	For the year ended 31.03.2021	For year ended 31.03.2020
NSE Clearing Limited	Contribution towards Equity Share Capital	1,000.00	500.00
	Reimbursement of expenses for staff on deputation paid / payable	115.02	89.27
	Reimbursement for other expenses incurred (including taxes)		87.28
	Outstanding balance included in Trade Payables	30.22	54.79
National Stock Exchange of India Limited (NSEIL)	Reimbursement of expenses for staff on deputation paid / payable	13.58	35.04
	Reimbursement for other expenses incurred	0.84	0.71
	Outstanding balance included in advance paid for FY 2020-21 (previous year included as trade payable)	8.30	21.61
NSE IFSC Limited	Reimbursement for other expenses incurred	20.41	13.34
	SEBI turnover fees collected on behalf of NSE IFSC Limited	0.57	0.38
	SEBI turnover fees collected payable	1.01	0.46
	Outstanding balance included in Trade Payables	14.95	18.13
NSE IT Limited	Payment for services	141.18	84.75
	Outstanding balance included in Trade Payables	56.30	23.07
NSDL Database Management Limited	Payment for services	0.10	1.53
	Outstanding balance included in Trade Payables		
Prof. Samir K Barua	Sitting fees	5.00	2.25
Mr. Natarajan Ramasamy	Sitting fees	6.00	

Note : Amounts discl ed in related party transactions above are excluding currency fluctuation impact.

26 Trade payables include outstanding amounts of Rs. 0.19 lakhs (Previous Year: Rs. NIL) (including interest of Rs. Nil, (Previous Year Rs. Nil) payable to Micro, Small & Medium Enterprises. Total outstanding dues to Micro, Small & Medium Enterprises have been determined to the extent such parties have been identified on the basis of information available with the Company.

27 As at March 31, 2021 the Company does not have any pending litigations which would impact its financial position.

28 a) In accordance with relevant provisions of Companies Act, 2013, the Company did not have any long–term contracts including derivative contracts as at March 31, 2021.
b) There is Rs. Nil (PY Rs. Nil) Loans, Guarantees, Investments under section 186 of the Companies Act, 2013.

29 For the year 2020-21 the company is not required to transfer any amount into the Investor Education & Protection Fund as required under relevant provisions of the Companies Act, 2013.

30 **Capital and other commitments**

	31.03.2021	31.03.2020
	(Rs. in Lakhs)	
Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided		
Other Commitments on revenue account	**279.82**	145.99
	279.82	145.99

31 **Contingent liability**

	31.03.2021	31.03.2020
	(Rs. in Lakhs)	
Contingent Liabilities		

32 The company's tax jurisdiction is India. Income of the company is fully exempt from the Income tax for initial period of ten years (i.e. FY 2017- 18 to FY 2026-27). Deferred tax asset is recognised based on reasonable certainty.

33 **Lease :**

The Company has measured the Right of use asset and lease liability based on the remaining lease period and payments discounted using the incremental borrowing rate as on the date of initial application as per Ind AS 116 Leases.

(i) Amounts recognised in balance sheet

(Rs. In lakhs)

Particulars	**Amount (Rs.) 31.03.2021**	Amount (Rs.) 31.03.2020
Right-of-use-assets		
Buildings	**93.92**	105.06
Total	**93.92**	105.06

Particulars	**Amount (Rs.) 31.03.2021**	Amount (Rs.) 31.03.2020
Lease liabilities		
Current	**2.14**	1.44
Non Current	**105.19**	110.74
Total	**107.33**	112.18

(ii) Amounts recognised in the Statement of Profit and Loss

(Rs. In lakhs)

Particulars	**Amount (Rs.) 31.03.2021**	Amount (Rs.) 31.03.2020
Depreciation charge of Right-of-use assets		
Buildings	**7.97**	7.93
Total	**7.97**	7.93

Particulars	**Amount (Rs.) 31.03.2021**	Amount (Rs.) 31.03.2020
Interest expenses	**9.56**	9.09
Total	**9.56**	9.09

34 **Financial Risk Management**

The Company's business activities expose it to a variety of financial risks, namely liquidity risk, market risks and credit risk. The Company's senior management has the overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

Treasury department that provides assurance that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Treasury department activities are designed to:
- protect the Company's financial results and position from financial risks
- maintain market risks within acceptable parameters, while optimising returns; and
- protect the Company's financial investments, while maximising returns.

The Treasury department is responsible to maximise the return on companies internally generated funds.

A. FINANCIAL INSTRUMENTS BY CATEGORY

(Rs. In Lakhs)

	31-03-2021			31-03-2020		
	FVTPL	FVOCI	Amortised Cost	FVTPL	FVOCI	Amortised
As at March 31, 2021						
Financial Assets						
Fixed Deposits with Banks	-	-	6,226.07	-	-	5,890.73
Cash and Cash equivalents	-	-	982.14	-	-	1,204.97
Securitv deposits	-	-	8.14	-	-	9.16
Total Financial Assets	-	-	**7 216.36**	-	-	7 104.86
Financial Liabilities						
Trade payables	-	-	177.41	-	-	245.70
Deposits	-	-	477.85	-	-	426.01
Other liablities	-	-	634.26	-	-	358.08
Total Financial Liabilities	-	-	**1 289.53**	-	-	1 029.79

B. MANAGEMENT OF LIQUIDITY RISK

Liquidity risk is the risk that the Company will face difficulty in meeting its obligations associated with its financial liabilities. The Company's approach to managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions.

The Company maintains a conservative funding and investment strategy, with a positive cash balance during the year ended March 31, 2021.

The Company's treasury department regularly monitors the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet operational needs. Any short term surplus cash generated by the operating entities, over and above the amount required for working capital management and other operational requirements, is retained as cash equivalents (to the extent required), and excess is invested in interest bearing term deposits.

(Rs in lakhs)

Particulars	Carrying amount	Payable on demand	Less than 12 Month	More than 12 months
As at March 31, 2021				
Trade payables	177.41	-	177.41	-
Deposits	477.85	477.85	-	-
Margins From Members	634.26	634.26	-	-
Lease liabilities	107.33	-	2.14	105.19
Other financial & current liabilities	0.16	-	0.16	-

Particulars	Carrying amount	Payable on demand	Less than 12 Month	More than 12 months
As at March 31, 2020				
Trade payables	245.70	-	245.70	-
Deposits	426.01	426.01	-	-
Margins From Members	358.08	358.08	-	-
Lease liabilities	112.18	-	1.44	110.74
Other financial & current liabilities	0.17	-	0.17	-

C. **MANAGEMENT OF MARKET RISK**

The Company's size and operations result in it being exposed to the following market risks that arise from its use of financial instruments:

- price risk;
- foreign exchange risk and
- interest rate risk

The above risks may affect the Company's income and expenses, or the value of its financial instruments. The objective of the Company's management of market risk is to maintain this risk within acceptable parameters, while optimising returns.

D. **CAPITAL MANAGEMENT**

The Company considers the following components of its Balance Sheet to be managed capital:
Total equity (as shown in the balance sheet) – retained profit, share capital.

The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to our shareholders. The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the group may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Company aims to translate profitable growth to superior cash generation through efficient capital management. The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company's focus is on keeping strong total equity base to ensure independence, security, as well as a high financial flexibility for potential future borrowings, if required, without impacting the risk profile of the Company. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure. The Company is not subject to financial covenants in any of its significant financing agreements.

The management monitors the return on capital as well as the level of dividends to shareholders. The Company is required to maintain the minimum networth of Rs. 50 crores or risk based capital whichever is higher to operate an clearing corporation as per SEBI guidelines till June 05, 2022.

35 **COVID-19 Risk Assessment**

Based on the Company's current assessment, the impact of coronavirus on its operations and the resultant financial performance is not likely to be significant. The Company has also made an assessment of its liquidity position for a period of at least one year from the balance sheet date, of the recoverability and carrying values of its assets and ability to pay its liabilities as they become due and effectiveness of internal financial controls as at the balance sheet date and is of the view that there is no material impact or adjustments required to be made in these financial statements. The impact assessment of COVID-19 may be different from that presently estimated and the Company will continue to evaluate any significant changes to its operations and its resultant impact on the financial performance.

36 On February 28, 2019, the Honorable Supreme Court of India delivered a judgement in the case of "Vivekananda Vidyamandir and Others Vs The Regional Provident Fund Commissioner (II) West Bengal' in relation to non-exclusion of certain allowances from the definition of "basic wages" of the relevant employees for the purposes of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. The Employees' Provident Fund Organisation also issued a circular (Circular No. C-I/1(33)2019/Vivekananda Vidyamandir/284) dated March 20, 2019 in relation to aforesaid matter. In Company's assessment, the above judgement is not likely to have a significant impact and therefore presently no provision has been made in the financial statements. The Company will continue to monitor the developments in this matter.

37 The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact and its valuation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

38 Previous year figures have been regrouped / reclassified wherever necessary to confirm to current year presentation.

As per our report of even date attached

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 103523W / W 100048

Sumant Sakhardande
Partner
Membership No.: 034828

Place : Mumbai
Date : April 30, 2021

For and on behalf of the Board of Directors

Samir K Barua
Director
[DIN:00211077]

Mukesh Agarwal
Director
[DIN:03054853]

Vivek Singhvi
Chief Executive Officer

Nitin Bhadre
Chief Financial Officer
Place : Mumbai
Date : April 30, 2021

Chirag Nagda
Company Secretary
[ACS:23491]

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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MUMBAI
CHARTERED A

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

KHANDELWAL JAIN & COMPANY * MUMBAI * CHARTERED ACCOUNTANTS *

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the **Annexure 'A'**, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, based on our audit we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.

   d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

   e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164(2) of the Act.

   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **Annexure 'B'**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

   g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

      In terms of Notification No G.S.R. 08(E) dated January 4, 2017 issued by the Ministry of Corporate Affairs under section 462 of the Act, the provisions of section 197(16) in respect of the remuneration paid by the Company to its directors during the year are not applicable to the Company.

   h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

      i. As at March 31, 2021, the company did not have any pending litigations which would impact its financial position - Refer Note 39 to the financial statements.

KHANDELWAL JAIN & COMPANY MUMBAI CHARTERED ACCOUNTANTS

ii. The Company did not have any long term contracts including derivatives contracts for which there were any material foreseeable losses - Refer Note 40 to the financial statements.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2021 - Refer Note 41 to the financial statements.

For Khandelwal Jain & Co.
Chartered Accountants
Firm Registration Number:105049W

Narendra Jain

Narendra Jain
Partner
Membership Number: 048725
UDIN: 21048725AAAABM9543

KHANDELWAL JAIN & COMPANY * MUMBAI * CHARTERED ACCOUNTANTS

Place: Mumbai
Date: April 26, 2021

Website: www.kjco.net • E-mail: kjco@kjco.net

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ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF NSE IFSC LIMITED

The Annexure referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended March 31, 2021. We report that:

i) a) The Company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets.

b) The Company has physically verified the fixed assets in accordance with a program of verification which in our opinion provides for physical verification of all fixed assets at reasonable intervals. We have been informed that no material discrepancies were noticed on such verification.

c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company does not hold any immovable property in its name.

ii) The Company is in the business of rending services, and consequently, does not hold any inventory. Therefore, the provisions of clause 3(ii) of Companies (Auditor's Report) Order, 2016 are not applicable to the Company.

iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of clause 3(iii) of Companies (Auditor's Report) Order, 2016 are not applicable to the Company.

iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees and securities given in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable. Therefore, the provisions of clause 3(iv) of Companies (Auditor's Report) Order, 2016 are not applicable to the Company.

v) The Company has not accepted any deposits from the public.

vi) We are informed that the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Companies Act, 2013.

vii) a) According to the information and explanations given to us and on the basis of records examined by us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Goods and Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and any other statutory dues, wherever applicable. According to the records of the Company, there were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Goods and Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and any other statutory dues in arrears as at March 31, 2021 for a period of more than six months from the date they became payable.

KHANDELWAL JAIN & COMPANY * MUMBAI * CHARTERED ACCOUNTANTS

b) According to the information and explanations given to us, there were no dues of Income Tax, Sales Tax, Goods and Service Tax, Duty of Custom, Duty of Excise and Value Added Tax which have not been deposited with the appropriate authorities on account of any dispute.

viii) The Company has not taken any loan from banks, financial institutions or government and the Company has not issued any debentures. Therefore, the provisions of clause 3(viii) of Companies (Auditor's Report) Order, 2016 are not applicable to the Company.

ix) The Company has not taken any term loans and has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year. Therefore, the provisions of clause 3(ix) of Companies (Auditor's Report) Order, 2016 are not applicable to the Company.

x) Based upon the audit procedures performed and information and explanations given to us, we report that no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

xi) In terms of Notification No G.S.R. 08(E) dated January 4, 2017 issued by the Ministry of Corporate Affairs under section 462 of the Act, the provisions of section 197 in respect of payment of managerial remuneration are not applicable to the Company. Therefore, the provisions of clause 3(xi) of Companies (Auditor's Report) Order, 2016 are not applicable to the Company.

xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of Companies (Auditor's Report) Order, 2016 are not applicable to the Company.

xiii) In terms of Notification No G.S.R. 08(E) dated January 4, 2017 issued by the Ministry of Corporate Affairs under section 462 of the Act, the provisions of section 177 are not applicable to the Company. To the best of our knowledge and according to the information and explanation given to us, the Company is in compliance with Section 188 of the Act, as applicable, for transactions with the related parties and details of such transactions have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.

xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Therefore, the provisions of clause 3(xiv) of Companies (Auditor's Report) Order, 2016 are not applicable to the Company.

xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Therefore, the provisions of clause 3(xv) of Companies (Auditor's Report) Order, 2016 are not applicable to the Company.

KHANDELWAL JAIN & COMPANY * MUMBAI * CHARTERED ACCOUNTANTS

xvi) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Khandelwal Jain & Co
Chartered Accountants
Firm's Registration No. 105049W

Narendra Jain

(Narendra Jain)
Partner
Membership No. 048725
UDIN: 21048725AAAABM9543

KHANDELWAL JAIN & COMPANY * CHARTERED ACCOUNTANTS * MUMBAI

Place : Mumbai
Date : April 26, 2021

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ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF NSE IFSC LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **NSE IFSC LIMITED** ("the Company") as of March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

KHANDELWAL JAIN & COMPANY MUMBAI CHARTERED ACCOUNTANTS

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Khandelwal Jain & Co
Chartered Accountants
Firm's Registration No. 105049W

KHANDELWAL JAIN & COMPANY MUMBAI CHARTERED ACCOUNTANTS

(Narendra Jain)
Partner
Membership No. 048725
UDIN: 21048725AAAABM9543

Place : Mumbai
Date : April 26, 2021

NSE IFSC LIMITED

BALANCE SHEET AS AT MARCH 31, 2021

Particulars	Notes	As at 31.03.2021 (Rs. Lakhs)	As at 31.03.2021 (USD Lakhs)	As at 31.03.2020 (Rs. Lakhs)	As at 31.03.2020 (USD Lakhs)
ASSETS					
Non-current assets					
Property, plant and equipment	3a	1,698.56	23.11	2,083.88	27.64
Capital work-in-progress	3a	142.06	1.93	3.50	0.05
Other intangible assets	3b	136.62	1.86	110.05	1.46
Intangible assets under development	3b	41.33	0.57	-	-
Right-Of-Use Assets	3b	568.11	7.73	633.24	8.40
Investments accounted for using the equity method		-	-	-	-
Financial assets					
- Investments		-	-	-	-
- Other financial assets					
Non-current bank balances	4	-	-	376.93	5.00
Others	4	78.66	1.07	95.05	1.26
Income tax assets (net)		5.69	0.08	2.47	0.03
Other non-current assets	5	2.43	0.03	23.83	0.26
Total non-current assets		**2,673.46**	**36.38**	**3,328.95**	**44.10**
Investor Protection Fund - Bank Balance	34	11.03	0.15	11.31	0.15
Current assets					
Financial assets					
- Investments		-	-	-	-
- Trade receivables	6	10.89	0.15	4.54	0.06
- Cash and cash equivalents	7	781.45	10.63	3,126.47	41.47
- Bank balances other than cash and cash equivalents	8	2,793.18	38.00	-	-
- Other financial assets	9	31.21	0.42	-	-
Other current assets	10	89.57	1.22	119.02	1.63
Total current assets		**3,706.30**	**50.42**	**3,250.03**	**43.16**
TOTAL ASSETS		**6,390.79**	**86.95**	**6,590.29**	**87.41**
EQUITY AND LIABILITIES					
EQUITY					
Equity Share capital	11a	16,500.00	237.03	12,500.00	182.96
Other Equity	11b	(12,776.31)	(186.38)	(8,548.28)	(130.55)
TOTAL EQUITY		**3,723.69**	**50.65**	**3,951.72**	**52.41**
Investor Protection Fund	34	11.03	0.15	11.31	0.15
LIABILITIES					
Non-current liabilities					
Other financial liabilities	12	637.60	8.67	667.60	8.86
Provisions	13	23.43	0.32	9.94	0.11
Deferred tax liabilities (net)		-	-	-	-
Other non-current liabilities		-	-	-	-
Total non-current liabilities		**661.03**	**8.99**	**677.54**	**8.97**
Current liabilities					
Financial liabilities					
Deposits	14	980.10	13.33	838.18	11.12
Trade payables					
- Total Outstanding dues of micro enterprises and small enterprises	15	-	-	-	-
- Total Outstanding dues of creditors other than micro enterprises and small enterprises	15	373.00	5.07	469.15	6.22
Other financial liabilities	16	521.27	7.10	532.58	7.06
Provisions	17	41.12	0.56	21.71	0.31
Income tax liabilities (net)		-	-	-	-
Other current liabilities	18	79.55	1.10	88.10	1.17
Total current liabilities		**1,995.04**	**27.16**	**1,949.72**	**25.88**
TOTAL LIABILITIES		**2,656.07**	**36.15**	**2,627.26**	**34.85**
TOTAL EQUITY AND LIABILITIES		**6,390.79**	**86.95**	**6,590.29**	**87.41**

Summary of significant accounting policies 2

Notes refer to above form an integral part of the Balance sheet

As per our report of even date attached

For Khandelwal Jain & Co.
Chartered Accountants
Firm Registration No : 105049W

KHANDELWAL JAIN & COMPANY MUMBAI CHARTERED ACCOUNTANTS

Narendra Jain
Partner
Membership No.: 048725

For and on behalf of the Board of Directors

Venkatesh Panchapagesan
Director
[DIN:07942333]

Yatrik Vin
Director
[DIN:07662795]

Ravi Varanasi
Director
[DIN:06573046]

NSE IFSC Limited

Sandip Mehta
Chief Executive Officer

Harshit Maniar
Chief Financial Officer

Kunal Trivedi
Company Secretary

Place : Mumbai
Date : April 26, 2021

NSE IFSC LIMITED

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2021

Particulars	Notes	For the year ended 31.03.2021 (Rs. Lakhs)	For the year ended 31.03.2021 (USD Lakhs)	For the year ended 31.03.2020 (Rs. Lakhs)	For the year ended 31.03.2020 (USD Lakhs)
Income					
Revenue from operations	19	51.38	0.69	36.95	0.52
Other income	20	52.32	0.70	101.19	1.42
Total Income		103.70	1.39	138.14	1.94
Expenses					
Employee benefits expense	21	404.02	5.45	341.18	4.80
Depreciation and amortisation expense	3a & 3b	1,061.32	14.33	921.80	12.97
Liquidity Enhanacement Scheme Incentive (Refer Note 11b)		1,078.77	14.57	918.69	12.93
IT Management & Consultancy Charges		822.81	11.10	663.74	9.34
Other expenses	22	869.49	11.74	663.78	9.34
Total Expenses		4,236.41	57.19	3,509.19	49.38
Profit before tax		(4,132.71)	(55.80)	(3,371.05)	(47.44)
Less : Tax expense					
Current tax		-	-	-	-
Deferred tax		-	-	-	-
Total tax expenses		-	-	-	-
Profit / (Loss) for the year (A)		(4,132.71)	(55.80)	(3,371.05)	(47.44)
Other Comprehensive Income					
Items that will be reclassified to profit or loss		-	-	-	-
Items that will not be reclassified to profit or loss					
Remeasurements of post-employment benefit obligations	29	(2.14)	(0.03)	(1.74)	(0.02)
Changes in foreign currency translation reserve	11b	(93.18)	-	320.47	-
Total Other Comprehensive Income for the year (Net of Taxes) (B)		(95.32)	(0.03)	318.73	(0.02)
Total Comprehensive Income for the year (A+B)		(4,228.03)	(55.83)	(3,052.32)	(47.46)
Earnings per equity share (Face Value Rs.10 each)	23				
- Basic (Rs.)		(2.93)	(0.04)	(3.31)	(0.05)
- Diluted (Rs.)		(2.93)	(0.04)	(3.31)	(0.05)

Summary of significant accounting policies 2

Notes refer to above form an integral part of the Statement of Profit & loss

As per our report of even date attached

For Khandelwal Jain & Co.
Chartered Accountants
Firm Registration No : 105049W

KHANDELWAL JAIN & COMPANY MUMBAI CHARTERED ACCOUNTANTS

Narendra Jain

Narendra Jain
Partner
Membership No.: 048725

Place : Mumbai
Date : April 26, 2021

For and on behalf of the Board of Directors

Venkatesh Panchapagesan
Director
(DIN:07942333)

Yatrik Vin
Director
(DIN:07662795)

Ravi Varanasi
Director
(DIN:06573046)

Sandip Mehta
Chief Executive Officer

Harshit Maniar
Chief Financial Officer

Kunal Trivedi
Company Secretary

NSE IFSC Limited

NSE IFSC LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2021

Equity Share Capital	(Rs. Lakhs)	(USD Lakhs)
Balance as at April 1, 2019	**9,000.00**	**133.74**
Changes in equity share capital during the year	3,500.00	49.22
Balance as at March 31, 2020	**12,500.00**	**182.96**
Changes in equity share capital during the year	4,000.00	54.07
Balance as at March 31, 2021	**16,500.00**	**237.03**

Other Equity

Particulars	Retained Earnings		Liquidity Enhancement Scheme Incentive Reserve		Foreign Currency Translation Reserve	Total	
	(Rs. Lakhs)	(USD Lakhs)	(Rs. Lakhs)	(USD Lakhs)	(Rs. Lakhs)	(Rs. Lakhs)	(USD Lakhs)
Balance as at April 1, 2019	**(5,813.87)**	**(85.26)**	**150.00**	**2.17**	**167.91**	**(5,495.96)**	**(83.09)**
Profit / (Loss) for the year ended March 31, 2020	(3,371.05)	(47.44)	-	-	-	(3,371.05)	(47.44)
Other Comprehensive Income	(1.74)	(0.02)	-	-	-	(1.74)	(0.02)
Liquidity Enhancement Scheme Incentive Reserve	(893.69)	(12.42)	893.69	12.42	-	-	-
Liquidity Enhancement Scheme Incentive paid / payable during the year	918.69	12.93	(918.69)	(12.93)	-	-	-
Changes in Foreign Currency Translation Reserve through Other Comprehensive Income	-	-	-	-	320.47	320.47	-
Balance as at March 31, 2020	**(9,161.66)**	**(132.21)**	**125.00**	**1.66**	**488.37**	**(8,548.28)**	**(130.55)**
Balance as at April 1, 2020	**(9,161.66)**	**(132.21)**	**125.00**	**1.66**	**488.37**	**(8,548.28)**	**(130.55)**
Profit / (Loss) for the year ended March 31, 2021	(4,132.71)	(55.80)	-	-	-	(4,132.71)	(55.80)
Other Comprehensive Income	(2.14)	(0.03)	-	-	-	(2.14)	(0.03)
Liquidity Enhancement Scheme Incentive Reserve	(1,053.77)	(14.27)	1,053.77	14.27	-	-	-
Liquidity Enhancement Scheme Incentive paid / payable during the year	1,078.77	14.57	(1,078.77)	(14.57)	-	-	-
Changes in Foreign Currency Translation Reserve through Other Comprehensive Income	-	-	-	-	(93.18)	(93.18)	-
Balance as at March 31, 2021	**(13,271.51)**	**(187.74)**	**100.00**	**1.36**	**395.19**	**(12,776.31)**	**(186.38)**

As per our report of even date attached

For Khandelwal Jain & Co.

Chartered Accountants
Firm Registration No : 105049W

KHANDELWAL JAIN & COMPANY * MUMBAI * CHARTERED ACCOUNTANTS

Narendra Jain
Partner
Membership No.: 048725

Place : Mumbai
Date : April 26, 2021

For and on behalf of the Board of Directors

Venkatesh Panchapagesan
Director
[DIN:07942333]

Yatrik Vin
Director
[DIN:07662795]

Ravi Varanasi
Director
[DIN:06573046]

NSE IFSC Limited

Sandip Mehta
Chief Executive Officer

Harshit Maniar
Chief Financial Officer

Kunal Trivedi
Company Secretary

NSE IFSC LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2021

	Particulars	For the year ended 31.03.2021 (Rs. Lakhs)	For the year ended 31.03.2021 (USD Lakhs)	For the year ended 31.03.2020 (Rs. Lakhs)	For the year ended 31.03.2020 (USD Lakhs)
A)	**CASH FLOW FROM OPERATING ACTIVITIES**				
	NET PROFIT BEFORE TAX	(4,132.71)	(55.80)	(3,371.05)	(47.44)
	Adjustments for :				
	Depreciation & Amortization Expenses	1,061.32	14.33	921.80	12.97
	Interest Income	(20.26)	(0.27)	(12.05)	(0.17)
	Interest on Lease Liability	59.60	0.80	54.95	0.77
	Sundry balances written back	(31.94)	(0.42)	-	-
	Share Issue Expenses	0.20	0.00	115.90	1.63
	OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	**(3,063.79)**	**(41.36)**	**(2,290.45)**	**(32.24)**
	Adjustments for :				
	Trade Payables	(96.15)	(1.15)	62.33	0.34
	Trade Receivables	(6.35)	(0.09)	(4.54)	(0.06)
	Proceeds from Member Deposits	141.92	2.22	132.22	0.91
	Current Liabilities & Provisions	24.15	0.54	(1,144.87)	(17.29)
	Loans & Advances and other Receivables	20.18	0.20	46.15	0.93
	Investor Protection Fund - Bank Balance	0.28	-	(0.93)	-
	CASH GENERATED FROM OPERATIONS	**(2,979.76)**	**(39.64)**	**(3,200.09)**	**(47.41)**
	Direct Taxes paid (Net of Refunds)	(3.21)	(0.04)	(0.67)	(0.01)
	NET CASH FROM (USED IN) OPERATING ACTIVITIES - Total (A)	**(2,982.97)**	**(39.68)**	**(3,200.76)**	**(47.42)**
B)	**CASHFLOW FROM INVESTING ACTIVITIES**				
	Purchase of Fixed Assets	(818.66)	(11.77)	(580.86)	(6.10)
	Investment in Fixed Deposits	(2,416.25)	(33.00)	(31.07)	-
	Interest Income	36.12	0.47	1.06	0.03
	NET CASH FROM (USED IN) INVESTING ACTIVITIES - Total (B)	**(3,198.79)**	**(44.30)**	**(610.87)**	**(6.07)**
C)	**CASHFLOW FROM FINANCING ACTIVITIES**				
	Proceeds from Issue of Equity Shares	4,000.00	54.07	3,500.00	49.22
	Share Issue Expense	(0.20)	(0.00)	(115.90)	(1.63)
	Payment of Lease Liability	(69.88)	(0.93)	(57.19)	(0.20)
	NET CASH FROM (USED IN) FINANCING ACTIVITIES - Total (C)	**3,929.92**	**53.14**	**3,326.91**	**47.39**
	Changes in Cash and cash equivalents on account of conversion of functional currency to presentation currency	(93.18)	-	320.47	-
	NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	**(2,345.02)**	**(30.84)**	**(164.24)**	**(6.10)**
	CASH AND CASH EQUIVALENTS : OPENING BALANCE	**3,126.47**	**41.47**	**3,290.71**	**47.57**
	CLOSING CASH AND CASH EQUIVALENTS : CLOSING BALANCE	**781.45**	**10.63**	**3,126.47**	**41.47**
	NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENT	**(2,345.02)**	**(30.84)**	**(164.24)**	**(6.10)**

Notes to Cash Flow Statement :

1 Cash and cash equivalent represent cash and bank balances.

2 The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Ind AS - 7 on Statement of Cash Flow.

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

As per our report of even date attached

For Khandelwal Jain & Co.
Chartered Accountants
Firm Registration No : 105049W

KHANDELWAL JAIN & COMPANY MUMBAI CHARTERED ACCOUNTANTS

Narendra Jain
Partner
Membership No.: 048725

For and on behalf of the Board of Directors

Venkatesh Panchapagesan
Director
[DIN:07942333]

Yatrik Vin
Director
[DIN:07662795]

Ravi Varanasi
Director
[DIN:06573046]

Sandip Mehta
Chief Executive Officer

Harshit Maniar
Chief Financial Officer

Kunal Trivedi
Company Secretary

NSE IFSC Limited

Place : Mumbai
Date : April 26, 2021

1 **Background of the Company**

The NSE IFSC Limited, a wholly owned subsidiary of National Stock Exchange of India Limited, was incorporated on November 29, 2016. It is set up to render services of stock exchange in GIFT IFSC as specified in SEBI Guidelines. The exchange deals in equity shares of companies outside India, depository receipt, debt securities by eligible issuers, currency and interest rate derivatives, index based derivatives, commodity derivatives, etc. as approved by the Regulator from time to time.

During the FY 2020-21, The Government of India has notified International Financial Services Centres Authority (IFSCA) as a unified authority for the development and regulation of financial products, financial services and financial institutions in the International Financial Services Centre (IFSC) in India. Accordingly, w.e.f October 1, 2020 the operations of the company will be governed by the regulations issued by IFSCA from time to time.

2 **Summary of significant accounting policies :**

This note provides a list of the significant accounting policies adopted in preparation of Indian Accounting Standard (Ind AS) financial statements ("Ind AS financial statements"). These policies have been consistently applied to all the years / periods presented, unless otherwise stated.

a) **Basis of preparation**

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act , 2013 ('Act') (to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The financial statements for the year ended March 31, 2021 has been approved by the Board of directors of the Company in their meeting held on April 26, 2021.

Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:
- certain financial assets and liabilities that is measured at fair value, and
- defined benefit plans - plan assets measured at fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability which market participants would take into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

b) **Foreign currency translation and transactions**

(i) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The company operates in GThe functional currency of the Company is USD.

The financial statements are presented in Indian currency (INR), which is the Company's presentation currency. It is necessary for the results and financial position of each individual entity included in the reporting entity to be translated into the currency in which the reporting entity presents its financial statements. As the reporting entity presents its financial statements in INR, the Company's financial statements are translated into INR.

(ii) Transactions and balances

Foreign currency transactions are translated into the presentation currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the period end exchange rates are recognised in profit or loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equity instruments held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equity investments classified as FVOCI are recognised in other comprehensive income.

(iii) Translation to the presentation currency

The financial statements are translated from functional currency to presentation currency by using the following procedures:

(a) assets and liabilities for each balance sheet presented (ie including comparatives) shall be translated at the closing rate at the date of that balance sheet;

(b) income and expenses for each statement of profit and loss presented (ie including comparatives) shall be translated at exchange rates at the dates of the transactions; and

(c) all resulting exchange differences shall be recognised in other comprehensive income.

The company has adopted Appendix B to Ind AS 21- Foreign Currency Transactions and Advance Consideration which clarifies the date of transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income when an entity has received or paid advance consideration in a foreign currency. The effect on account of adoption of this amendment was insignificant.

c) **Revenue recognition**

The Company recognises its revenue in accordance with IND AS 115- Revenue from customers.

Revenue is recognised upon transfer of control of promised services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those services.

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of allowances, incentives, service taxes and amounts collected on behalf of third parties.

The Company recognises revenue when the amount of revenue can be reliably measured and it is probable that future economic benefits will flow to the entity.

Revenue is recognised in the period when the service is provided as per arrangements/agreements with the customers. The sources of revenue are:

(i) Transaction charges, IT & support charges and processing charges are recognized on accrual basis as and when the services are rendered.;

(ii) Others - All other revenue is recognised in the period in which the service is provided

KHANDELWAL JAIN & COMPANY MUMBAI CHARTERED ACCOUNTANTS

NSE IFSC Limited

d) Income taxes

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses, if any.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

The carrying amount of deferred tax assets are reviewed at the end of each reporting period and are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, associates and interest in joint arrangements where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

e) Impairment of assets

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

f) Cash and cash equivalents

Cash and Cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. These do not include bank balances earmarked/restricted for specific purposes.

g) Investments and other financial assets

(i) Classification

The Company classifies its financial assets in the following measurement categories:
- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. The Company reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the company classifies its debt instruments:

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

Equity investments (other than investments in subsidiaries, associates and joint venture)

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments continue to be recognised in profit or loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/ (losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

KHANDELWAL JAIN & COMPANY MUMBAI CHARTERED ACCOUNTANTS

NSE IFSC Limited

Equity Investments (in subsidiaries, associates and joint venture)

Investments in subsidiaries, associates and joint venture are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. The accounting policy on impairment of non-financial assets is disclosed in Note e. On disposal of investments in subsidiaries, associates and joint venture, the difference between net disposal proceeds and the carrying amounts are recognized in the statement of profit and loss.

(iii) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(iv) De-recognition of financial assets

A financial asset is de-recognised only when

- The Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the company has transferred an asset, it evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is de-recognised. Where the company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognised.

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(v) Income recognition

Interest income

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial assets to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

(vi) Dividends

Dividends are recognised in profit and loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be reliably measured.

h) Financial liabilities

(i) Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

(ii) Initial recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss.

(iii) Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the statement of profit and loss.

(iv) Derecognition

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

i) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

j) Property, plant and equipment (including CWIP)

All items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives as follows:

Assets	Management Estimate of Useful Life in years
Computer systems office automation	3 years
Computer systems – others	4 years
Telecommunication systems	4 years
Electrical Equipments *	10 years
Office Equipments*	5 years
Electrical Installations*	10 years
Furniture & Fixtures *	10 years

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*Fixed Furnitiure & Fixtures, Electrical Installations & Equipments and Office Equipments including civil improvements at Lease Hold premises are depreciated over the lease period.

The useful lives have been determined based on technical evaluation done by the management's expert which are higher than those specified by Schedule II to the Companies Act, 2013, in order to reflect the actual usage of the assets. The residual values are not more than 5% of the original cost of the asset. The asset's residual values and useful lives are reviewed, and adjusted on a prospective basis if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount and are included in profit or loss.

Depreciation on assets purchased / disposed off during the year is provided on pro rata basis with reference to the date of additions / deductions.

Fixed assets whose aggregate cost is Rs. 5,000 or less are depreciated fully in the year of acquisition.

k) Intangible assets

Costs associated with maintaining software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Company are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use
- management intends to complete the software and use or sell it
- there is an ability to use or sell the software
- it can be demonstrated how the software will generate probable future economic benefits
- adequate technical, financial and other resources to complete the development and to use or sell the software are available, and
- the expenditure attributable to the software during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software include employee costs and an appropriate portion of relevant overheads.
Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is available for use.
Computer software is amortised over a period of 4 years.

l) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial period which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

m) Provisions

Provisions for legal claims and discounts/incentives are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

At the end of each reporting period, provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at a future date. . The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense

n) Contingent Liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

o) Dividends

Provision is made for the amount of any dividend declared including dividend distribution tax, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

p) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.

(ii) Diluted Earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

q) Leases

Effective April 1, 2019, the Company has adopted Ind AS 116 "Leases" and applied to all lease contracts existing on April 1, 2019 using the simplified approach.

As a lessee

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of the contract. Ind AS 116 defines a lease as a contract, or a part of a contract, that conveyas the right of use an asset (the underlying asset) for a period of time in exchange of consideration. To assess whether as contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expenses on a straight line basis over the term of the lease.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on straight line basis over the shorter of the lease term and useful life of the underlying assets.

As a lessor

Lease for which the Company is a lessor is classified as finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. For operating leases, rental income is recognized on straight line basis over the term of the relevant lease.

r) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs, as per the requirement of schedule III, unless stated otherwise.

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s) Employee Benefits

(i) Provident Fund: During the current year the company is registered with Regional Provident Fund Office, Bandra, Mumbai, and both the employee and the employer make monthly contribution equal to 12% of the employee's basic salary respectively.

(ii) Superannuation: Superannuation benefits for employees designated as chief managers and above are covered by group policies with the Life Insurance Corporation of India maintained by the Hodlding Company. The contribution for the year is reimbursed to the holding company is charged to revenue. There are no other obligations other than the annual contribution payable.

(iii) Gratuity: Provisions are made for the defined benefit with respect to gratuity liability based on the present value of defined benefit obligation as reduced by the fair value of plan assets as per the actuarial valuation calculation.

(iv) Leave Encashment : Liability on account of Leave encashment is provided based on Acturial Valuation at Balance Sheet date.

(v) Short term employee benefits are charged to revenue in the year in which the related service is rendered

t) Critical Accounting Estimates And Judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgements are:
Tax expense refer Note 32
Estimation of useful life of intangible asset refer Note 3b
Estimation of contingent liabilities refer Note 31
Estimation of Impairment of Assets

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

u) Recent pronouncements

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet:

- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

Statement of profit and loss:

- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the standalone financial statements.

The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

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Notes to Financial Statements For the year ended March 31, 2021
Note 3a : Property, plant and equipment

(Rs. Lakhs)

	Computer Others	Electrical Equipments	Office Equipments	Telecom Installations	Computer Systems - Office Automation	Electrical Installations	Furniture & Fixtures	TOTAL	Capital Work In Progress
Gross carrying amount									
Opening as at 01.04.2019	1,956.55	102.63	380.10	484.67	17.47	187.54	154.19	3,283.15	10.73
Additions	69.63	-	0.63	23.11	6.99	-	-	100.35	3.50
Disposals	-	-	-	-	-	-	-	-	-
Transfers	10.73	-	-	-	-	-	-	10.73	(10.73)
Currency Fluctuation	183.14	9.22	34.19	45.01	2.26	16.85	13.85	304.52	-
Closing gross carrying amount	**2,220.05**	**111.85**	**414.92**	**552.78**	**26.72**	**204.39**	**168.04**	**3,698.76**	**3.50**
Accumulated depreciation									
Opening as at 01.04.2019	509.88	9.50	47.06	104.42	7.18	10.43	20.01	708.48	-
Depreciation charge during the year	518.02	10.57	78.37	128.72	7.64	19.32	31.77	794.41	-
Disposals	-	-	-	-	-	-	-	-	-
Currency Fluctuation	77.32	1.50	9.00	17.21	1.11	2.11	3.73	111.98	-
Closing accumulated depreciation	**1,105.22**	**21.57**	**134.42**	**250.36**	**15.94**	**31.86**	**55.50**	**1,614.87**	**-**
Net carrying amount as at 31.03.2020	**1,114.83**	**90.29**	**280.50**	**302.42**	**10.78**	**172.53**	**112.54**	**2,083.88**	**3.50**
Gross carrying amount									
Opening as at 01.04.2020	2,220.05	111.85	414.92	552.78	26.72	204.39	168.04	3,698.76	3.50
Additions	217.43	-	-	336.23	4.83	-	-	558.48	142.05
Disposals	-	-	-	-	-	-	-	-	
Transfers	-	-	-	3.50	-	-	-	3.50	(3.50)
Currency Fluctuation	(55.40)	(2.79)	(10.35)	(13.79)	(0.67)	(5.10)	(4.19)	(92.30)	-
Closing gross carrying amount	**2,382.07**	**109.06**	**404.57**	**878.72**	**30.88**	**199.29**	**163.85**	**4,168.44**	**142.06**
Accumulated depreciation									
Opening as at 01.04.2020	1,105.22	21.57	134.42	250.36	15.94	31.86	55.50	1,614.87	-
Depreciation charge during the year	563.36	10.99	81.53	185.07	8.07	20.08	33.02	902.12	-
Disposals	-	-	-	-	-	-	-	-	-
Currency Fluctuation	(31.83)	(0.62)	(3.97)	(7.64)	(0.46)	(0.95)	(1.63)	(47.11)	-
Closing accumulated depreciation	**1,636.75**	**31.93**	**211.98**	**427.78**	**23.55**	**51.00**	**86.89**	**2,469.88**	**-**
Net carrying amount as at 31.03.2021	**745.32**	**77.13**	**192.59**	**450.94**	**7.33**	**148.29**	**76.96**	**1,698.56**	**142.06**

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Note 3a : Property, plant and equipment

(USD Lakhs)

	Computer Others	Electrical Equipments	Office Equipments	Telecom Installations	Computer Systems - Office Automation	Electrical Installations	Furniture & Fixtures	TOTAL	Capital Work In Progress
Gross carrying amount									
Opening as at 01.04.2019	28.29	1.48	5.50	7.01	0.25	2.71	2.23	47.46	0.16
Additions	1.00	-	0.01	0.33	0.10	-	-	1.44	0.05
Disposals								-	-
Transfers	0.16	-	-	-	-	-	-	0.16	(0.16)
Closing gross carrying amount	29.45	1.48	5.50	7.33	0.35	2.71	2.23	49.06	0.05
Accumulated depreciation									
Opening as at 01.04.2019	7.37	0.14	0.68	1.51	0.10	0.15	0.29	10.24	-
Depreciation charge during the year	7.29	0.15	1.10	1.81	0.11	0.27	0.45	11.18	-
Disposals	-	-	-	-	-	-	-	-	-
Closing accumulated depreciation	14.66	0.29	1.78	3.32	0.21	0.42	0.74	21.42	-
Net carrying amount as at 31.03.2020	**14.79**	**1.20**	**3.72**	**4.01**	**0.14**	**2.29**	**1.49**	**27.64**	**0.05**
Gross carrying amount									
Opening as at 01.04.2020	29.45	1.48	5.50	7.33	0.35	2.71	2.23	49.06	0.05
Additions	2.96	-	-	4.57	0.07	-	-	7.59	1.93
Disposals	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	0.05	-	-	-	0.05	(0.05)
Closing gross carrying amount	32.41	1.48	5.50	11.95	0.42	2.71	2.23	56.71	1.93
Accumulated depreciation									
Opening as at 01.04.2020	14.66	0.29	1.78	3.32	0.21	0.42	0.74	21.42	-
Depreciation charge during the year	7.61	0.15	1.10	2.50	0.11	0.27	0.45	12.18	-
Disposals	-	-	-	-	-	-	-	-	-
Closing accumulated depreciation	22.27	0.43	2.88	5.82	0.32	0.69	1.18	33.60	-
Net carrying amount as at 31.03.2021	**10.14**	**1.05**	**2.62**	**6.13**	**0.10**	**2.02**	**1.05**	**23.11**	**1.93**

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Notes to Financial Statements for the year ended March 31, 2021

Note 3b : Other intangible assets and right-of-use assets

(Rs. Lakhs)

	Computer Software	Computer software under development	TOTAL	Right-Of-Use Assets
Gross carrying amount				
Opening as at 01.04.2019	318.22	-	318.22	-
Additions	0.42	-	0.42	678.57
Disposals	-	-	-	-
Transfers	-	-	-	-
Currency Fluctuation	28.62	-	28.62	-
Closing gross carrying amount	**347.26**	**-**	**347.26**	**678.57**
Accumulated amortisation				
Opening as at 01.04.2019	137.79	-	137.79	-
Amortisation charge during the year	82.05	-	82.05	45.33
Disposals	-	-	-	-
Currency Fluctuation	17.37	-	17.37	-
Closing accumulated depreciation	**237.21**	**-**	**237.21**	**45.33**
Net carrying amount as at 31.03.2020	**110.05**	**-**	**110.05**	**633.24**
Gross carrying amount				
Opening as at 01.04.2020	**347.26**	-	**347.26**	**678.57**
Additions	138.03	41.33	179.36	-
Disposals	-	-	-	-
Transfers	-	-	-	-
Currency Fluctuation	(8.67)	-	(8.67)	(14.27)
Closing gross carrying amount	**476.62**	**41.33**	**517.96**	**664.30**
Accumulated amortisation				
Opening as at 01.04.2020	**237.21**	-	**237.21**	**45.33**
Amortisation charge during the year	109.53	-	109.53	49.67
Disposals	-	-	-	-
Currency Fluctuation	(6.75)	-	(6.75)	1.18
Closing accumulated depreciation	**340.00**	**-**	**340.00**	**96.18**
Net carrying amount as at 31.03.2021	**136.62**	**41.33**	**177.96**	**568.11**

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Notes to Financial Statements for the year ended March 31, 2021

Note 3b : Other intangible assets and right-of-use assets

(USD Lakhs)

	Computer Software	Computer software under development	TOTAL	Right-Of-Use Assets
Gross carrying amount				
Opening as at 01.04.2019	4.60	-	4.60	-
Additions	0.01	-	0.01	9.04
Disposals	-	-	-	-
Transfers	-	-	-	-
Closing gross carrying amount	**4.61**	-	**4.61**	**9.04**
Accumulated amortisation				
Opening as at 01.04.2019	1.99	-	1.99	-
Amortisation charge during the year	1.15	-	1.15	0.64
Disposals	-	-	-	-
Closing accumulated depreciation	**3.15**	-	**3.15**	**0.64**
Net carrying amount as at 31.03.2020	**1.46**	-	**1.46**	**8.40**
Gross carrying amount				
Opening as at 01.04.2020	**4.61**	-	**4.61**	**9.04**
Additions	1.88	**0.57**	2.45	-
Disposals	-	-	-	-
Transfers	-	-	-	-
Closing gross carrying amount	**6.48**	**0.57**	**7.05**	**9.04**
Accumulated amortisation				
Opening as at 01.04.2020	**3.15**	-	**3.15**	**0.64**
Amortisation charge during the year	1.48	-	1.48	0.67
Disposals	-	-	-	-
Closing accumulated depreciation	4.63	-	4.63	1.31
Net carrying amount as at 31.03.2021	**1.86**	**0.57**	**2.43**	**7.73**

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4	Other financial assets (non - current)	As at 31.03.2021 (Rs. Lakhs)	As at 31.03.2021 (USD Lakhs)	As at 31.03.2020 (Rs. Lakhs)	As at 31.03.2020 (USD Lakhs)
	Non - Current bank balances				
	Fixed deposits with original maturity for more than 12 months	-	-	376.93	5.00
	Total (a)	-	-	376.93	5.00
	Others				
	Security deposit for utilities and premises	78.66	1.07	79.19	1.05
	Accrued interest on Fixed Deposit	-	-	15.87	0.21
	Total (b)	78.66	1.07	95.05	1.26

5	Other Non-Current Assets	As at 31.03.2021 (Rs. Lakhs)	As at 31.03.2021 (USD Lakhs)	As at 31.03.2020 (Rs. Lakhs)	As at 31.03.2020 (USD Lakhs)
	Prepaid Expenses	2.43	0.03	23.83	0.26
	Total	2.43	0.03	23.83	0.26

6	Trade receivables	As at 31.03.2021 (Rs. Lakhs)	As at 31.03.2021 (USD Lakhs)	As at 31.03.2020 (Rs. Lakhs)	As at 31.03.2020 (USD Lakhs)
	Trade receivables	10.89	0.15	4.54	0.06
	Less : Loss Allowance	-	-	-	-
		10.89	0.15	4.54	0.06
	Break up of security details				
	Trade Receivables considered good - Secured	10.89	0.15	4.54	0.06
	Trade Receivables considered good - Unsecured	-	-	-	-
	Trade Receivables which have significant increase in credit risk	-	-	-	-
	Trade Receivables - credit impaired	-	-	-	-
	Total	10.89	0.15	4.54	0.06
	Loss allowance	-	-	-	-
	Total Trade receivables	10.89	0.15	4.54	0.06

7	Cash and cash equivalents	As at 31.03.2021 (Rs. Lakhs)	As at 31.03.2021 (USD Lakhs)	As at 31.03.2020 (Rs. Lakhs)	As at 31.03.2020 (USD Lakhs)
	Balances with banks :				
	In current accounts				
	- In USD Accounts	685.26	9.32	3,105.76	41.20
	- In INR Accounts	96.19	1.31	20.71	0.27
	Total	781.45	10.63	3,126.47	41.47

8	Bank balances other than cash and cash equivalents	As at 31.03.2021 (Rs. Lakhs)	As at 31.03.2021 (USD Lakhs)	As at 31.03.2020 (Rs. Lakhs)	As at 31.03.2020 (USD Lakhs)
	Fixed deposit with original maturity for more than 3 months but less than 12 months	955.56	13.00	-	-
	Fixed deposit with maturity of less than 12 months at the balance sheet date	1,837.62	25.00	-	-
	Total	2,793.18	38.00	-	-

9	Other financial assets (Current)	As at 31.03.2021 (Rs. Lakhs)	As at 31.03.2021 (USD Lakhs)	As at 31.03.2020 (Rs. Lakhs)	As at 31.03.2020 (USD Lakhs)
	Others				
	Accrued interest on Deposits	31.21	0.42	-	-
	Total	31.21	0.42	-	-

10	Other Current Assets	As at 31.03.2021 (Rs. Lakhs)	As at 31.03.2021 (USD Lakhs)	As at 31.03.2020 (Rs. Lakhs)	As at 31.03.2020 (USD Lakhs)
	Prepaid Expenses	64.01	0.87	67.40	0.95
	Deferred Lease Rent	0.72	0.01	2.20	0.03
	Balance with GST Authorities	8.85	0.12	25.42	0.34
	Receivables from Related Party	15.99	0.22	23.97	0.32
	Receivables from Employees	0.00	0.00	0.02	0.00
	Total	89.57	1.22	119.02	1.63
	Receivable from Related Party				
	NSE IFSC Clearing Corporation Ltd	15.99	0.22	23.97	0.85
		15.99	0.22	23.97	0.85

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11 a) **Share Capital**

	As at 31.03.2021 (Rs. Lakhs)	As at 31.03.2021 (USD Lakhs)	As at 31.03.2020 (Rs. Lakhs)	As at 31.03.2020 (USD Lakhs)
Authorised				
25,00,00,000 Equity Shares of Rs 10 each (Previous Year : 25,00,00,000 Equity Shares of Rs 10 each)	25,000	NA	25,000	NA
	25,000	NA	25,000	NA
Issued, Subscribed and Paid-up				
16,50,00,000 Equity Shares of Rs 10 each, fully paid up	16,500	237.03	12,500	182.96
(Previous Year : 12,50,00,000 Equity Shares of Rs 10 each, fully paid up)				
Total	16,500	237.03	12,500	182.96

Equity Shares

The Company has only one class of equity shares having a par value of Rs.10/- par share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Director is subject to the approval of the shareholder in the ensuing Annual General Meeting except in the case of interim dividend.

In the event of liquidation of the company, the holder of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholder.

A reconciliation of the number of Equity Shares outstanding at the beginning and at the end of the reporting period

	As at 31.03.2021		As at 31.03.2020	
	Nos.	(Rs.)	Nos.	(Rs.)
At the beginning of the year	12,50,00,000	1,25,00,00,000	9,00,00,000	90,00,00,000
Add: Issued during the year	4,00,00,000	40,00,00,000	3,50,00,000	35,00,00,000
At the end of the year	16,50,00,000	1,65,00,00,000	12,50,00,000	1,25,00,00,000

During the year, the company has allotted 1,50,00,000 fully paid up equity shares Rs.10 each on August 30, 2020 and 2,50,00,000 fully paid up equity shares Rs.10 each on December 14, 2020 on right basis to the existing shareholder.

Shares in respect of each class in the company held by its holding company

Equity Shares :

Name of the Company	As at 31.03.2021		As at 31.03.2020	
	Nos.	% holding	Nos.	% holding
National Stock Exchange of India Limited & its nominees	16,50,00,000	100.00%	12,50,00,000	100.00%
Total	16,50,00,000	100.00%	12,50,00,000	100.00%

Details of Equity Shareholder holding more than 5% share in the Company (No of Shares)

Name of the Company	31.03.2021		31.03.2020	
	No.of Shares	% holding	No.of Shares	% holding
National Stock Exchange of India Limited & its nominees	16,50,00,000	100.00%	12,50,00,000	100.00%
Total	16,50,00,000	100.00%	12,50,00,000	100.00%

b) **Other equity**

	As at 31.03.2021 (Rs. Lakhs)	As at 31.03.2021 (USD Lakhs)	As at 31.03.2020 (Rs. Lakhs)	As at 31.03.2020 (USD Lakhs)
Liquidity Enhancement Scheme Incentive Reserve *				
Opening Balance	125.00	1.66	150.00	2.17
Transfer from Surplus/Deficit in Statement of Profit and Loss	1,053.75	14.27	893.69	12.42
Liquidity Enhancement Scheme Incentive paid/payable during the year	(1,078.77)	(14.57)	(918.69)	(12.93)
Closing Balance (A)	99.99	1.36	125.00	1.66
Foreign Currency Translation Reserve				
Opening Balance	488.37	-	167.91	-
Changes During the period	(93.18)	-	320.47	-
Closing Balance (B)	395.19	-	488.37	-
Surplus / (Deficit) in the Statement of Profit and Loss				
Opening Balance	(9,161.66)	(132.21)	(5,813.87)	(85.26)
Profit / (Loss) for the period	(4,132.71)	(55.80)	(3,371.05)	(47.44)
Other Comprehensive Income	(2.14)	(0.03)	(1.74)	(0.02)
Transfer to Liquidity Enhancement Scheme Incentive Reserve	(1,053.75)	(14.27)	(893.69)	(12.42)
Reversal of Liquidity Enhancement Scheme Incentive paid during the year	1,078.77	14.57	918.69	12.93
Closing Balance (C)	(13,271.49)	(187.74)	(9,161.66)	(132.21)
Total reserves and surplus (A+B+C)	(12,776.32)	(186.38)	(8,548.29)	(130.55)

* SEBI vide its circular dated August 10,2017 has permitted exchanges in GIFT IFSC to introduce Liquidity Enhancement Scheme to enhance liquidity. Considering, the nascent stage of business SEBI has granted exemption to comply with the conditions of giving the incentive out of accumulated free reserves of the exchange.Further, SEBI has advised exchanges to create a reserve specifically to meet Liquidity Enhancement Scheme Incentive and the same would not be included in the networth calculation of the exchange.

During the current year exchange has credited amount equivalent to Rs.1,053.76 lakhs (USD 14.27 Lakhs) (Previous Year : Rs.893.69 lakhs (USD 12.42 Lakhs)) to LES Incentive reserve and Rs. 1,078.77 Lakhs (USD 14.57 Lakhs) (Previous Year : Rs. 918.69 Lakhs (USD 12.93 Lakhs)) was spent as incentive paid/payable to the trading members leaving a balance of Rs.100 Lakhs (USD 1.36 Lakhs) (Previous Year : Rs.125 Lakhs (USD 1.66 Lakhs)) in LES Incentive reserve as at March 31, 2021.Based on the past trend, the management is of the view that the balance in LES reserve as at March 31, 2021 is sufficient to meet the LES incentive payout for the following month.

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

12 **Other Financial Liabilities (Non - Current)**

	As at 31.03.2021 (Rs. Lakhs)	As at 31.03.2021 (USD Lakhs)	As at 31.03.2020 (Rs. Lakhs)	As at 31.03.2020 (USD Lakhs)
Lease Liability	637.60	8.67	667.60	8.86
	637.60	8.67	667.60	8.86

13 **Provisions - Non Current**

	As at 31.03.2021 (Rs. Lakhs)	As at 31.03.2021 (USD Lakhs)	As at 31.03.2020 (Rs. Lakhs)	As at 31.03.2020 (USD Lakhs)
Provision for gratuity(Refer Note 29)	18.80	0.26	6.99	0.09
Provision for leave encashment	4.63	0.06	2.95	0.02
	23.43	0.32	9.94	0.11

14 **Deposit- Current**

	As at 31.03.2021 (Rs. Lakhs)	As at 31.03.2021 (USD Lakhs)	As at 31.03.2020 (Rs. Lakhs)	As at 31.03.2020 (USD Lakhs)
Deposits from trading members	980.10	13.33	838.18	11.12
	980.10	13.33	838.18	11.12

15 **Trade Payable**

	As at 31.03.2021 (Rs. Lakhs)	As at 31.03.2021 (USD Lakhs)	As at 31.03.2020 (Rs. Lakhs)	As at 31.03.2020 (USD Lakhs)
Trade Payable (Refer note No.28)	85.25	1.16	105.24	1.40
Trade Payable to Related Party (Refer note No.28)	287.75	3.91	363.91	4.83
	373.00	5.07	469.15	6.22
Payable to Related Party				
NSE Indices Limited	3.31	0.05	3.36	0.04
NSEIT Limited	284.44	3.86	360.55	4.79
	287.75	3.91	363.91	4.83

16 **Other Financial Liabilities (Current)**

	As at 31.03.2021 (Rs. Lakhs)	As at 31.03.2021 (USD Lakhs)	As at 31.03.2020 (Rs. Lakhs)	As at 31.03.2020 (USD Lakhs)
Others				
Liability for Expense (Refer note No.28)	473.65	6.45	503.35	6.68
Lease Liability	13.00	0.18	8.73	0.12
Creditor for Capital Expenditure	34.62	0.47	20.50	0.26
Total	521.27	7.10	532.58	7.06
Payable to Related Party				
National Stock Exchange of India Limited	57.50	0.78	232.54	3.08
	57.50	0.78	232.54	3.08

17 **Provisions - Current**

	As at 31.03.2021 (Rs. Lakhs)	As at 31.03.2021 (USD Lakhs)	As at 31.03.2020 (Rs. Lakhs)	As at 31.03.2020 (USD Lakhs)
Provision for leave encashment	6.02	0.08	2.13	0.05
Provision for gratuity	1.29	0.02	-	-
Provision for variable pay and allowance	33.81	0.46	19.58	0.26
	41.12	0.56	21.71	0.31

18 **Other Current liabilities**

	As at 31.03.2021 (Rs. Lakhs)	As at 31.03.2021 (USD Lakhs)	As at 31.03.2020 (Rs. Lakhs)	As at 31.03.2020 (USD Lakhs)
Statutory Dues Payable	68.85	0.94	80.93	1.07
Income Received in Advance	5.06	0.07	5.09	0.07
Other Liabilities	5.64	0.09	2.08	0.03
Total	79.55	1.10	88.10	1.17

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19 Revenue from Operation

	For the year ended 31.03.2021 (Rs. Lakhs)	For the year ended 31.03.2021 (USD Lakhs)	For the year ended 31.03.2020 (Rs. Lakhs)	For the year ended 31.03.2020 (USD Lakhs)
Connectivity Charges	10.84	0.15	8.68	0.12
Annual Membership Fees	40.54	0.54	28.27	0.40
Total	51.38	0.69	36.95	0.52

20 Other Income

	For the year ended 31.03.2021 (Rs. Lakhs)	For the year ended 31.03.2021 (USD Lakhs)	For the year ended 31.03.2020 (Rs. Lakhs)	For the year ended 31.03.2020 (USD Lakhs)
Interest Income from financial assets at amortised cost	15.12	0.20	9.93	0.14
Interest Others	5.13	0.07	2.11	0.03
Profit on Foreign Exchange Fluctuation (net)	-	-	89.12	1.25
Sundry balances written back	31.94	0.42	-	-
Other Income	0.13	0.01	0.03	0.00
Total	52.32	0.70	101.19	1.42

21 Employee benefits expense

	For the year ended 31.03.2021 (Rs. Lakhs)	For the year ended 31.03.2021 (USD Lakhs)	For the year ended 31.03.2020 (Rs. Lakhs)	For the year ended 31.03.2020 (USD Lakhs)
Salary, Wages & Allowances	188.45	2.54	133.72	1.88
Contribution to provident and other fund	5.80	0.08	4.69	0.07
Gratuity (Refer Note 29)	3.68	0.05	2.25	0.03
Deputed Personnel Cost (Refer Note 25)	206.09	2.78	200.52	2.82
Total	404.02	5.45	341.18	4.80

22 Other expenses

	For the year ended 31.03.2021 (Rs. Lakhs)	For the year ended 31.03.2021 (USD Lakhs)	For the year ended 31.03.2020 (Rs. Lakhs)	For the year ended 31.03.2020 (USD Lakhs)
Lease Line Charges	183.99	2.48	157.35	2.21
Software Expenses	10.28	0.14	7.99	0.11
Power and DG Backup Charges	49.06	0.66	25.48	0.36
Repairs & Maintenance - Building & others	55.95	0.76	53.58	0.75
Air Conditioning Charges	4.57	0.06	4.46	0.06
Security Charges	4.93	0.07	4.76	0.07
Legal and Professional Fees	184.12	2.49	60.60	0.85
Director Sitting Fees	3.00	0.04	1.50	0.02
Payment to Auditor (Refer Note Below)	5.58	0.08	4.74	0.07
Fees & Subscription	134.93	1.82	15.49	0.22
Licensing Fees	3.58	0.05	3.52	0.05
Now Usage Charges	5.02	0.07	5.15	0.07
Application & Registration Fees	-	-	0.06	0.00
Travelling Expenses	14.92	0.20	22.92	0.32
Lodging and Boarding Expense	3.30	0.04	4.19	0.06
Office Expenses	6.93	0.09	5.91	0.08
Pantry & Refreshments	5.52	0.07	5.32	0.07
Printing and Stationery	0.48	0.01	1.70	0.02
Conveyance Expenses	1.60	0.02	1.15	0.02
Telephone & Internet Charges	1.42	0.02	1.21	0.02
Insurance Exp.	2.88	0.04	1.44	0.02
Business Promotion Expense	-	-	0.19	0.00
Regulatory Fees	114.21	1.54	94.39	1.33
Interest on Lease Liability	59.60	0.80	54.95	0.77
Stamp Duty on Issue of Shares	0.20	0.00	115.90	1.63
Shifting Expense	0.38	0.01	-	-
Loss on Foreign Exchange Fluctuation (net)	9.75	0.13	-	-
Other Expenses	3.30	0.04	9.83	0.14
Total	869.49	11.74	663.78	9.34

Note :
Payment to Auditor

As Auditor				
Audit Fees	1.75	0.02	1.50	0.02
Limited Review Fees	0.75	0.01	0.75	0.01
In other Capacity				
Certification Matters	0.50	0.01	0.98	0.01
Taxation Matters	2.57	0.03	1.50	0.02
Out of Pocket Expenses	0.01	0.01	0.01	0.00
Total	5.58	0.08	4.74	0.07

23 Earnings per share

Particulars	Year ended 31.03.2021		Year ended 31.03.2020	
	(Rs. Lakhs)	(USD Lakhs)	(Rs. Lakhs)	(USD Lakhs)
Profit attributable to the equity holders of the company used in calculating basic earnings per share and diluted earnings per share				
Profit/(Loss) for the year	(4,132.71)	(55.80)	(3,371.05)	(47.44)
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	14,11,91,781	14,11,91,781	10,18,71,584.70	10,18,71,584.70
Earnings per equity share (basic and diluted) (Rs.)	(2.93)	(0.04)	(3.31)	(0.05)

The Company does not have any outstanding dilutive potential equity shares. Consequently, the basic and diluted earning per share of the Company remain the same.

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24 **Lease - Operating Lease**

The Company has taken certain premises under non-cancellable operating lease. Commitment for minimum lease payments on undiscounted basis in relation to non-cancellable operating leases are payable as follows:

Particulars	Year ended 31.03.2021 (Rs.In Lakhs)	Year ended 31.03.2021 (USD Lakhs)	Year ended 31.03.2020 (Rs.In Lakhs)	Year ended 31.03.2020 (USD Lakhs)
- Paid during the year	66.43	0.90	63.26	0.89
- Not Later than one year	69.75	0.94	66.43	0.93
- Later than one year and not later than	315.65	4.26	300.62	4.23
- Later than five years	744.82	10.06	829.60	11.67
Total Lease Payment	**1,130.22**	**15.26**	**1,196.65**	**16.84**

25 **Deputed Personnal Cost**

Deputed Personnal Cost represents the deputation expenses in respect of the employees of National Stock Exchange of India Limited (NSEIL) deputed to the company.

26 **Segment Reporting**

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 of the Company. The Company operates only in one Business Segment i.e.facilitating trading of securities and the activities incidental thereto within India or global, hence does not have any reportable Segments as per Indian Accounting Standard 108 "Operating Segments".

27 **Related Party**

In compliance with Ind AS 24 - "Related Party Disclosures", as notified under Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 the required disclosures are given in the table below:

Names of the related parties and related party relationship

Sr. No	Related Party	Nature of Relationship
1	National Stock Exchange of India Limited	Holding Company
2	NSE Clearing Limited (formerly known as National Securities Clearing Corporation Limited)	Fellow Subsidiary Company
3	NSE Investments Limited (formerly known as NSE Strategic Investment Corporation Limited)	Fellow Subsidiary Company
4	NSE IFSC Clearing Corporation Limited	Fellow Subsidiary's Subsidiary Company
5	NSEIT Limited	Fellow Subsidiary's Subsidiary Company
6	NSE Data & Analytics Limited (formerly known as DotEx International Limited)	Fellow Subsidiary's Subsidiary Company
7	Cogencis Information Services Limited (w.e.f. January 21, 2021)	Fellow Subsidiary's Subsidiary's Subsidiary Company
8	Capital Quants Solutions Private Limited (w.e.f. March 03, 2021)	Fellow Subsidiary's Subsidiary's Subsidiary Company
9	NSE Indices Limited (formerly known as India Index Services & Products Limited)	Fellow Subsidiary's Subsidiary Company
10	NSE Infotech Services Limited	Fellow Subsidiary's Subsidiary Company
11	NSE.IT (US) Inc.	Fellow Subsidiary's Subsidiary's Subsidiary Company
12	NSE Academy Limited (Formerly known as NSE Education Facilities Limited)	Fellow Subsidiary's Subsidiary Company
13	Talentsprint Private Limited (w.e.f. November 10, 2020)	Fellow Subsidiary's Subsidiary's Subsidiary Company
14	NSE Foundation	Fellow Subsidiary Company
15	Aujas Cybersecurity Limited (Formerly known as Aujas Networks Limited/Aujas Networks Private Limited)	Fellow Subsidiary's Subsidiary's Subsidiary Company
16	National Securities Depository Limited	Holding Company's Associate
17	BFSI Sector Skill Council of India	Holding Company's Associate
18	Power Exchange India Limited	Fellow Subsidiary's Associate
19	NSDL e-Governance Infrastructure Limited (formerly known as National Securities Depository Limited)	Fellow Subsidiary's Associate
20	Market Simplified India Limited (formerly known as INXS Technologies Limited)	Fellow Subsidiary's Joint Venture
21	Receivables Exchange Of India Limited	Fellow Subsidiary's Associate
22	Indian Gas Exchange Limited (w.e.f. March 16, 2021)	Fellow Subsidiary's Associate
23	Mr. Sandip Mehta - Chief Executive Officer	Key Management Personnel
24	Mr. Venkatesh Panchapagesan - Director	Key Management Personnel
25	Mr. Yatrik Vin -Director	Key Management Personnel
26	Mr. Ravi Varanasi -Director	Key Management Personnel
27	Mr. Mukesh Agarwal - Director	Key Management Personnel

Name of the Related Party	Nature of Transactions	Year ended 31.03.2021 (Rs. Lakhs)	Year ended 31.03.2021 (USD Lakhs)	Year ended 31.03.2020 (Rs. Lakhs)	Year ended 31.03.2020 (USD Lakhs)
National Stock Exchange of India Limited (NSEIL)	Contribution received towards Equity Share Capital	4,000.00	54.07	3,500.00	49.22
	Usage Charges paid	50.00	0.66	50.00	0.66
	Purchase of Fixed Assets	36.66	0.50	-	-
	Reimbursement of expenses for staff on deputation paid / payable	206.09	2.75	200.52	2.82
	Reimbursement for capital and revenue expenses incurred (including taxes, if any)	212.32	2.86	303.69	4.29
	Outstanding balance Dr / (Cr)	(57.50)	(0.78)	(232.54)	(3.08)
NSEIT Limited	IT Management and Consultancy Charges paid	657.36	8.97	489.84	6.89
	Outstanding balance Dr / (Cr)	(284.44)	(3.86)	(360.55)	(4.79)
NSE Data & Analytics Limited (formerly known as DotEx International Limited)	NOW usage Charges paid	-	-	5.15	0.07
	Outstanding balance Dr / (Cr)	-	-	-	-
NSE IFSC Clearing Corporation Limited	Amount collected from members on behalf of the company	0.57	0.01	0.38	0.01
	Reimbursement of Expenses	16.16	0.22	17.59	0.24
	Outstanding balance Dr / (Cr)	15.99	0.22	23.97	0.32

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NSE Indices Limited (formerly known as India Index Services & Products Limited)	Licensing Fees	3.58	0.05	3.52	0.05
	Outstanding balance Dr / (Cr)	(3.31)	(0.05)	(3.36)	(0.04)
Mr. Sandip Mehta	Short-term employee benefits	77.11	1.04	71.72	1.01
	Post-employment benefits #	5.03	0.07	4.74	0.07

As the liabilities for define benefit plan are provided on actuarial basis for the Company as a whole, the amount pertaining to key managerial persons are not included.

Mr. Venkatesh Panchapagesan	Director Sitting Fees Paid	3.00	0.04	1.50	0.02
	Committee Sitting Fees	2.50	0.03	0.75	0.01

28 There is no Micro enterprise & Small enterprise to which the company owes dues as at March 31, 2021. This information as required to be disclosed under Micro, Small and Medium Enterprises Development Act 2006 has been determined to the extent such parties have been identified on the basis of information available with the company.

29 Employee Benefits

(i) Provident & Pension Fund: Company has contributed Rs. 5.80 lakhs (USD 0.08 Lakhs) (previous year: 4.69 lakhs (USD 0.07 Lakhs))) towards Provident Fund during the year ended March 31, 2021 to Employee Provident Fund Organisation.

(ii) Gratuity

Gratuity: The company provides for gratuity for employees as per Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity, The amount of Gratuity is payable on retirement/termination of the emplyee's last drawn basic salary per month multiplied for the number of years of service. The gratuity plan is a non funded plan and the company makes provision on the basis of Actuarial Valuation.

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

	Year ended 31.03.2021 (Rs. Lakhs)	Year ended 31.03.2021 (USD Lakhs)	Year ended 31.03.2020 (Rs. Lakhs)	Year ended 31.03.2020 (USD Lakhs)
Liability at the beginning of the year	6.99	0.09	3.00	0.04
Interest cost	0.46	0.01	0.22	0.00
Current Service Cost	3.22	0.04	2.03	0.03
Liability transferred	7.28	0.10	-	-
Benefits Paid	-	-	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	-	-	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	0.16	0.00	1.60	0.02
Actuarial (Gains)/Losses on Obligations - Due to Experience	1.98	0.03	0.13	0.00
Liability at the end of the year	20.08	0.27	6.99	0.09

The amounts recognised in the balance sheet and the movements in the fair value of plan assets over the year are as follows:

	Year ended 31.03.2021 (Rs. Lakhs)	Year ended 31.03.2021 (USD Lakhs)	Year ended 31.03.2020 (Rs. Lakhs)	Year ended 31.03.2020 (USD Lakhs)
Fair Value of plan assets at the beginning of the year	-	-	-	-
Interest Income	-	-	-	-
Expected return on plan assets	-	-	-	-
Contributions	-	-	-	-
Transfer from other company	-	-	-	-
Benefits paid	-	-	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	-	-	-	-
Fair Value of plan assets at the end of the year	-	-	-	-

The net liability disclosed above relates to funded plans are as follows:

	Year ended 31.03.2021 (Rs. Lakhs)	Year ended 31.03.2021 (USD Lakhs)	Year ended 31.03.2020 (Rs. Lakhs)	Year ended 31.03.2020 (USD Lakhs)
Fair value of plan assets as at the end of the year	-	-	-	-
Liability as at the end of the year	(20.08)	(0.27)	(6.99)	(0.09)
Net (liability) / asset	(20.08)	(0.27)	(6.99)	(0.09)

Balance Sheet Reconciliation

	Year ended 31.03.2021 (Rs. Lakhs)	Year ended 31.03.2021 (USD Lakhs)	Year ended 31.03.2020 (Rs. Lakhs)	Year ended 31.03.2020 (USD Lakhs)
Opening Net Liability	6.99	0.09	3.00	0.04
Expenses Recognized in Statement of Profit or Loss	3.68	0.05	2.25	0.03
Expenses Recognized in OCI	2.14	0.03	1.74	0.02
Net (Liability)/Asset Transfer in	7.28	0.10	-	-
Employers Contribution	-	-	-	-
Amount recognised in the Balance Sheet	20.08	0.28	6.99	0.09

Statement of Profit & Loss

Net Interest Cost for Current Period

	Year ended 31.03.2021 (Rs. Lakhs)	Year ended 31.03.2021 (USD Lakhs)	Year ended 31.03.2020 (Rs. Lakhs)	Year ended 31.03.2020 (USD Lakhs)
Interest Cost	0.46	0.01	0.22	0.00
Interest Income	-	-	-	-

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Net Interest Cost for Current Period	**0.46**	**0.01**	**0.22**	**0.00**

Expenses recognised in the Statement of Profit & Loss	Year ended 31.03.2021 (Rs. Lakhs)	Year ended 31.03.2021 (USD Lakhs)	Year ended 31.03.2020 (Rs. Lakhs)	Year ended 31.03.2020 (USD Lakhs)
Current Service cost	3.22	0.04	2.03	0.03
Net Interest Cost	0.46	0.01	0.22	0.00
Expenses recognised in the Statement of Profit & Loss	**3.68**	**0.05**	**2.25**	**0.03**

Expenses recognised in the Other Comprehensive Income	Year ended 31.03.2021 (Rs. Lakhs)	Year ended 31.03.2021 (USD Lakhs)	Year ended 31.03.2020 (Rs. Lakhs)	Year ended 31.03.2020 (USD Lakhs)
Expected return on plan assets	-	-	-	-
Actuarial (Gain) or Loss	2.14	0.03	1.74	0.02
Net (Income)/Expense for the Period Recognized in OCI	**2.14**	**0.03**	1.74	0.02

Fair value of plan assets at the Balance Sheet Date for defined benefit obligations	Year ended 31.03.2021 (Rs. Lakhs)	Year ended 31.03.2021 (USD Lakhs)	Year ended 31.03.2020 (Rs. Lakhs)	Year ended 31.03.2020 (USD Lakhs)
Insurer Managed Funds	-	-	-	-
Total	-	-	-	-

Sensitivity Analysis	Year ended 31.03.2021 (Rs. Lakhs)	Year ended 31.03.2021 (USD Lakhs)	Year ended 31.03.2020 (Rs. Lakhs)	Year ended 31.03.2020 (USD Lakhs)
Projected Benefit Obligation on Current Assumptions	20.08	0.27	6.99	0.09
Delta Effect of +1% Change in Rate of Discounting	(1.53)	(0.02)	(0.64)	(0.01)
Delta Effect of -1% Change in Rate of Discounting	1.78	0.02	0.75	0.01
Delta Effect of +1% Change in Rate of Salary Increase	1.70	0.02	0.72	0.01
Delta Effect of -1% Change in Rate of Salary Increase	(1.50)	(0.02)	(0.63)	(0.01)
Delta Effect of +1% Change in Rate of Employee Turnover	(0.49)	(0.01)	(0.28)	(0.00)
Delta Effect of -1% Change in Rate of Employee Turnover	0.55	0.01	0.31	0.00

Significant actuarial assumptions are as follows:	Year ended 31.03.2021	Year ended 31.03.2020
Discount Rate	6.49%	6.59%
Rate of Return on Plan Assets	N.A.	N.A.
Salary Escalation	10.00%	10.00%
Attrition Rate	12.00%	12.00%

30 Capital and other commitments

	31.03.2021 (Rs. Lakhs)	31.03.2021 (USD Lakhs)	31.03.2020 (Rs. Lakhs)	31.03.2020 (USD Lakhs)
Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided	97.79	1.33	24.11	0.32
Other commitments	140.91	1.92	54.76	0.73
	238.70	**3.25**	**78.87**	**1.05**

31 Contingent liability:

	31.03.2021 (Rs. Lakhs)	31.03.2021 (USD Lakhs)	31.03.2020 (Rs. Lakhs)	31.03.2020 (USD Lakhs)
Contingent Liabilities	-	-	-	-
	-	-	-	-

32 The company's tax jurisdiction is India. Income of the company is fully exempt from the income tax for initial period of five years (i.e. FY 2017- 18 to FY 2021-22) and 50% exempt for subsequent five years (i.e. FY 2022- 23 to FY 2026-27). Deferred tax asset is recognised based on reasonable certainty.

KHANDELWAL JAIN & COMPANY * MUMBAI * CHARTERED ACCOUNTANTS

NSE IFSC Limited

33 **Financial Risk Management**

The Company's business activities expose it to a variety of financial risks, namely liquidity risk, market risks and credit risk. The Company's senior management has the overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

Treasury department that provides assurance that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Treasury department activities are designed to:

- protect the Company's financial results and position from financial risks
- maintain market risks within acceptable parameters, while optimising returns; and
- protect the Company's financial investments, while maximising returns.

The Treasury department is responsible to maximise the return on companies internally genereted funds.

A MANAGEMENT OF LIQUIDITY RISK

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's approach to managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions.

The Company maintains a conservative funding and investment strategy, with a positive cash balance during the year ended 31st March, 2021

The Company's treasury department regularly monitors the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet operational needs. Any short term surplus cash generated by the operating entities, over and above the amount required for working capital management and other operational requirements, is retained as cash equivalents (to the extent required) , other highly liquid investments and excess is invested in interest bearing term deposits and other highly marketable debt investmentswith appropriate maturities to optimise the returns on investments while ensuring sufficient liquidity to meet its liabilities.

(Rs. Lakhs)

	Carrying amount	Less Than 12 Month	More than 12 months	Total
As at March 31, 2021				
Trade payables	373.00	373.00	-	373.00
Deposits	980.10	980.10	-	980.10
Creditor for capital goods	34.62	34.62	-	34.62
Other liablities	1,124.24	486.65	637.60	1,124.24

(USD Lakhs)

	Carrying amount	Less Than 12 Month	More than 12 months	Total
As at March 31, 2021				
Trade payables	5.07	5.07	-	5.07
Deposits	13.33	13.33	-	13.33
Creditor for capital goods	0.47	0.47	-	0.47
Other liablities	15.30	6.63	8.67	15.30

(Rs. Lakhs)

	Carrying amount	Less Than 12 Month	More than 12 months	Total
As at March 31, 2020				
Trade payables	469.15	469.15	-	469.15
Deposits	838.18	838.18	-	838.18
Creditor for capital goods	20.50	20.50	-	20.50
Other liablities	1,179.68	512.08	667.60	1,179.68

(USD Lakhs)

	Carrying amount	Less Than 12 Month	More than 12 months	Total
As at March 31, 2020				
Trade payables	6.22	6.22	-	6.22
Deposits	11.12	11.12	-	11.12
Creditor for capital goods	0.26	0.26	-	0.26
Other liablities	15.66	6.80	8.86	15.66

B MANAGEMENT OF MARKET RISK

The Company's size and operations result in it being exposed to the following market risks that arise from its use of financial instruments:

- price risk;
- foreign exchange risk and
- interest rate risk

The above risks may affect the Company's income and expenses, or the value of its financial instruments. The objective of the Company's management of market risk is to maintain this risk within acceptable parameters, while optimising returns.

KHANDELWAL JAIN & COMPANY
MUMBAI
CHARTERED ACCOUNTANTS

NSE IFSC Limited

NSE IFSC LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

C CAPITAL MANAGEMENT

The Company considers the following components of its Balance Sheet to be managed capital:

Total equity (as shown in the balance sheet). – retained profit, share capital.

The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to our shareholders. The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the group may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Company aims to translate profitable growth to superior cash generation through efficient capital management. The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company's focus is on keeping strong total equity base to ensure independence, security, as well as a high financial flexibility for potential future borrowings, if required, without impacting the risk profile of the Company. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure. The Company is not subject to financial covenants in any of its significant financing agreements.

The management monitors the return on capital as well as the level of dividends to shareholders. .The company is required to maintain the minimum networth of Rs.25 crores and enhance it to Rs.100 crores at the end of third year from the date of approval, i.e. May 28, 2017, to operate an exchange as per SEBI guidelines. SEBI has granted relaxation for 1 year and allowed exchange to maintain minimum networth of 25 crores till May 28, 2021. Further,International Financial Services Centres Authority has issued International Financial Services Centres Authority (Market Infrastructure Institutions) Regulations, 2021 on April 12, 2021 . Regulation 14 of International Financial Services Centres Authority (Market Infrastructure Institutions) Regulations, 2021 requires the company to have net worth of at least USD 3 million at all times. The company is in compliance of the same.

D FINANCIAL INSTRUMENTS BY CATEGORY

(Rs. Lakhs)

	31-03-2021			31-03-2020		
	FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost
As at March 31, 2021						
Financial Assets						
Fixed Deposits with Banks	-	-	2,793.18	-	-	392.79
Trade receivables			10.89			4.54
Cash and Cash equivalents	-	-	781.45	-	-	3,126.47
Security deposits	-	-	78.66	-	-	79.19
Other Financial Assets	-	-	31.21			-
Total Financial Assets	-	-	3,695.38	-	-	3,602.99
Financial Liabilities						
Trade payables	-	-	373.00	-	-	469.15
Deposits	-	-	980.10	-	-	838.18
Other liablities	-	-	1,158.86	-	-	1,200.18
Total Financial Liablities	-	-	2,511.96	-	-	2,507.50

(USD Lakhs)

	31-03-2021			31-03-2020		
	FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost
As at March 31, 2021						
Financial Assets						
Fixed Deposits with Banks	-	-	38.00	-	-	5.21
Trade receivables			0.15			0.06
Cash and Cash equivalents	-	-	10.63	-	-	41.47
Security deposits	-	-	1.07	-	-	1.05
Other Financial Assets			0.42			-
Total Financial Assets	-	-	50.27	-	-	47.79
Financial Liabilities						
Trade payables	-	-	5.07	-	-	6.22
Deposits	-	-	13.33	-	-	11.12
Other liablities	-	-	15.78	-	-	15.92
Total Financial Liablities	-	-	34.18	-	-	33.26

34 During the F.Y. 2018-19, Exchange has transferred amount of USD 15000 to separate bank account towards Investor Protection Fund pursuant to Chapter XII of Byelaws of the exchange.

35 The Coronavirus (COVID-19) outbreak is an unprecedented global situation, declared as a 'pandemic' by World Health Organisation. Based on the Company's current assessment, the impact of COVID-19 on its operations and the resultant financial performance is not likely to be significant. The Company has also made an assessment as at March 31, 2021 of its liquidity position, recoverability and carrying values of its assets and ability to pay its liabilities as they become due and is of the view that there is no material impact or adjustments required to be made in these financial statements. the impact assessment of COVID-19 may be different from that presently estimated and the Company will continue to evaluate any significant changes to its operations and its resultant impact on the financial performance.

36 During the year, National Stock Exchange (NSE) and Singapore Stock Exchange (SGX) have entered into a agreement to cement the key terms for operationalising the NSE IFSC-SGX Connect which will bring together international and Gujarat International Finance Tec City (GIFT) participants to create a bigger liquidity pool for Nifty Products in Gift City and to develop the infrastructure for the connect and ensure member readiness prior to its implementation.

37 The exchange has introduced trading of Currency Futures and Options contract on Indian Rupee w.e.f. May 08, 2020.

38 The exchange has introduced listing and dealing in Depository Receipts on the exchange w.e.f. December 09, 2020.

39 As at March 31, 2021, the Company does not have any pending litigations which would impact its financial position.

40 In accordance with relevant provisions of Companies Act, 2013, the Company did not have any long-term contracts including derivative contracts as at March 31, 2021

41 For the year ended March 31,2021, the company is not required to transfer any amount into the Investor Education & Protection Fund as required under relevant provisions of the Companies Act, 2013.

42 Previous Year's figures have been reclassified/regrouped whenever necessary.

As per our report of even date attached

For Khandelwal Jain & Co.
Chartered Accountants
Firm Registration No.: 105049W

Narendra Jain
Partner
Membership No.: 048725

Place : Mumbai
Date : April 26, 2021

For and on behalf of the Board of Directors

Venkatesh Panchapagesan
Director
[DIN:07942333]

Yatrik Vin
Director
[DIN:07662795]

Ravi Varanasi
Director
[DIN:06573046]

Sandip Mehta
Chief Executive Officer

Harshit Maniar
Chief Financial Officer

Kunal Trivedi
Company Secretary

gokhale & sathe
(regd.)
chartered accountants

304/308/309, udyog mandir no 1,
7-c, bhagoji keer marg,
mahim, mumbai 400 016.

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF NSE INFOTECH SERVICES LIMITED

Report on the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **NSE INFOTECH SERVICES LIMITED** ("the Company"), which comprise the Balance Sheet as at **31st March 2021,** the Statement of Profit and Loss (including other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act,2013("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2021, the Profit and total Comprehensive Income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Material Uncertainty Related to Going Concern

We draw attention to Note 1(a) in the significant accounting policies which indicates that the Company has not prepared financial statements on going concern basis which indicates that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

GOKHALE & SATHE MUMBAI FIRM No. 103264W CHARTERED ACCOUNTANTS

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information, comprising of the information included in the Board's Report including Annexures to Board's Report, Corporate Governance and such other disclosures related Information, excluding the standalone financial statements and auditor's report thereon ('Other Information'). The other information is expected to be made available to us after the date of this auditors' report.

Our opinion on the standalone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the other Information and if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charges with governance as required under SA 720 'The Auditor's responsibilities Relating to other Information'.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

GOKHALE & SATHE
MUMBAI
FIRM No. 103264W
CHARTERED ACCOUNTANTS

Auditor's responsibilities for the audit of Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

GOKHALE & SATHE
MUMBAI
FIRM No. 103264W
CHARTERED ACCOUNTANTS

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other Legal and Regulatory Requirements

1. As required by section 143(3) of the Act, based on our audit we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) In our opinion, proper books of account as required by law have been kept by the company so far it appears from our examination of those books.

c) The Balance sheet, Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this report are in agreement with the relevant books of account.

d) In our opinion, the aforesaid Standalone Financial Statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) On the basis of written representations received from the directors as on 31 March, 2021 taken on record by the Board of Directors, none of the directors are disqualified as on 31 March, 2021 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in **"Annexure A"**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

GOKHALE & SATHE * MUMBAI * FIRM No. 103264W * CHARTERED ACCOUNTANTS

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

h) With respect to the other matters included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The company has disclosed the impact of pending litigations on its financial position in its Standalone Ind AS Financial Statements.

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in **"Annexure B"** a statement on the matters specified in paragraphs 3 and 4 of the Order.

For Gokhale & Sathe
Chartered Accountants
Firm Reg. No.: 103264W

GOKHALE & SATHE MUMBAI FIRM No. 103264W CHARTERED ACCOUNTANTS

Atul A Kale
Partner
Membership No.109947

Place: Mumbai
Date: 29th April 2021.
UDIN: 21109947AAAANL3805

ANNEXURE A

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the Internal financial controls over financial reporting of **NSE INFOTECH SERVICES LIMITED** ("the Company") as of 31st March, 2021 in conjunction with our audit of the Standalone Ind AS Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Standalone Ind AS Financial Statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

GOKHALE & SATHE MUMBAI FIRM No. 103264W CHARTERED ACCOUNTANTS

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Ind AS Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone Ind AS Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Standalone Ind AS Financial Statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For Gokhale & Sathe

Chartered Accountants

Firm Reg. No.: 103264W

Atul A Kale

Partner

Membership No.109947

Place: Mumbai

Date :29th April 2021.

UDIN: 21109947AAAANL3805

GOKHALE & SATHE MUMBAI FIRM No. 103264W CHARTERED ACCOUNTANTS

NSE INFOTECH SERVICES LIMITED
FINANCIAL YEAR ENDED MARCH 31, 2021
ANNEXURE B

In the Annexure, as required by the Companies (Auditor's Report) Order, 2016 issued by the Central Government in terms of Section 143 (11) of the Companies Act 2013, on the basis of checks, as we considered appropriate, we report on the matters specified in paragraph 3 and 4 of the said order,

i) No fixed assets as well as immovable properties are held by the company. Hence, clause a , clause b and clause c are not applicable.

ii) Considering the nature of the business and services rendered by the company, provisions of clause 3 (ii) of the CARO relating to inventory are not applicable.

iii) The company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act. Therefore provisions of clause 3 (iii) of the CARO are not applicable.

iv) During the year, company has not advanced any loan to directors or to any other body corporate. Therefore, the provisions of Clause 3(iv) of the CARO are not applicable.

v) During the year, the company has not accepted any deposits from public.

vi) Central Government has not prescribed any service rendered by the company under section 148(1) of the Companies Act for maintenance of Cost records.

vii) a) The company is regular in depositing with appropriate authorities undisputed statutory dues including the Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Goods and Services Tax, duty of Excise, Value Added Tax, cess and any other statutory dues applicable to it.

b) According to the information and explanation given to us, there are no dues of income tax, sales tax, wealth tax, service tax, Goods and Services Tax, custom duty, excise duty, cess which have not been deposited on account of any dispute except the following:

Sr. No.	Name of the Statute	Nature of the Dues	Financial Year	Amount	Forum where dispute is pending
1.	Income Tax Act	Fringe Benefit Tax	2007-08	1,36,143	Income Tax Office – 10(1) (4)
2.	Finance Acts concerning Service Tax	Service Tax	2014-2015 to 2016-2017	1,58,143	Deputy Commissioner-CGST Audit
			1/04/2017 to 30/06/2017	25,566.32	

GOKHALE & SATHE MUMBAI FIRM No. 103264W CHARTERED ACCOUNTANTS

viii) In our opinion and according to the information and explanation given to us, the company does not have any loan or borrowings from a financial institution or bank or government or debenture holders. Therefore, provisions of clause 3 (viii) of the CARO are not applicable.

ix) During the year, the company has not raised any money by way of Initial Public Offer or further public offer nor obtained any term loans. Therefore, provisions of clause 3 (ix) of the CARO are not applicable.

x) According to the information and explanation given to us, no fraud on or by the company, by its officers and employees has been noticed or reported during the course of our audit.

xi) The company's managerial remuneration has been provided with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act, 2013.

xii) In our opinion, the Company is not a chit fund or a nidhi/ mutual benefit fund/ society. Therefore, the provisions of clause 3 (xii) of the CARO are not applicable.

xiii) In our opinion and according to the information and explanation given to us, transactions with the related parties are in compliance with sections 177 and 188 of the act where applicable and details of such transactions have been disclosed in the Standalone Ind AS Financial Statements as required by the applicable Accounting standards.

xiv) In our opinion and according to the information and explanation given to us, during the year the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures. Therefore, the provisions of clause 3 (xiv) of the CARO are not applicable.

xv) In our opinion and according to the information and explanation given to us, during the year the company has not entered into non-cash transactions with the directors or persons connected with the directors and hence the provisions of Clause 3 (xv) of the CARO are not applicable.

xvi) The company is not required to be registered under Section 45IA of the Reserve Bank Of India Act, 1934.

For Gokhale & Sathe

Chartered Accountants

Firm Reg. No.: 103264W

AKale

GOKHALE & SATHE MUMBAI FIRM No. 103264W CHARTERED ACCOUNTANTS

Atul A Kale

Partner

Membership No.109947

Place: Mumbai

Date:29th April 2021.

UDIN: 21109947AAAANL3805

NSE INFOTECH SERVICES LIMITED
BALANCE SHEET AS AT 31ST MARCH 2021

(Rs in Lakhs)

	NOTE	As at 31.03.2021	As at 31.03.2020
ASSETS			
Non-current assets			
Income tax assets (net)	7	0.40	115.81
Total non-current assets		0.40	115.81
Current assets			
Financial assets			
- Investments	2	182.96	275.22
- Cash and cash equivalents	3	15.02	5.28
Other current assets	4	0.45	2.19
Total current assets		198.43	282.69
TOTAL ASSETS		198.83	398.50
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	5 (a)	5.00	5.00
Other equity	5 (b)	187.48	378.45
TOTAL EQUITY		192.48	383.45
LIABILITIES			
Current liabilities			
Financial Liabilities			
Other current liabilities	9	3.09	9.45
Deferred tax liabilities (net)	6 (c)	3.26	1.31
Income tax liabilities (net)	8	-	4.29
Total current liabilities		6.35	15.05
TOTAL LIABILITIES		6.35	15.05
TOTAL EQUITY AND LIABILITIES		198.83	398.50

Summary of significant accounting policies (Note 1)
The accompanying notes are an integral part of the financial statements.

As per our report of even date attached
For GOKHALE & SATHE
Chartered Accountants
Firm Reg. No : 103264W

For and on behalf of the Board of Directors

ATUL KALE
Partner
Membership Number: 109947
Place : Mumbai
Date : April 29, 2021

GOKHALE & SATHE MUMBAI FIRM No. 103264W CHARTERED ACCOUNTANTS

YATRIK VIN
Chairman
(DIN : 07662795)

MUKESH AGARWAL
Director
(DIN : 03054853)

GURUDATT SHENOY
Director
(DIN : 08787168)

NSE Infotech Services Limited Mumbai

NSE INFOTECH SERVICES LIMITED

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH 2021

(Rs in Lakhs)

PARTICULARS	Notes No.	For the year ended 31.03.2021	For the year ended 31.03.2020
Income			
Revenue from operations		-	-
Other income and other gains / (losses)	10	26.41	73.01
Total income		26.41	73.01
Expenses			
Employee benefits expense		-	-
Other expenses	11	8.71	16.15
Total expenses		8.71	16.15
Profit before tax		17.70	56.86
Less : Income Tax expense			
Current tax		4.70	12.06
(Excess)/short FBT provision for earlier years		0.05	
(Excess)/short Income tax provision for earlier years		1.96	(0.48)
Deferred tax	6 (c)	1.95	1.31
Total Income Tax expenses	6 (a)	8.66	12.89
Profit after tax (A)		9.04	43.97
Other Comprehensive Income			
Total other comprehensive income for the period, net of taxes (B)		-	-
Total comprehensive income for the year/ period (A+B)		9.04	43.97
Earning per equity share (Face value of Rs. 10 each)			
- Basic and Diluted	12	18.08	87.94

Summary of significant accounting policies (Note 1)
The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

For and on behalf of the Board of Directors

For GOKHALE & SATHE
Chartered Accountants
Firm Reg. No : 103264W

ATUL KALE
Partner
Membership Number: 109947
Place : Mumbai
Date : April 29, 2021

GOKHALE & SATHE MUMBAI FIRM No. 103264W CHARTERED ACCOUNTANTS

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NSE Infotech Services Limited Mumbai

NSE INFOTECH SERVICES LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2021

(A) Equity Share Capital

(Rs in Lakhs)

	As at 31.03.2021	As at 31.03.2020
Balance as at	**5.00**	5.00

(B) Other Equity

(Rs in Lakhs)

Reserves and Surplus	31.03.2021	31.03.2020
Oenining balance as at	**378.44**	334.47
Add : Total Comprehensive Income for the year	**9.04**	43.97
Less : Dividend Paid to Equity Share Holders	**200.00**	-
Closing Balance as at	**187.48**	378.44

Summary of significant accounting policies (Note 1)
The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

For GOKHALE & SATHE
Chartered Accountants
Firm Reg. No : 103264W

ATUL KALE
Partner
Membership Number: 109947
Place : Mumbai
Date : April 29, 2021

GOKHALE & SATHE MUMBAI FIRM No. 103264W CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors

YATRIK VIN
Chairman
(DIN : 07662795)

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Director
(DIN : 03054853)

GURUDATT SHENOY
Director
(DIN : 08787168)

NSE Infotech Services Limited Mumbai

NSE INFOTECH SERVICES LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2021

(Rs in Lakhs)

Particulars		For the year ended 31.03.2021	For the year ended 31.03.2020
A)	**CASH FLOW FROM OPERATING ACTIVITIES**		
	NET PROFIT BEFORE TAX	17.70	56.86
	Less : **Adjustments for :**		
	Net gain on sale of investments	(4.60)	(2.47)
	Net gain on financial assets mandatorily measured at fair value through profit or loss	(10.30)	(5.74)
	Operating Profit before working capital change	2.79	48.65
	Working Capital Adjustments :		
	(Increase)/Decrease in Trade Receivable	-	85.14
	(Increase)/Decrease in other financial assets	1.74	0.29
	Increase/(Decrease) in Trade Payables	-	(0.81)
	Increase/(Decrease) in Current Liabilities & provisions	(6.36)	(43.16)
	Cash Generated from Operating activities	(1.83)	90.11
	Taxes Net (Including TDS) (Paid)/ Refund	104.41	154.17
	Net Cash From Operating Activities - Total (A)	102.58	244.28
B)	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Proceeds on Sale of Mutual Fund During the Period	227.16	116.47
	Payment for Investments in Mutual Fund During the period	(120.00)	(383.47)
	Cash flow from investing activity - Total (B)	107.16	(267.00)
C)	**CASH FLOW FROM FINANCING ACTIVITY**		
	Dividend Paid to Equity Shareholders	(200.00)	-
	Cash Flow from Financing Activity - Total (C)	(200.00)	-
	Net Increase / (Decrease) In cash & Cash Equivalent	9.74	(22.72)
	Opening balance of Cash & Cash Equivalent	5.28	28.00
	Closing balance of Cash & Cash Equivalent	15.02	5.28
	Net Increase / (Decrease) In cash & Cash Equivalent	9.74	(22.72)

Notes to Cash Flow Statement :

1. Cash and cash equivalent represent cash and bank balances.
2. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the IND AS 7 on Cash Flow Statements notified under Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015. and Companies (Indian Accounting Standards) Amendment Rules, 2016
3. Previous year's figures have been regrouped/ reclassified wherever necessary to correspond with the current period classification / disclosure.

As per our report of even date attached
For GOKHALE & SATHE
Chartered Accountants
Firm Reg. No : 103264W

ATUL KALE
Partner
Membership Number: 10990
Place : Mumbai
Date : April 29, 2021

GOKHALE & SATHE MUMBAI CHARTERED ACCOUNTANTS FIRM No. 103264W

For and on behalf of the Board of Directors

YATRIK VIN
Chairman
(DIN : 07662795)

MUKESH AGARWAL
Director
(DIN : 03054853)

GURUDATT SHENOY
Director
(DIN : 08787168)

NSE Infotech Services Limited Mumbai

NSE Infotech Services Limited

Notes to financial statements for the year ended March 31, 2021

Background

Information technology has been the backbone of conceptualization, formation, running and the success of National Stock Exchange of India Limited (NSE). NSE has been at the forefront in spearheading technology changes in the securities market. It was important to give a special thrust and focus on Information Technology to retain the primacy in the market. Towards this a wholly owned subsidiary NSE Infotech Services Limited (NSETECH) was incorporated in the year 2006 to cater the technology needs of NSE and all its group companies exclusively by engaging highly skilled employees specialized in the field of Information Technology.

In order to pursue the above objectives, NSETECH, inter-alia entered into the service agreement with NSE and its other subsidiary Companies for providing and delivering various technology product and services. Over the period NSETECH emerged as one of the important technology partners on various fronts.

Note 1 : **Significant accounting policies**

a) **Basis of preparation**

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act , 2013 (`Act') (to the extent notified) The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

During the financial year 2018-19, NSE decided to coopt the technology function internally and desired to absorb all the employees of NSETECH within it. Accordingly, effective 1st June 2018, all the employees of NSTECH were transferred to NSE. Pursuant to the transfer of all the employees of NSETECH to NSE the core operations in the Company in the nature of IT management and support services to NSE and its group Companies ceased to exist. Accordingly, effective 1st June, 2018 there was no revenue generated from the operations. In view of the same, it is not practical for the Company to prepare the financial statements on going concern basis.

(i) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

certain financial assets and liabilities that is measured at fair value, and In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2
or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

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Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly, and

Level 3 inputs are unobservable inputs for the asset or liability.

b) Foreign currency translation and transactions

(i) Functional and presentation currency

Items included in the Financial Statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Financial Statements are presented in Indian currency (INR), which is the Company's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the period end exchange rates are recognised in profit or loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equity instruments held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equity investments classified as FVOCI are recognised in other comprehensive income.

c) Revenue recognition

Effective April 1, 2018, the Company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts. The Company has adopted Ind AS 115 using the cumulative effect method. The effect of initially applying this standard is recognised at the date of initial application (i.e. April 1, 2018). The standard is applied retrospectively only to contracts that are not completed as at the date of initial application and the comparative information in statement of profit and loss is not restated – i.e. the comparative information continues to be reported under Ind AS 18 and Ind AS 11. Refer note 1c - Significant accounting policies - Revenue recognition in the Annual report of the Company for the year ended March 31, 2018, for the revenue recognition policy as per Ind AS 18 and Ind AS 11. The impact of the adoption of the standard on the financial statements of the Company is insignificant.

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of allowances, incentives, service taxes and amounts collected on behalf of third parties.

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The Company recognises revenue when the amount of revenue can be reliably measured and it is probable that future economic benefits will flow to the entity. Revenue is recognised in the period when the service is provided as per arrangements/agreements with the customers. The sources of revenue are:

(i) Revenue from IT Services – Revenue from IT Services is recognized based on the terms agreed with the customers.;

(ii) Dividend income- Dividends are recognised in profit and loss only when the shareholder's right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be reliably measured.

(iii) Interest income - Interest income is recognised on a time proportion basis, taking into account the amount outstanding and the rate applicable.

(iv) Others – all other revenue is recognised in the period in which the service is provided.

d) Income taxes

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses, if any.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Statement of Assets and Liabilities. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

The carrying amount of deferred tax assets are reviewed at the end of each reporting period and are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, associates and interest in joint arrangements where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current, deferred tax and dividend distribution tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

e) Impairment of assets

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

f) Cash and cash equivalents

Cash and Cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. These do not include bank balances earmarked/restricted for specific purposes.

g) Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

h) Investments and other financial assets

(i) Recognition

All financial assets are recognised and de-recognised on a trade date basis where the purchase or

sale of an investment is under a contract whose terms require delivery of the investment within the time frame established by the market concerned.

(ii) Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

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The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. The Company reclassifies debt investments when and only when its business model for managing those assets changes.

(iii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in Statement of Profit and Loss.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the group classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.
- **Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.
- **Fair value through profit or loss:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net in the Statement of Profit and Loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

  Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/ (losses) in the statement of profit and loss. Impairment

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NSE Infotech Services Limited Mumbai

losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

(iv) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

A financial asset is de-recognised only when

- The Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the company has transferred an asset, it evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is de-recognised. Where the company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognised.

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(v) Income recognition

Interest income

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial assets to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

Dividends

Dividends are recognised in Statement of profit and loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be reliably measured.

GOKHALE & SATHE MUMBAI CHARTERED ACCOUNTANTS

NSE Infotech Services Limited Mumbai

i) **Financial liabilities**

(i) Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

(ii) Initial recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss.

(iii) Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the statement of profit and loss.

(iv) Derecognition

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

(v) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the Restated Statement of Assets and Liabilities where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

j) **Property, plant and equipment (including CWIP)**

Office equipments are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to Statement of profit and loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives or, in the case of certain leased furniture, fittings and equipment, the shorter lease term as follows:

Office equipment	4 to 5 years

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Office Equipment is depreciated over the asset's useful life or the lease term if there is no reasonable certainty that the Company will obtain ownership at the end of the lease term.

The useful lives have been determined based on technical evaluation done by the management's expert which is higher than those specified by Schedule II to the Companies Act, 2013, in order to reflect the actual usage of the assets. The residual values are not more than 5% of the original cost of the asset. The asset's residual values and useful lives are reviewed, and adjusted on a prospective basis if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount and are included in profit or loss

Depreciation on assets purchased / disposed off during the year is provided on pro rata basis with reference to the date of additions / deductions.

Fixed assets whose aggregate cost is Rs. 5,000 or less are depreciated fully in the year of acquisition.

k) Intangible assets

Costs associated with maintaining software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Company are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use
- management intends to complete the software and use or sell it
- there is an ability to use or sell the software
- it can be demonstrated how the software will generate probable future economic benefits
- adequate technical, financial and other resources to complete the development and to use or sell the software are available, and
- the expenditure attributable to the software during its development can be reliably measured.

  Directly attributable costs that are capitalised as part of the software include employee costs and an appropriate portion of relevant overheads.

  Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is available for use.

  Computer software is amortised over a period of 4 years.

l) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial period which are unpaid. Trade and other payables are presented as current liabilities unless

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payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

m) Provisions

Provisions for legal claims and discounts/incentives are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

At the end of each reporting period, provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at a future date. . The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

n) Contingent Liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

o) Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are the amounts expected to be paid when the liabilities are settled. Short term employee benefits are recognised in statement of profit and loss in the period in which the related service is rendered. The liabilities are presented as current employee benefit obligations in the Statement of Assets and Liabilities.

(ii) Other long-term employee benefit obligations

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in statement of profit and loss.

The obligations are presented as current liabilities in the Statement of Assets and Liabilities since the company does not have an unconditional right to defer settlement for at least twelve

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months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment obligations

The Company operates the following post-employment schemes:

(a) defined benefit plans such as gratuity, and

(b) defined contribution plans such as provident fund and superannuation.

Gratuity obligations

The Company has maintained a Group Gratuity Cum Life Assurance Scheme with the Life Insurance Corporation of India (LIC) towards which it annually contributes a sum determined by LIC. The liability or asset recognised in the Statement of Assets and Liabilities in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets.

The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to yields on government securities at the end of the reporting period that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the Statement of Assets and Liabilities.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the statement of profit and loss as past service cost.

During the financial year 2018-19 all active employee as on 31st May 2018 are transferred to NSEIL w.e.f 1st June 2018 and gratuity payable to them is fully funded as per valuation received from LIC of India hence no outstanding obligation on account of Gratuity payable is reflecting in the Statement of Assets and Liabilities.

Defined contribution plans

Provident fund

The Company has established 'NSE Infotech Services Limited Employee Provident Fund Trust' to which both the employee and the employer make monthly contribution equal to 12% of the employee's basic salary, respectively. Such contribution to the provident fund for all employees, are charged to the Statement of profit and loss. In case of any liability arising due to shortfall

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between the return from its investments and the administered interest rate, the same is provided for by the Company.

During Financial Year 2018-19 Regional provident Fund Commissioner (RPFC) had suggested us to surrender of Exemption of the Trust and comply as unexempted trust because of no active members present in trust and major portion of the fund transferred to NSEIL EPF Trust on account of provident fund settlement of transferred Employees.

Accordingly NSETech EPF Trust had surrenderred its Exemption to RPFC and transferred balance fund in cash to RPFC and now complying as unexempted trust wef 1st January 2019 hence as on 31st march 2020 NSE Tech EPF Trust have Nil provident Fund balance.

Superannuation

Superannuation benefits for employees designated as managers and above are covered by Company policies with the Life Insurance Corporation of India. Company's contribution payable for the year is charged to statement of profit and loss. There are no other obligations other than the annual contribution payable.

During Financial year 2018-19 all member of the Superannuation Fund had submitted their request to transfer their corpus from LIC Policy of NSETech to NSEIL so as on 31st march 2021 NSETech SA fund has NIL balance towards employees superannuation fund.

(iv) Bonus plans

The Company recognises a liability and an expense for bonuses. The Company recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

p) Contributed equity

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

q) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

r) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

GOKHALE & SATHE CHARTERED ACCOUNTANTS FIRM No. 103264W MUMBAI

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- the profit attributable to owners of the company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

s) Rounding of amounts

All amounts disclosed in the Financial Statements and notes thereon have been rounded off to the rupees in lakhs, unless otherwise stated.

t) Reclassification

Previous year's figures have been reclassified / regrouped wherever necessary.

u) CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of Financial Statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the Financial Statements.

The areas involving critical estimates or judgements are:

Estimation of fair value of unlisted securities Note : 21

Estimation of useful life of intangible asset Note : Not Applicable

Estimation of defined benefit obligation Note : 13

Estimation of contingent liabilities refer Note : 16

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

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v) **Recent Pronouncements**

The Ministry of Corporate affairs ("MCA") through a notification dated March 24, 2021, amended Schedule III of the Companies Act, 2013 which will be applicable effective April 1, 2021.Disclosure of shareholding of promoters in specified format.

- Disclosure of current maturities of Long term borrowings under the head short term borrowings

- Disclosure of ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development in specified format.

- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.

- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.

- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.

- Financial Ratios to be disclosed along with explanation with respect to items included in numerator and denominator.

- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the standalone financial statements.

The Company will evaluate the above and give effect as required by law.

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Notes to financial statements for the year ended March 31, 2021

2		Current Investments	For the year ended 31.03.2021		For the year ended 31.03.2020	
		Particulars	Number of Units	(Rs in Lakhs)	Number of Units	(Rs in Lakhs)
		Investment in Mutual Funds				
		Unquoted investments in mutual funds at FVPL				
	i	SBI Savings Fund - Direct - Growth			316,857	103
	ii	ICICI Prudential Money Market Fund - Direct- Growth	42,633	125.88	42,633	119
	iii	Aditya Birla Sun Life Savings Fund - Direct - Growth	13,371.91	57.08	13,372	54
		Total Mutaul Fund Investments		182.96		275.22
		Aggregate amount of quoted investments and market value thereof		-	-	-
		Aggregate amount of unquoted investments		182.96		275.22
		Total Current Investments		182.96		275.22

3	Cash and cash equivalents		(Rs in Lakhs)
		31.03.2021	31.03.2020
	Balances with banks : in current accounts	15.02	5.28
		15.02	5.28

There are no restrictions with regards to cash and cash equivalents as at the end of the reporting period and prior periods.

4	Other assets (Current)		(Rs in Lakhs)
		31.03.2021	31.03.2020
	Advance recoverable in cash or kind	0.45	2.19
	Total	0.45	2.19

5 a)		Share Capital		(Rs in Lakhs)
			31.03.2021	31.03.2020
	i)	Authorised 1,00,00,000 (Previous Year 1,00,00,000) Equity Shares of Rs 10 Each.	1,000.00	1,000.00
		Total	1,000.00	1,000.00

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ii) **Issued, Subscribed and Paid-up**

50,000 (Previous year 50,000) Equity shares of Rs.10 each fully paid up.	**5.00**	5.00
Total	**5.00**	5.00

Terms and rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10 per share. They entitle the holder to participate in dividends. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distributional of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. There is no change either in the number of equity shares or in amount between previous year and current period.

Details of shareholders holding more than 5% share in the Company

	31.03.2021	31.03.2020
	No.	No.
NSE Investments Limited	50,000	50,000

Details of shareholders holding more than 5% share in the Company

	31.03.2021	31.03.2020
	% holding	% holding
NSE Investments Limited	100%	100%

(b) **Other Equity**

(Rs in Lakhs)

	Reserves and surplus		
	Other Reserves (General Reserve)	**Retained Earnings**	**Total**
Balance at the beginning of the reporting period 01.04.2019	4.14	330.34	334.48
Total Comprehensive Income for the year	-	43.97	43.97
Balance at the end of the reporting period 31.03.2020	4.14	374.31	378.45
Balance at the beginning of the reporting period 01.04.2020	**4.14**	**374.31**	**378.45**
Total Comprehensive Income for the year	-	**9.04**	**9.04**
Less : Dividend Paid to Equity Share Holders	-	**200.00**	**200.00**
Balance at the end of the reporting period 31.03.2021	**4.14**	**183.35**	**187.49**

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Notes to financial statements for the year ended March 31, 2021

6 **Income Taxes**

(a) **Income tax expense**

(Rs in Lakhs)

Particulars	**31.03.2021**	31.03.2020
Income tax expense		
Current Tax		
Current tax expense (i)	4.70	12.06
(Excess)/short Income tax provision for earlier years	2.01	(0.48)
Deferred Tax		
Decrease / (increase) in deferred tax assets (ii)	-	-
(Decrease) / increase in deferred tax liabilities (iii)	1.95	1.31
Adjustment in other equity or retained earning (iv)		
Total deferred tax expense/ (benefit) (v)=(ii)+(iii)+(iv)	1.95	1.31
Total Income tax expenses* (vi)= (i)+(v)	8.66	12.89

* This excludes net deferred tax expense/(benefit)on other comprehensive income (vii)

[Deferred tax liability-Deferred tax asset] From Balance Sheet—(a)

Total Deferred tax movement (b)

(b) **Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:**

(Rs in Lakhs)

Particulars	**31.03.2021**	31.03.2020
Profit before income tax expense	17.70	56.86
Tax rate (%)	25.17%	22.88%
Tax at the Indian Tax Rate	4.45	13.01
Tax effect of amounts which are not deductible (taxable) in calculating taxable income		
Expenses incurred on behalf of PF Trust -NSE Infotech	0.28	0.36
Business loss set off	1.91	-
(Excess)/short Income tax provision for earlier years	2.01	(0.48)
Income Tax Expense	**8.66**	12.89
Deferred Tax on OCI	-	-

(c) Deferred tax Assest/(liabilities) (net)

The balance comprises temporary differences attributable to:

(Rs in Lakhs)

Particulars	**31.03.2021**	31.03.2020
Deferred income tax assets		
Total deferred tax assets (a)	-	-
Deferred income tax liabilities		
Financial Assets at Fair Value through profit and Loss	**3.26**	1.31
Contribution to Core Settlement Guarantee Fund	-	-
Total deferred tax liabilities (b)	**3.26**	1.31
Net Deferred Tax Assets /(Liabilities) (a)-(b)	**(3.26)**	(1.31)

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Notes to financial statements for the year ended March 31, 2021

(d) **Movement in deferred tax liabilities**

	(Rs in Lakhs) Financial Assets at Fair Value through profit and Loss
At 1 April 2019	
Charged/(credited)	
DTA reversal due to tax rate change	
- to profit or loss	1.31
- to other comprehensive income	-
At 31 March 2020	1.31
Charged/(credited)	
DTA reversal due to tax rate change	-
- to profit or loss	1.95
- to other comprehensive income	
At 31 March 2021	**3.26**

7 **Income tax assets (net)**

(Rs in Lakhs)

	31.03.2021	31.03.2020
Income Tax paid including TDS (Net of Provisions)	0.40	115.76
Fringe Benefit Tax (Net of Provisions)	-	0.05
Current Tax Assets (Net)	0.40	115.81

8 **Income tax liabilities (net)**

(Rs in Lakhs)

	31.03.2021	31.03.2020
Income Tax paid including TDS (Net of Provisions)	-	4.29
Current Tax liabilities (Net)	-	4.29

9 **Other liabilities (Current)**

(Rs in Lakhs)

	31.03.2021	31.03.2020
Statutory dues payable	0.14	1.11
Other Payable	2.95	8.34
Total	3.09	9.45

10 **Other income**

(Rs in Lakhs)

	31.03.2021	31.03.2020
Other income		
Interest Received on Income Tax Refund	11.50	64.80
	11.50	64.80
Other gains/(losses)		
Net gain / loss on sale of current Investment	4.60	2.47
Net gain on financial assets mandatorily measured at fair value through profit or loss	10.30	5.74
	14.91	8.21
Total other income	26.41	73.01

11 **Other expenses**

(Rs in Lakhs)

	31.03.2021	31.03.2020
Rates & Taxes	0.03	0.03
Professional & Consultancy Charges	4.37	12.12
Auditors Remuneration		

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- Out of Pocket Expenses	0.21	0.16
Other expenses	2.96	2.69
Total	8.71	16.15

12 Earning per share

		(Rs in Lakhs)
	31.03.2021	31.03.2020
Profit attributable to the equity holders of the company used in calculating basic earnings per share and diluted earnings per share		
Profit for the year	9.04	43.97
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	50,000	50,000
Earnings per equity share (basic and diluted) (Amt in Rs.)	18.08	87.94

The Company does not have any outstanding dilutive potential equity shares. Consequently, the basic and diluted earning per share of the Company remain the same.

13 Disclosure under Indian Accounting Standard 19 (Ind As 19) on Employee Benefit as notified under Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

Since, there are no employees employed with orgnisation, there is no disclosure under Indian Accounting Standard 19 (Ind As 19)

14 Ind AS 108 - "Operating Segments ; Thre are no reportable business segment hence no disclosures required in terms of Ind AS 108 - "Operating Segments" prescribed under the Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 are not applicable.

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15 In compliance with Ind AS 24 - "Related Party Disclosures", as notified under Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 the required disclosures are given in the table below:

(a) Names of the related parties and related party relationships

Sr. No.	Related Party	Nature of Relationship
1	National Stock Exchange of India Limited	The Ultimate Holding Company
2	NSE Investments Ltd	Holding Company
3	NSE Foundation	Subsidiary of the Ultimate Holding Company
4	NSE Clearing Limited	Holding Company's Fellow Subsidiary
5	NSE IFSC Limited	Holding Company's Fellow Subsidiary
6	National Securities Depository Limited	Ultimate Holding Company's Associate
7	BFSI Sector Skill Council of India	Ultimate Holding Company's Associate
8	NSDL e-Governance Infrastructure Limited	Holding Company's Associate Company
9	Power Exchange India Limited	Holding Company's Associate Company
10	Market Simplified India Limited	Holding Company's Associate Company
11	Computer Age Management Services Limited (upto 04.02.2020)	Holding Company's Associate Company
12	Receivable Exchange of India Limited	Holding Company's Associate Company
13	NSE IT Limited	Fellow Subsidiary Company
14	NSE Data & Analytics Limited	Fellow Subsidiary Company
15	NSE Academy Ltd	Fellow Subsidiary Company
16	NSE Indices Limited	Fellow Subsidiary Company
17	NSE IFSC Clearing Corporation Limited	Subsidiary of Holding Company's Fellow Subsidiary
18	NSEIT (US) Inc.	Subsidiary of the Fellow Subsidiary Company
19	Aujas Networks Private Limited	Subsidiary of the Fellow Subsidiary Company
20	Mr. S Sadagopan (up to 30.04.2019)	Non Executive Director
21	Talentsprint Pvt. Ltd (w.e.f 10.11.2020)	Subsidiary of the Fellow Subsidiary Company
22	Cogencis Information Services Limited (w.e.f 21.01.2021)	Subsidiary of the Fellow Subsidiary Company
23	Capital Quants Solutions Private Limited (w.e.f. 26.02.2021)	Associate of the Fellow Subsidiary Company
24	Indian Gas Exchange Limited (w.e.f. 16.03.2021)	Holding Company's Associate Company
25	Mr. Yatrik Vin	Key Management Personnel
26	Ms. Mukesh Agarwal	Key Management Personnel
27	Mr. Raghvan Putran (up to 26.08.2020)	Key Management Personnel
28	Mr. G. M. Shenoy (w.e.f 09.07.2020)	Key Management Personnel

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Notes to financial statements for the year ended March 31, 2021

b) Details of transactions with related parties as follows:

(Rs in Lakhs)

Particulars	31.03.2021	31.03.2020
National Stock Exchange of India Limited		
Nature of transaction		
Expenses incurred by NSEIL reimbursed	**18.78**	37.62
Closing Balance Debit / (Credit)	**(1.24)**	(0.13)
Mr. S Sadagopan		
Nature of transaction		
Director Sitting Fees	-	1.00
Closing Balance Debit / (Credit)	-	-

16 **Contingent liability:**

(Rs in Lakhs)

	31.03.2021	31.03.2020
Income tax matters	-	1.93
Fringe Benefit Tax matters	**1.36**	1.41
Serivces tax matters	**1.84**	42.08

17 **Details of dues to micro and small, medium enterprises as**

a) As on the Balance Sheet date, the amounts due to Small-Scale Industrial undertaking are not outstanding for more than 30 days

b) There are no Micro, Small and Medium Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days at the Balance Sheet date, computed on unit wise basis.

18 **Expenditure in foreign currency:**

(Rs in Lakhs)

	31.03.2021	31.03.2020
Travelling expenses	-	-
Training Expense	-	-
Recruitment Expense	-	-

19 **Earnings in foreign exchange :**

	31.03.2021	31.03.2020
Earnings in foreign exchange :	**Nil**	Nil

20 In the opinion of the Board, current assets, loans and advances are approximately of the value stated, if realised in the ordinary course of business.

CHARTERED ACCOUNTANTS FRM No. 10326

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Notes to financial statements for the year ended March 31, 2021

21 A Fair value measurements

(i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value and are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three level prescribed under the accounting standard. An explaination of each level follows underneath the table.

(Rs in Lakhs)

Financial assets and liabilities measured at fair value - recurring fair value measurements at 31.03.2021	Notes	Level 1	Total
Financial Assets *Financial Investments at FVPL* Mutual Fund - Growth Plan	2	182.96	182.96
Total Financial Assets		182.96	182.96
Financial Liabilities		-	-
Total Financial Liabilities		-	-

(Rs in Lakhs)

Financial assets and liabilities measured at fair value - recurring fair value measurements at 31.03.2020	Notes	Level 1	Total
Financial Assets *Financial Investments at FVPL* Mutual Fund - Growth Plan	2	275.22	275.22
Total Financial Assets		275.22	275.22
Financial Liabilities		-	-
Total Financial Liabilities		-	-

The fair value of financial instruments referred above have been classified into three categories depending on the inputs used in the valuation technique. The hierarachy gives the highest priority to quoted prices in active market for identical assets or liabilities (level 1 measurements) and lowest priority to unobservable inputs (level 3 measurements). The categories used are as follows :

- Level 1:

This hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, exchange traded funds and mutual funds that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing Net Assets Valve (NAV). NAV represents the price at which the issuer will issue further units and will redeem such units of mutual fund to and from the investors.

ii) Valuation processes :

The finance department of the Company includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. This team reports directly to the Chief Financial Officer (CFO).

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B) **Fair Value Measurements** (Rs in Lakhs)

	FVPL	
	31.03.2021	31.03.2020
Financial Assets		
Investments		
Mutual Funds	182.96	275.22
Total Financial Assets	182.96	275.22

22 FINANCIAL RISK MANAGEMENT

The Company's business activities expose it to a variety of financial risks, namely liquidity risk, market risks and credit risk. The Company's senior management has the overall responsibility for the establishment and oversight of the Company's risk management framework. The Company has constituted a Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Risk Management Committee of the Company is supported by the Treasury department that provides assurance that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Treasury department activities are designed to:
- protect the Company's financial results and position from financial risks
- maintain market risks within acceptable parameters, while optimising returns; and
- protect the Company's financial investments, while maximising returns.

The Treasury department is responsible to maximise the return on companies internally genereted funds.

A MANAGEMENT OF LIQUIDITY RISK

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's approach to managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions. A material and sustained shortfall in our cash flow could undermine the Company's credit rating and impair investor confidence.

The Company maintained a cautious funding strategy, with a positive cash balance throughout the year ended 31st March, 2021 and 31st March, 2020. This was the result of cash delivery from the business. Cash flow from operating activities provides the funds to service the financing of financial liabilities on a day-to-day basis.

The Company's treasury department regularly monitors the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet operational needs. Any short term surplus cash generated by the operating entities, over and above the amount required for working capital management and other operational requirements, is retained as cash and cash equivalents (to the extent required) and any excess is invested in interest bearing term deposits and other highly marketable debt investments including the government securities with appropriate maturities to optimise the cash returns on investments while ensuring sufficient liquidity to meet its liabilities.

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The following table shows the maturity analysis of the Company's financial liabilities based on contractually agreed undisc (Rs in Lakhs)

	Carrying amount	Payable on demand	Less than 3 months	3-6 months	6-12 months	More than 12 months	Total
As at March 31, 2021							
Other liablities	3.09	3.09	-	-	-	-	3.09
As at March 31, 2020							
Other liablities	9.45	9.45	-	-	-	-	9.45

B MANAGEMENT OF MARKET RISK

The Company's size and operations result in it being exposed to the following market risks that arise from its use of financial instruments:

- price risk; and
- interest rate risk

The above risks may affect the Company's income and expenses, or the value of its financial instruments. The objective of the Company's management of market risk is to maintain this risk within acceptable parameters, while optimising returns. The Company's exposure to, and management of, these risks is explained below.

POTENTIAL IMPACT OF RISK	MANAGEMENT POLICY	SENSITIVITY TO RISK
1. PRICE RISK		
The Company is mainly exposed to the price risk due to its investment in mutual funds and exchange traded funds. The price risk arises due to uncertainties about the future market values of these investments. At 31st March 2021, the exposure to price risk due to investment in mutual funds amounted to Rs. 182.96 lakhs (March 31, 2020: Rs. 275.22 lakhs).	In order to manage its price risk arising from investments in mutual funds, the Company diversifies its portfolio in accordance with the limits set by the risk management policies. The Treasury department maintains a list of approved financial instruments. The use of any new investment must be approved by the Chief Financial Officer.	As an estimation of the approximate impact of price risk, with respect to mutual funds and exchange traded funds , the Company has calculated the impact as follows. For mutual funds, a 0.25% increase in prices would have led to approximately an additional Rs. 45.74 Lakhs gain in the Statement of Profit and Loss (2019-20: Rs. 68.81 Lakhs) , a 0.25% decrease in prices would have led to an equal but opposite effect.

C MANAGEMENT OF CREDIT RISK

Credit risk is the risk of financial loss to the Company if a customer or counter-party fails to meet its contractual obligations.

Trade receivables

Concentrations of credit risk with respect to trade receivables are limited, due to the Company's customer base being large and diverse and also on account of member's deposits kept by the company as collatrel which can be utilised in case of member default. All trade receivables are reviewed and assessed for default on a quarterly basis.

Our historical experience of collecting receivables, supported by the level of default, is that credit risk is low and so trade receivables are considered to be a single class of financial assets.

Other financial assets

The Company maintains exposure in cash and cash equivalents, term deposits with banks, investments in commercial papers, government securities, investments in mutual funds and exchange traded funds. The Company has difersified portfolio of investment with various number of counter-parties which have secure credit ratings hence the risk is reduced. Individual risk limits are set for each counter-party based on financial position, credit rating and past experience. Credit limits and concentration of exposures are actively monitored by the Company's Treasury department.

The Company's maximum exposure to credit risk as at March 31, 2021, 2020 is the carrying value of each class of financial assets as disclosed in note no. 2 except for derivative financial instruments.

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NSE Infotech Services Limited Mumbai

23 The Coronavirus (COVID-19) outbreak is an unprecedented global situation. World Health Organization (WHO) has declared the COVID-19 virus a 'pandemic'. The Government of India and various state governments had put in place several measures including instituting a complete lockdown w.e.f March 25, 2020 to combat the spread and transmission of the virus. Effective June 8, 2020 the said lockdown is being partially lifted in a phased manner.

The Company has evaluated the potential impact of COVID-19 on the Company. Based on the current assessment, the Company is of the view that the impact of COVID-19 on the carrying value of its assets and liabilities is not likely to be significant for the year ended March 31, 2021.

The impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration. Accordingly, going forward, the Company will continue to evaluate any significant changes on its financials.

24 Previous year's figures have been reclassified / regrouped wherever necessary.

As per our report of even date attached

For GOKHALE & SATHE
Chartered Accountants
Firm Reg. No : 103264W

ATUL KALE
Partner
Membership Number: 109947
Place : Mumbai
Date : April 29, 2021

GOKHALE & SATHE MUMBAI FIRM No. 103264W CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors

YATRIK VIN	MUKESH AGARWAL	GURUDATT SHENOY
Chairman	Director	Director
(DIN : 07662795)	(DIN : 03054853)	(DIN : 08787168)

NSE Infotech Services Limited Mumbai

MUKUND
M. CHITALE
& CO.

CHARTERED
ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

To the Members of Cogencis Information Services Limited

Report on the Audit of Financial Statements

1. Opinion

We have audited the accompanying financial statements of Cogencis Information Services Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'financial statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules 2015, as amended of the state of affairs of the Company as at March 31, 2021, its profits, total comprehensive income and its cash flows for the year ended on that date.

2. Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

3. Information other than the financial statements and Auditor's report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Director's Report but does not include the financial statements and our auditor's report thereon. These reports are expected to be made available to us after the date of our auditor's report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the other information included in the above reports, if we conclude that there is material misstatement therein, we are required to communicate the matter to those charged with governance and determine the actions under the applicable laws and regulations.

4. **Responsibilities of Management and those charged with Governance for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India including the Accounting Standards specified under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

5. **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Standards on auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

i) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

ii) Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act,

we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

iv) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

v) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

6. Emphasis of Matter

We draw your attention to Note 36 to the Financial statements which explains the transaction undertaken by the Company during the year to transfer News business and Credit business as per the Business Transfer Agreements entered into with the Purchaser which resulted into Profit of Rs.1,03,22,484 which has been shown as Exceptional Item in the Statement of Profit & Loss.
Our report is not modified in respect of this matter.

7. Other Matters

The comparative financial information of the Company for the year ended March 31, 2020 and the transition date opening balance sheet as at April 1, 2019 included in these Ind AS financial statements for the year ended March 31, 2020 and March 31, 2019, are based on the statutory financial statements prepared in accordance with the Companies (Accounting

Standards) Rules, 2006 (as amended) audited by S.R. Batliboi & Co. LLP, on which the Auditors expressed an unmodified opinion dated 25th June 2020 and 28th June 2019 respectively as adjusted for the differences in accounting principles adopted by the Company on transition to the Ind AS which have been audited by us.

Our opinion on the Ind AS financial statements and our report on Other Legal and Regulatory requirements below is not modified in respect of these matters.

8. Report on Other Legal and Regulatory Requirements

i) As required by the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

ii) As required by section 143 (3) of the Act, based on our audit we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of Financial Statements.

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c) The Balance Sheet, Statement of Profit and Loss and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) On the basis of written representations received from the directors as on March 31, 2021, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021, from being appointed as a director in terms of section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The company has disclosed the impact of pending litigations on its financial position in its financial statements to the extent determinable/ascertainable – Refer Note 39 to the financial statements.

MUKUND M. CHITALE & CO.

CHARTERED ACCOUNTANTS

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Mukund M. Chitale & Co.
Chartered Accountants
Firm Regn. No. 106655W

Chitale

(S. M. Chitale)
Partner
M. No. 111383

UDIN: 21111383AAAAGS7480

Place Mumbai
Date: April 28, 2021

Annexure A to the Independent Auditor's Report of even date on financial statements of Congencis Information Services Limited

Referred to in paragraph [8(i)] under Report on Other Legal and Regulatory Requirements of our report of even date

i) a) As per the information and explanations given to us, the Fixed Assets Register showing full particulars including quantitative details and situation of fixed assets is maintained by the Company.

b) The Fixed Assets are physically verified by the management at reasonable intervals. In our opinion, the frequency of verification is reasonable having regard to the size of the operations of the Company.

c) According to the information and explanations given by the management, there are no immovable properties, included in fixed assets of the Company and accordingly, the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company.

ii) The Company's business does not involve inventories, and accordingly, the requirements under Paragraph 3(ii) of the Order are not applicable to the Company and hence not commented upon.

iii) a) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.

iv) In our opinion and according to the information and explanations provided to us, there are no loans, investments, guarantees, and securities given in the respect of which provisions of section 185 and 186 of the Companies Act, 2013 are applicable and hence not commented upon.

v) As informed, the Company has not accepted any deposits during the year from public within the meaning of the directives issued by Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and rules framed there under. Accordingly, the provisions of clause 3(v) of the Order are not applicable.

vi) In our opinion and according to the information and explanations provided to us, the Central Government has not specified the maintenance of cost records under Clause 148(1) of the Companies Act, 2013 for the services of the Company.

vii) a) According to the information and explanations given to us the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Custom Duty, etc. and other material statutory dues applicable to it as per the available records as far as ascertained by us on our verification.

b) According to the information and explanations given to us, there are no undisputed dues of sales tax/ wealth tax/ service tax /custom tax/excise duty/cess outstanding as at year end for a period of more than six months from the date they became payable and that have not been deposited on account of any dispute except for those stated below.

Name of the Statute	Nature of Dues	Disputed Amount (Rs.)	Period to which year	Forum where pending
Income Tax Act, 1961	Demand under section 156	6,38,52,100	AY 2018-19	CIT Appeal NFAC

viii) According to information and explanation provided to us and based on our audit procedures, the company has not defaulted in repayment of loans or borrowings to a Financial Institution, Bank, Government or dues to debenture holders during the period under review.

ix) According to the information and explanations given to us, the Company has not raised any money by way of initial public offer (including debt instruments) and term loans and thus reporting under Clause (ix) is not applicable to the Company and hence not commented upon.

x) During the course of our examination of books of account and as far as records / details made available and verified by us and according to the information and explanations given to us, we have neither come across any instance of material fraud on or by the Company, noticed and reported during the year, nor have we been informed of such case by the management.

xi) According to the information and explanations given to us, the managerial remuneration has been paid/provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V of the Companies Act, 2013.

xii) In our opinion and according to the information and explanation given to us, the Company is not a nidhi Company. Accordingly, provision of clause 3 (xii) of the Order is not applicable.

xiii) According to the information and explanation given to us and based on our verification of the records of the Company and on the basis of review and approvals by the Board of Directors, the transactions with the related parties are in compliance with 188 of the Act where applicable and the details have been disclosed in the financial statements as required by applicable accounting standard. The provisions of section 177 are not applicable to the company and accordingly reporting as it relates to Section 177 of the Act are not applicable to the Company and hence not commented upon.

xiv) According to the information and explanation given to us and based on our examination of the records, the Company has not made any preferential allotment or private placement of shares or partly or fully convertible debentures during the year, therefore reporting under clause 3(xiv) are not applicable to the Company and thus not commented upon.

xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or person connected with them. Accordingly, clause 3 (xv) of the Order is not applicable.

MUKUND M. CHITALE & CO.

CHARTERED ACCOUNTANTS

xvi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company is not required to be registered with Reserve Bank of India Act 1934.

For Mukund M. Chitale & Co.
Chartered Accountants
Firm Regn. No. 106655W

Chitale

(S. M. Chitale)
Partner
M. No. 111383

UDIN: 21111383AAAAGS7480

Place: Mumbai
Date: April 28, 2021

MUKUND M. CHITALE & CO.

CHARTERED ACCOUNTANTS

Annexure B to the Independent Auditor's Report of even date on the financial statements of Cogencis Information Services Limited

Referred to in paragraph [8(ii)(f)] under Report on Other Legal and Regulatory Requirements of our report of even date

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

1. We have audited the internal financial controls over financial reporting of Cogencis Information Services Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India" (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

   Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

   We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

MUKUND M. CHITALE & CO.

CHARTERED ACCOUNTANTS

Meaning of Internal Financial Controls over Financial Reporting

4. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

5. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

6. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Mukund M. Chitale & Co.
Chartered Accountants
Firm Regn. No. 106655W

Chitale

(S. M. Chitale)
Partner
M. No. 111383

UDIN: 21111383AAAAGS7480

Place: Mumbai
Date: April 28, 2021

Cogencis Information Services Limited
Balance sheet as at 31 March 2021

Particulars	Notes	As at 31 March 2021 Amounts in ₹	As at 31 March 2020 Amounts in ₹	As at 1 April 2019 Amounts in ₹
Assets				
Non-current assets				
Fixed assets				
Property, plant and equipment	2	7,236,251	17,917,740	21,083,059
Right of use asset	2 a	23,343,675	34,548,640	45,753,604
Intangible assets	3	2,676,232	6,478,100	187,839,266
Deferred tax assets	4	-	294,421	30,030,679
Financial Assets				
- Other financial assets	5	5,328,681	10,503,138	5,710,992
Other non current assets	6	479,894	922,874	1,365,854
Income Tax Assets (Net)	7	52,942,512	99,729,934	77,334,372
		92,007,245	**170,394,846**	**369,117,825**
Current assets				
Financial Assets				
- Trade receivables	8	12,256,766	25,501,336	34,722,752
- Cash and cash equivalents	9	24,374,562	25,096,273	50,399,731
- Bank balances other than cash and cash equivalents	10	80,000,000	-	-
- Other financial assets	5	4,494,517	6,955,969	19,226,134
Other current assets	6	35,678,615	5,051,889	5,312,080
		156,804,460	**62,605,467**	**109,660,697**
TOTAL ASSETS		**248,811,705**	**233,000,313**	**478,778,521**
Equity and liabilities				
EQUITY				
Equity Share capital	11a	51,319,620	51,319,620	51,319,620
Other Equity	11b	49,202,711	(94,737,297)	119,878,590
		100,522,331	**(43,417,677)**	**171,198,210**
LIABILITIES				
Non-current liabilities				
Deferred tax liabilities (Net)	4	3,397,513	-	-
Financial Liabilities				
- Borrowings	12	-	292,324	1,397,649
- Other financial liabilities	13	15,721,743	28,759,248	38,930,667
Provisions	14	11,079,706	24,041,285	19,316,328
		30,198,962	**53,092,857**	**59,644,644**
Current liabilities				
Short-term borrowings				
Financial Liabilities				
- Trade payables				
(i) total outstanding dues of micro enterprises and small enterprises		-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	15	41,112,677	90,405,863	75,099,975
- Borrowings	12	-	1,105,325	1,009,864
- Other financial liabilities	13	17,972,041	19,257,118	23,571,737
Short-term provisions	14	5,187,110	13,953,090	12,662,528
Other current liabilities	16	53,818,584	98,603,737	135,591,563
Total Current liabilities		**118,090,412**	**223,325,133**	**247,935,667**
TOTAL LIABILITIES		**148,289,374**	**276,417,990**	**307,580,311**
TOTAL EQUITY AND LIABILITIES		**248,811,705**	**233,000,313**	**478,778,521**

Summary of significant accounting policies 1

The accompanying notes are an integral part of the financial statements 1 to 41

As per our Report of even date
For MUKUND M CHITALE & CO.
Chartered Accountants
ICAI Firm Registration No. 106655W

Chitale

(S. M. Chitale)
Partner
Membership No: 111383

MUKUND M. CHITALE & CO. MUMBAI Chartered Accountants

Place: Mumbai
Date: 28th April 2021

For and on behalf of the Board of Directors of Cogencis Information Services Limited

Mukesh Agarwal
Director
DIN: 03054853

Yatrik Vin
Director
DIN: 07662795

Pankaj Aher
CEO

Shreya

Shreya Shetty
Company Secretary
ACS: 33923

Place : Mumbai
Date: 28th April 2021

Cogencis Information Services Limited
Statement of Profit and Loss for the year ended 31 March 2021

Particulars	Notes	Year ended 31 March 2021 Amounts in ₹	Year ended 31 March 2020 Amounts in ₹
Revenue			
Revenue from operations	17	623,756,059	632,387,698
Other income	18	13,111,571	4,044,923
Total revenue		**636,867,630**	**636,432,621**
Expenses			
a Employee benefit expenses	19	178,115,256	238,914,206
b Finance costs	20	4,203,071	4,597,911
c Depreciation and amortisation expense	21	19,488,129	22,739,005
d Other expenses	22	240,712,563	236,575,718
Total expenses		**442,519,019**	**502,826,840**
Profit/(loss) before exceptional items and tax		**194,348,611**	**133,605,780**
Exceptional Items	36	**10,322,484**	-
Profit/(loss) before tax		**204,671,095**	**133,605,780**
Tax expense			
Current tax		10,201,930	-
Deferred tax		4,040,410	29,729,069
Total tax expense		**14,242,340**	**29,729,069**
Profit/(loss) after tax from continuing operations		**190,428,755**	**103,876,712**
a Profit/(loss) from discontinued operations		**(45,452,624)**	**(318,508,677)**
b Tax expense of discontinued operations			
Profit/(loss) after tax from discontinued operations		**(45,452,624)**	**(318,508,677)**
Profit/(loss) for the year (A)		**144,976,131**	**(214,631,965)**
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurements of post-employment benefit obligations		(1,384,599)	23,268
Income tax relating to items that will not be reclassified to profit or loss		348,476	(7,190)
Total Other Comprehensive Income (B)		**(1,036,123)**	**16,078**
Total Comprehensive Income for the period (A+B)		**143,940,008**	**(214,615,887)**
Earnings per equity share (Face value of ₹ 2 each) (for continuing operation)	23a		
Basic and Diluted (in ₹)		**7.42**	4.05
Earnings per equity share (Face value of ₹ 2 each) (for discontinued operation)	23b		
Basic and Diluted (in ₹)		**(1.77)**	(12.41)
The accompanying notes are an integral part of the financial statements		1 to 41	

As per our Report of even date
For MUKUND M CHITALE & CO.
Chartered Accountants
ICAI Firm Registration No. 106655W

Chitale

(S. M. Chitale)
Partner
Membership No: 111383

MUKUND M. CHITALE & CO. MUMBAI Chartered Accountants

Place: Mumbai
Date: 28th April 2021

For and on behalf of the Board of Directors
Cogencis Information Services Limited

Mukesh Agarwal
Director
DIN: 03054853

Yatrik Vin
Director
DIN: 07662795

Pankaj Aher
CEO

Shreya

Shreya Shetty
Company Secretary
ACS: 33923

Place: Mumbai
Date: 28th April 2021

Cogencis Information Services Limited
Statement of Changes in Equity for the year ended 31 March 2021

A **EQUITY SHARE CAPITAL**

Particulars	Amount in Rs.
Balance as at 01.04.2019	**51,319,620**
Changes in equity share capital during the year	-
Balance as at 31.03.2020	**51,319,620**
changes in equity share capital during the year	-
Balance as at 31.03.2021	**51,319,620**

B **Other Equity**

(Amounts in ₹)

Particulars	Reserves and Surplus		Total
	Securities Premium Reserve	Retained Earnings	
Balance as at 01.04.2019 (Restated under IND AS)	**520,001,697**	**(400,123,107)**	**119,878,590**
Changes in equity for the year ended March 31, 2020			
Profit/(Loss) for the year		(214,631,965)	(214,631,965)
Other Comprehensive Income		16,078	16,078
Balance as at 31.03.2020	**520,001,697**	**(614,738,994)**	**(94,737,297)**
Changes in equity for the year ended March 31, 2021			
Profit/(Loss) for the year		144,976,131	144,976,131
Other Comprehensive Income		(1,036,123)	(1,036,123)
Balance as at 31.03.2021	**520,001,697**	**(470,798,986)**	**49,202,711**

As per our Report of even date
For MUKUND M CHITALE & CO.
Chartered Accountants
ICAI Firm Registration No. 106655W

Chitale

(S. M. Chitale)
Partner
Membership No: 111383

MUKUND M. CHITALE & CO. MUMBAI Chartered Accountants

Place: Mumbai
Date: 28th April 2021

For and on behalf of the Board of Directors of
Cogencis Information Services Limited

Mukesh Agarwal
Director
DIN: 03054853

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DIN: 07662795

Pankaj Aher
CEO

Shreya

Shreya Shetty
Company Secretary
ACS: 33923

Place : Mumbai
Date: 28th April 2021

Cogencis Information Services Limited
Cash flow statement for the year ended 31 March 2021

Particulars	For the year ended 31 March 2021 Amounts in ₹	For the year ended 31 March 2020 Amounts in ₹
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(Loss) before tax	**159,218,471**	**(184,902,896)**
Adjustment for non-cash transactions and items considered separately		
Depreciation and amortisation expense	23,326,215	208,516,714
Interest income	(3,391,411)	(594,418)
Remeasurements of post-employment benefit obligations	(1,384,599)	23,268
Profit on sale of fixed assets	(10,322,484)	-
Bad debts written off	2,436,890	678,537
Provision for doubtful debts	317,216	10,555,015
Interest expenses	4,203,071	4,597,911
Sale of scrap	-	(40,284)
Liabilities no longer required written back	(914,822)	(3,420,337)
Assets Written Off	501,448	949,451
Operating profit/(loss) before working capital changes	**173,989,995**	**36,362,961**
Change In operating assets and liabilities		
(Increase)/decrease in trade receivables	10,490,466	(2,012,135)
(Increase)/decrease in loans and advances and other assets	(22,748,106)	7,222,491
Increase/ (decrease) in trade payables, other liabilities and provisions	(108,709,194)	(17,435,523)
Cash generated from/(used in) operating activities	**53,023,161**	**24,137,794**
Income taxes paid (net of refunds received)	36,585,492	(22,395,562)
NET CASH INFLOW / OUTFLOW FROM OPERATING ACTIVITIES - TOTAL (A)	**89,608,653**	**1,742,232**
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(9,560,868)	(12,785,267)
Proceeds from sale of fixed assets	11,922,972	40,284
Bank deposits placed	(80,000,000)	-
Interest received	3,090,232	603,665
NET CASH INFLOW / (OUTFLOW) FROM INVESTING ACTIVITIES - TOTAL (B)	**(74,547,664)**	**(12,141,318)**
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds/(repayment) of long term borrowings (net)	(1,397,649)	(1,009,864)
Interest paid	(4,213,631)	(4,605,541)
Payment of finance lease obligations	(10,171,420)	(9,288,967)
NET CASH OUTFLOW FROM FINANCING ACTIVITIES - TOTAL (C)	**(15,782,700)**	**(14,904,372)**
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A)+(B)+(C)	**(721,711)**	**(25,303,458)**
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	25,096,273	50,399,731
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	24,374,562	25,096,273
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENT	**(721,711)**	**(25,303,458)**

The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Ind AS - 7 on Statement of Cash Flow as notified under Companies (Accounts) Rules, 2015.

The accompanying notes are an integral part of the financial statements 1 to 41

As per our Report of even date
For MUKUND M CHITALE & CO.
Chartered Accountants
ICAI Firm Registration No. 106655W

Chitale

(S. M. Chitale)
Partner
Membership No: 111383

MUKUND M. CHITALE & CO. MUMBAI Chartered Accountants

Place: Mumbai
Date: 28th April 2021

For and on behalf of the Board of Directors
Cogencis Information Services Limited

Mukesh Agarwal
Director
DIN: 03054853

Yatrik Vin
Director
DIN: 07662795

Pankaj Aher
CEO

Shreya Shetty
Company Secretary
ACS: 33923

Place: Mumbai
Date: 28th April 2021

COGENCIS INFORMATION SERVICES LIMITED (CISL)

Background and Significant Accounting Policies

Background

The Company was incorporated as Livewire Motion Pictures Private Limited. In terms of a resolution passed by the members of the Company on 1 December 2006, the name of the Company was changed to NewsWire 18 India Private Limited. On grant of a fresh certificates of incorporation on 27 February 2009 and 30 March 2009, the name of the Company was changed to NewsWire18 Private Limited and NewsWire18 Limited respectively. Consequent to divestment of its entire holding by Network 18 Media & Investments Limited in favour of Samara Capital Partners Fund I Limited, Mauritius, the Company's name was further changed on 16 March 2013 to Cogencis Information Services Limited. Cogencis Information Services Limited became a wholly owned subsidiary of NSE Data & Analytics Limited since January 2021 upon acquisition of 100% shareholding of Cogencis Information Services Limited in Jan 2021 by NSE Data & Analytics Limited. The Company is engaged in the business of provision of real time market news and data on multi delivery platforms.

Note 1: Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements ("financial statements"). These policies have been consistently applied to all the years / periods presented, unless otherwise stated.

1.1 Basis of preparation

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as notified by Ministry of Corporate Affairs under section 133 of the Companies Act, 2013 read with Rule 3 of Companies (Indian Accounting Standards) Rules, 2015] and Companies (Indian Accounting Standards) Amendment Rules 2017.

The financial statements for the year ended 31st March, 2021 are company's first Ind AS Financial statements and are covered by Ind AS 101, "First-time adoption of Indian Accounting Standards". The date of transition to Ind AS is April 1, 2019

The financial statements for all periods upto and including the year ended March 31, 2020, were prepared in accordance with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006 and other relevant provisions of the Act. The figures for the year ended March 31, 2020 and April 1, 2019 have now been restated under Ind AS for like to like comparison. Reconciliations and descriptions of the effect of the transition have been summarized in note 33.

The Financial statements of the Company for the year ended 31 March 2021 were approved for issue in accordance with the resolution of the Board of Directors on April 28, 2021.

1.2 Basis of Accounting

The Company maintains its accounts on accrual basis following the historical cost convention, except for certain financial instruments that are measured at fair values in accordance with Ind AS. Further, the guidance notes/ announcements issued by the Institute of Chartered Accountants of India (ICAI) are also considered, wherever applicable except to the extent where compliance with other statutory promulgations override the same requiring a different treatment

1.3 Presentation of Financial Statements

The Balance Sheet, Statement of Profit and Loss and Statement of Changes in equity are prepared and presented in the format prescribed in the Schedule III to the Companies Act, 2013 ("the Act"). The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified Accounting Standards.

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1.4 Use of estimates

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

This note provides an overview of the areas that involved a higher degree of judgement or complexity and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in the relevant note.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

A. Judgements in applying accounting policies

   The judgements, apart from those involving estimations (see note below) that the Company has made in the process of applying its accounting policies and that have a significant effect on the amounts recognised in these financial statements pertain to useful life of assets. The Company is required to determine whether its intangible assets have indefinite or finite life which is a subject matter of judgement.

B. Key source of estimation uncertainty

   The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

   a. Property, Plant and Equipment

      Determination of the estimated useful lives of tangible assets and the assessment as to which components of the cost may be capitalized. Useful lives of tangible assets are based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful lives are different from that prescribed in Schedule II, they are based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support.

   b. Recognition and measurement of defined benefit obligations

      The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation and attrition rate. The discount rate is determined based on the benchmark yields available on Government Bonds as at the Valuation Date with terms matching that of the liabilities and the salary increase rates take into account inflation, seniority, promotion and other relevant factor for the estimated term of the obligations

   c. Recognition of deferred tax assets

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A deferred tax asset is recognised for all the deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised.

d. Recognition and measurement of other provision

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may therefore vary from the figure included in other provisions.

e. All financial instruments are required to be measured at fair value on initial recognition. In case of financial instruments which are required to be subsequently measured at amortised cost, interest is accrued using the effective interest method.

1.5 Foreign currency translation and transactions

(i) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian currency (INR), which is the Company's functional and presentation currency. All amounts have been rounded-off to the nearest Rupees.

(ii) Transactions and balances

Foreign currency transactions are initially recorded at the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the period end exchange rates are recognized in profit or loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equity instruments held at fair value through profit or loss are recognized in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equity investments classified as FVOCI are recognized in other comprehensive income.

1.6 Revenue recognition

Revenue is recognized upon transfer of control of promised goods or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those goods or services. The Company recognizes revenue in the period in which it satisfies its performance obligation by transferring promised goods or services to the customer. The sources of revenue and Company's accounting policy are as follows:

(I) Revenue is being recognised as and when there is reasonable certainty of ultimate realisation. Sale of Services income is recognised on a time proportion method and revenue on account of fees with respect to the period of the contract on an accrual basis.

(II) Fees received in respect of unexpired period of the contract is treated as a current liability and is recognised as income in the respective period.

The Company considers the terms of the contract in determining the transaction price. The transaction price is based upon the amount the Company expects to be entitled to in exchange for transferring of promised services to the customer after deducting allowances and discounts etc. Revenue excludes any taxes and duties collected on behalf of the government.

1.7 Income Tax

Current Tax

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Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred Tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. The company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. The income tax provision for the interim period is made based on the best estimate of the annual average tax rate expected to be applicable for the full financial year.

Appendix C to Ind AS 12 Uncertainty over Income Tax Treatments :

The interpretation addresses the accounting for income taxes when tax treatments involve uncertainty that affects the application of Ind AS 12 and does not apply to taxes or levies outside the scope of Ind AS 12, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments. The interpretation specifically addresses the following:

- Whether an entity considers uncertain tax treatments separately
- The assumptions an entity makes about the examination of tax treatments by taxation authorities
- How an entity determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates
- How an entity considers changes in facts and circumstances

The amendment is effective from April 1, 2019. The Company has evaluated the effect of Ind AS 12 amendment on the financial statements and concluded that there is no material impact on the retained earnings and on its profit for the year ended March 31, 2021

1.8 Leases

Effective April 1, 2019, the Company has adopted Ind AS 116 "Leases". The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

As a lessee

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At the date of commencement of the lease, the Company recognizes a right-of-use asset (ROU) and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight line basis over the term of the lease.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows

As a lessor

Lease for which the Company is a lessor is classified as finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. For operating leases, rental income is recognized on straight line basis over the term of the relevant lease.

1.9 Impairment of non-financial assets

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

An impairment loss is recognised as an expense immediately, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income immediately, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

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1.10 Financial Instrument

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

Initial Recognition

All financial assets are recognised and de-recognised on a trade date basis where the purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned. All financial assets are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets that are not at fair value through profit or loss are added to the fair value on initial recognition.

Classification and Subsequent Measurement

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

Derecognition

The company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the company neither transfers nor retain substantially all of the risks and rewards of ownership and it does not retain control of financial asset.

Impairment of financial assets

For impairment of financial assets, Company applies expected credit loss (ECL) model. Following financial assets and credit risk exposure are covered within the ECL model:

a. Financial assets that are debt instruments, and are measured at amortised cost e.g. loans, debt securities, deposits, trade receivables and bank balance

b. Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18.

The company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables including receivables recognised under service concession arrangements.

The application of simplified approach does not require the company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. For recognition of impairment loss on other financial assets and risk exposure, the company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, then the impairment loss is provided

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Financial Liabilities

Initial Recognition

The company initially recognises borrowings, trade payables and related financial liabilities on the date on which they are originated.

All other financial instruments (including regular-way purchases and sales of financial assets) are recognised on the trade date, which is the date on which the company becomes a party to the contractual provisions of the instrument.

Subsequent measurement

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments

Decognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Dividends are recognised in profit and loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be reliably measured.

1.11 Property, plant and equipment (including CWIP)

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any .

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the company.

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital work-in-progress".

Depreciation methods, estimated useful lives and residual value

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Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives as follows:

Office equipment	4 to 5 years
Plant & Equipment	3 years
Furniture and fixtures	5 – 10 years
Vehicles	5 years
Leasehold improvements	The life based on leased period.

The useful lives have been determined based on technical evaluation done by the company which are higher than those specified by Schedule II to the Companies Act, 2013, in order to reflect the actual usage of the assets. The residual values are not more than 5% of the original cost of the asset. The asset's residual values and useful lives are reviewed, and adjusted on a prospective basis if appropriate, at the end of each reporting period.

Depreciation on assets purchased / disposed off during the year is provided on pro rata basis with reference to the date of additions / deductions.

Fixed assets whose aggregate cost is Rs. 5,000 or less are depreciated fully in the year of acquisition.

1.12 Intangible assets

Costs associated with maintaining software programs are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Company are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use
- management intends to complete the software and use or sell it
- there is an ability to use or sell the software
- it can be demonstrated how the software will generate probable future economic benefits
- adequate technical, financial and other resources to complete the development and to use or sell the software are available, and
- the expenditure attributable to the software during its development can be reliably measured.
  Directly attributable costs that are capitalised as part of the software include employee costs and an appropriate portion of relevant overheads.

Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is available for use.

Computer software is capitalised at the amounts paid to acquire the respective license for use and are amortised over the period of useful lives of 4 years by straight line method.

1.13 Borrowing Cost

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get

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ready for their intended use are capitalized as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

1.14 Provisions and Contigencies

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation to be settled at a future date. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent Liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

1.15 Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are the amounts expected to be paid when the liabilities are settled. Short term employee benefits are recognised in statement of profit and loss in the period in which the related service is rendered. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Post-employment obligations

The Company operates the following post-employment schemes:

(a) defined benefit plans such as gratuity, and

(b) defined contribution plans such as provident fund and superannuation.

Gratuity obligations

Provisions are made for the defined benefit with respect to gratuity liability based on the present value of defined benefit obligation as reduced by the fair value of plan assets as per the actuarial valuation calculation.

Defined contribution plans

Contributions to defined contribution schemes such as provident fund, employees' state insurance and labour welfare fund, etc. are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. The above benefits are classified as defined contribution schemes as the Company has no further defined obligations beyond the monthly contributions.

Defined benefit plan

The Company also provides for retirement/ long-term benefits in the form of gratuity and compensated absences. The Company's liability towards such defined benefit plans is determined based on valuations, as at the balance sheet date, made by independent actuaries using the projected unit credit method. The classification of the Company's obligation into current and non-

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current is as per the actuarial valuation report. Accumulated leave which is expected to be utilised within next 12 months, is treated as short-term employee benefit.

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in Other Comprehensive Income. Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset), to the net defined liability (asset) at the start of the financial year after taking into account any changes as a result of contribution and benefit payments during the year. Net interest expense and other expenses related to defined benefit plans are recognised in Statement of Profit and Loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in Statement of Profit and Loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Actuarial gains/losses are recognized in the other comprehensive income.

1.16 Earnings per share

Basic earnings per equity share is computed by dividing the net profit or loss attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit or loss attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period present.

1.17 Cash flow statements

A Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

1.18 Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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For cash and other liquid assets, the fair value is assumed to approximate to book value, given the short term nature of these instruments. For those items with a stated maturity exceeding twelve months, fair value is calculated using a discounted cash flow methodology.

A fair value measurement of a non-financial asset considers a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the company has determined classes of assets and liabilities based on the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

Recent accounting pronouncements:

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet:

- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

Statement of profit and loss:

- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the standalone financial statements.

The amendments are extensive, and the Company will evaluate the same to give effect to them as required by law.

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		As at 31 March 2021 Amounts in ₹	As at 31 March 2020 Amounts in ₹
4	**Income & Deferred taxes**		
(a)	**Income tax expense**		
	Particulars		
	Income tax expense		
	Current Tax		
	Current tax expense (i)	10,201,930	-
	Deferred Tax		
	Decrease / (increase) in deferred tax assets (ii)	1,891,711	19,300,028
	(Decrease) / increase in deferred tax liabilities (iii)	2,148,698	10,429,041
	Adjustment in other equity or retained earning (iv)	-	-
	Total deferred tax expense/ (benefit) (v)=(ii)+(iii)+(iv)	**4,040,410**	**29,729,069**
	Total Income tax expenses* (vi)= (i)+(v)	**14,242,340**	**29,729,069**
	* This excludes net deferred tax expense/(benefit)on other comprehensive income (vii)	348,476	(7,190)

b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:

Particulars	As at 31 March 2021 Amounts in ₹	As at 31 March 2020 Amounts in ₹
Profit before income tax expense	159,218,470	(184,902,896)
Tax rate (%)	25.168%	30.900%
Tax at the Indian Tax Rate	40,072,105	(57,134,995)
Tax effect of amounts which are not deductible/(taxable) in calculating taxable income		
(Profit)/ Loss on sale of investments taxed at other than Statutory rate		
Expenditure on CSR activities	553,470	-
Specific Tax deductions		
Others	(1,951,388)	86,864,064
234B&C interest	582,001	-
Losses for previous year	(25,013,847)	-
Income Tax Expense	**14,242,340**	**29,729,069**

		As at 31 March 2021 Amounts in ₹	As at 31 March 2020 Amounts in ₹	As at 1 April 2019 Amounts in ₹
c)	**Deferred tax assets**			
	Deferred tax asset:			
	Provision for bad and doubtful debts	(1,208,463)	-	6,145,842
	Provision for other expense	306,171	306,171	2,815,922
	Provision for employee benefits	(346,523)	(11,751)	10,644,435
	Property, plant and equipment	-	-	10,429,041
		(1,248,815)	**294,421**	**30,035,240**
	Deferred tax liability :		-	-
	Property, plant and equipment	(299,755)		
	Others	2,448,454	-	4,561
	Total deferred tax liabilities (B)	**2,148,698**	-	**4,561**
	Net deferred tax asset / (liability) (A-B)	**(3,397,513)**	**294,421**	**30,030,679**

Deferred tax assets

d) Movement in deferred tax assets

	Provision for doubtful debts	Provision for employee benefits	Financial asset through Fair value through P&L	Others	Total
At 1 April 2019	6,145,842	10,639,874	-	2,815,922	19,601,638
Charged/(credited)					
- to profit or loss	(6,145,842)	(10,644,435)		(2,509,751)	(19,300,028)
- to other comprehensive income	-	(7,190)	-		(7,190)
At 31 March 2020	-	(11,751)	-	306,171	294,421
Charged/(credited)					
- to profit or loss	**(1,208,463)**	**(683,248)**		-	**(1,891,711)**
- to other comprehensive income	-	**348,476**	-		**348,476**
At 31 March 2021	**(1,208,463)**	**(346,523)**	-	**306,171**	**(1,248,815)**

e) Movement in deferred tax liabilities

	Property, plant and equipment	Financial asset through Fair value through P&L	Others	Total
At 1 April 2019	(10,429,041)			(10,429,041)
Charged/(credited)				
- to profit or loss	10,429,041		-	10,429,041
- to other comprehensive income				
At 31 March 2020	-	-	-	-
Impact of rate change on deferred tax				
Charged/(credited)	**(299,755)**		**2,448,454**	**2,148,698**
- to profit or loss			-	-
- to other comprehensive income	-	-		-
At 31 March 2021	**(299,755)**	-	**2,448,454**	**2,148,698**

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	As at 31 March 2021 Amounts in ₹		As at 31 March 2020 Amounts in ₹		As at 1 Aril 2019 Amounts in ₹	
	Non-current	Current	Non-current	Current	Non-current	Current
5 Other financial assets						
(Unsecured, considered good unless otherwise stated)						
Capital advances	-	-	-	-	-	-
Security deposits	5,027,502	504,644	10,503,138	6,628,822	5,710,992	10,592,815
Other loans and advances	-	3,989,873	-	327,147	-	8,624,072
Receivable from Informist	-	-	-	-	-	-
Interest accrued but not due on bank deposit	301,179	-	-	-	-	9,247
Total	**5,328,681**	**4,494,517**	**10,503,138**	**6,955,969**	**5,710,992**	**19,226,134**

	As at 31 March 2021 Amounts in ₹		As at 31 March 2020 Amounts in ₹		As at 1 Aril 2019 Amounts in ₹	
	Non-current	Current	Non-current	Current	Non-current	Current
6 Other assets						
(Unsecured, considered good unless, otherwise stated)						
Prepaid expenses	-	35,235,835	-	4,604,409	-	4,869,100
Prepaid lease	479,894	442,980	922,874	442,980	1,365,854	442,980
Advance to employees	-	(200)	-	4,500	-	-
Accrued interest from income tax refund	-	-	-	-	-	-
Total	**479,894**	**35,678,615**	**922,874**	**5,051,889**	**1,365,854**	**5,312,080**

	As at 31 March 2021 Amounts in ₹		As at 31 March 2020 Amounts in ₹		As at 1 Aril 2019 Amounts in ₹	
	Non-current	Current	Non-current	Current	Non-current	Current
7 Income Tax Assets (Net)						
Advance income tax	52,942,512	-	99,729,934	-	77,334,372	-
Total	**52,942,512**	**-**	**99,729,934**	**-**	**77,334,372**	**-**

	As at 31 March 2021 Amounts in ₹	As at 31 March 2020 Amounts in ₹	As at 1 April 2019 Amounts in ₹
8 Trade receivables			
Secured, considered good			
Unsecured, considered good	11,508,318	18,395,097	25,840,904
Doubtful	30,063,433	41,299,105	32,519,700
Less : Allowances for bad and doubtful debts	(29,391,281)	(34,192,866)	(23,637,852)
Trade receivables from related parties	76,296	-	-
Total	**12,256,766**	**25,501,336**	**34,722,752**
Others	-	-	-
Total	**12,256,766**	**25,501,336**	**34,722,752**

	As at 31 March 2021 Amounts in ₹	As at 31 March 2020 Amounts in ₹	As at 1 April 2019 Amounts in ₹
9 Cash and cash equivalents			
Cash on hand	194,536	192,957	120,804
Cheques on hand	-	-	-
Balances with banks			
-Current accounts in Indian rupees	23,853,757	15,940,195	22,276,847
-Current accounts in foreign currency	326,269	8,963,121	3,002,080
-In deposit accounts with original maturity of 3 months or less	-	-	25,000,000
Total	**24,374,562**	**25,096,273**	**50,399,731**
Other bank balances			
Deposits with original maturity of more than 3 months but less than 12 months			
Total	**24,374,562**	**25,096,273**	**50,399,731**

	As at 31 March 2021 Amounts in ₹	As at 31 March 2020 Amounts in ₹	As at 1 April 2019 Amounts in ₹
10 Bank balances other than Cash and Cash equivalents			
Bank Deposits	-	-	-
with maturity less than 12 months at the balance sheet date	80,000,000	-	-
Total	**80,000,000**	**-**	**-**

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11a Share capital

	As at 31 March 2021		As at 31 March 2020		As at 1 April 2019	
	Number	Amounts in ₹	Number	Amounts in ₹	Number	Amounts in ₹
Authorised share capital						
Equity shares of ₹ 2 each	60,000,000	120,000,000	60,000,000	120,000,000	60,000,000	120,000,000
	60,000,000	**120,000,000**	**60,000,000**	**120,000,000**	**60,000,000**	**120,000,000**
Issued, subscribed and fully paid up						
Equity shares of ₹ 2 each	25,659,810	51,319,620	25,659,810	51,319,620	25,659,810	51,319,620
	25,659,810	**51,319,620**	**25,659,810**	**51,319,620**	**25,659,810**	**51,319,620**

i) Reconciliation of equity shares outstanding at the beginning and at the end of the reporting period

	As at 31 March 2021		As at 31 March 2020		As at 1 April 2019	
	Number	Amounts in ₹	Number	Amounts in ₹	Number	Amounts in ₹
Balance at the beginning of the year	25,659,810	51,319,620	25,659,810	51,319,620	25,659,810	51,319,620
Add : Issued during the year	-	-	-	-	-	-
Balance at the end of the year	**25,659,810**	**51,319,620**	**25,659,810**	**51,319,620**	**25,659,810**	**51,319,620**

ii) Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 2 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

iii) Shareholders holding more than 5% of the shares in the Company as at balance sheet date

	As at 31 March 2021		As at 31 March 2020		As at 1 April 2019	
	Number	**% Shareholding**	**Number**	**% Shareholding**	**Number**	**% Shareholding**
Equity shares of ₹ 2 each						
NSE Data & Analytics Limited	25,659,810	100%				
Samara Capital Partners Funds I Limited, Mauritius (Holding Company)			20,390,940	79.47%	20,390,940	79.47%
Pankaj Aher			3,628,210	14.14%	3,628,210	14.14%

11b Other Equity

	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
	Amounts in ₹	Amounts in ₹	Amounts in ₹
Securities premium account (refer note i)			
Balance at the beginning of the year	520,001,697	520,001,697	520,001,697
Add : Premium received on Equity Shares issued	-	-	-
Balance at the end of the year	**520,001,697**	**520,001,697**	**520,001,697**
Retained Earning (refer note ii)			
Balance at the beginning of the year	(614,738,994)	(400,123,107)	(400,123,107)
Add: Transferred from statement of Profit and Loss	144,976,131	(214,631,965)	
Add: Other Comprehensive Income	(1,036,123)	16,078	
Balance at the end of the year	**(470,798,986)**	**(614,738,994)**	**(400,123,107)**
Total Other Equity	**49,202,711**	**(94,737,297)**	**119,878,590**

i) Securities Premium

The amount received in excess of face value of the equity shares is recognised in Securities Premium.

ii) Retained Earning

The Company had transferred balance in Profit and Loss Account & Other Comprehensive Income to Retained Earnings

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	As at 31 March 2021 Amounts in ₹		As at 31 March 2020 Amounts in ₹		As at 1 Aril 2019 Amounts in ₹	
	Non-current	Current	Non-current	Current	Non-current	Current
12 Borrowings						
Secured						
Term loan						
From other parties	-	-	292,324	1,105,325	1,397,649	1,009,864
Total	-	-	292,324	1,105,325	1,397,649	1,009,864

Note:
Vehicle loan from Kotak Mahindra Prime Limited was secured by way of hypothecation of vehicles procured against these loans and was repayable in 60 equal monthly installments from date of disbursement and carries an interest rate of 9.07% per annum on reducing monthly balances.

	As at 31 March 2021 Amounts in ₹		As at 31 March 2020 Amounts in ₹		As at 1 Aril 2019 Amounts in ₹	
	Non-current	Current	Non-current	Current	Non-current	Current
13 Other financial liabilities						
Customer deposits (security)	-	1,549,795	-	1,453,545	-	1,693,633
Obligation under finance lease (Note 29(b))	15,721,743	13,037,505	28,759,248	10,171,420	38,930,667	9,288,968
Creditor for capital expenses	-	-	-	271,392	-	947,791
Employee related payables & Other payables	-	3,384,741	-	7,350,201	-	11,623,155
Interest - Car Loan	-	-	-	10,560	-	18,190
Total	15,721,743	17,972,041	28,759,248	19,257,118	38,930,667	23,571,737

Net debt reconciliation
This section sets out an analysis of net debt and the movements in the net debt for each of the periods presented.

Particulars	Lease obligation
Lease obligations as at 1 April 2019	48,219,635
Add: Interest expense	3,911,032
Less: Cash flows	(13,200,000)
Lease obligations as at 31 March 2020	38,930,667
Add: Interest expense	3,028,580
Less: Cash flows	(13,200,000)
Lease obligations as at 31 March 2021	**28,759,248**

	As at 31 March 2021 Amounts in ₹		As at 31 March 2020 Amounts in ₹		As at 1 Aril 2019 Amounts in ₹	
	Non-current	Current	Non-current	Current	Non-current	Current
14 Provisions						
Provision for gratuity (Refer note 27(A))	8,718,584	2,213,794	17,416,627	5,080,078	15,526,042	4,822,735
Provision for compensated absences (Refer note 27(A))	2,361,122	2,973,316	6,624,658	8,873,012	3,790,286	7,839,793
Total	11,079,706	5,187,110	24,041,285	13,953,090	19,316,328	12,662,528

	As at 31 March 2021 Amounts in ₹	As at 31 March 2020 Amounts in ₹	As at 1 April 2019 Amounts in ₹
15 Trade payables			
Total outstanding dues of micro and small enterprise (Refer note 28)	-	-	-
Trade payables	41,112,677	88,605,072	75,099,975
Trade payables to related parties (Refer note 24)	-	1,800,791	-
Total	41,112,677	90,405,863	75,099,975

	As at 31 March 2021 Amounts in ₹	As at 31 March 2020 Amounts in ₹	As at 1 April 2019 Amounts in ₹
16 Other current liabilities			
Statutory dues	13,387,026	29,799,331	28,138,966
Advance subscription fees from customer	39,140,373	67,755,641	106,817,238
Advance from customers	1,291,185	675,433	635,359
Provision for Rent Straightlining	-	373,332	-
Total	53,818,584	98,603,737	135,591,563

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		Year ended 31 March 2021 Amounts in ₹	Year ended 31 March 2020 Amounts in ₹
17	**Revenue from operations**		
	Revenue from sale of services		
	Sale of services	623,519,172	632,387,698
	Royalty fees	236,887	-
	Total	**623,756,059**	**632,387,698**
18	**Other income**		
	Interest Income on		
	(a) Fixed deposits and	2,819,921	181,366
	(b) Current Accounts	393	-
	Interest Income on security deposit	436,176	398,334
	Liabilities no longer required written back	914,822	3,420,337
	Interest on income tax refund	4,632,401	-
	Reversal of provision for doubtful debts	3,789,617	-
	Profit on sale of fixed assets	205,225	-
	Sale of scrap	-	40,284
	Miscellaneous Income	185,231	4,602
	Interest - Received	127,785	-
	Total	**13,111,571**	**4,044,923**
19	**Employee benefit expenses**		
	Salaries, wages and bonus	162,669,877	207,652,204
	Gratuity expenses (Refer note 27)	2,437,918	3,164,032
	Leave encashment expenses	16,113	5,110,075
	Contribution to provident and other funds	7,993,762	10,023,510
	Staff Insurance & welfare expenses	4,906,085	9,097,619
	Employee training	91,501	3,866,766
	Total	**178,115,256**	**238,914,206**
20	**Finance costs**		
	Interest expenses on borrowings	1,174,491	686,879
	Interest expense on finance lease (Note 29(b))	3,028,580	3,911,032
	Total	**4,203,071**	**4,597,911**
21	**Depreciation and amortisation expense**		
	Depreciation on tangible assets (Refer note 3)	6,306,082	8,913,707
	Amortisation on intangible assets (Refer note 2)	1,977,082	2,620,333
	Depreciation on right of use asset (Refer note 2a)	11,204,964	11,204,964
	Total	**19,488,129**	**22,739,005**

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		Year ended 31 March 2021 Amounts in ₹	Year ended 31 March 2020 Amounts in ₹
22	**Other expenses**		
	Distribution, advertising and business promotion	7,150	772,370
	Computer maintenance expenses	13,233,622	12,940,876
	Electricity	2,222,246	4,650,784
	Rent (Refer note 29)	2,499,721	2,324,224
	Office upkeep and maintenance expenses	7,600,620	8,192,491
	Rates and taxes	2,323,492	923,382
	Legal and professional expenses	17,294,076	17,081,706
	Payment to auditors (Refer note 22a)	1,369,750	1,089,277
	Subscription global data cost	159,896,376	143,282,648
	Data communication	19,187,391	18,450,284
	Bad debts written off	2,436,890	678,537
	Provision for doubtful debts	-	9,776,833
	CSR expenses (Refer Note 37)	2,069,429	-
	Director's sitting fee	100,000	50,000
	Net loss on foreign currency transactions and translation	349,408	2,616,638
	Travelling and conveyance	1,728,976	5,104,262
	Communication, postage and courier charges	6,269,526	6,094,293
	Bank charges	342,410	254,022
	Interest on delayed payment of statutory dues	210,620	111,964
	Printing and stationery	295,276	594,184
	Security charges	760,050	637,486
	Assets Written Off	501,448	949,451
	Miscellaneous expenses	14,088	6
	Total	**240,712,563**	**236,575,718**

		Year ended 31 March 2021 Amounts in ₹	Year ended 31 March 2020 Amounts in ₹
22 (a)	**Payment to auditors (excluding taxes)**		
	As auditor:		
	Audit fee	1,000,000	577,166
	Tax audit fee	-	-
	Limited review (Paid to erstwhile Auditor)	329,750	350,000
	In other capacity:	-	-
	AUP Audit	-	100,000
	Reimbursement of expenses	40,000	62,111
	Total	**1,369,750**	**1,089,277**
23	**Earnings per share (EPS)**		
a	Net Profit / (loss) after tax attributable to equity shareholders for continuing operation (in ₹)	190,428,755	103,876,712
	Weighted average number of equity shares outstanding during the year	25,659,810	25,659,810
	Add: Dilutive effect	-	-
	Weighted average number of equity shares used to compute diluted EPS	**25,659,810**	25,659,810
	Face value per share (in ₹)	**2**	2
	Earnings per share:		
	Basic and Diluted (in ₹)	**7.42**	4.05
b	Net (loss) after tax attributable to equity shareholders for discontinued operation (in ₹)	(45,452,624)	(318,508,677)
	Weighted average number of equity shares outstanding during the year	25,659,810	25,659,810
	Add: Dilutive effect		-
	Weighted average number of equity shares used to compute diluted EPS	**25,659,810**	25,659,810

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Face value per share (in ₹)	**2**	2
Earnings per share:		
Basic and Diluted (in ₹)	**(1.77)**	(12.41)

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24 Related party transactions

In compliance with Ind AS 24 - "Related Party Disclosures", as notified under Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 the required disclosures are given in the table below:

(a) Names of the related parties and related party relationships

Sr. No.	Related Party	Nature of Relationship
1	Samara Capital Partners Funds I Limited, Mauritius	Holding Company upto 21-Jan-2021
2	National Stock Exchange of India Limited	The Ultimate Holding Company w.e.f 21-Jan-2021
3	NSE Investment Limited	Intermediary Holding Company w.e.f 21-Jan-2021
4	NSE Data & Analytics Limited	Holding Company w.e.f 21-Jan-2021
5	NSE Indices Limited	Subsidiary of Intermediary Holding Company w.e.f 21-Jan-2021
6	NSEIT Limited	Subsidiary of Intermediary Holding Company w.e.f 21-Jan-2021
7	National Securities Depository Limited	Associate of the Ultimate Holding Company w.e.f 21-Jan-2021
8	Capital Quants Solutions Private Limited	Associate of Holding Company w.e.f. 26.02.2021
9	NSE Infotech Services Limited	Subsidiary of Intermediary Holding Company w.e.f 21-Jan-2021
10	NSE.IT (US) Limited	Subsidiary of Intermediary Holding Company w.e.f 21-Jan-2021
11	Aujas Networks Pvt Ltd	Subsidiary of Intermediary Holding Company w.e.f 21-Jan-2021
12	National Securities Depository Limited	Associate of the Ultimate Holding Company w.e.f 21-Jan-2021
13	BFSI Sector Skill Council of India	Associate of the Ultimate Holding Company w.e.f 21-Jan-2021
14	Power Exchange India Limited	Associate of the Intermediary Holding Company w.e.f 21-Jan-2021
15	NSDL e-Governance Infrastructure Limited	Associate of the Intermediary Holding Company w.e.f 21-Jan-2021
16	NSDL Database Management Limited	Subsidiary of Associate of the Ultimate Holding Company w.e.f 21-Jan-2021
17	Market Simplified India Limited	Associate of the Intermediary Holding Company w.e.f 21-Jan-2021
18	Receivables Exchange Of India Limited	Intermediary Holding Company's Joint Venture w.e.f 21-Jan-2021
19	NSE Academy Limited	Subsidiary of Intermediary Holding Company w.e.f 21-Jan-2021
20	NSE IFSC Limited	Subsidiary of Ultimate holding company w.e.f 21-Jan-2021
21	NSE IFSC Clearing Corporation Limited	Subsidiary of Ultimate holding company's subsidiary w.e.f 21-Jan-2021
22	NSE Foundation	Subsidiary of Ultimate holding company w.e.f 21-Jan-2021
23	Talentsprint Private Limited	Subsidiary of Intermediary Holding Company's Subsidiary w.e.f 21-Jan-2021
24	Indian Gas Exchange Limited	Intermediary Holding Company's Associate w.e.f 16-Mar-2021
25	Pankaj Aher	Director upto 21-Jan-2021 and CEO w.e.f 01-Jan-2021
26	Kalyanram Kodakalla	Director and Key Management Personnel upto 21-Jan-2021
27	Deepak Keshav Ghaisas	Director and Key Management Personnel upto 05-Nov-2020
28	Vikram Agarwal	Director and Key Management Personnel upto 21-Jan-2021
29	Paurush Roy	Director and Key Management Personnel upto 21-Jan-2021
30	Anchit Gupta	Director and Key Management Personnel upto 21-Jan-2021
31	Mukesh Agarwal	Director and Key Management Personnel w.e.f 21-Jan-2021
32	Yatrik Vin	Director and Key Management Personnel w.e.f 21-Jan-2021
33	Ravi Varanasi	Director and Key Management Personnel w.e.f 21-Jan-2021
34	Informist Media Private Limited	Private company in which erstwhile KMP is a Director upto 20-Jan-2021
35	Informist Data And Analytics Private Limited	Private company in which erstwhile KMP is a Director w.e.f 09-May-2020
36	SMS Integrated Facility Services Private Limited	Private company in which erstwhile KMP is a Director upto 21-Jan-2021
37	Shreya Shetty	Company Secretary w.e.f. 21-Sep-2020
38	Rashmi Jhurani	Company Secretary upto 26-Jun-2020

(b) Related Party transactions

(Amounts in ₹)

Name of the Related Party & Nature of Transactions	31 March 2021	31 March 2020	1 April 2019
Informist Media Private Limited			
Assests & Liabilities transferred	**2,167,282**	-	-
Sale consideration	**100,000**	-	-
Expenses: Data Subscription Fees	**6,043,956**	-	-
Informist Data And Analytics Private Limited			
Assests & Liabilities transferred	**7,955,202**	-	-
Sale consideration	**100,000**	-	-
Expenses: Data Subscription Fees	**1,000,000**	-	-
Recovery: Reimbursement as per BTA	**9,670,259**	-	-
Closing balance (Credit)/Debit	**76,296**	-	-

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SMS Integrated Facility Services Private Limited			
Expenses: Housekeeping Service	**5,658,433**	8,518,971	-
Closing balance (Credit)/Debit	-	(1,755,791)	-
Pankaj Aher			
Gross Remuneration including allowances, non-cash perquisites and contribution to Provident Fund and Superannuation Fund etc.	**9,975,000**	9,975,000	9,350,000
Payable outstanding			153,553
Kalyanram Kodakalla			
Gross Remuneration including allowances, non-cash perquisites and contribution to Provident Fund and Superannuation Fund etc.	**6,670,137**	8,225,000	7,325,000
Deepak Keshav Ghaisas			
Director Sitting Fees	**100,000**	50,000	-
Closing balance (Credit)/Debit	-	(45,000)	-
Shreya Shetty			
Gross Remuneration including allowances, non-cash perquisites and contribution to Provident Fund and Superannuation Fund etc.	**580,250**	-	-
Rashmi Jhurani			
Gross Remuneration including allowances, non-cash perquisites and contribution to Provident Fund and Superannuation Fund etc.	**281,020**	1,175,000	-

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		31 March 2021 Amounts in ₹	31 March 2020 Amounts in ₹
25	**Expenditure in foreign currency**		
	Subscription global data cost	82,600,232	94,401,011
	Expenditure incurred by foreign representative office		
	Salaries, wages and bonus	13,516,032	35,884,905
	Bank charges	13,160	46,429
	Staff Insurance	-	-
	Contribution to provident and other funds	193,023	1,976,992
	Staff welfare expenses	-	-
	Travelling and conveyance	80,512	594,432
	Data communication	1,266,522	5,135,216
	Communication, postage and courier charges	496,267	1,870,115
	Electricity	22,939	279,011
	Legal and professional expenses	9,240,366	935,585
	Rent (Refer note 29)	977,962	3,078,767
	Office upkeep and maintenance expenses	688,847	2,338,769
	Printing and stationery	2,496	22,158
	Rates and taxes	-	-
	Computer maintenance expenses	329,945	747,087
	Distribution, advertising and business promotion	-	7,968
		109,428,304	**147,318,445**
26	**Earning in foreign currency**		
	Royalty	236,887	-
	Revenue from sale of services	56,877,250	67,700,684
		57,114,137	**67,700,684**

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27 Employee Benefits

(i) Provident Fund During the current year the company is registered with Regional Provident Fund Office, Mumbai, and both the employee and the employer make monthly contribution equal to 12% of the employee's basic salary respectively

(ii) Gratuity Provisions are made for the defined benefit with respect to gratuity liability based on the present value of defined benefit obligation as reduced by the fair value of plan assets as per the actuarial valuation calculation

(iii) Leave Encashment Liability on account of Leave encashment is provided based on Acturial Valuation at Balance Sheet date

(iv) Short term employee benefits are charged to revenue in the year in which the related service is rendered

Provision

(Amounts in ₹)

	Long - term			Short - term		
	31 March 2021	31 March 2020	01 April 2019	31 March 2021	31 March 2020	01 April 2019
Provision for employee benefits						
Provision for gratuity	8,718,584	17,416,627	15,526,042	2,213,794	5,080,078	4,822,735
Provision for Leave encashment	2,361,122	6,624,658	3,790,286	2,973,316	8,873,012	7,839,793
	11,079,706	**24,041,285**	**19,316,328**	**5,187,110**	**13,953,090**	**12,662,528**

Disclosure under Indian Accounting Standard 19 (Ind As 19) on Employee Benefit as notified under Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

I **Defined Benefit Plan :**

a) Provident Fund The amount of contribution to provident fund and others funds recognised as expenses during the period is ₹ 10,509,629 (31 March 2020 ₹ 15,454,197)

b) Gratuity The company provides for gratuity for employees as per Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity, The amount of Gratuity is payable on retirement/termination of the emplyee's last drawn basic salary per month multiplied for the number of years of service The gratuity plan is a non funded plan and the company makes provision on the basis of Actuarial Valuation

A **Balance Sheet**

(Amounts in ₹)

(i) **The amounts recognised in the consolidated balance sheet and the movements in the net defined benefit obligation over the year are as follows:**

	31 March 2021		31 March 2020		01 April 2019	
	Gratuity	Leave encashment	Gratuity	Leave encashment	Gratuity	Leave encashment
Liability at the beginning of the year	22,496,705	15,497,670	20,348,777	11,630,079	16,584,694	12,812,377
Interest cost	1,188,808	827,673	1,038,933	593,377	1,093,920	855,692
Current Service Cost	1,249,110	443,915	3,624,899	1,585,009	3,489,802	1,625,960
Liability transferred	(14,098,344)	(8,256,265)	-	-	-	-
Benefits Paid	(1,288,500)	(621,994)	(2,492,636)	(1,484,835)	(804,879)	(1,035,896)
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	(128,935)	(486,251)	(41,641)	57,368	(21,577)	(1,321,446)
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	531,803	444,746	60,038	5,121,150	(807,757)	876,387
Actuarial (Gains)/Losses on Obligations - Due to Experience	981,731	(2,515,056)	(41,665)	(2,004,478)	814,574	(2,182,995)
Liability at the end of the year	**10,932,378**	**5,334,438**	**22,496,705**	**15,497,670**	**20,348,777**	**11,630,079**

(ii) The amounts recognised in the balance sheet and the movements in the fair value of plan assets over the year are as follows:

	31 March 2021		31 March 2020		01 April 2019	
	Gratuity	Leave encashment	Gratuity	Leave encashment	Gratuity	Leave encashment
Fair Value of plan assets at the beginning of the year	-		-			
Interest Income	-		-			
Expected return on plan assets	-		-			
Contributions	1,288,500	621,994	2,492,636	1,484,835	804,879	1,035,896
Transfer from other company	-		-			
Benefits paid	(1,288,500)	(621,994)	(2,492,636)	(1,484,835)	(804,879)	(1,035,896)
Actuarial (Gains)/Losses on Obligations - Due to Change in	-	-	-	-	-	-
Fair Value of plan assets at the end of the year	-	-	-	-	-	-

(iii) The net liability disclosed above relates to funded plans are as follows:

	31 March 2021		31 March 2020		01 April 2019	
	Gratuity	Leave encashment	Gratuity	Leave encashment	Gratuity	Leave encashment
Fair value of plan assets as at the end of the year	-	-	-	-		
Liability as at the end of the year	(10,932,378)	(5,334,438)	(22,496,705)	(15,497,670)	(20,348,777)	(11,630,079)
Net (liability) / asset	**(10,932,378)**	**(5,334,438)**	(22,496,705)	(15,497,670)	(20,348,777)	(11,630,079)

(iv) Balance Sheet Reconciliation

	31 March 2021		31 March 2020		01 April 2019	
	Gratuity	Leave encashment	Gratuity	Leave encashment	Gratuity	Leave encashment
Opening Net Liability	**22,496,705**	**15,497,670**	**20,348,777**	**11,630,079**	**16,584,694**	**12,812,377**
Expenses Recognized in Statement of Profit or Loss	2,437,918	1,271,588	4,663,832	2,178,386	4,583,722	2,481,652
Expenses Recognized in OCI	1,384,599	(2,556,561)	(23,268)	3,174,040	(14,760)	(2,628,054)
Net (Liability)/Asset Transfer in	(14,098,344)	(8,256,265)	-	-	-	-
Employers Contribution	(1,288,500)	(621,994)	(2,492,636)	(1,484,835)	(804,879)	(1,035,896)
Amount recognised in the Balance Sheet	**10,932,378**	**5,334,438**	**22,496,705**	**15,497,670**	**20,348,777**	**11,630,079**

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B **Statement of Profit & Loss**

(i) **Net Interest Cost for Current Period**

	31 March 2021		31 March 2020		01 April 2019	
	Gratuity	Leave encashment	Gratuity	Leave encashment	Gratuity	Leave encashment
Interest Cost	1,188,808	827,673	1,038,933	593,377	1,093,920	855,692
Interest Income	-	-	-	-	-	-
Net Interest Cost for Current Period	**1,188,808**	**827,673**	**1,038,933**	**593,377**	**1,093,920**	**855,692**

(ii) **Expenses recognised in the Statement of Profit & Loss**

	31 March 2021		31 March 2020		01 April 2019	
	Gratuity	Leave encashment	Gratuity	Leave encashment	Gratuity	Leave encashment
Current Service cost	1,249,110	443,915	3,624,899	1,585,009	3,489,802	1,625,960
Net Interest Cost	1,188,808	827,673	1,038,933	593,377	1,093,920	855,692
Expenses recognised in the Statement of Profit & Loss	**2,437,918**	**1,271,588**	**4,663,832**	**2,178,386**	**4,583,722**	**2,481,652**

(iii) **Expenses recognised in the Other Comprehensive Income**

	31 March 2021		31 March 2020		01 April 2019	
	Gratuity	Leave encashment	Gratuity	Leave encashment	Gratuity	Leave encashment
Expected return on plan assets	-	-	-	-	-	-
Actuarial (Gain) or Loss	1,384,599	(2,556,561)	(23,268)	3,174,040	(14,760)	(2,628,054)
Net (Income)/Expense for the Period Recognized in OCI	**1,384,599**	**(2,556,561)**	**(23,268)**	**3,174,040**	**(14,760)**	**(2,628,054)**

C **Fair value of plan assets at the Balance Sheet Date for defined benefit obligations**

	31 March 2021		31 March 2020		01 April 2019	
	Gratuity	Leave encashment	Gratuity	Leave encashment	Gratuity	Leave encashment
Insurer Managed Funds	-	-	-	-	-	-
Total	-	-	-	-	-	-

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D

Sensitivity Analysis						
	31 March 2021		31 March 2020		01 April 2019	
	Gratuity	Leave encashment	Gratuity	Leave encashment	Gratuity	Leave encashment
Projected Benefit Obligation on Current Assumptions						
Delta Effect of +1% Change in Rate of Discounting	10,523,124	5,212,640	21,702,561	15,236,887	19,781,433	11,412,806
Delta Effect of -1% Change in Rate of Discounting	11,376,511	5,465,787	23,185,354	15,774,935	20,952,974	11,843,699
Delta Effect of +1% Change in Rate of Salary Increase	11,265,890	5,439,404	23,033,875	15,702,883	20,832,343	11,789,327
Delta Effect of -1% Change in Rate of Salary Increase	10,615,151	5,235,850	21,823,697	15,302,806	19,878,851	11,462,121
Delta Effect of +1% Change in Rate of Employee Turnover	10,950,958	5,340,049	22,464,760	15,526,004	20,358,027	11,638,136
Delta Effect of +1% Change in Rate of Employee Turnover	10,911,820	5,328,436	22,364,829	15,467,374	20,336,772	11,605,045

E

Significant actuarial assumptions are as follows:			
	31 March 2021	31 March 2020	01 April 2019
Discount Rate	5.58%	5.45%	6.76%
Rate of Return on Plan Assets	N.A.	N.A.	N.A.
Salary Escalation	5.00%	3.00%	5.0%
Attrition Rate	20.00%	23.00%	27.0%

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28 Micro and Small Enterprises

There are no Micro and Small Enterprises to whom the Company owes dues, which are outstanding as at balance sheet date. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006, has been determined to the extent such parties have been identified on the basis of information available with the Company. Hence, the additional disclosure relating to trade payable to micro and small enterprise have not been presented.

29 Lease

(a) Cogencis has taken office premises on lease. The following is the summary of future minimum lease rental payment under finance lease arrangement entered into by Cogencis.

Lease obligations (Amounts in ₹)

Particulars	1 April 2019
Minimum lease payments	
- Not later than one year	13,200,000
- Later than one year and not later than five years	44,660,000
- Later than five years	-
Total minimum lease commitments	**57,860,000**
Less: future finance charges	(9,640,365)
Present value of minimum lease premium	**48,219,635**
Other financial liabilities - current	9,288,968
Other financial liabilities - non current	38,930,667
Total	**48,219,635**

(b) Transition Disclosures for Ind AS 116

Effective April 01, 2019 the company adopted Ind AS 116 "Lease" using the simplified transition approach, which has been applied to all contracts that were existing as of April 1, 2019. The adoption of Ind AS 116 has the following impact

(i) Amounts recognised in balance sheet

The balance sheet shows the following amount relating to leases:

Particulars	31 March 2021	31 March 2020	1 April 2019
Right of use assets			
Office premises	23,343,675	34,548,640	45,753,604
Total	23,343,675	34,548,640	45,753,604
Lease liabilities			
Current	13,037,505	10,171,420	9,288,968
Non current	15,721,743	28,759,248	38,930,667
Total	**28,759,248**	**38,930,668**	**48,219,635**

(ii) Amounts recognised in the statement of profit and loss

The statement of profit and loss shows the following amount relating to leases:

Particulars	31 March 2021	31 March 2020
Depreciation charge of Right-of-use assets		
Office premises	11,204,964	11,204,964
Total	**11,204,964**	**11,204,964**
Interest expenses	3,028,580	3,911,032
Total	**3,028,580**	**3,911,032**

(iii) Extension and termination options

Extension and termination option is included the leases. In determining the lease term, the Management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. This assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment and that is within the control of the Company.

Impact on financial statements lessee accounting

(i) Practical expedients applied

In applying Ind AS 116 for the first time, the Company has used the following practical expedients permitted by thestandard:

a) The Company has not reassessed whether a contract is or contains a lease at the date of initial application.

b) The Company has utilised hindsight in determining the lease terms where contracts contained options to extend or terminate the lease.

c) The Company has used a single discount rate to a portfolio of leases with reasonable similar characteristics based on the remaining lease term as at the date of initial application.

d) The Company has relied on it's previous assessment on whether leases are onerous.

(ii) Lease Liabilities Reconciliation

Particulars	(Amounts in ₹)
Operating lease commitments disclosed as at March 31, 2019	-
Add : Finance lease liabilities recognised as at March 31, 2019	48,219,635
Adjustments as a result of a different treatment of extension and termination option	-
Lease liability recognised as at April 1, 2019	**48,219,635**
of which are:	
Current lease liabilities	9,288,968
Non-current lease liabilities	38,930,667

(iii)) On transition to Ind AS 116 the weighted average incremental borrowing rate applied to lease liabilities recognised under Ind AS 116 was 9.5%.

(iv) Measurement of right of use assets

Right-of-use assets are measured at cost less accumulated depreciation and impairment losses. (Refer note 2 a)

(v) Adjustments recognised in the balance sheet on April 1, 2019

> Right-of-use assets - increases by Rs.45,753,604.

> Other financial liabilities - increase by Rs.48,219,635.

(vi) The operating cash flows for the Year Ended March 31, 2021 has increased by Rs.13,694,898 (previous year Rs.14,169,796) and the financing cash flows have decreased by Rs.13,694,898 (previous year Rs.14,169,796) as repayment of lease liabilities and related interest has been classified as cash flows from financing activities.

(vii) Rental Charges of Rs. 2,499,721 (previous year Rs.2,324,224) pertains to the short term lease and hence not considered for Right-of-Use assets.

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Cogencis Information Services Limited
Notes to financial statements for the year ended 31 March 2021

30 (A) MANAGEMENT OF CREDIT RISK

Credit risk is the risk of financial loss to the Company if a customer or counter-party fails to meet its contractual obligations.

Trade receivables
All trade receivables are reviewed and assessed for default annually.
Our historical experience of collecting receivables, supported by the level of default, is that credit risk is low.

Other financial assets
The Company maintains exposure in cash and cash equivalents, term deposits with banks, investments in commercial papers, government securities, investments in mutual funds and exchange traded funds. The Company has difersified portfolio of investment with various number of counter-parties which have secure credit ratings hence the risk is reduced. Individual risk limits are set for each counter-party based on financial position, credit rating and past experience. Credit limits and concentration of exposures are actively monitored by the Company's Treasury department.

30 (B) CAPITAL MANAGEMENT

The Company considers the following components of its Balance Sheet to be managed capital:
Total equity (as shown in the balance sheet, including non-controlling interests, retained profit, other reserves, share capital, share premium)

The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to our shareholders. The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the group may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure. Company is not subject to financial covenants in any of its significant financing agreements.

The Company monitors capital using gearing ratio, which is net debt divided by total capital (equity plus net debt). Net debts are non-current and current debts as reduced by cash and cash equivalents, other bank balances and current investments. Equity comprises all components including other comprehensive income.

(Amounts in ₹)

Particulars	As at March 31, 2021	As at March 31, 2020	As at April 1, 2019
Total Debt	-	1,397,649	2,407,513
Less : Cash & Cash Equivalents (Including other Bank Balances)	104,374,562	25,096,273	50,399,731
Less : Current Investments	-	-	0
Net Debt	(104,374,562)	(23,698,624)	(47,992,218)
Total Equity (Equity Share Capital plus Other Equity)	100,522,331	(43,417,677)	171,198,210
Gearing Ratio	(1.04)	0.55	(0.28)

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31 Fair value of financial assets and liabilities

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial assets and liabilities and that are recognised in the financial statements.

(Amounts in ₹)

Sr. No.	Particulars	Carrying value			Fair value		
		31 March 2021	31 March 2020	1 April 2019	31 March 2021	31 March 2020	1 April 2019
	Financial Asset						
(a)	**Designated at amortised cost and fair value**						
(i)	Trade receivable	12,256,766	25,501,336	34,722,752	12,256,766	25,501,336	34,722,752
(ii)	Security deposits	5,532,146	17,131,960	16,303,807	5,532,146	17,131,960	16,303,807
(iii)	Loans	3,989,873	327,147	8,624,072	3,989,873	327,147	8,624,072
(iv)	Deposit in banks	80,000,000	-	-	80,000,000	-	-
(v)	Other financial asset	301,179	-	9,247	301,179	-	9,247
(vi)	Cash and cash equivalent	24,374,562	25,096,273	50,399,731	24,374,562	25,096,273	50,399,731
	Total	**126,454,526**	**68,056,716**	**110,059,609**	**126,454,526**	**68,056,716**	**110,059,609**
	Financial Liabilities						
a)	**Designated at amortised cost and fair value**						
(i)	Long Term and Short Term Borrowings	-	1,397,649	2,407,513	-	1,397,649	2,407,513
(ii)	Trade payable						
	- Payable to MSME	-	-	-	-	-	-
	-Payable to Others	41,112,677	90,405,863	75,099,975	41,112,677	90,405,863	75,099,975
(iii)	Other financial liabilities	33,693,784	48,016,366	62,502,404	33,693,784	48,016,366	62,502,404
	Total	**74,806,461**	**139,819,878**	**140,009,892**	**74,806,461**	**139,819,878**	**140,009,892**

The Company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. In addition, the Company internally reviews valuations, including independent price validation for certain instruments. Further, in other instances, Company retains independent pricing vendors to assist in corroborating the valuations of certain instruments.

The fair value of the financial assets and liabilities are included at the amount at which the instrument that would be received to sell an asset or paid to transfer liability in an orderly transaction between market participants at the measurement date.

The following methods and assumptions were used to estimate the fair values:

1. Fair value of cash and cash equivalents, trade payables, borrowings and other financial assets and liabilities are approximate at their carrying amounts largely due to the short-term maturities of these instruments.

2. Fair value of other financial assets and liabilities, Security and Bank deposits are approximate at their carrying amounts largely due to the short-term maturities of these instruments.

3. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

4. Fair values of quoted financial instruments are derived from quoted market prices in active markets.
5. Carrying value of loans from banks, other non current borrowings and other financial liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. The own non- performance risk as at reporting date was assessed to be insignificant.

Fair value hierarchy

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation techniques:-

I. Level 1 :- Quoted prices / published NAV (unadjusted) in active markets for identical assets or liabilities. It includes fair value of financial instruments traded in active markets and are based on quoted market prices at the balance sheet date and financial instruments like mutual funds for which net assets value (NAV) is published by mutual fund operators at the balance sheet date.

II. Level 2 :- Inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices). It includes fair value of the financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on the Company specific estimates. If all significant inputs required to fair value an instrument are observable then instrument is included in level 2.

III. Level 3 :- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs). If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Cash and Cash equivalents and other financial assets are shown at amortised cost
The following table provides hierarchy of the fair value measurement of Company's asset and liabilities, grouped into Level 1 (Quoted prices in active markets), Level 2 (Significant observable inputs) and Level 3 (Significant unobservable inputs) as described below:
Further table describes the valuation techniques used, key inputs to valuations and quantitative information about significant unobservable inputs for fair value measurements.

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Quantitative disclosures fair value measurement hierarchy for Assets and Liabilities as at 31 March 2021:

(Amount in Rs.)

Sr. No.	Particulars	Fair value measurement using Level 1	Level 2	Level 3	Valuation technique used	Inputs used	Sensitivity
A							
(a)	*Financial Assets designated at fair value through profit or loss :*						
(i)	Trade receivable		12,256,766				
(ii)	Security deposits		5,532,146		Discounted cash flows	Forecast cash flows, risk adjusted discount rate, maturity	No material impact on fair valuation
(iii)	Loans		3,989,873				
(iv)	Deposit in banks		80,000,000				
(v)	Other financial asset		301,179				
(vi)	Cash and cash equivalent		24,374,562				
B							
(a)	*Financial Liabilities designated at fair value through profit or loss :*						
(i)	Long Term and Short Term Borrowings		-		Discounted cash flows	Forecast cash flows, risk adjusted discount rate, maturity	No material impact on fair valuation
(ii)	Trade payable		41,112,677				
(iii)	Other financial liabilities		33,693,784				

Quantitative disclosures fair value measurement hierarchy for Assets and Liabilities as at 31 March 2020:

(Amount in Rs.)

Sr. No.	Particulars	Fair value measurement using Level 1	Level 2	Level 3	Valuation technique used	Inputs used	Sensitivity
A							
(a)	*Financial Assets designated at fair value through profit or loss :*						
(i)	Trade receivable		25,501,336				
(ii)	Security deposits		17,131,960		Discounted cash flows	Forecast cash flows, risk adjusted discount rate, maturity	No material impact on fair valuation
(iii)	Loans		327,147				
(iv)	Deposit in banks		-				
(v)	Other financial asset		-				
(vi)	Cash and cash equivalent		25,096,273				
B							
(a)	*Financial Liabilities designated at fair value through profit or loss :*						
(i)	Long Term and Short Term Borrowings		1,397,649		Discounted cash flows	Forecast cash flows, risk adjusted discount rate, maturity	No material impact on fair valuation
(ii)	Trade payable		90,405,863				
(iii)	Other financial liabilities		48,016,366				

Quantitative disclosures fair value measurement hierarchy for Assets and Liabilities as at 1st April 2019:

(Amount in Rs.)

Sr. No.	Particulars	Fair value measurement using Level 1	Level 2	Level 3	Valuation technique used	Inputs used	Sensitivity
A							
(a)	*Financial Assets designated at fair value through profit or loss :*						
(i)	Trade receivable		34,722,752				
(ii)	Security deposits		16,303,807		Discounted cash flows	Forecast cash flows, risk adjusted discount rate, maturity	No material impact on fair valuation
(iii)	Loans		8,624,072				
(iv)	Deposit in banks		-				
(v)	Other financial asset		9,247				
(vi)	Cash and cash equivalent		50,399,731				
B							
(a)	*Financial Liabilities designated at fair value through profit or loss :*						
(i)	Long Term and Short Term Borrowings		2,407,513		Discounted cash flows	Forecast cash flows, risk adjusted discount rate, maturity	No material impact on fair valuation
(ii)	Trade payable		75,099,975				
(iii)	Other financial liabilities		62,502,404				

During the year ended 31 March 2021, 31 March 2020 and 1 April 2019 there were no transfers between level 1 and level 2 fair value measurements.

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Cogencis Information Services Limited
Notes to financial statements for the year ended 31 March 2021

32. Reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities as required under Ind AS 7, 'Statement of cash flows' as per amendments in Companies (Indian Accounting Standards) (Amendments) Rules, 2017

(Amounts in ₹)

Particulars	As at March 31, 2020	Cash Flows (Net)	Non Cash Changes		As at March 31, 2021
			Foreign exchange movements	Fair Value changes	
Long Term Borrowings	292,324	(292,324)	-	-	-
Other Financial Liabilities - Current Maturities of Long Term Borrowings	-	-			
Short Term Borrowings	1,105,325	(1,105,325)	-	-	-
Total Liabilities from Financing Activities	**1,397,649**	**(1,397,649)**	-	-	-

Particulars	As at April 1, 2019	Cash Flows (Net)	Non Cash Changes		As at March 31, 2020
			Foreign exchange movements	Fair Value changes	
Long Term Borrowings	1,397,649	(1,105,325)	-		292,324
Other Financial Liabilities - Current Maturities of Long Term Borrowings		-			
Short Term Borrowings	1,009,864	95,461	-		1,105,325
Total Liabilities from Financing Activities	**2,407,513**	**(1,009,864)**	-	-	**1,397,649**

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33 Statement of Reconciliation between the Indian GAAP and Ind AS

33a First time adoption of Ind AS

These are the Company's first financial statement prepared in accordance with Ind AS.
The accounting policies set out in Note 1 have been applied in preparing the Financial statements for the year ended March 31, 2021, the comparative information presented in these financial statements for the year ended March 31, 2020 and an opening Ind AS balance sheet as at April 01, 2019. In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP).

An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

A. Exemptions and exceptions availed

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS as at the transition date, i.e. April 1, 2019.

A.1 Ind AS optional exemptions

A.1.1 Deemed cost

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the Previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets and Investment Property covered by Ind AS 40 Investment Properties.

Accordingly, the Company has elected to measure all of its property, plant and equipment, intangible assets and investment property at their Previous GAAP carrying value.

A.2 Ind AS mandatory exceptions

A.2.1 Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made in for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at April 1, 2019 are consistent with the estimates as at the same date made in conformity with previous GAAP.

A.2.2 Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets (investment in debt instruments) on the basis of the facts and circumstances that exist at the date of transition to Ind AS. Accordingly, classification and measurement of bonds, debentures, government securities, commercial papers, certificate of deposits has been based on the facts and circumstances that exist at the date of transition to Ind AS.

The Company has applied the requirement of Ind AS 101 prospectively from April 1, 2019.

Ind AS 101 requires the group to reconcile equity, total comprehensive income and cash flows for prior periods. The following reconciliations provide the explanations and quantification of the differences arising from the transition from Previous GAAP to Ind AS in accordance with Ind AS 101:

I. Reconciliation of Equity as at April 01, 2019 and March 31, 2020;
II. Reconciliation of Statement of Profit and Loss for the year ended March 31, 2020,
III. There is no material impact on cash flows from operating, investing and financing activities for the year ended March 31, 2020, on transition to Ind AS.

Cogencis Information Services Limited
Notes to financial statements for the year ended 31 March 2021

I Reconciliations between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The

Reconciliation of equity as at March 31, 2020

(Amounts in ₹)

Particulars	Previous GAAP	Ind AS adjustments	Ind AS
Assets			
Non-current assets			
Fixed assets			
Property, plant and equipment	17,917,740	-	17,917,740
Right of use asset	-	34,548,640	34,548,640
Intangible assets	6,478,100	-	6,478,100
Deferred tax assets	-	294,421	294,421
Financial Assets	-	-	-
- Other financial assets	11,983,812	(1,480,674)	10,503,138
Other non current assets	-	922,874	922,874
Income Tax Assets (Net)	99,729,934	-	99,729,934
	136,109,586	**34,285,260**	**170,394,846**
Current assets			
Financial Assets			
- Trade receivables	25,501,336	-	25,501,336
- Cash and cash equivalents	25,096,273	-	25,096,273
- Bank balances other than cash and cash equivalents	-	-	-
- Other financial assets	6,955,969	-	6,955,969
Other current assets	4,608,909	442,980	5,051,889
	62,162,488	**442,980**	**62,605,467**
TOTAL ASSETS	**198,272,074**	**34,728,240**	**233,000,313**
Equity and liabilities			
EQUITY			
Equity Share capital	51,319,620	-	51,319,620
Other Equity	(91,504,664)	(3,232,633)	(94,737,297)
	(40,185,044)	**(3,232,633)**	**(43,417,677)**
LIABILITIES			
Non-current liabilities			
Financial Liabilities			
- Borrowings	292,324	-	292,324
- Other financial liabilities	-	28,759,248	28,759,248
Provisions	24,041,285	-	24,041,285
	24,333,609	**28,759,248**	**53,092,857**
Current liabilities			
Financial Liabilities			
- Trade payables			
(i) total outstanding dues of micro enterprises and sm	-	-	-
(ii) total outstanding dues of creditors other than micr	90,405,863	-	90,405,863
- Borrowings	1,105,325	-	1,105,325
- Other financial liabilities	9,085,698	10,171,420	19,257,118
Other current liabilities	99,573,533	(969,796)	98,603,737
Short-term provisions	13,953,090	-	13,953,090
Total Current liabilities	**214,123,509**	**9,201,624**	**223,325,133**
TOTAL LIABILITIES	**238,457,118**	**37,960,872**	**276,417,990**
TOTAL EQUITY AND LIABILITIES	**198,272,074**	**34,728,239**	**233,000,313**

II Reconciliations between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

Reconciliation of equity as at date of transition (1 April, 2019)

(Amounts in ₹)

Particulars	Previous GAAP	Ind AS adjustments	Ind AS
Assets			
Non-current assets			
Fixed assets			
Property, plant and equipment	21,083,059	-	21,083,059
Right of use asset	-	45,753,603	45,753,604
Intangible assets	187,839,266	-	187,839,266
Deferred tax assets	29,251,552	779,127	30,030,679
Financial Assets	-	-	-
- Other financial assets	7,590,000	(1,879,009)	5,710,992
	-	1,365,854	1,365,854
Income Tax Assets (Net)	77,334,372	-	77,334,372
	323,098,249	**46,019,575**	**369,117,825**
Current assets			
Financial Assets			
- Trade receivables	34,722,752	-	34,722,752
- Cash and cash equivalents	50,399,731	-	50,399,731
- Bank balances other than cash and cash equivalents	-	-	-
- Other financial assets	19,226,134	-	19,226,134
Other current assets	4,869,100	442,980	5,312,080
	109,217,717	**442,980**	**109,660,697**
		-	-
TOTAL ASSETS	**432,315,966**	**46,462,555**	**478,778,521**
Equity and liabilities			
EQUITY			
Equity Share capital	51,319,620	-	51,319,620
Other Equity	121,635,670	(1,757,080)	119,878,590
	172,955,290	**(1,757,080)**	**171,198,210**
LIABILITIES			
Non-current liabilities			
Financial Liabilities			
- Borrowings	1,397,649	-	1,397,649
- Other financial liabilities	-	38,930,667	38,930,667
Provisions	19,316,328	-	19,316,328
	20,713,977	**38,930,667**	**59,644,644**
Current liabilities			
Financial Liabilities			
- Trade payables			
(i) total outstanding dues of micro enterprises and sn	-	-	-
(ii) total outstanding dues of creditors other than micr	75,099,975	-	75,099,975
- Borrowings	1,009,864	-	1,009,864
- Other financial liabilities	14,282,769	9,288,968	23,571,737
Other current liabilities	135,591,563	-	135,591,563
Short-term provisions	12,662,528	-	12,662,528
Total Current liabilities	**238,646,699**	**9,288,968**	**247,935,667**
TOTAL LIABILITIES	**259,360,676**	**48,219,635**	**307,580,311**
TOTAL EQUITY AND LIABILITIES	**432,315,966**	**46,462,555**	**478,778,521**

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III Reconciliations between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

Reconciliation of total comprehensive income for the year March 31, 2020

(Amounts in ₹)

Particulars	Previous GAAP	Ind AS Adjustments	Ind AS
Revenue			
Revenue from operations	632,387,698	-	632,387,698
Other income	3,646,589	398,334	4,044,923
Total revenue	**636,034,287**	**398,334**	**636,432,621**
Expenses			
Employee benefit expenses	238,890,938	23,268	238,914,206
Finance costs	686,879	3,911,032	4,597,911
Depreciation and amortisation expense	11,534,041	11,204,964	22,739,005
Impairment expenses / losses	-	-	-
Other expenses	250,302,535	(13,726,816)	236,575,718
Total expenses	**501,414,393**	**1,412,448**	**502,826,840**
Profit/(loss) before tax	**134,619,894**	**(1,014,114)**	**133,605,781**
Tax expense			
Current tax	-	-	-
Deferred tax	29,251,552	477,517	29,729,069
Total tax expense	**29,251,552**	**477,517**	**29,729,069**
Profit/(loss) after tax from continuing operations	**105,368,342**	**(1,491,631)**	**103,876,712**
Discontinued Operations			
Profit/(loss) from discontinued operations	(318,508,677)	-	(318,508,677)
Tax expense of discontinued operations	-	-	-
Profit/(loss) after tax from discontinued operations	**(318,508,677)**	**-**	**(318,508,677)**
Profit/(loss) for the year (A)	**(213,140,335)**	**(1,491,631)**	**(214,631,965)**
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurements of post-employment benefit obligations	-	23,268	23,268
Income tax relating to items that will not be reclassified to profit or loss	-	(7,190)	(7,190)
Total Other Comprehensive Income (B)	**-**	**16,078**	**16,078**
Total Comprehensive Income for the period (A+B)	**(213,140,335)**	**(1,475,553)**	**(214,615,887)**

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33b: Deferred tax

i. Under Previous GAAP, deferred taxes are recognised for the tax effect of timing differences between accounting profit and taxable profit for the year using the income statement approach. Under Ind AS, deferred taxes are recognised using the balance sheet for future tax consequences of temporary differences between the carrying value of assets and liabilities and their respective tax bases. Also deferred tax asset shall be recognised for the carryforward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilized.

ii. Deferred tax has been recognised on the adjustment made on transition to Ind AS.

33c: Re-measurement of post-employment benefit obligations

Under Ind AS, re-measurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss. Under the Previous GAAP, these re-measurements were forming part of the profit or loss for the year. Consequent to the above, following is the impact in statement of Profit and loss account for each of the respective years

33d: Prior Period Items:

Under Indian GAAP changes in accounting policies, correction of errors and omissions will be recorded through the current period income statement. Under Ind AS, changes in accounting policies and correction of errors and omissions will be accounted retrospectively by restating the comparative period. No impact has been observed in statement of Profit and loss account and total equity for each of the respective years:

33e: Revenue

Under Previous GAAP, revenue is recognised net of discounts and rebates. Under Ind AS, revenue is recognised at the fair value of the consideration received or receivable, after the deduction of any inventive and any taxes or duties collected on behalf of the government such as services tax. No impact of same is observed in revenue under Ind AS for each of the respective years.

33f: Retained Earnings

Retained earnings as at April 1, 2019 has been adjusted consequent to the above Ind AS transition adjustments.

33g: Other comprehensive income

Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss includes re-measurements of defined benefit plans, and fair value gains or (losses) on FVOCI equity instruments and debt instruments. The concept of other comprehensive income did not exist under Previous GAAP.

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Notes to financial statements for the year ended 31 March 2021

34 Discontinued Operations

During the year, Company transferred following business's - News Business (business of producing and disseminating financial market news and content), Indonesia Business (Terminal business in Indonesia transferred with sole purpose of winding up by 31st March 2021) and Credit Data Business (business of providing databases and related functionalities for technical research and evaluation for the credit function) to the Purchaser Companies (Informist Data & Analytics Pvt Ltd & Informist Media Pvt Ltd) in accordance with the Business Transfer Agreement signed between Purchaser Companies and Cogencis . News, Indonesia and Credit Data business are considered as Discontinued operations for the year ended 31 March 2021.

Results of Discontinued Operations

Particulars	Year ended 31 March 2021 Amounts in ₹	Year ended 31 March 2020 Amounts in ₹
Income	9,52,84,674	10,17,12,547
Expenses	(14,07,37,298)	(42,02,21,224)
Results from discontinued operations before tax	**(4,54,52,624)**	(31,85,08,677)
Tax Expense		
Current tax		
Deferred tax	-	
	-	
Results from discontinued operations after tax	**(4,54,52,624)**	(31,85,08,677)

35 Segmental Information

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. Since the Company operates in single segment (i.e. rendering of real time market news and data), hence does not have any separate reportable Segments as per Indian Accounting Standard 108 "Operating Segments".

36 Transfer of News and Credit Data business

During the year, NSE Data & Analytics Ltd acquired 100% shareholding of the Company vide a Share Purchase Agreement (SPA) dated 15 October 2020. As a condition precedent to the SPA, the Company would be required to undertake the transfer of News Business (business of producing and disseminating financial market news and content), Indonesia Business (Terminal business in Indonesia transferred with sole purpose of winding up by 31st March 2021) and Credit Data Business (business of providing databases and related functionalities for technical research and evaluation for the credit function) to the Purchaser Companies. Consequently, the Company has entered into Business Transfer Agreement (BTA) with Informist Media Private Limited ('Purchaser') to transfer News and Indonesia Business and with Informist Data & Analytics Private Limited ('Purchaser') to transfer Credit Data Business. The Profit on transfer of these Business's has been shown as Exceptional Item in the Statement of Profit & Loss.

Particulars	News Business Amounts in ₹	Credit Data Business Amounts in ₹	Total Amounts in ₹
Assets transferred	1,74,92,388	1,07,43,264	2,82,35,652
Liabilities transferred	1,96,59,670	1,86,98,466	3,83,58,136
Net Assets/ (Liabilities) transferred	(21,67,282)	(79,55,202)	(1,01,22,484)
Sale consideration	1,00,000	1,00,000	2,00,000
Net profit/ (loss) on transfer of business	**22,67,282**	**80,55,202**	**1,03,22,484**

37 Corporate Social Responsibility (CSR) :

Company has made provision in March 2021 towards unspent amount of CSR contribution liability for the FY 2014-15 ₹ 11,83,561/- and for the FY 2015-16 ₹ 8,85,868/-.

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Notes to financial statements for the year ended 31 March 2021

38 COVID-19 Risk Assessment

The novel coronavirus (COVID-19) pandemic continues to spread rapidly across the globe including India. On March 11, 2020, the COVID-19 outbreak was declared a global pandemic by the World Health Organization. COVID-19 has taken its toll on not just human life, but business and financial markets too. Various governments have introduced a variety of measures to contain the spread of the virus.

The Management has, at the time of approving the financial statements, assessed the potential impact of the COVID-19 on the Company. Based on the current assessment, the management is of the view that impact of COVID 19 on the operations of the Company and the carrying value of its assets and liabilities is not likely to be material.

39 Contingent liabilities

	31 March 2021 Amounts in ₹	31 March 2020 Amounts in ₹	01 April 2019 Amounts in ₹
Income tax matters #	63,258,100	-	-

Contigent liability is towards demand notice received u/s 156 of Income tax Act for the AY 2018-19.

40 Capital and other commitments

For commitments relating to leasing arrangements, please refer note 29.

41 Previous year figures have been regrouped/reclassified, where necessary, to conform to this year's classification.

For MUKUND M CHITALE & CO.
Chartered Accountants
ICAI Firm Registration No. 106655W

Chitale

(S. M. Chitale)
Partner
Membership No: 111383

MUKUND M. CHITALE & CO. MUMBAI Chartered Accountants

Place: Mumbai
Date: 28th April 2021

For and on behalf of the Board of Directors
Cogencis Information Services Limited

Mukesh Agarwal
Director
DIN: 03054853

Yatrik Vin
Director
DIN: 07662795

Pankaj Aher
CEO

Shreya

Shreya Shetty
Company Secretary
ACS: 33923

Place : Mumbai
Date: 28th April 2021