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KHANDELWAL JAIN & CO.
CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF **NSE STRATEGIC INVESTMENT CORPORATION LIMITED**

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of **NSE STRATEGIC INVESTMENT CORPORATION LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2017, and 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 significant accounting policies and other explanatory information (together hereinafter referred to as "Ind AS Financial Statements").

Management's Responsibility for the Ind AS 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 Ind AS financial statements that 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 (Ind AS) prescribed 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 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS 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 Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used

KHANDELWAL JAIN & COMPANY MUMBAI CHARTERED ACCOUNTANTS

and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Opinion

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 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 Ind AS, of the state of affairs (financial position) of the Company as at March 31, 2017, and its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Other Matter

The comparative financial information of the Company for the year ended March 31, 2016 and the transition date opening balance sheet as at April 1, 2015 included in these Ind AS financial statements, are based on the previously issued statutory financial statements for the years ended March 31, 2016 and March 31, 2015 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which were audited by us and on which we expressed an unmodified opinion dated April 22, 2016 and May 18, 2015 respectively, as adjusted for the differences in the accounting principles adopted by the Company on transition to Ind AS, which have been audited by us.

Our opinion is not modified in respect of this matter.

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 Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order.

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, the Cash Flow Statement and Statement of Changes in Equity 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 Indian Accounting Standards prescribed under Section 133 of the Act;

   (e) on the basis of the written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act;

KHANDELWAL JAIN & COMPANY * MUMBAI * CHARTERED ACCOUNTANTS

(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"; 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, 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 – Refer Note 28 to the Ind AS financial statements;

  (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses – Refer Note 29 to the Ind AS financial statements;

  (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company – Refer Note 30 to the Ind AS financial statements;

  (iv) The Company did not have any holdings or dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016 – Refer Note 25 to the Ind AS 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

Place : Mumbai
Date : April 25, 2017

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ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE IND AS FINANCIAL STATEMENTS OF NSE STRATEGIC INVESTMENT CORPORATION LIMITED

The Annexure referred to in Independent Auditors' Report to the members of the Company on the Ind AS financial statement for the year ended March 31, 2017. We report that:

i) The Company does not have fixed assets. Therefore, the provisions of clause 3(i) of Companies (Auditor's Report) Order, 2016 are not applicable to the Company.

ii) The Company is a Core Investment Company as defined under The CICs (Reserve Bank) Directions, 2011. Accordingly, it does not hold physical inventories. 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, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.

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, 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, duty of custom, duty of excise, value added tax, cess and other statutory dues were in arrears as at March 31, 2017 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, duty of customs, 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.

KHANDELWAL JAIN & COMPANY MUMBAI CHARTERED ACCOUNTANTS

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 Ind AS 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 & COMPANY * MUMBAI * CHARTERED ACCOUNTANTS

(Narendra Jain)
Partner
Membership No. 048725

Place : Mumbai
Date : April 25, 2017

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE IND AS FINANCIAL STATEMENTS OF 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 STRATEGIC INVESTMENT CORPORATION LIMITED** ("the Company") as of March 31, 2017 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 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 Ind AS 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 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 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 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 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, 2017, 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

Place : Mumbai
Date : April 25, 2017

NSE STRATEGIC INVESTMENT CORPORATION LIMITED

BALANCE SHEET AS AT MARCH 31, 2017

(Amount ₹)

	Particulars	Notes	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
	ASSETS				
1	**Non-current assets**				
a	Property, Plant and Equipments		-	-	-
b	Capital work-on-progress		-	-	-
c	Other Intangible assets		-	-	-
d	Intangible assets under development		-	-	-
e	Investments in Subsidiaries, Associates and Joint Ventures	3	7,668,987,704	7,812,258,540	8,113,780,922
f	Financial Assets				
i	Investments	3	2,264,664,324	1,832,199,393	894,466,344
ii	Loans		-	-	-
iii	Others		-	-	-
g	Income Tax Assets (Net)	13	44,321	2,215,979	-
h	Other non-current assets	5	1,137	4,640	5,277
	Total non-current Assets		**9,933,697,486**	**9,646,678,552**	**9,008,252,543**
2	**Current assets**				
a	Financial Assets				
i	Investments		-	-	-
ii	Trade receivable		-	-	-
iii	Cash and Cash equivalents	7	1,176,787	2,218,576	82,147
iv	Bank balances other than (iii) above	8	-	19,800,000	-
v	Other Financial Assets	4	2,559,310	4,338,830	-
b	Other current assets	6	3,503	3,503	3,770
	Total Current Assets		**3,739,600**	**26,360,909**	**85,917**
	TOTAL ASSETS		**9,937,437,086**	**9,673,039,461**	**9,008,338,460**
	EQUITY AND LIABILITIES				
(A)	**EQUITY**				
a	Share capital	9a	8,259,934,060	8,259,934,060	8,259,934,060
b	Other Equity	9b	1,585,070,791	1,381,935,599	733,885,008
	TOTAL EQUITY		**9,845,004,851**	**9,641,869,659**	**8,993,819,068**
(B)	**LIABILITIES**				
1	**Non-current liabilities**				
a	Financial Liabilities				
i	Deposits (Unsecured)		-	-	-
ii	Other financial liabilities (Other than Provisions in (b) below)		-	-	-
			-	-	-
b	Provisions		-	-	-
c	Deferred tax liabilities (Net)	11	42,363,643	17,282,922	8,597,496
d	Other non-current liabilities		-	-	-
	Total Non-current liabilities		**42,363,643**	**17,282,922**	**8,597,496**
2	**Current liabilities**				
a	Financial Liabilities				
i	Deposits (Unsecured)		-	-	-
ii	Trade Payables	10	17,466,248	12,574,400	5,354,100
iii	Other financial liabilities (Other than Provisions in (b) below)		-	-	-
			17,466,248	**12,574,400**	**5,354,100**
b	Provisions		-	-	-
c	Other current liabilities	14	2,713,184	1,286,960	543,296
d	Income Tax Liabilities (Net)	12	29,889,159	25,520	24,500
	Total current liabilities		**50,068,591**	**13,886,880**	**5,921,896**
	TOTAL EQUITY AND LIABILITIES		**9,937,437,086**	**9,673,039,461**	**9,008,338,460**

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
Partner
Membership No.: 048725

Place : Mumbai
Date : April 25, 2017

For and on behalf of the Board of Directors

S B Mathur
Chairman

Y H Malegam
Director

Tarun Aiyar
Chief Executive Officer

Prasad Joshi
Chief Financial Officer

Ritu Sajnani
Company Secretary

NSE STRATEGIC INVESTMENT CORPORATION LIMITED

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2017

(Amount ₹)

Particulars	Notes	For the year ended 31.03.2017	For the year ended 31.03.2016
Income			
Revenue from operations	15	520,423,352	702,801,582
Other income	16	360,000	260,000
Total Income		**520,783,352**	**703,061,582**
Expenses			
Provision for diminution in value of investment in Associate Company	3	216,270,806	-
Cost of investment written off	3 (ii)	9,999,999	-
Employee benefits expense	26	16,591,968	15,316,130
Finance Cost		-	-
Depreciation and amortisation expense		-	-
Other expenses	17	14,094,665	7,273,331
Total Expenses		**256,957,438**	**22,589,461**
Profit before tax		**263,825,914**	**680,472,121**
Less : Tax expenses			
Current tax	11	35,610,000	23,736,105
Deferred tax	11	25,080,722	8,685,425
Total tax expenses		**60,690,722**	**32,421,530**
Net Profit after tax for the year (A)		**203,135,192**	**648,050,591**
Other Comprehensive Income			
Items that will not be reclassified to profit or loss		-	-
Income tax relating to items that will not be reclassified to profit or loss		-	-
Total Other Comprehensive Income for the year (B)		-	-
Total Comprehensive Income for the year (A+B)		**203,135,192**	**648,050,591**
Earnings per equity share (Face Value ₹ 10 each)			
- Basic (₹)	18	**0.49**	**1.57**
- Diluted (₹)	18	**0.25**	**0.78**
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 25, 2017

For and on behalf of the Board of Directors

S B Mathur — **Chairman**

Y H Malegam — **Director**

Tarun Aiyar — **Chief Executive Officer**

Prasad Joshi — **Chief Financial Officer**

R.K. Sajnani

Ritu Sajnani — **Company Secretary**

NSE Strategic Investment Corporation Limited ★ Mumbai

NSE STRATEGIC INVESTMENT CORPORATION LIMITED
STATEMENT OF CHANGES IN EQUITY FOR YEAR ENDED MARCH 31, 2017

(A) Share Capital

(Amount ₹)

	31.03.2017	31.03.2016	01.04.2015
Balance as at	8,259,934,060	8,259,934,060	8,259,934,060

(B) Other Equity

Particulars	Retained Earnings	CSR Reserve	Total
Balance as at 01.04.2015	**733,885,008**	-	**733,885,008**
Profit / (Loss) for the year / period	648,050,591	-	648,050,591
CSR Reserve	-	-	-
Balance as at 31.03.2016	**1,381,935,599**	-	**1,381,935,599**
Balance as at 01.04.2016	**1,381,935,599**	-	1,381,935,599
Profit / (Loss) for the year / period	203,135,192	-	203,135,192
Less: Transferred to			
CSR Reserve [Refer Note : 24(c)]	(9,778,484)	9,778,484	-
Balance as at 31.03.2017	**1,575,292,307**	**9,778,484**	**1,585,070,791**

As per our report of even date attached

For KHANDELWAL JAIN & CO.
Chartered Accountants
Firm's Registration no : 105049W

Narendra Jain
Partner
Membership No.: 048725

Place : Mumbai
Date : April 25, 2017

For and on behalf of the Board of Directors

S B Mathur
Chairman

Y H Malegam
Director

Tarun Aiyar
Chief Executive Officer

Prasad Joshi
Chief Fianancial Officer

R.K. Sajnani

Ritu Sajnani
Company Secretary

Mumbai

NSE Strategic Investment Corporation Limited

NSE STRATEGIC INVESTMENT CORPORATION LIMITED

STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2017

(Amount ₹.)

Particulars	For the year ended 31.03.2017	For the year ended 31.03.2016
A) CASH FLOW FROM OPERATING ACTIVITIES		
NET PROFIT BEFORE TAX	263,825,914	680,472,121
Adjustments for :		
Profit on Sale of Investments	(13,986,424)	(67,390,912)
Adjustment to the carrying amount of Investments	(151,678,506)	(47,719,871)
Dividend Income	(353,943,026)	(637,252,380)
Provision for diminution in value of investment in Associate Company	216,270,806	-
Cost of investment written off	9,999,999	
Interest Income	(815,396)	(1,460,833)
Loss on buy-back of shares by subsidiary company	-	51,022,413
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	**(30,326,633)**	**(22,329,462)**
Adjustments for :		
Sale of Mutual Funds	93,000,000	1,085,138,555
Purchase of Mutual Funds	(369,799,999)	(1,907,760,821)
Consideration received on buyback of shares by Subsidiary Company	-	255,000,000
Investment In Subsidiary and Associate company	(72,999,970)	(4,500,030)
Investments in Fixed Deposits	-	(19,800,000)
Redemption of Fixed Deposits	19,800,000	-
Current Assets / Loans & Advances	1,783,022	(3,023,178)
Current Liabilities & Provisions	6,318,072	7,963,965
CASH GENERATED FROM OPERATIONS BEFORE DIVIDEND INCOME	**(352,225,508)**	**(609,310,971)**
Interest Received	815,396	146,084
Dividend Income	353,943,026	637,252,380
CASH GENERATED FROM OPERATIONS	2,532,914	28,087,493
Direct Taxes paid (Net of Refunds)	(3,574,703)	(25,951,064)
NET CASH FROM (USED IN) OPERATING ACTIVITIES - Total (A)	**(1,041,789)**	**2,136,429**
B) CASHFLOW FROM INVESTING ACTIVITIES	-	-
NET CASH FROM (USED IN) INVESTING ACTIVITIES - Total (B)	-	-
C) CASHFLOW FROM FINANCING ACTIVITIES		
Issue of Equity and Prefrence Shares	-	-
Share Issue Expenses	-	-
NET CASH FROM (USED IN) FINANCING ACTIVITIES - Total (C)	-	-
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	**(1,041,789)**	**2,136,429**
CASH AND CASH EQUIVALENTS : OPENING BALANCE	**2,218,576**	**82,147**
CLOSING CASH AND CASH EQUIVALENTS : CLOSING BALANCE	**1,176,787**	**2,218,576**
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENT	**(1,041,789)**	**2,136,429**

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 Cash Flow Statements notified under the Companies (Accounting Standards) Rules, 2015.
2. 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

Narendra Jain
Partner
Membership No.: 048725

Place : Mumbai
Date : April 25, 2017

For and on behalf of the Board of Directors

S B Mathur
Chairpman

Y H Malegam
Director

Tarun Aiyar
Chief Executive Officer

Prasad Joshi
Chief Financial Officer

Ritu Sajnani
Company Secretary

R.K. Sajnani

NSE Strategic Investment Corporation Limited ★ Mumbai

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. It holds more than 90% of its net assets in the form of investment in equity shares 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 not required to be registered with RBI as per the directions laid down in Core Investment Companies (Reserve Bank) Directions, 2011.

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 with effect from April 1, 2016 ("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 with effect from April 1, 2016. Previous period numbers in the financial statements have been restated to Ind AS. In accordance with Ind AS 101 First-time Adoption of Indian Accounting Standard, the Company has presented a reconciliation from the presentation of financial statements under Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 ("Previous GAAP") to Ind AS of Shareholders' equity as at March 31, 2016 and April 1, 2015 and of the comprehensive net income for the year ended March 31, 2016.

(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.

The financial statements up to year ended 31 March 2016 were prepared in accordance with Companies (Accounting Standard) Rules, 2006 (as amended) 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 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) 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 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.

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d) 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 there is reasonable certainty of ultimate realisation. The sources of revenue are:

(i) **Dividend**

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) **Interest**

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.

e) 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.

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.

f) 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.

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.

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 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.

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(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.

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 (f). 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.

Transition to Ind AS

Upon first-time adoption of Ind AS, the Company has elected to measure its investments in subsidiaries, joint ventures and associates at the Previous GAAP carrying amount as its deemed cost on the date of transition to Ind AS i.e., April 1, 2015.

(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

• 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.

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 & 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.

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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.

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

• by the weighted average number of equity shares outstanding during the financial 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.

o) 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.

p) Rounding off Amounts

All amounts disclosed in the Restated Financial Information and notes have been rounded off to the nearest rupees, unless otherwise stated.

q) Reclassification

Previous year's figures have been reclassified / regrouped wherever necessary.

r) 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 11

fair value of unlisted securities Note 3

Estimation of contingent liabilities refer Note 22

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.

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Note 3 - NON CURRENT INVESTMENTS

	Number of Units	Face Value per Unit (₹)	Face value (₹)	As at 31.03.2017 (₹)	Number of Units	As at 31.03.2016 (₹)	Number of Units	As at 01.04.2015 (₹)
INVESTMENTS IN EQUITY INSTRUMENTS (FULLY PAID UP)								
UNQUOTED EQUITY INSTRUMENTS AT COST								
IN SUBSIDIARY COMPANIES AT COST								
DOTEX INTERNATIONAL LIMITED [EXTENT OF HOLDING 100% (P.Y - 100%)]	9,000,000	10	90,000,000	918,067,238	9,000,000	918,067,238	9,000,000	1,224,089,650
INDIA INDEX SERVICES & PRODUCTS LTD. [EXTENT OF HOLDING 100% (P.Y - 100%)]	1,300,000	10	13,000,000	1,334,146,338	1,300,000	1,334,146,338	1,300,000	1,334,146,338
NSEIT LTD (W.E.F. 10th MARCH, 2016) (ERSTWHILE NSE.IT LTD) [EXTENT OF HOLDING 100% (P.Y - 100%)]	10,000,010	10	100,000,100	600,058,735	10,000,010	600,058,735	10,000,010	600,058,735
NSE INFOTECH SERVICES LTD [EXTENT OF HOLDING 100% (P.Y - 100%)]	50,000	10	500,000	37,580,097	50,000	37,580,097	50,000	37,580,097
NSE ACADEMY LIMITED (W.E.F. 12TH MARCH, 2016) (ERSTWHILE NSE EDUCATIONAL FACILITIES LIMITED) [EXTENT OF HOLDING 100% (P.Y - 100%)]	250,000	10	2,500,000	2,500,000	250,000	2,500,000	-	-
IN ASSOCIATE COMPANIES AT COST								
COMPUTER AGE MANAGEMENT SERVICES PRIVATE LIMITED EXTENT OF HOLDING 44.99% (P.Y - 44.99%)	21,938,400	10	219,384,000	4,121,333,939	21,938,400	4,121,333,939	21,938,400	4,121,333,939
MARKET SIMPLIFIED INDIA LIMITED EXTENT OF HOLDING 30.00% (P.Y - 30.00%)	4,505,175	10	45,051,750	45,054,090	4,505,175	45,054,090	4,505,175	45,054,090
NSDL E - GOVERNANCE INFRASTRUCTURE LIMITED EXTENT OF HOLDING 25.05% (P.Y - 25.05%)	10,018,000	10	100,180,000	551,017,720	10,018,000	551,017,720	10,018,000	551,017,720
POWER EXCHANGE INDIA LIMITED EXTENT OF HOLDING 30.95% (P.Y - 30.95%)	15,000,030	10	150,000,300	150,375,353	15,000,030	150,375,353	15,000,030	150,375,353
RECEIVABLES EXCHANGE OF INDIA LIMITED (W.E.F. 25th FEBRUARY, 2016) EXTENT OF HOLDING 30.00% (P.Y - 50.00%)	7,500,000	10	75,000,000	75,000,000	200,003	2,000,030	-	-
TOTAL EQUITY INSTRUMENTS				7,835,133,510		7,762,133,540		8,063,655,922
INVESTMENTS IN PREFRENCE SHARES (FULLY PAID UP)								
UNQUOTED PREFERENCE SHARES AT COST								
IN ASSOCIATE COMPANIES AT COST								
10% OPTIONALLY CONVERTIBLE REDEEMABLE PREFERENCE SHARES OF POWER EXCHANGE OF INDIA LIMITED	5,000,000	10	50,000,000	50,125,000	5,000,000	50,125,000	5,000,000	50,125,000
TOTAL PREFERENCE SHARES				50,125,000		50,125,000		50,125,000
TOTAL INVESTMENTS IN SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES				7,885,258,510		7,812,258,540		8,113,780,922
Less: Diminution in Value of Investments				216,270,806		-		-
NET INVESTMENTS IN SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES				7,668,987,704		7,812,258,540		8,113,780,922

(i) The Securities Exchange Board of India (SEBI) during its inspection of holding company, National Stock Exchange of India Limited (NSE), had observed that NSE Strategic Investment Corporation Ltd, a subsidiary of NSE, had acquired 44.99% equity stake in Computer Age Management Services Private Limited (CAMS) without prior permission of the SEBI. While the holding company NSE has suitably replied to the SEBI's observation, the same is under consideration by SEBI.

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Note 3 - NON CURRENT INVESTMENTS

	Number of Units	As at 31.03.2017 (₹)	Number of Units	As at 31.03.2016 (₹)	Number of Units	As at 01.04.2015 (₹)
UNQUOTED INVESTMENTS IN MUTUAL FUNDS AT FVPL						
AXIS TREASURY ADVANTAGE FUND - GROWTH - DIRECT PLAN	102,211.24	188,692,382	79,234.97	135,145,697	-	-
BARODA PIONEER TREASURY ADVANTAGE FUND - PLAN B - DIRECT - GROWTH	97,086.89	186,639,513	97,086.89	170,341,575	-	-
BIRLA SUN LIFE FLOATING RATE FUND - LTP - DIRECT - GROWTH	831,722.85	166,882,943	-	-	-	-
BIRLA SUN LIFE SAVINGS FUND - DIRECT - GROWTH	535,517.79	171,425,029	535,517.79	157,344,553	-	-
HDFC FLOATING RATE INCOME FUND - STP - DIRECT - GROWTH	6,098,830.22	172,959,776	6,098,830.22	159,180,688	-	-
ICICI PRUDENTIAL ULTRA SHORT TERM PLAN - DIRECT - GROWTH	11,359,009.64	194,379,917	11,052,392.85	172,486,959	18,628,284.03	266,660,160
ICICI PRUDENTIAL FLEXIBLE INCOME PLAN - GROWTH - DIRECT	278,672.63	87,105,734	-	-	-	-
IDFC MONEY MANAGER - TREASURY PLAN - DIRECT - GROWTH	6,458,674.99	169,130,093	6,458,674.99	156,071,298	-	-
JM HIGH LIQUIDITY FUND - DIRECT GROWTH	2,709,786.76	120,623,177	2,709,786.76	112,278,660	-	-
KOTAK TREASURY ADVANTAGE FUND – DIRECT - GROWTH	6,838,293.79	180,251,270	6,838,293.79	166,558,954	-	-
PRINCIPAL CASH MANAGEMENT - DIRECT PLAN - GROWTH	47,457.58	75,175,049	109,352.96	161,269,259	96,389.09	131,207,064
RELIANCE LIQUID FUND - CASH PLAN - DIRECT - GROWTH	48,450.61	127,195,536	48,450.61	118,488,394	-	-
RELIANCE MEDIUM TERM FUND - DIRECT - GROWTH	5,146,321.94	178,524,364	4,925,558.39	156,310,625	-	-
UTI FLOATING RATE FUND - STP - DIRECT – GROWTH	62,902.10	170,973,637	62,902.10	156,722,732	-	-
UTI TREASURY ADVANTAGE FUND - DIRECT - GROWTH	28,375.12	63,996,736	-	-	-	-
UTI TREASURY ADVANTAGE FUND GROWTH - DIRECT PLAN	4,748.27	10,709,167	-	-	-	-
JPMORGAN INDIA TREASURY FUND - DIRECT - GROWTH	-	-	-	-	26,157,816	481,913,288
JPMORGAN INDIA LIQUID FUND - DIRECT - GROWTH	-	-	-	-	258,039	4,685,832
	TOTAL (i)	2,264,664,323		1,822,199,393		884,466,344
UNQUOTED EQUITY INSTRUMENTS IN OTHER COMPANIES OTHER THAN SUBSIDIARIES AT COST						
GOODS AND SERVICE TAX NETWORK (Refer Note below)	1,000,000	1.00	1,000,000	10,000,000	1,000,000	10,000,000
	TOTAL (ii)	1.00		10,000,000		10,000,000
	TOTAL (i) + (ii)	2,264,664,324		1,832,199,393		894,466,344
GRAND TOTAL		10,149,922,834		9,644,457,933		9,008,247,266
Notes:						
Aggregate Book Value - Quoted Investments		-		-		-
Aggregate Book Value - Unquoted Investments		10,149,922,834		9,644,457,933		9,008,247,266
Aggregate Market Value of Quoted Investments		-		-		-

(ii) Goods and Service Tax Network 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. Accordingly, the investment in the company has been written down to Re. 1/-. Accordingly, the Company has written off investment in Goods and Service Tax Network amounting to Rs. 9,999,999/- and the same has been debited to the Statement of Profit and Loss.

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4 Other Financial Assets (Current)

	As at 31.03.2017 (₹)	As at 31.03.2016 (₹)	As at 01.04.2015 (₹)
Advance Recoverable in Cash or Kind from related parties pertains to (Refer Note : 20)			
NSE Academy Limited	-	464,771	-
Receivables Exchange of India Limited	2,559,310	2,559,310	-
	-		
Other loans and advances		-	
(Unsecured , Considered Good)			
Accrued Interest on Fixed Deposits	-	1,314,749	-
Total	2,559,310	4,338,830	-

5 Other Non current Assets

	As at 31.03.2017 (₹)	As at 31.03.2016 (₹)	As at 01.04.2015 (₹)
Other loans and advances			
Prepaid Expenses	1,137	4,640	5,277
Total	1,137	4,640	5,277

6 Other Current Assets

	As at 31.03.2017 (₹)	As at 31.03.2016 (₹)	As at 01.04.2015 (₹)
Prepaid Expenses	3,503	3,503	3,770
Total	3,503	3,503	3,770

7 Cash and bank balances

	As at 31.03.2017 (₹)	As at 31.03.2016 (₹)	As at 01.04.2015 (₹)
Cash and cash equivalents			
Balances with banks :			
On current accounts	1,176,787	2,218,576	82,147
Cash on hand	-	-	-
	1,176,787	2,218,576	82,147

8 Bank balances other than cash and cash equivalents

	As at 31.03.2017 (₹)	As at 31.03.2016 (₹)	As at 01.04.2015 (₹)
Bank Deposit			
Bank Deposit with Original maturity of more than 12 months	-	9,900,000	-
Bank Deposit with Original maturity of more than 3 months & less than 12 months	-	9,900,000	-
	-	19,800,000	-

9 (a) Share Capital

	As at 31.03.2017 (₹)	As at 31.03.2016 (₹)	As at 01.04.2015 (₹)
Authorised			
45,00,00,000 Equity Shares of ₹ 10 each.	4,500,000,000	4,500,000,000	4,500,000,000
(Previous Years : 45,00,00,000 Equity Shares of ₹ 10 each.)			
45,00,00,000 Non - Cumulative Compulsorily Convertible Preference Shares of ₹ 10 each.	4,500,000,000	4,500,000,000	4,500,000,000
(Previous Years : 45,00,00,000 Non - Cumulative Compulsorily Convertible Preference Shares of ₹ 10 each.)			
	9,000,000,000	9,000,000,000	9,000,000,000
Issued, Subscribed and Paid-up			
41,30,21,703 Equity Shares of ₹ 10 each, fully paid	4,130,217,030	4,130,217,030	4,130,217,030
(Previous Years : 41,30,21,703 Equity Shares of ₹ 10 each, fully paid)			
41,29,71,703 6% Non - Cumulative Compulsorily Convertible Preference Shares of ₹ 10 each, fully paid	4,129,717,030	4,129,717,030	4,129,717,030
(Previous Years : 41,29,71,703 6% Non - Cumulative Compulsorily Convertible Preference Shares of ₹ 10 each, fully paid)			
Total	8,259,934,060	8,259,934,060	8,259,934,060

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

Equity Shares

The Company has only one class of equity shares having a par value of ₹ 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 ₹ 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
Thursday, March 28, 2013	22,500,000
Friday, June 28, 2013	31,570,000
Monday, July 22, 2013	9,020,000
Monday, September 2, 2013	54,120,000
Tuesday, October 1, 2013	26,650,000
Thursday, January 2, 2014	57,564,000
Thursday, February 20, 2014	211,547,703

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 31.03.2017		As at 31.03.2016		As at 01.04.2015	
	Nos.	% holding	Nos.	% holding	Nos.	% holding
National Stock Exchange of India Limited and its nominees	413,021,703	100.00%	413,021,703	100.00%	412,608,681	99.90%
National Securities Clearing Corporation Limited	-	-	-	-	413,022	0.10%
Total	413,021,703	100.00%	413,021,703	100.00%	413,021,703	99.90%

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Preference Shares :

Name of the Company	As at 31.03.2017		As at 31.03.2016		As at 01.04.2015	
	Nos.	% holding	Nos.	% holding	Nos.	% holding
National Stock Exchange of India Limited and its nominees	412,971,703	100.00%	412,971,703	100.00%	412,558,731	99.90%
National Securities Clearing Corporation Limited	-	-	-	-	412,972	0.10%
Total	412,971,703	100.00%	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)

	31.03.2017	31.03.2016	01.04.2015
National Stock Exchange of India Limited and its nominees	413,021,703	413,021,703	412,608,681

Details of Equity Shareholder holding more than 5% share in the Company (% of Share holding)

	31.03.2017	31.03.2016	01.04.2015
National Stock Exchange of India Limited and its nominees	100.00%	100.00%	99.90%

Details of Preference Shareholder holding more than 5% share in the Company (No of Shares)

	31.13.2017	31.03.2016	01.04.2015
National Stock Exchange of India Limited and its nominees	412,971,703	412,971,703	412,558,731

Details of Preference Shareholder holding more than 5% share in the Company (% of Share holding)

	31.13.2017	31.03.2016	01.04.2015
National Stock Exchange of India Limited and its nominees	100.00%	100.00%	99.90%

9 (b) Other Equity

Particulars	Retained Earnings	CSR Reserve	Total
Balance as at 01.04.2015	733,885,008	-	733,885,008
Profit / (Loss) for the year / period	648,050,591	-	648,050,591
CSR Reserve	-	-	-
Balance as at 31.03.2016	1,381,935,599	-	1,381,935,599
Balance as at 01.04.2016	1,381,935,599	-	1,381,935,599
Profit / (Loss) for the year / period	203,135,192		203,135,192
Less: Transferred to			
CSR Reserve [Refer Note : 24(c)]	(9,778,484)	9,778,484	-
Balance as at 31.03.2017	1,575,292,307	9,778,483	1,585,070,791

10 Trade Payables

	As at 31.03.2017 (₹)		As at 31.03.2016 (₹)		As at 01.04.2015 (₹)	
Trade payable to Holding Company	17,140,773		11,387,133		-	
Trade payable (Liability for expenses)	325,475	17,466,248	1,187,267	12,574,400	5,354,100	5,354,100
Total		17,466,248		12,574,400		5,354,100

11 (a) Income tax expense

Particulars	31.03.2017	31.03.2016
Current tax expense		
Current Tax (i)	35,610,000	23,736,105
MAT Credit entitlement	-	
Deferred Tax		
Decrease / (increase) in deferred tax assets (ii)	-	-
(Decrease) increase in deferred tax liabilities (iii)	25,080,722	8,685,425
Total deferred tax expense /(benefit) (iv) = (ii) + (iii)	25,080,722	8,685,425
Total Income Tax Expense (v) = (i) + (iv)	60,690,722	32,421,530

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

Particulars	31.03.2017	31.03.2016
Profit before income tax expense	263,825,914	680,472,121
Tax Rate (%)	33.063%	33.063%
Tax at the Indian Tax Rate	87,228,762	224,984,498
Tax effect of amounts which are not deductible (taxable) in calculating taxable income		
Dividend Income	(117,024,183)	(210,694,755)
Expenditure related to exempt income	8,651,271	7,233,853
Loss on buyback of shares by subsidiary company	-	16,869,540
Provision for diminution in value of investments	71,505,617	-
Cost of investment written off	3,306,300	-
Profit on sale of investments taxed at other than Statutory rate	1,112,411	942,792
CSR Expense debited to Statement of Profit and Loss	1,106,030	149,131
Net gain on financial assets mandatorily measured at fair value through profit or loss	(25,068,743)	(7,092,196)
MAT credit Entitlement	29,873,258	
Others	-	28,668
Income Tax Expense	60,690,722	32,421,530

(c) Income Tax assets / (Liabilities) at the end of the period

Particulars	As at 31.03.2017 (₹)	As at 31.03.2016 (₹)	As at 01.04.2015 (₹)
Opening Balance	2,190,459	(24,500)	(385,000)
Income Tax Paid / (Refund)	3,574,703	25,951,064	378,500
Current Income tax payable for the period / year	(35,610,000)	(23,736,105)	(18,000)
Net Current tax assets at the end of the Year	(29,844,838)	2,190,459	(24,500)

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(d) Defferred Tax Liabilities (Net)

	As at 31.03.2017 (₹)	As at 31.03.2016 (₹)	As at 01.04.2015 (₹)
Deferred Income Tax Assets			
Financial Assets at Fair Value through profit and Loss	-	-	-
Total Deferred Tax Assets (A)	-	-	-
Deferred Income Tax Liabilities			
Financial Assets at Fair Value through profit and Loss	42,363,643	17,282,922	8,597,496
Total Deferred Tax Liabilities (B)	42,363,643	17,282,922	8,597,496
Net Deferred Income Tax Assets / (Liabilities) (A)-(B)	(42,363,643)	(17,282,922)	(8,597,496)

(e) Movement in Defferred Tax Assets

Particulars	Financial Assets at Fair Value through profit and Loss
At 01 April 2015	-
Charged / (Credited) - to profit or loss	-
At 31st March 2016	-
Charged / (Credited) - to profit or loss	-
At 31st December 2016	-

(f) Movement in Defferred Tax Liabilities

Particulars	Financial Assets at Fair Value through profit and Loss
At 01 April 2015	8,597,496
Charged / (Credited) - to profit or loss	8,685,425
At 31st March 2016	17,282,922
Charged / (Credited) - to profit or loss	25,080,722
At 31st March 2017	42,363,643

(g) Deferred tax asset is recognised based on reasonable certainty. Accordingly, the company, as a matter of prudence, have not recognised deferred tax asset aggregating to Rs. 65,067,400/- on diminution on value of investment in Power Exchange India Limited (Deferred Tax Asset amounting to Rs.55,422,654/-), Market Simplified India Limited (Deferred Tax Asset amounting to Rs. 6,969,313/-) and in Goods and Service Tax Network (Deferred Tax Asset amounting to Rs. 2,675,433/-)

12 Income Tax Liabilities

	As at 31.03.2017 (₹)	As at 31.03.2016 (₹)	As at 01.04.2015 (₹)
Other Provisions			
Income Tax (Net of Advances including TDS)	29,889,159	25,520	24,500
Total	29,889,159	25,520	24,500

13 Income Tax Assets (Net)

	As at 31.03.2017 (₹)	As at 31.03.2016 (₹)	As at 01.04.2015 (₹)
(Unsecured , Considered Good)			
Income Tax paid including TDS (Net of Provisions)	44,321	2,215,979	-
Total	44,321	2,215,979	-

14 Other Current liabilities

	As at 31.03.2017 (₹)	As at 31.03.2016 (₹)	As at 01.04.2015 (₹)
Statutory Liabilities	2,713,184	1,286,960	543,296
Total	2,713,184	1,286,960	543,296

15 Revenue from operations

	For the year ended 31.03.2017 (₹)		For the year ended 31.03.2016 (₹)	
Dividend from :				
Subsidiary Companies	20,300,010		365,000,052	
Other Investments	333,643,016	353,943,026	272,252,328	637,252,380
Net gain on sale of investments mandatorily measured at fair value through P/L		13,986,424		67,390,912
Net gain / (Loss) on Financial assets mandatorily measured at fair value through P/L		151,678,506		47,719,871
Interest on Fixed Deposits		815,396		1,460,833
Loss on Buyback of shares by subsidiary company		-		(51,022,414)
Total		520,423,352		702,801,582

16 Other Income

	For the year ended 31.03.2017 (₹)	For the year ended 31.03.2016 (₹)
Sitting Fees Received	360,000	260,000
Total	360,000	260,000

17 Other expenses

	For the year ended 31.03.2017 (₹)	For the year ended 31.03.2016 (₹)
Director Sitting Fees	3,618,000	2,553,750
Insurance (Refer note 26)	436,670	141,457
Legal & Profesional Fees	1,262,730	690,720
Payment to auditor (Refer note below)	299,308	238,083
Space & Infrastructure Usage Charges (Refer note 26)	2,199,513	1,974,924
CSR Expenses (Refer note 24)	3,345,219	451,051
Other expenses	2,933,225	1,223,346
Total	14,094,665	7,273,331

Note :

Payment to Auditor		
As Auditor		
Audit Fees	143,750	114,500
In other Capacity		
Certification Matters	57,500	28,625
Taxation Matters	86,250	85,875
Out of Pocket Expenses	11,808	9,083
Total	299,308	238,083

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18 Earning per share

Particulars	For the year ended 31.03.2017	For the year ended 31.03.2016
Net Profit attributable to Shareholders (in ₹)	203,135,192	648,050,591
Weighted Average Number of equity shares issued	413,021,703	413,021,703
Basic earnings per share of Rs. 10/- each (in ₹)	0.49	1.57
Weighted Average Number of potential equity shares	825,993,406	825,993,406
Diluted earnings per share of Rs. 10/- each (in ₹)	0.25	0.78

19 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. 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".

20 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	Promoter Company
2	NSE IFSC Limited	Promoter's Subsidiary Company (w.e.f 29.11.2016)
3	National Securities Clearing Corporation Limited	Promoter Company (upto 28.09.2015) Promoter's Subsidiary Company (w.e.f 29.09.2015)
4	NSE IFSC Clearing Corporation Limited	Promoter's Subsidiary's Subsidiary Company (w.e.f 02.12.2016)
5	India Index Services & Products Limited	Subsidiary Company
6	NSE Infotech Services Limited	Subsidiary Company
7	NSEIT Limited (Formerly known as NSE.IT Limited)	Subsidiary Company
8	DotEx International Limited	Subsidiary Company
9	NSE.IT (US) Inc.	Subsidiary's Subsidiary Company
10	Market Simplified India Limited	Associate Company
11	Power Exchange India Limited	Associate Company
12	NSDL e-Governance Infrastructure Limited (formerly known as National Securities Depository Limited)	Associate Company
13	Computer Age Management Services Private Limited	Associate Company
14	National Securities Depository Limited (new)	Promoter Company's Associate
15	BFSI Sector Skill Council of India	Promoter Company's Associate
16	NSE Academy Ltd (Formerly Known as NSE Educational Facilities Ltd) (w.e.f 12/03/2016)	Subsidiary Company (w.e.f 12.03.2016)
17	Receivables Exchange of India Limited	Associate Company (w.e.f. 24.06.2016), Joint Venture Company (from 25.02.2016 to 23.06.2016)
18	Mr. Tarun Aiyar - Chief Executive Officer w.e.f. 23/04/2016	Key Management Personnel
19	Mr. J Ravichandran - Managing Director (from 31/01/2013 to 23/04/2016)	Key Management Personnel

(b) Details of transactions (including service tax wherever levied) with related parties are as follows :

Name of the Related Party	Nature of Transactions	As at 31.03.2017 Amount (₹)	As at 31.03.2016 Amount (₹)	As at 01.04.2015 Amount (₹)
National Stock Exchange of India Ltd.	Reimbursement of expenses for staff on deputation paid/ payable	16,591,968	15,316,130	-
	Reimbursement of expenses for other expenses incurred	870,483	905,501	-
	Reimbursement received for IPO Expense	195,201	-	-
	Reimbursement for Income Tax, TDS and Service Tax paid	8,891,324	27,285,287	-
	Reimbursement for CSR expenses	3,345,219	451,051	-
	Space and Infrastructure Charges	2,199,513	1,974,924	-
	Deposit received / Paid	300,000	-	-
	Closing Balance net Debit / (Credit)	(17,140,773)	(11,387,133)	-
Dotex International Ltd.	Dividend Received	9,000,000	144,000,000	-
	Buy Back of Equity Share Capital by DotEx International Ltd	-	255,000,000	-
	Investment in Equity Share Capital	918,067,238	918,067,238	1,224,089,650
NSE Infotech Services Limited	Dividend Received	-	-	-
	Investment in Equity Share Capital	37,580,097	37,580,097	37,580,097
NSEIT Limited (Formely Known as NSE.IT Limited)	Purchase of Digital Signature	-	-	-
	Dividend Received	10,000,010	52,000,052	-
	Investment in Equity Share Capital	600,058,735	600,058,735	600,058,735
India Index Services & Products Limited	Dividend Received	1,300,000	169,000,000	-
	Investment in Equity Share Capital	1,334,146,338	1,334,146,338	1,334,146,338
NSE Academy Limited (Formely Known as NSE Education Facilities Limited)	Subscritpion of Equity Shares	-	2,500,000	-
	Preliminary Expenses paid on behalf of NSE Educational Facilities Limited	-	464,771	-
	Closing Balance net Debit / (Credit)	-	464,771	-
	Investment in Equity Share Capital	2,500,000	2,500,000	-
Receivables Exchange of India Limited	Subscritpion of Equity Shares	72,999,970	2,000,030	-
	Preliminary Expenses paid on behalf of Receivables Exchange of India Limited	-	2,559,310	-
	Closing Balance net Debit / (Credit)	2,559,310	2,559,310	-
	Investment in Equity Share Capital	75,000,000	2,000,030	-
Computer Age Management Services Private Limited	Dividend Received	268,526,016	212,144,328	-
	Sitting Fees Received	300,000	200,000	-
	Investment in Equity Shares	4,121,333,939	4,121,333,939	4,121,333,939
NSDL E - Governance Infrastructure Limited	Dividend Received	65,117,000	60,108,000	-
	Investment in Equity Shares	551,017,720	551,017,720	551,017,720
Market Simplified India Limited	Investment in Equity Shares	45,054,090	45,054,090	45,054,090
Power Exchange India Limited	Investment in Equity Shares	150,375,353	150,375,353	150,375,353
	Investment In 10% Optionally Convertible Redeemable Preference Shares	50,125,000	50,125,000	50,125,000

21 Capital and other commitments

	31.03.2017	31.03.2016	01.04.2015
Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided	-	-	-
Other commitments	-	-	-
	-	-	-

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22 Contingent liability:

	31.03.2017	31.03.2016	01.04.2015
Contingent Liabilities	-	-	-

23 Details under the MSMED Act, 2006 for dues to micro and small, medium enterprises

	31.03.2017	31.03.2016	01.04.2015
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.

24 Corporate Social Responsibility (CSR)

	31.03.2017	31.03.2016
a) Gross amount required to be spent by the company during the year	8,966,382	4,608,371

b) Amount spent during the year on:

SRN	Particulars	31.03.2017		
		In Cash	Yet to be Paid in Cash	Total
(i)	Construction / Acquisition of any assets	-	-	-
(ii)	On Purpose other than (i) above	3,345,219	-	3,345,219

SRN	Particulars	31.03.2016		
		In Cash	Yet to be Paid in Cash	Total
(i)	Construction / Acquisition of any assets	-	-	-
(ii)	On Purpose other than (i) above	451,051	-	451,051

	31.03.2017	31.03.2016
c) Amount transferred from Retained earnings to CSR Reserve	9,778,484	-

During the year, the company has created CSR Reserve to undertake CSR activities and has transferred unspend amount from Retained earnings to CSR Reserve. The unspend amount is the shortfall in amount required to be spent by the Company as per the Companies Act, 2013 and amount actually spent.

25 Disclosure on Specified Bank Notes (SBNs)

The Company did not have any holdings or dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016

26 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.

27 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.

28 As at March 31, 2017 the company does not have any pending litigations which would have impact its financial position.

29 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, 2017

30 For the year ended March 31, 2017, 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.

31 During the year ended March 31, 2017, the company has reclassified investment in mutual funds fair valued through profit and loss as non-current investments which were hitherto classified as current investments as the management intends to hold the same for more than twelve months. Accordingly, previous years / period figures have been reclassified.

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32 **Statement of Reconciliation between the Indian GAAP and Ind AS**

1) **First time adoption of Ind AS**

These are the Company's first financial statement prepare in accordance with Ind AS.

The accounting policies set out in note 2 have been applied in preparing the financial statements for the year ended March 31, 2017, the comparative information presented in these financial statements for the year ended March 31, 2016 and in the preparation of comparative Balance sheet as at March 31, 2016 and in the preparation of an opening Ind AS balance sheet at April 1, 2015 (transition date). 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.

A.1 **Ind AS optional exemptions**

A.1.1 **Investment in Subsidiaries, Associate and Joint Venture**

Ind AS 101 permits a first time adopter to measure it's investment, at the date of transition, at cost determined in accordance with Ind AS 27, or deemed cost, The deemed cost of such investment shall be it's fair value at the Company's date of transition to Ind AS, or previous GAAP carrying amount at that date.

The Company has elected to measure its investment in subsidiaries, associate and joint venture at the Previous GAAP carrying amount as its deemed cost on the transition date

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 consistence 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 1 April 2015 are consistent with the estimates as at the same date made in conformity with Previous GAAP. The Company has made estimates for Investment in mutual funds carried at FVPL in accordance with Ind AS at the date of transition as these were not required under Previous GAAP:

Ind AS 101 requires an entity 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:

A. Reconciliation of Equity as at April 1, 2015 and as at March 31, 2016
B. Reconciliation of Statement of Profit and Loss for the year ended 31st March, 2016.

2) **Investments**

Mutual funds and equity instruments (other than investments in subsidiaries, associates and joint venture):

Under the previous GAAP, investments in equity instruments and mutual funds were classified as long-term investments or current investments based on the intended holding period and realisability. Long-term investments were carried at cost less provision for other than temporary decline in the value of such investments. Current investments were carried at lower of cost and fair value. Under Ind AS, these investments are required to be measured at fair value. The resulting fair value changes of these investments (other than equity instruments designated as at FVOCI) have been recognised in other equity as at the date of transition and subsequently in the profit or loss for the year ended 31 March 2016.

Mutual Funds	**Balance Sheet impact - increase / (Decrease)**	
	As at March 31, 2016	**As at April 1, 2015**
Investments (Non Current)	10,04,64,692	5,27,44,821
Other Equity (Retained Earnings)	10,04,64,692	5,27,44,821

3) **Deferred tax**

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 has been recognised on the adjustment made on transition to Ind AS. 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.

4) **Prior Period items:**

Under Indian GAAP changes in accounting policies, correction of errors and omissions will be recorded through the current period income statements, under Ind AS changes in accounting policies and correction of errors and omissions will be accounted retrospectively by restating the comparative period. Consequent to the above, following is the impact on the total comprehensive income and total equity for the year ended March 31, 2016.

INCREASE / (DECREASE)	**Impact on Total equity and Total comprehensive income - Increase / (Decrease)**
	For the year ended 31.03.2016
Prior Period items	(5,11,663)
Total Comprehensive Income	(5,11,663)
	As at March 31, 2016
Total Equity	(5,11,663)

5) **Retained Earnings:**

Retained earnings as at April 1, 2015 has been adjusted consequent to the above Ind AS transition adjustments.

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NSE STRATEGIC INVESTMENTS CORPORATION LIMITED

1 Reconciliation of equity as previously reported under IGAAP to 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.

	Particulars	Balance Sheet as at March 31, 2016			Balance Sheet as at April 01, 2015		
		IGAAP**	Adjustments	Ind AS	IGAAP**	Adjustments	Ind AS
	ASSETS						
1	**Non-current assets**						
a	Property, Plant and Equipments	-			-	-	
b	Capital work-on-progress	-			-	-	
c	Other Intangible assets	-			-	-	
d	Intangible assets under development	-			-	-	
e	Investments in subsidiaries, Associates & Joint ventures	7,81,22,58,540	-	7,81,22,58,540	8,11,37,80,922	-	8,11,37,80,922
f	Financial Assets						
i	Investments*	1,73,17,34,700	10,04,64,693	1,83,21,99,393	84,17,21,523	5,27,44,821	89,44,66,344
ii	Loans	-	-	-	-	-	-
g	Income Tax Assets (Net)	27,27,642	(5,11,663)	22,15,979	-	-	-
h	Other non-current assets	4,640	-	4,640	5,277	-	5,277
	Total Non current assets	**9,54,67,25,522**	**9,99,53,030**	**9,64,66,78,552**	**8,95,55,07,722**	**5,27,44,821**	**9,00,82,52,543**
2	**Current assets**						
a	Inventories	-			-	-	-
b	Financial Assets						
i	Investments*	-	-	-	-	-	-
ii	Trade receivable	-			-	-	
iii	Cash and Cash equivalents	22,18,576	-	22,18,576	82,147	-	82,147
iv	Bank balances other than (iii) above	1,98,00,000	-	1,98,00,000	-	-	-
v	Loans	-	-	-	-	-	-
vi	Other Financial Assets	43,38,830	-	43,38,830	-	-	-
d	Other current assets	3,503	-	3,503	3,770	-	3,770
	Total current assets	**2,63,60,909**	**-**	**2,63,60,909**	**85,917**	**-**	**85,917**
	TOTAL ASSETS	**9,57,30,86,431**	**9,99,53,030**	**9,67,30,39,461**	**8,95,55,93,639**	**5,27,44,821**	**9,00,83,38,460**
	EQUITY AND LIABILITIES						
(A)	**EQUITY**						
a	Equity Share capital	8,25,99,34,060	-	8,25,99,34,060	8,25,99,34,060	-	8,25,99,34,060
b	Other Equity	1,29,92,65,491	8,26,70,108	1,38,19,35,599	68,97,37,683	4,41,47,325	73,38,85,008
		9,55,91,99,551	**8,26,70,108**	**9,64,18,69,659**	**8,94,96,71,743**	**4,41,47,325**	**8,99,38,19,068**
(B)	**LIABILITIES**						
1	**Non-current liabilities**						
a	Financial Liabilities						
i	Deposits (Unsecured)	-	-	-	-	-	-
ii	Other financial liabilities (Other than Provisions in (b) below)	-		-	-	-	-
b	Provisions	-	-	-	-	-	
c	Deferred tax liabilities (Net)	-	1,72,82,922	1,72,82,922	-	85,97,496	85,97,496
d	Other non-current liabilities	-			-	-	
	Total Non current liabilities	-	1,72,82,922	1,72,82,922	-	85,97,496	85,97,496
2	**Current liabilities**						
a	Financial Liabilities						
i	Deposits (Unsecured)	-	-	-	-	-	-
ii	Trade payables	1,25,74,400	-	1,25,74,400	53,54,100	-	53,54,100
iii	Other financial liabilities (Other than Provisions in (b) below)	-	-	-	-	-	-
b	Provisions		-	-	-	-	-
c	Other current liabilities	12,86,960	-	12,86,960	5,43,296	-	5,43,296
d	Current Tax Liabilities (Net)	25,520	-	25,520	24,500	-	24,500
	Total current liabilities	**1,38,86,880**	**-**	**1,38,86,880**	**59,21,896**	**-**	**59,21,896**
	TOTAL EQUITY AND LIABILITIES	**9,57,30,86,431**	**9,99,53,030**	**9,67,30,39,461**	**8,95,55,93,639**	**5,27,44,821**	**9,00,83,38,460**

*During the year ended March 31, 2017, the company has reclassified investment in mutual funds fair valued through profit and loss as non-current investments which were hitherto classified as current investments as the management intends to hold the same for more than twelve months. Accordingly, previous years / period figures have been reclassified.

** The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note

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Reconciliation of statement of profit and loss as previously reported under IGAAP and IND AS

Particulars	Year Ended March 31, 2016		
	IGAAP*	Adjustments	Ind AS
Income			
Revenue from operations	65,50,81,712	4,77,19,871	70,28,01,583
Other income	2,60,000	-	2,60,000
Total Income	**65,53,41,712**	**4,77,19,871**	**70,30,61,583**
Expenses			
Employee benefits expense	1,53,16,130	-	1,53,16,130
Finance Cost	-	-	-
Depreciation and amortisation expense	-	-	-
Other expenses	72,73,331	-	72,73,331
Total Expenses	**2,25,89,461**	-	**2,25,89,461**
Profit before tax & exceptional items	**63,27,52,250**	**4,77,19,871**	**68,04,72,121**
Less: Loss on Buyback of shares by subsidiary company	-	-	-
Profit before tax	**63,27,52,250**	**4,77,19,871**	**68,04,72,121**
Less : Tax expenses			
Current tax	2,32,24,442	5,11,663	2,37,36,105
Deferred tax	-	86,85,425	86,85,425
Total tax expenses	**2,32,24,442**	**91,97,088**	**3,24,21,530**
Profit after tax (A)	**60,95,27,808**	**3,85,22,783**	**64,80,50,591**
Other Comprehensive Income			
Items that will not be reclassified to profit or loss	-		
Income tax relating to items that will not be reclassified to profit or loss	-		
Total Other Comprehensive Income (B)	-		
Total Comprehensive Income (A+B)	**60,95,27,808**	**3,85,22,783**	**64,80,50,591**

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note

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Reconciliation of total equity

(Amount ₹.)

	Note to first-time adoption	As at 31.03.2016	As at 01.04.2015
Total equity (shareholder's fund) as per previous GAAP		**9,55,91,99,551**	**8,94,96,71,743**
Adjustments:			
Fair valuation of mutual funds through profit and loss account	2	10,04,64,693	5,27,44,821
Prior period adjustments	4	(5,11,663)	-
Tax effects of above adjustments	3	(1,72,82,922)	(85,97,496)
Total adjustments		8,26,70,108	4,41,47,325
Total equity as per Ind AS		**9,64,18,69,659**	**8,99,38,19,068**

Reconciliation of total comprehensive income

(Amount ₹.)

	Note to first-time adoption	For the year ended 31.03.2016
Profit after tax as per previous GAAP		**60,95,27,808**
Adjustments:		
Fair valuation of mutual funds through profit and loss account	2	4,77,19,871
Prior period adjustment	4	(5,11,663)
Tax effects of above adjustments	3	(86,85,425)
Profit after tax as per Ind AS		**64,80,50,591**
Other Comprehensive Income		
Total Other Comprehensive Income, net of tax		-
Total Comprehensive Income as per Ind AS		**64,80,50,591**

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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 throughout the year ended 31st March, 2017 and 31st March, 2016. 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.

	Carrying amount	Less Than 12 Month	More than 12 months	Total
As at March 31, 2017				
Trade payables	1,74,66,248	1,74,66,248	-	1,74,66,248
Deposits	-	-	-	-
Unpaid dividend	-	-	-	-
Obligation under financce lease	-	-	-	-
Creditor for capital goods	-	-	-	-
Defaulters fund pending claims	-	-	-	-
Other liablities	-	-	-	-

	Carrying amount	Less Than 12 Month	More than 12 months	Total
As at March 31, 2016				
Trade payables	1,25,74,400	1,25,74,400	-	1,25,74,400
Deposits	-	-	-	-
Unpaid dividend	-	-	-	-
Obligation under financce lease	-	-	-	-
Creditor for capital goods	-	-	-	-
Defaulters fund pending claims	-	-	-	-
Other liablities	-	-	-	-

	Carrying amount	Less Than 12 Month	More than 12 months	Total
As at April 01, 2015				
Trade payables	53,54,100	53,54,100	-	53,54,100
Deposits	-	-	-	-
Unpaid dividend	-	-	-	-
Obligation under financce lease	-	-	-	-
Creditor for capital goods	-	-	-	-
Defaulters fund pending claims	-	-	-	-
Other liablities	-	-	-	-

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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. The price risk arises due to uncertainties about the future market values of these investments. At 31st March 2017, the exposure to price risk due to investment in mutual funds amounted to Rs. 226.47 crores (March 31, 2016: Rs. 182.22 crores and March 31, 2015 : Rs. 88.45 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. 0.57 crores gain in the Statement of Profit and Loss (2015-16: Rs. 0.46 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, 2017, 2016 and April 01, 2015 is the carrying value of each class of financial assets as disclosed in note 3 except for derivative financial instruments.

34 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's goal is to continue to be able to return excess liquidity to shareholders by continuing to distribute dividends in future periods.

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35 Notes to the Restated Standalone financial information

(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 31.03.2017	Notes	Level 1	Level 2	Total
<u>Financial Assets</u> *Financial Investments at FVPL* Mutual Fund - Growth Plan	3	2,26,46,64,323	-	2,26,46,64,323
Total Financial Assets		**2,26,46,64,323**	-	**2,26,46,64,323**

Financial Assets and Liabilities measured at Fair Value - recurring fair Value measurements At 31.03.2016	Notes	Level 1	Level 2	Total
<u>Financial Assets</u> *Financial Investments at FVPL* Mutual Fund - Growth Plan	3	1,82,21,99,393	-	1,82,21,99,393
Total Financial Assets		**1,82,21,99,393**	-	**1,82,21,99,393**

Financial Assets and Liabilities measured at Fair Value - recurring fair Value measurements At 01.04.2015	Notes	Level 1	Level 2	Total
<u>Financial Assets</u> *Financial Investments at FVPL* Mutual Fund - Growth Plan	3	88,44,66,344	-	88,44,66,344
Total Financial Assets		**88,44,66,344**	-	**88,44,66,344**

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 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 Chief Financial Officer (CFO).

KHANDELWAL JAIN & COMPANY MUMBAI CHARTERED ACCOUNTANTS

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36 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

Narendra Jain
Partner
Membership No.: 048725
Place : Mumbai
Date : April 25, 2017

For and on behalf of the Board of Directors

S B Mathur
Chairman

Y H Malegam
Director

Tarun Aiyar
Chief Executive Officer

Prasad Joshi
Chief Fianancial Officer

R. K. Sajnani

Ritu Sajnani
Company Secretary

NSE Strategic Investment Corporation Limited
Mumbai