

Our Company was incorporated at Mumbai on November 27, 1992 as National Stock Exchange of India Limited, a public limited company under the Companies Act, 1956. Our Company obtained the certificate of commencement of business on March 2, 1993. For details relating to changes in the registered office of our Company, see “History and Certain Corporate Matters” on page 182.

Registered Office and Corporate Office: “Exchange Plaza”, C-1, Block G, Bandra Kurla Complex, Bandra (East), Mumbai 400 051; **Tel:** (91 22) 2659 8100; **Fax:** (91 22) 2659 8120

Contact Person: S. Madhavan, Company Secretary and Compliance Officer

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Corporate Identity Number: U67120MH1992PLC069769

THE FACE VALUE OF THE EQUITY SHARES IS ₹ 1 EACH. THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE JOINT GLOBAL CO-ORDINATORS AND BOOK RUNNING LEAD MANAGERS AND BOOK RUNNING LEAD MANAGERS (COLLECTIVELY, THE "MANAGERS") AND THE PRICE BAND WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE MANAGERS AND UPON DUE CONSIDERATION OF THE RECOMMENDATION OF THE SELLING SHAREHOLDERS' COMMITTEE AND WILL BE ADVERTISED IN ALL EDITIONS OF [•], ALL EDITIONS OF [•] AND [•] EDITION OF [•] (WHICH ARE ENGLISH, HINDI AND MARATHI NEWSPAPERS, MARATHI BEING THE REGIONAL LANGUAGE OF MAHARASHTRA, WHERE THE REGISTERED OFFICE OF OUR COMPANY IS LOCATED), EACH WITH WIDE CIRCULATION, AT LEAST FIVE WORKING DAYS PRIOR TO THE BID/OFFER OPENING DATE AND SHALL BE MADE AVAILABLE TO BSE LIMITED (THE "STOCK EXCHANGE") FOR THE PURPOSE OF UPLOADING ON ITS WEBSITE.

This Offer is being made in compliance with Regulation 45 of the Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2012, as amended ("**SECC Regulations**"). Further, this Offer is being made through the Book Building Process, in terms of Rule 19(2)(b)(iii) of the Securities Contracts (Regulation) Rules, 1957, as amended ("**SCRR**") for at least 10% of the post-Offer paid-up Equity Share capital of our Company. The Offer is being made in accordance with Regulation 26(1) of the SEBI ICDR Regulations, wherein not more than 50% of the Offer shall be allocated on a proportionate basis to Qualified Institutional Buyers ("**QIBs**"), provided that our Company may, in consultation with the Managers, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis, out of which one-third shall be reserved for domestic Mutual Funds only, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations. 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation to all other investors, including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. All potential investors, other than Anchor Investors, are required to mandatorily utilise the Application Supported by Blocked Amount ("**ASBA**") process providing details of their respective bank account which will be blocked by the SCBs, to participate in this Offer. For details, see "Offer Procedure" beginning on page 506.

GENERAL RISKS

COMPANY'S AND SELLING SHAREHOLDERS' ABSOLUTE RESPONSIBILITY

LISTING

JOINT GLOBAL CO-ORDINATORS AND BOOK RUNNING LEAD MANAGERS

BOOK RUNNING LEAD MANAGERS

REGISTRAR TO THE OFFER

***Our Company may, in consultation with the Managers, consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.

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SECTION I: GENERAL

DEFINITIONS AND ABBREVIATIONS

This Draft Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the meanings provided below. References to any legislation, act, regulation, rules, guidelines, policies, circulars, notifications or clarifications shall be to such legislation, Act, regulation, rules, guidelines, policies, circulars, notifications or clarifications as amended.

The words and expressions used but not defined herein shall have the same meaning as is assigned to such terms under the SEBI Act, the SECC Regulations, the SEBI ICDR Regulations, the Companies Act, the SCRA, the Depositories Act, and the rules and regulations made thereunder, unless the context otherwise indicates or implies.

Conventional / General Terms

Term	Description
our Company	National Stock Exchange of India Limited, a company incorporated under the Companies Act, 1956 and having its registered office at “Exchange Plaza”, C-1, Block G, Bandra Kurla Complex, Bandra (East), Mumbai 400 051
we / us / our	Unless the context otherwise indicates or implies, refers to our Company together with its Subsidiaries

Company Related Terms

Term	Description
AoA / Articles of Association	The articles of association of our Company
Board / Board of Directors	The board of directors of our Company or a duly constituted committee thereof
BFSI Sector	BFSI Sector Skill Council of India
CAMS Investor	CAMS Investor Services Private Limited
Computer Age/CAMS	Computer Age Management Services Private Limited
Corporate Office	“Exchange Plaza”, C-1, Block G, Bandra Kurla Complex, Bandra (East), Mumbai 400 051
Director(s)	The director(s) of our Company
DotEx	DotEx International Limited
Equity Shares	The equity shares of our Company of face value of ₹ 1 each
Group Companies	The companies which are covered under the applicable accounting standards and also other companies considered material by our Board, as identified in “Our Group Companies” beginning on page 206
GSTN	Goods and Services Tax Network
IISL	India Index Services and Products Limited
Joint Auditors	Khandelwal Jain & Co., Chartered Accountants and Price Waterhouse & Co. Chartered Accountants LLP
Key Management Personnel	The key management personnel in terms of the SEBI ICDR Regulations and identified in “Our Management” beginning on page 197
Market Simplified	Market Simplified India Limited
MoA / Memorandum of Association	The memorandum of association of our Company
NCCMP	NSE Academy’s Certified Capital Market Professional
NCDEX	National Commodity & Derivatives Exchange Limited
NCFM	NSE Academy Certification in Financial Markets
NSCCL	National Securities Clearing Corporation Limited
NSDL	National Securities Depository Limited
NSDL Database	NSDL Database Management Limited

Term	Description
NSDL e-Governance	NSDL e-Governance Infrastructure Limited
NSE Academy	NSE Academy Limited
NSEIT	NSEIT Limited
NSEIT US	NSEIT (US) Inc.
NSE Infotech	NSE Infotech Services Limited
NSE IFSC	NSE IFSC Limited
NSE IFSC Clearing Corporation	NSE IFSC Clearing Corporation Limited
NSE Strategic Investment	NSE Strategic Investment Corporation Limited
Oliver Wyman	Oliver Wyman Limited (India branch)
Oliver Wyman Report	Oliver Wyman Limited (India branch) Industry Report dated December 16, 2016
Public Interest Director	A public interest director in terms of Regulation 2(1)(n) of the SECC Regulations
PXIL	Power Exchange India Limited
Receivables Exchange/RXIL	Receivables Exchange of India Limited
Registered Office	“Exchange Plaza”, C-1, Block G, Bandra Kurla Complex, Bandra (East), Mumbai 400 051
Restated Financial Information	The standalone and consolidated Restated Financial Information, has been prepared in accordance with the requirements of section 26 of part I of chapter III of the Companies Act 2013 read with Rule 4 to Rule 6 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, item (IX) of Part A of Schedule VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended to date in pursuance of provisions of Securities and Exchange Board of India Act, 1992 read with the SEBI circular No. SEBI/HO/CFD/DIL/CIR/P/2016/47 dated March 31, 2016 on Clarification regarding applicability of Indian Accounting Standards to disclosures in offer documents under the SEBI ICDR Regulations issued by the Securities and Exchange Board of India in connection with the Offer. The standalone and consolidated Restated Financial Information has been prepared under Indian Accounting Standards notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013 and have been compiled from the audited consolidated and standalone financial statements for the years ended March 31, 2016, 2015, 2014, 2013 and 2012 prepared under the previous generally accepted accounting principles followed in India and from the audited condensed consolidated and standalone financial statements for the half year ended September 30, 2016. In accordance with the Guidance Note on Reports in Company Prospectus (Revised 2016), the Restated Financial Information as of and for the years ended March 31, 2015, 2014, 2013 and 2012 is referred to as the proforma standalone Restated Financial Information or the proforma consolidated Restated Financial Information, as applicable, in this Draft Red Herring Prospectus.
RoC / Registrar of Companies	The Registrar of Companies, Maharashtra at Mumbai
Shareholders	The shareholders of our Company
Shareholder Director	A shareholder director in terms of Regulation 2(1)(r) of the SECC Regulations
SEZ	Special Economic Zone
Subsidiaries	Subsidiaries of our Company namely, National Securities Clearing Corporation Limited, NSE Strategic Investment Corporation Limited, India Index Services and Products Limited, DotEx International Limited, NSE Academy Limited, NSEIT Limited, NSEIT (US) Inc., NSE Infotech Services Limited, NSE IFSC Limited and NSE IFSC Clearing Corporation Limited

Offer Related Terms

Term	Description
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to a Bidder as proof of registration of the Bid cum Application Form
Allot / Allotment / Allotted	Unless the context otherwise requires, the transfer of the Equity Shares offered by the Selling Shareholders pursuant to the Offer to the successful Bidders
Allotment Advice	A note or advice or intimation of Allotment sent to the Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Stock Exchange
Allottee	A successful Bidder to whom the Equity Shares are Allotted
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Red Herring Prospectus
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which will be decided by our Company in consultation with the Managers
Anchor Investor Application Form	The form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and the Prospectus
Anchor Investor Bid / Offer Period	One Working Day prior to the Bid / Offer Opening Date, on which Bids by Anchor Investors shall be submitted and after which the Managers will not accept any Bids in the Anchor Investor Portion and allocation to Anchor Investors shall be completed
Anchor Investor Offer Price	The final price at which the Equity Shares will be Allotted to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Offer Price but not higher than the Cap Price. The Anchor Investor Offer Price will be decided by our Company in consultation with the Managers
Anchor Investor Portion	Up to 60% of the QIB Portion which may be allocated by our Company, in consultation with the Managers, to the Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price
ASBA / Application Supported by Blocked Amount	An application, whether physical or electronic, used by ASBA Bidders to make a Bid and authorising an SCSB to block the Bid Amount in the ASBA Account
ASBA Account	A bank account maintained with an SCSB and specified in the ASBA Form submitted by ASBA Bidders for blocking the Bid Amount mentioned in the ASBA Form
ASBA Bid	A Bid made by an ASBA Bidder
ASBA Bidders	All Bidders except Anchor Investors
ASBA Form	An application form, whether physical or electronic, used by ASBA Bidders to submit Bids, which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus
Banker(s) to the Offer	Escrow Collection Bank, Refund Bank and Public Offer Account Bank
Basis of Allotment	The basis on which Equity Shares will be Allotted to successful Bidders under the Offer and which is described in "Offer Procedure" beginning on page 506
Bid	An indication to make an offer during the Bid / Offer Period by a Bidder pursuant to submission of the ASBA Form, or during the Anchor Investor Bid / Offer Period by an Anchor Investor, pursuant to submission of the Anchor Investor Application Form, to purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations. The term "Bidding" shall be construed accordingly
Bid / Offer Closing Date	Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, which shall be

Term	Description
	notified in all editions of the English national newspaper [●], all editions of the Hindi national newspaper [●], and [●] edition of the Marathi newspaper [●] (Marathi being the regional language of Maharashtra, where our Registered Office is located), each with wide circulation. Our Company may, in consultation with the Managers, consider closing the Bid / Offer Period for QIBs one Working Day prior to the Bid / Offer Closing Date in accordance with the SEBI ICDR Regulations
Bid / Offer Opening Date	Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids, which shall be notified in all editions of the English national newspaper [●], [●] editions of the Hindi national newspaper [●], and [●] edition of the Marathi newspaper [●] (Marathi being the regional language of Maharashtra, where our Registered Office is located), each with wide circulation
Bid / Offer Period	Except in relation to any Bids received from Anchor Investors, the period between the Bid / Offer Opening Date and the Bid / Offer Closing Date, inclusive of both days, during which prospective Bidders can submit their Bids, including any revisions thereof
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and payable by the Bidder or blocked in the ASBA Account of the ASBA Bidders, as the case maybe, upon submission of the Bid
Bid cum Application Form	The Anchor Investor Application Form or the ASBA Form, as the context requires
Bid Lot	[●] Equity Shares
Bidder	Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, includes an Anchor Investor
Bidding Centres	The centres at which the Designated Intermediaries shall accept the Bid cum Application Forms, i.e. Designated Branches for SCSBs, Specified Locations for the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs
Book Building Process	The book building process, as provided in Schedule XI of the SEBI ICDR Regulations (as applicable) in terms of which the Offer is being made
Broker Centres	The broker centres notified by the Stock Exchange where Bidders can submit the ASBA Forms to a Registered Broker. The details of such Broker Centres, along with the names and the contact details of the Registered Brokers are available on the websites of BSE and our Company (www.bseindia.com and www.nseindia.com)
BRLMs / Book Running Lead Managers	The book running lead managers to the Offer, being HDFC, I-Sec, IDFC, and IIFL
CAN / Confirmation of Allocation Note	A notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who have been allocated Equity Shares, after the Anchor Investor Bid/ Offer Period
Cap Price	The higher end of the Price Band, above which the Offer Price and Anchor Investor Offer Price will not be finalised and above which no Bids will be accepted
Cash Escrow Agreement	The escrow agreement to be entered into among our Company, the Selling Shareholders, the Managers, the Registrar to the Offer and the Bankers to the Offer for <i>inter alia</i> , collection of the Bid Amounts from the Anchor Investors and where applicable, refunds of the amounts collected from the Anchor Investors, on the terms and conditions thereof
CDP / Collecting Depository Participant	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of circular number CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
CERSAI	Central Registry of Securitisation Asset Reconstruction and Security Interest

Term	Description
Citi	Citigroup Global Markets India Private Limited
Client ID	The client identification number maintained with one of the Depositories in relation to the demat account
Cut-off Price	The Offer Price finalised by our Company, in consultation with the Selling Shareholders' Committee and the Managers. Only Retail Individual Bidders (subject to the Bid Amount being up to ₹ 200,000) are entitled to Bid at the Cut-off Price. QIBs and Non-Institutional Investors are not entitled to Bid at the Cut-off Price
Demographic Details	Details of the Bidders including the Bidders' address, name of the Bidders' father / husband, investor status, occupation and bank account details
Designated Branches	Such branches of the SCSBs which shall collect the ASBA Forms, a list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries or at such other website as may be prescribed by SEBI from time to time
Designated CDP Locations	Such locations of the CDPs where Bidders can submit the ASBA Forms. The details of such Designated CDP Locations, along with names and contact details of the CDPs eligible to accept ASBA Forms are available on the websites of BSE and our Company (www.bseindia.com and www.nseindia.com)
Designated Date	The date on which funds are transferred by the Escrow Collection Bank(s) from the Escrow Account or the amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Offer Account or the Refund Account, as appropriate, after the Prospectus is filed with the RoC
Designated Intermediaries	The members of the Syndicate, Sub-Syndicate/Agents, SCSBs, Registered Brokers, CDPs and RTAs, who are authorised to collect Bid cum Application Forms from the Bidders, in relation to the Offer
Designated RTA Locations	Such locations of the RTAs where Bidders can submit the ASBA Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the websites of BSE and our Company (www.bseindia.com and www.nseindia.com)
Designated Stock Exchange	[●]
DRHP / Draft Red Herring Prospectus	This draft red herring prospectus dated December 28, 2016 issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Offer
Eligible NRI(s)	NRI(s) from jurisdictions outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the Bid cum Application Form and the Red Herring Prospectus will constitute an invitation to purchase the Equity Shares
Escrow Account	The account opened with the Escrow Collection Bank(s) and in whose favour the Anchor Investors will transfer money through NEFT / RTGS / direct credit in respect of the Bid Amount when submitting a Bid
Escrow Collection Bank	A bank, which is a clearing member and registered with SEBI as a banker to an offer under the SEBI BTI Regulations and with whom the Escrow Account will be opened, in this case being [●]
First Bidder	The Bidder whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names
Floor Price	The lower end of the Price Band, subject to any revision thereto, at or above which the Offer Price and the Anchor Investor Offer Price will be finalised and below which no Bids will be accepted
GID / General Information Document	The General Information Document prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI suitably modified and included in "Offer Procedure" beginning on page 516

Term	Description
HDFC	HDFC Bank Limited
IIFL	IIFL Holdings Limited
I-Sec	ICICI Securities Limited
IDFC	IDFC Bank Limited
JM Financial	JM Financial Institutional Securities Limited
Joint GCBRLMs / Joint Global Co-ordinators Book Running Lead Managers	The joint global co-ordinators and book running lead managers to the Offer, being Citi, JM Financial, Kotak and Morgan Stanley
Kotak	Kotak Mahindra Capital Company Limited
Managers	The Joint GCBRLMs and the BRLMs
Maximum RIB Allottees	The maximum number of RIBs who can be allotted the minimum Bid Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIBs by the minimum Bid Lot
Morgan Stanley	Morgan Stanley India Company Private Limited
Mutual Fund Portion	5% of the QIB Portion (excluding the Anchor Investor Portion), or 1,114,120 Equity Shares which shall be available for allocation to Mutual Funds only on a proportionate basis subject to valid bids being received at or above the Offer Price
NIIs / Non-Institutional Investors	All Bidders that are not QIBs or RIBs and who have Bid for Equity Shares for an amount of more than ₹ 200,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Portion	Portion of the Offer being not less than 15% of the Offer or 16,711,796 Equity Shares which shall be available for allocation on a proportionate basis to Non-Institutional Investors, subject to valid Bids being received at or above the Offer Price
Non-Resident	A person resident outside India as defined under FEMA and includes NRIs, FIIs, FVCIs and FPIs
Non-Resident Indians	A non-resident Indian as defined under the FEMA Regulations
Offer	The offer for sale of up to 111,411,970 Equity Shares by the Selling Shareholders at the Offer Price aggregating up to ₹ [●] million in terms of the Red Herring Prospectus.
Offer Agreement	The offer agreement dated December 28, 2016 entered into among our Company, the Selling Shareholders and the Managers pursuant to which certain arrangements are agreed to in relation to the Offer
Offer Price	The final price at which the Equity Shares will be Allotted to ASBA Bidders in terms of the Red Herring Prospectus. The Offer Price will be decided by our Company in consultation with the Selling Shareholders' Committee and the Managers, on the Pricing Date
OFS Notice	The notice dated October 26, 2016, as amended by the amendment cum clarification notice dated November 19, 2016, and the amendment notice dated November 23, 2016 issued by our Company to our Shareholders whose names appeared in the records of the depository as on October 21, 2016, read with the email sent on November 30, 2016 / December 1, 2016 to the then tendering Shareholders, in relation to the modification of definition of 'Affiliate' set out in the Notice, inviting them to participate in the Offer and setting out the related terms and conditions
Offer Scheme	The scheme which forms part of the OFS Notice and which sets out the terms and conditions for participation by the Shareholders in the Offer, by tendering the eligible Equity Shares held by them for sale in the Offer in the manner provided in the Annexure A to the OFS Notice
Price Band	The price band of a minimum price of ₹ [●] per Equity Share (Floor Price) and the maximum price of ₹ [●] per Equity Share (Cap Price), including any revisions thereof.

Term	Description
	The minimum Bid Lot will be decided by our Company in consultation with the Managers and the Price Band will be decided by our Company in consultation with the Managers and upon due consideration of the recommendation of the Selling Shareholders' Committee, and will be advertised, at least five Working Days prior to the Bid / Offer Opening Date, in all editions of the English national newspaper [●], all editions of the Hindi national newspaper [●], and [●] edition of the Marathi newspaper [●] (Marathi being the regional language of Maharashtra, where our Registered Office is located), each with wide circulation
Pricing Date	The date on which our Company in consultation with the Selling Shareholders' Committee and the Managers, will finalise the Offer Price
Prospectus	The prospectus to be filed with the RoC after the Pricing Date in accordance with Section 26 of the Companies Act, 2013 and the SEBI ICDR Regulations, containing, <i>inter alia</i> , the Offer Price that is determined at the end of the Book Building Process, the size of the Offer and certain other information including any addenda or corrigenda thereto
Public Offer Account	The account opened, in accordance with Section 40 of the Companies Act, 2013, with the Public Offer Bank(s) to receive monies from the Escrow Account(s) and the ASBA Accounts on the Designated Date
Public Offer Bank	The bank(s) with whom the Public Offer Account for collection of Bid Amounts from Escrow Accounts and ASBA Accounts will be opened, in this case being [●]
QIB Portion	The portion of the Offer (including the Anchor Investor Portion) being not more than 50% of the Offer or 55,705,984 Equity Shares which shall be allocated to QIBs (including Anchor Investors)
QIBs / QIB Bidders / Qualified Institutional Buyers	The qualified institutional buyers as defined under Regulation 2(1)(zd) of the SEBI ICDR Regulations
Qualified Purchaser / QP	As defined in section 2(a)(51) and the related rules of the U.S. Investment Company Act
Refund Account(s)	The account opened with the Refund Bank(s), from which refunds, if any, of the whole or part of the Bid Amount to the Anchor Investors shall be made
Refund Bank(s)	The banks which are clearing members and registered with SEBI under SEBI BTI Regulations with whom the Refund Account will be opened being, [●].
Registered Brokers	The stock brokers registered with the stock exchanges having nationwide terminals, other than the Members of the Syndicate and eligible to procure Bids in terms of circular number CIR/CFD/14/2012 dated October 4, 2012 issued by SEBI
Registrar to the Offer or Registrar	Link Intime India Private Limited
Registrar Agreement	The agreement dated December 19, 2016, entered into between our Company, the Selling Shareholders and the Registrar to the Offer, in relation to the responsibilities and obligations of the Registrar to the Offer pertaining to the Offer
Retail Portion	The portion of the Offer being not less than 35% of the Offer or 38,994,190 Equity Shares which shall be available for allocation to RIBs in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price
Revision Form	The form used by Bidders to modify the quantity of the Equity Shares or the Bid Amount in any of their Bid cum Application Forms or any previous Revision Form(s), as applicable. QIB Bidders and Non-Institutional Investors are not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage. RIBs can revise their Bids during the Bid/Offer Period and withdraw their Bids until Bid/Offer Closing Date
RHP / Red Herring Prospectus	The red herring prospectus to be issued by our Company in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the price at which the

Term	Description
	Equity Shares will be offered and the size of the Offer including any addenda or corrigenda thereto. The red herring prospectus will be registered with the RoC at least three Working Days before the Bid / Offer Opening Date and will become the Prospectus upon filing with the RoC after the Pricing Date
RIBs / Retail Individual Bidders	The individual Bidders, who have Bid for the Equity Shares for an amount not more than ₹ 200,000 in any of the bidding options in the Offer (including HUFs applying through their Karta and Eligible NRIs) and does not include NRIs (other than Eligible NRIs)
RTAs / Registrar and Share Transfer Agents	The registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular number CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
SCSB(s) / Self Certified Syndicate Bank(s)	The Banks registered with SEBI, offering services in relation to ASBA, a list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries and updated from time to time
Selling Shareholders	Persons listed in Annexure A
Selling Shareholders' Committee	An advisory committee constituted in accordance with the terms and conditions mentioned in the Offer Scheme
Selling Shareholders' Consent Letters	Consent letters issued by each of the Selling Shareholders, pursuant to the OFS Notice
Share Escrow Agent	The share escrow agent appointed pursuant to the Share Escrow Agreement namely Link Intime India Private Limited
Share Escrow Agreement	The share escrow agreement dated December 1, 2016 entered into among our Company and the Share Escrow Agent and amendment dated December 28, 2016 entered into by the Selling Shareholders, our Company and the Share Escrow Agent in connection with the transfer of Equity Shares under the Offer by the Selling Shareholders and credit of such Equity Shares to the demat accounts of the Allottees
Specified Locations	The Bidding centres where the Syndicate shall accept Bid cum Application Forms from Bidders, a list of which is available on the website of SEBI (www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries) and updated from time to time
Stock Exchange	BSE
Sub-Syndicate	The sub-syndicate members, if any, appointed by the Managers and the Syndicate Members, to collect Bid cum Application Forms
Syndicate / Members of the Syndicate	The Managers and the Syndicate Members
Syndicate Agreement	The syndicate agreement to be entered into among our Company, the Selling Shareholders, the Managers and the Syndicate Members in relation to collection of Bid cum Application Forms by the Syndicate
Syndicate Members	The intermediaries registered with SEBI who are permitted to carry out activities as an underwriter, namely [●]
Underwriters	[●]
Underwriting Agreement	The underwriting agreement to be entered into among our Company, the Selling Shareholders and the Underwriters on or after the Pricing Date, but prior to filing the Prospectus with the RoC
U.S. Bank Holding Company Act	Bank Holding Company Act of 1956, as amended
U.S. Investment Company Act	U.S. Investment Company Act of 1940, as amended
U.S. Person	As defined in Regulation S under the U.S. Securities Act
U.S. QIBs	“qualified institutional buyers”, as defined in Rule 144A under the U.S. Securities Act
Volcker Rule	Section 13 of the U.S. Bank Holding Company Act, as amended (together with

Term	Description
	the rules, regulations and published guidance thereunder)
Wilful Defaulter	Company or person categorised as a wilful defaulter by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India and includes any company whose director or promoter is categorised as such
Working Day	All days other than second and fourth Saturday of the month, Sunday or a public holiday, on which commercial banks in Mumbai are open for business; provided however, with reference to (a) announcement of Price Band; (b) Bid/Offer Period, shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; and (c) the time period between the Bid/ Offer Closing Date and the listing of the Equity Shares on the Stock Exchange. "Working Day" shall mean all trading days of the Stock Exchange, excluding Sundays and bank holidays, as per the SEBI Circular no. SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016

Technical / industry related terms / abbreviations

Term	Description
ADT	Average Daily Turnover
BATS	Bats Global Markets
Chicago Mercantile Exchange	CME Group Inc.
CRISIL	CRISIL Limited
CSGF/core SGF	Core Settlement Guarantee Fund
Derivative	A contract between two or more parties whose value is based on an agreed-upon underlying financial asset, index or security
Exchange traded funds / ETFs	A basket of stocks that reflects the composition of an Index, like Nifty 50. The ETFs trading value is based on the net asset value of the underlying stocks that it represents
FATF	Financial Action Task Force
Future	A futures contract is a contract between two parties where both parties agree to buy and sell a particular asset of specific quantity and at a predetermined price, at a specified date in future
FX	Foreign Exchange
GIFT City	Gujarat International Finance Tech City – International Financial Service Centre
HFT	High Frequency Trading
HKEX	Hong Kong Stock Exchange
IFSC	International Financial Service Centre
Index	A measure of the relative value of a group of stocks in numerical terms. As the stocks within an index change value, the index value changes. An index is important to measure the performance of investments against a relevant market index
Index fund	A mutual fund that tries to mirror a market index as closely as possible by investing in all the stocks that comprise that index in proportions equal to the weightage of those stocks in the index. These are passively managed funds wherein the fund manager invests the funds in the stocks comprising the index in similar weight
Indian Depository Receipts/ IDRs	An instrument denominated in Indian Rupees in the form of a depository receipt created by a domestic depository against the underlying equity of issuing company to enable foreign companies to raise funds from the Indian securities markets
IOSCO	The International Organization of Securities Commissions
ITP	Institutional Trading Platform

Term	Description
InvIT	Infrastructure Investment Trusts
KRA	KYC Registration Agency
KRX	Korea Exchange
LSE	London Stock Exchange
NASDAQ	National Association of Securities Dealers Automated Quotations
NEAT	National Exchange for Automated Trading
NOW	Neat on Web
Option	The right but not the obligation to buy or sell something. An option is a contract between two parties wherein the buyer receives a privilege for which he pays a fee (premium) and the seller accepts an obligation for which he receives a fee. The premium is the price negotiated and set when the option is bought or sold
Osaka Exchange	Osaka Exchange Inc.
OTC	Over-the-counter
REIT	Real Estate Investment Trust
SGX	Singapore Stock Exchange
Singapore Exchange	Singapore Exchange Limited
TAIFEX	Taiwan Futures Exchange
Turnover or trading turnover	The measure of the total value (unless otherwise stated, in Indian Rupees in millions) of securities traded, based on the trade price of each security at the time of each trade, during the relevant year or period
VIX	Volatility Index
Volume or trading volume	The measure of, in respect of equity, equity-linked and fixed income securities, the total number of securities traded and, in respect of derivatives, the total number of derivative contracts traded, during the relevant year or period
WFE	World Federation of Exchanges

Conventional and General Terms / Abbreviations

Term	Description
₹ / Rs./ Rupees/ INR	Indian Rupees
AGM	Annual general meeting
AIF	An alternative investment fund as defined in and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
AS / Accounting Standards	The Accounting Standards prescribed under the Companies Act, as recommended by the Institute of Chartered Accountants of India
Bn / bn	Billion
BSE	BSE Limited
CAGR	Compounded annual growth rate
Category I Foreign Portfolio Investors	The FPIs who are registered as “Category I foreign portfolio investors” under the SEBI FPI Regulations
Category II Foreign Portfolio Investors	The FPIs who are registered as “Category II foreign portfolio investors” under the SEBI FPI Regulations
Category III Foreign Portfolio Investors	The FPIs who are registered as “Category III foreign portfolio investors” under the SEBI FPI Regulations
CCI	Competition Commission of India
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identity Number
Civil Code	The Code of Civil Procedure, 1908

Term	Description
COMPAT	Competition Appellate Tribunal
Companies Act	The Companies Act, 2013 and Companies Act, 1956, as applicable
Companies Act, 1956	The Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the sections of the Companies Act, 2013) together with the rules made thereunder
Companies Act, 2013	The Companies Act, 2013, to the extent in force pursuant to the notification of sections of the Companies Act, 2013, together with the rules made thereunder
Competition Act	The Competition Act, 2002
CrPC	The Code of Criminal Procedure, 1973
CSR	Corporate Social Responsibility
Depositories	NSDL and CDSL
Depositories Act	Depositories Act, 1996
DIN	Director identification number
DIPP	The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India
DP / Depository Participant	A depository participant as defined under the Depositories Act
DP ID	Depository participant identification
DTB	Day Treasury Bill
EBITDA	Net profit after tax as restated before (i) net interest cost for the current period, (ii) net interest cost recognized in the statement of consolidated profit and loss, (iii) current tax, (iv) deferred tax expense / (credit) and (v) depreciation and amortization expense
EBITDA margin	EBITDA divided by total income for the applicable period, expressed as a percentage
ECB	External Commercial Borrowings
EGM	Extraordinary general meeting
EPS	Earnings per share
FCRA	Forward Contracts (Regulation) Act, 1952
FDI	Foreign direct investment
FDI Policy	The Consolidated Foreign Direct Investment Policy notified by the DIPP under D/o IPP F. No. 5(1)/2016-FC-1 dated June 7, 2016
FEMA	The Foreign Exchange Management Act, 1999, read with rules and regulations thereunder
FEMA Regulations	The Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000
FII(s)	The foreign institutional investors as defined under the SEBI FPI Regulations registered with SEBI under applicable laws in India and deemed as FPIs under the SEBI FPI Regulations
Financial Year / Fiscal / FY	Unless stated otherwise, the period of 12 months ending March 31 of that particular year
FIPB	Foreign Investment Promotion Board
FIR	First information report
FPI(s)	The foreign portfolio investors as defined under the SEBI FPI Regulations
FVCI	Foreign venture capital investors as defined and registered under the SEBI FVCI Regulations
GAAR	General anti-avoidance rules
Gazette	Gazette of India
GDP	Gross domestic product

Term	Description
GoI or Government	Government of India
GST	Goods and services tax
HUF	Hindu undivided family
ICAI	The Institute of Chartered Accountants of India
ICSI	The Institute of Company Secretaries of India
IFRS	International Financial Reporting Standards
Income Tax Act	The Income-tax Act, 1961
Ind AS	Indian Accounting Standards notified under the Companies (Indian Accounting Standards) Rules, 2015
India	Republic of India
Indian GAAP	Generally accepted accounting principles in India in accordance with Companies (Accounting Standard) Rules, 2006, as amended and other relevant provisions of the Companies Act, 2013
IPC	The Indian Penal Code, 1860
IPO	Initial public offering
IRDAI	Insurance Regulatory and Development Authority of India
IST	Indian Standard Time
IT	Information technology
KYC	Know Your Client
Listing Regulations	The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
MAT	Minimum alternate tax
MCA	Ministry of Corporate Affairs, Government of India
Mn	Million
Mutual Fund(s)	The mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
N.A. / NA	Not applicable
NAV	Net asset value
NBFC	Non Banking Financial Company
NEFT	National Electronic Fund Transfer
NR	Non-resident
NRE Account	Non-Resident External Account
NRO Account	Non-Resident Ordinary Account
NSDL	National Securities Depository Limited
OCB / Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA. OCBs are not allowed to invest in the Offer
p.a.	Per annum
P/E Ratio	Price / earnings ratio
PAN	Permanent account number
PAT	Profit after tax
RBI	Reserve Bank of India
RoNW	Profit after tax for the period divided by the net worth as at the period end
RTGS	Real time gross settlement

Term	Description
RTI Act	Right to Information Act, 2005
SCRA	The Securities Contracts (Regulation) Act, 1956
SCRR	The Securities Contracts (Regulation) Rules, 1957
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act, 1992
SEBI Act	The Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	The Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
SEBI BTI Regulations	The Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994
SEBI FII Regulations	The Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995
SEBI FPI Regulations	The Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
SEBI FVCI Regulations	The Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
SEBI ICDR Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
SEBI VCF Regulations	The erstwhile Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996
SICA	The erstwhile Sick Industrial Companies (Special Provisions) Act, 1985
SECC Regulations	The Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2012
SME	Small and Medium Enterprises
State Government	The government of a state in India
STT	Securities transaction tax
Takeover Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
U.S. / US / USA / United States	United States of America
U.S. BHCA	U.S. Bank Holding Company Act of 1956
U.S. Securities Act	U.S. Securities Act of 1933, as amended
UK	United Kingdom
US GAAP	Generally accepted accounting principles in the United States of America
USD / US\$	United States Dollars
VAT	Value-added tax
VCFs	The venture capital funds as defined in and registered with SEBI under the SEBI VCF Regulations

The words and expressions used but not defined herein shall have the same meaning as is assigned to such terms under the SEBI ICDR Regulations, the SECC Regulations, the Companies Act, the SCRA, the Depositories Act and the rules and regulations made thereunder.

Notwithstanding the foregoing, terms in “Main Provisions of the Articles of Association”, “Statement of Tax Benefits”, “Industry Overview”, “Regulations and Policies”, “Financial Information”, “Outstanding Litigation and Material Developments” and “Part B” of “Offer Procedure” beginning on pages 547, 106, 111, 177, 214, 450 and 516, respectively, will have the meaning ascribed to such terms in these respective sections.

Notice to Investors

The Equity Shares have not been and will not be registered under the U.S. Securities Act and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons as defined in Regulation S under the U.S. Securities Act (“U.S. Persons”) except pursuant to an exemption from, or in a

transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Our Company has not registered and does not intend to register under the U.S. Investment Company Act. Accordingly, the Equity Shares are only being offered and sold (i) to persons in the United States or to, or for the account or benefit of, U.S. Persons, in each case that are both “qualified institutional buyers” (as defined in Rule 144A under the U.S. Securities Act and referred to in this Draft Red Herring Prospectus as “U.S. QIBs”); for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in this Draft Red Herring Prospectus as “QIBs”) and “qualified purchasers” (as defined under the U.S. Investment Company Act and referred to in this Draft Red Herring Prospectus as “QPs”) in transactions exempt from or not subject to the registration requirements of the U.S. Securities Act and in reliance upon section 3(c)(7) of the U.S. Investment Company Act; or (ii) outside the United States to investors that are not U.S. Persons nor persons acquiring for the account or benefit of U.S. Persons in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur. The Equity Shares may not be re-offered, re-sold, pledged or otherwise transferred except in an offshore transaction in accordance with Regulation S to a person outside the United States and not known by the transferor to be a U.S. Person by pre-arrangement or otherwise (including, for the avoidance of doubt, a bona fide sale on the [●] Stock Exchange or the [●] Stock Exchange). See “Offer Information – Terms of the Offer – Eligibility and Transfer Restrictions” beginning on page 497.

As we are relying on an analysis that our Company does not come within the definition of an “investment company” under the U.S. Investment Company Act because of the exception provided under section 3(c)(7) thereunder, our Company may be considered a “covered fund” as defined in the Volcker Rule. See “Risk Factors - U.S. regulation of investment activities may negatively affect the ability of banking entities to purchase our Equity Shares” beginning on page 43.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made, by persons in any such jurisdiction except in compliance with the applicable laws of such jurisdiction.

CERTAIN CONVENTIONS, PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

Certain Conventions

All references to “India” in this Draft Red Herring Prospectus are to the Republic of India and all references to the “U.S.”, “US”, “USA” or “United States” are to the United States of America and all references to the “U.K.”, “UK” are to the United Kingdom.

Unless stated otherwise, all references to page numbers in this Draft Red Herring Prospectus are to the page numbers of this Draft Red Herring Prospectus.

Financial Data

Unless stated otherwise, the financial information in this Draft Red Herring Prospectus is derived from our standalone and consolidated Restated Financial Information for the Financial Years 2012, 2013, 2014, 2015 and 2016 and for the six months ended September 30, 2016, and certain other additional financial information pertaining to our Subsidiaries and Group Companies is derived from their respective audited financial statements. These financial statements have been prepared in accordance with Ind AS and the Companies Act and restated under the SEBI ICDR Regulations.

In this Draft Red Herring Prospectus, any discrepancies in any table between the total and the sum of the amounts listed are due to rounding off. All figures in decimals, except accounting ratios, have been rounded off to the first decimal and accordingly there may be consequential changes in this Draft Red Herring Prospectus. However, figures sourced from third party industry sources have been rounded off to whole numbers and such figures have been presented in this Draft Red Herring Prospectus in such denomination as provided in their respective sources.

Our Company’s financial year commences on April 1 and ends on March 31 of the next year; accordingly, all references to a particular financial year, unless stated otherwise, are to the 12-month period ended on March 31 of that year. Reference in this Draft Red Herring Prospectus to the terms Fiscal or Fiscal Year or Financial Year is to the 12 months ended on March 31 of such year, unless otherwise specified.

Ind AS differs from accounting principles with which prospective investors may be familiar in other countries, including IFRS and US GAAP and the reconciliation of the financial information to other accounting principles has not been provided. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Draft Red Herring Prospectus and investors should consult their own advisors regarding such differences and their impact on our Company’s financial data. See “Risk Factors” beginning on page 19 for risks involving differences between Ind AS and other accounting principles and risks in relation to Ind AS. The degree to which the financial information included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting policies and practices, Ind AS, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with Ind AS, the Companies Act, the SEBI ICDR Regulations and practices on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited. See “Risk Factors – Significant differences exist between Ind AS and other accounting principles, such as Indian GAAP, IFRS and U.S. GAAP, which may be material to investors’ assessment of our financial condition” on page 44.

Unless the context otherwise indicates, any percentage amounts, as set forth in “Risk Factors”, “Our Business”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 19, 152 and 428, respectively, and elsewhere in this Draft Red Herring Prospectus have been calculated on the basis of the consolidated Restated Financial Information of our Company unless otherwise stated.

Currency and Units of Presentation

All references to:

- “Rupees” or “₹” or “INR” or “Rs.” or “Re” are to Indian Rupee, the official currency of the Republic of India; and
- “USD” or “US\$” are to United States Dollar, the official currency of the United States.

Except otherwise specified, our Company has presented certain numerical information in this Draft Red Herring Prospectus in “million” and “billion” units. One million represents 1,000,000, one billion represents 1,000,000,000 and one trillion represents 1,000,000,000,000.

Exchange Rates

This Draft Red Herring Prospectus contains conversion of certain other currency amounts into Rupees that have been presented solely to comply with the SEBI ICDR Regulations. These conversions should not be construed as a representation that these currency amounts could have been, or can be converted into Rupees, at any particular rate or at all.

The following table sets forth, for the periods indicated, details with respect to the exchange rate between the Rupee and other currencies:

<i>(in ₹)</i>						
Currency	As on March 31, 2012	As on March 31, 2013	As on March 31, 2014	As on March 31, 2015	As on March 31, 2016	September 30, 2016
1 US\$*	51.16 ⁽¹⁾	54.39 ⁽²⁾	60.10 ⁽³⁾	62.59	66.33	66.66

* Source: RBI reference rate

- (1) Exchange rate as on March 30, 2012, as RBI reference rate is not available for March 31, 2012 being a Saturday.
- (2) Exchange rate as on March 28, 2013, as RBI reference rate is not available for March 31, 2013, March 30, 2013 and March 29, 2013 being a Sunday, a Saturday and a public holiday, respectively.
- (3) Exchange rate as on March 28, 2014, as RBI reference rate is not available for March 31, 2014, March 30, 2014 and March 29, 2014 being a public holiday, a Sunday and a Saturday, respectively.

Industry and Market Data

Industry and market data used throughout this Draft Red Herring Prospectus has been derived from publicly available data from WFE and reports prepared by third party advisers, Oliver Wyman. Industry publications (including the Oliver Wyman Report) generally state that the information contained in such publications has been obtained from sources generally believed to be reliable, but their accuracy, adequacy or completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. All macro-economic, demographic and market data figures in this Draft Red Herring Prospectus (including from the Oliver Wyman Report) are approximate numbers or estimates. Industry publications are also prepared on the basis of information as of specific dates and may no longer be current or reflect current trends. Industry publications may also base their information on estimates, forecasts and assumptions which may prove to be incorrect. Accordingly, no investment decisions should be made based on such information. Although we believe that the industry and market data used in this Draft Red Herring Prospectus is reliable, it has not been independently verified by us, our Directors, the Selling Shareholders, the Managers, or any of our or their respective affiliates or advisors, and none of these parties makes any representation as to the accuracy of this information. Data from these sources may also not be comparable. The extent to which the industry and market data presented in this Draft Red Herring Prospectus is meaningful depends upon the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business and methodologies and assumptions may vary widely among different market and industry sources.

Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in "Risk Factors" beginning on page 19. Furthermore, statements in this section that are not statements of historical fact constitute "forward-looking statements", which are subject to various risks, assumptions and uncertainties and certain factors could cause actual results or outcomes to differ materially. For further details, see "Forward-Looking Statements" on page 18. For details of risks in relation to the Oliver Wyman Report, see "Risk Factors - This Draft Red Herring Prospectus contains information from the Oliver Wyman Report, which we have commissioned" on page 40. In accordance with SEBI ICDR Regulations, "Basis for Offer Price" on page 105 includes information relating to our industry peers. Such information has been derived from publicly available sources which have not been independently verified by us, our Directors, the Selling Shareholders or the Managers.

Certain information in the sections titled "Summary of Industry", "Summary of Our Business", "Business" and "Management's Discussion and Analysis of Financial Condition and Results Of Operations" and the section "Industry Overview" of this Red Herring Prospectus has been obtained from the Oliver Wyman Report which has the following disclaimers:

"The report contains information that has been furnished by others which is believed to be reliable but has not been verified. No warranty is given as to the accuracy of such information. Public information and industry and statistical data contained in the report are from sources we deem to be reliable; however, we make no representation as to the accuracy or completeness of such information and have accepted the information without further verification."

The findings contained in this report may contain predictions based on current data and historical trends. Any such predictions are subject to inherent risks and uncertainties. In particular, actual results could be impacted by future events which cannot be predicted or controlled, including, without limitation, changes in business strategies, the development of future products and services, changes in market and industry conditions, the outcome of contingencies, changes in management, changes in law or regulations. Oliver Wyman accepts no responsibility for actual results or future events.

This report does not represent investment advice and is not a recommendation to any third parties to invest in, refrain from investing in, or divest from, any company covered in the report. Oliver Wyman shall not be liable for any loss or damage suffered by third parties because of reliance on the information contained in this report.”

FORWARD-LOOKING STATEMENTS

This Draft Red Herring Prospectus contains certain “forward-looking statements”. These forward-looking statements generally can be identified by words or phrases such as “aim”, “anticipate”, “believe”, “expect”, “estimate”, “intend”, “objective”, “plan”, “project”, “will”, “will continue”, “will pursue”, “seek to” or other words or phrases of similar import. Similarly, statements that describe our Company’s strategies, objectives, plans, prospects or goals are also forward-looking statements. All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

Actual results may differ materially from those suggested by the forward-looking statements due to risks or uncertainties associated with our expectations with respect to, but not limited to, regulatory changes pertaining to the industry in which our Company operates and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our Company’s exposure to market risks, general economic and political conditions in India which have an impact on our Company’s business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes and other changes in our industry. Certain important factors that could cause actual results to differ materially from our Company’s expectations include, but are not limited to, the following:

- our inability to maintain or increase our trading volumes;
- broad market trends and other factors beyond our control;
- SEBI has initiated an examination and has directed our Company to also conduct an independent forensic examination by an external agency, into the co-location facilities of our Company and has also directed our Company to deposit the revenue generated from co-location in a separate bank account;
- declines in interest rates; and
- currency demonetization in India.

For further discussion on factors that could cause the actual results to differ from the expectations, see “Risk Factors”, “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 19, 152 and 428, respectively. By their nature, certain market risk related disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

We cannot assure investors that the expectation reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements as a guarantee of future performance.

Forward-looking statements reflect the current views of our Company as of the date of this Draft Red Herring Prospectus and are not a guarantee of future performance. These statements are based on the management’s beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Neither our Company, our Directors, the Selling Shareholders, the Managers nor any of their respective affiliates or advisors have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with the SEBI ICDR Regulations, our Company, will ensure that investors in India are informed of material developments from the date of the Red Herring Prospectus until the time of the grant of listing and trading permission by the Stock Exchange. The Selling Shareholders will ensure that investors are informed of material developments in relation to statements and undertakings made by the Selling Shareholders in the Red Herring Prospectus until the time of grant of listing and trading permission by the Stock Exchange.

SECTION II: RISK FACTORS

An investment in our Equity Shares involves a high degree of risk. You should carefully consider the risks described below as well as other information in this Draft Red Herring Prospectus before making an investment decision. The risks described in this section are those that we consider to be the most significant to our business, results of operations, financial condition and prospects. Additional risks and uncertainties not presently known to us or that we currently believe to be immaterial may also have an adverse effect on our business, results of operations, financial condition and prospects. The trading price and value of our Equity Shares could decline due to any of these risks, and you may lose all or part of your investment. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implications of any of the risks mentioned herein. You should read this section in conjunction with “Our Business”, “Industry Overview” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 152, 111 and 428, respectively, as well as other financial and statistical information contained elsewhere in this Draft Red Herring Prospectus.

Prospective investors should pay particular attention to the fact that our Company is incorporated under the laws of India and operates in a legal and regulatory environment which may differ in certain respects from those of other countries.

Unless otherwise stated or the context requires, the financial information used in this section is derived from our consolidated Restated Financial Information. This Draft Red Herring Prospectus contains forward-looking statements that involve risks and uncertainties. Our actual results may differ materially from those anticipated in these forward-looking statements. See also “Forward-Looking Statements” on page 18.

Internal Risks

- 1. We may not be able to maintain or increase our trading volumes, which may result in loss of market share, a reduction in revenue from transaction charges or other adverse effects on our business, results of operations, financial condition and prospects.***

We generate a significant portion of our revenue from transaction charges that are assessed on trades made on our exchange, which in the past have increased with trading volumes. Our revenue from transaction charges accounted for 56.2%, 56.5%, 60.6%, 62.2%, 62.7% and 63.2% of our revenue from operations in fiscal 2012, 2013, 2014, 2015, 2016 and the six months ended September 30, 2016, respectively. The success of our business depends on our ability to maintain and increase trading volumes, particularly in our cash market and derivatives trading segments, and the resultant income from transaction charges. There can be no assurance that we will be able to implement our business strategies to maintain and increase trading activity on our exchange or that such strategies will have their intended effects, which may result in a loss of trading volumes and a resultant decrease in our market share and revenues. Other factors that may lead to a decrease in our trading volumes and market share include:

- a decline in the number of our trading members or their activity on our platforms;
- adverse general economic conditions or the deterioration of the economic welfare of companies whose securities are listed on our exchange or our existing or prospective trading members. See also “– Broad market trends and other factors beyond our control could significantly reduce demand for our products and services” on pages 20 to 21;
- our ability to offer effective and liquid trading platforms that facilitate efficient price discovery;
- our ability to offer competitive membership and transaction-specific prices;
- the development of more attractive platforms or products on competing exchanges;
- increased competition from asset classes, such as gold or real estate, which may not be available for trading on our exchange;
- inability to increase free float in the market, including as a result of issuers of equity and debt securities choosing to list their securities on other exchanges;
- aggressive pricing by our competitors, including temporary incentive schemes or permanent reductions in transaction charges in respect of certain products;
- regulatory or legislative changes or investigations. See also “– We operate in a highly regulated

industry and any failure to comply with our legal and regulatory requirements or obligations may result in censures, fines and other penalties imposed on us” and “– External Risks – Government and regulatory policies in India or abroad or changes to such policies could materially adversely affect our customers, leading to a reduction in trading volumes, transaction charges or demand for our products and services” and;

- defaults by clearing members;
- changes to our contract specifications that are viewed unfavorably by our trading members; and
- significant defaults by trading members to market disruption.

Any one or more of these factors may reduce trading activity, which could make our markets less attractive to market participants as a source of liquidity, which in turn could further discourage existing and potential market participants and result in a decline in the level of trading activity on our platforms. In turn, we may lose our market leading positions in India or globally, which would adversely affect our business, results of operations, financial condition and prospects.

2. *Broad market trends and other factors beyond our control could significantly reduce demand for our products and services.*

The Indian economy and capital markets are influenced by economic, political and market conditions in India and globally. Adverse conditions may negatively affect our business by leading to decreases in our trading volumes, number of trading members and new listings on our exchange. A decline in new listings could also adversely affect our revenues from listing fees, book building fees and processing fees. Such adverse conditions may also negatively impact the results of operations of the companies and products listed on our exchange, which may decrease the trading prices of or level of trading in the underlying securities listed on our exchange, leading to a decrease in our revenue from transaction charges. The possibility of political instability or uncertainty leading to an extended period of weak or uncertain market conditions around the world or in India, including as a result of the fallouts from the June 2016 referendum in the United Kingdom in which voters approved an exit by the United Kingdom from the European Union and November 2016 currency demonetization in India pursuant to which certain denominations of Rupee notes are no longer legal tender, may also depress our trading volumes. See also “– There is uncertainty on the impact of currency demonetization in India on our business” on page 27

A decrease in the relative attractiveness of our exchange as a listing and trading venue or the products traded on our exchange could adversely affect us. If returns on investments in securities listed on our exchange are generally lower than on securities listed on other exchanges, particularly exchanges in other countries, we may not be able to attract or retain investors on our exchange. Investors’ reactions to developments in one country can affect the market value, trading volume or trading frequency of financial assets listed on our exchange. Conditions outside India may also contribute to a slowdown in the Indian economy or changes in India’s economic policies and regulations, which could adversely affect the level of trading activity on our exchange. Changing market trends may also cause trading volumes among asset classes on our exchange to fluctuate at the expense of each other. For example, fixed income trading may increase during economic slowdowns due to trading activity on our exchange migrating from equities to fixed income securities, in which case our equity trading volume and turnover may decline.

Other external factors that may affect us include:

- concerns over inflation and the level of institutional or retail confidence;
- the availability of short-term and long-term funding and capital;
- the availability of alternative investment opportunities;
- reduced volatility in the prices of securities;
- the level and volatility of interest rates and gross domestic product growth;
- legislative and regulatory changes, including the potential for regulatory arbitrage among regulated and unregulated markets if significant policy differences emerge among markets, which may divert our trading volumes to other exchanges. See “– External Risks – Government and regulatory policies in India or abroad or changes to such policies could materially adversely affect our customers, leading to a reduction in trading volumes, transaction charges or demand for our

products and services” on page 42;

- the perceived attractiveness, or lack of attractiveness, of Indian capital markets; and
- unforeseen market closures or other disruptions in trading.

Any of the foregoing, individually or collectively, could adversely affect our business, results of operations, financial condition and prospects.

3. ***SEBI has initiated an examination and has directed our Company to also conduct an independent forensic examination by an external agency, into the co-location facilities of our Company and has also directed our Company to deposit the revenue generated from co-location in a separate bank account. Any adverse SEBI directive on this matter may materially and adversely affect our co-location business, results of operations, business and reputation.***

SEBI received certain complaints against our Company’s co-location facility, including among others, allegations that our Company had provided unfair access to the co-location facility to select trading members. SEBI forwarded the complaints to our Company in early 2015 and advised us to examine the issues highlighted and furnish a report to SEBI after placing the same before the Company’s standing committee on technology. We undertook the exercise and submitted the report to SEBI. Subsequently, on December 29, 2015, SEBI assigned the task of comprehensive examination of complaints to a team headed by professors of the Indian Institute of Technology, Bombay and advised our Company to extend all co-operation to the team. Subsequently, by its letter dated March 29, 2016, SEBI forwarded the interim observations of the team under the report, or the “CFT/IIT Interim Report”, to our Company and required our Company to submit responses to the observations of the CFT/IIT Interim Report. The CFT/IIT Interim Report observed, among other things, that our co-location facilities and tick-by-tick, or TBT, architecture were vulnerable to manipulation and abuse, violated norms of fair access and compromised market fairness and integrity, as certain select trading members who availed of our co-location facilities were able to gain materially from the exploitation of our market feed dissemination architecture to receive market data more quickly than other trading members. Our Company submitted its response, wherein it disputed the observations in the CFT/IIT Interim Report.

SEBI while reiterating the observations of the CFT/IIT Interim Report through its letter dated September 9, 2016, or the Observation Letter, among other things, observed (i) that the architecture of our Company with respect to dissemination of TBT data through transmission control protocol was prone to manipulation and market abuse; (ii) preferential access was given to certain stock brokers; (iii) we violated our own policies by permitting entities that are not internet service providers to lay fiber at our co-location facility for various stock brokers and (iv) the possibility of collusion between our officials and stock brokers. Further, SEBI advised our Board to (i) initiate an independent examination (including forensic examination by an external agency) of the concerns highlighted in the CFT/IIT Interim Report, including lack of processes and collusion, if any and fix accountability for the breaches; (ii) as an interim measure pending investigation place all revenues generated from the co-location facility in a separate bank account; and (iii) submit a comprehensive report to SEBI within a period of three months from the date of the Observation Letter. Our Board of Directors appointed an independent agency (the “**Independent Agency**”), to conduct an examination of all the concerns highlighted in the CFT/IIT Interim Report, including, particularly whether norms of fair access were breached, whether some brokers unduly benefitted and if there were was any collusion or misconduct by our employees.

Subsequently, SEBI, through its letter dated November 28, 2016, among other things, (i) observed that our Company has not complied with certain observations as indicated in the Observation Letter, including the transfer of all revenues emanating from the co-location facility, including those generated from the trading activity; and (ii) granted an extension until December 31, 2016 to our Board to submit its report pursuant to the independent examination of the matter. Our Board in its meeting held on November 29, 2016 took note of the same and decided to comply with SEBI’s letter and deposit in the separate bank account not only the rack charges (that is the rental for rack space) and connectivity charges in respect to the co-location facility but also the transaction charges resulting from the trading activity at the co-location facility. Accordingly, in addition to the rack charges and connectivity charges, an amount of ₹ 1,455.23 million, representing the transaction charges on trade orders placed through our co-location facility for the months of September 2016, October 2016 and November 2016 has been transferred to the separate bank account. We intend to deposit the rack charges, connectivity charges and transaction charges to the separate bank account, for each month going forward until SEBI directs us otherwise.

The Independent Agency has submitted its report to the Company, which in turn has been filed with SEBI on December 23, 2016. The report has made the following observations:

- a. The system architecture of the Company's TCP-IP based TBT system was prone to manipulation. The Independent Agency's analysis highlighted trends for certain periods where a few stock brokers appear to be the first to connect to specific servers significantly more often than others. The TCP-IP based TBT system architecture indicated that data was disseminated in a sequential manner whereby the stock broker who connected first to the server received ticks (market feed) before the stock broker who connected later;
- b. The Independent Agency observed indications of potential preferential treatment to a few stock brokers. Different stock brokers were treated differently and there was no uniform approach applied across stock brokers with respect to allocation of new IPs across ports on existing servers and movement from one server to another. Ticks were disseminated faster to members connected to less crowded servers, thereby giving an advantage to such stock brokers;
- c. The Independent Agency's analysis indicated that one particular stock broker almost consistently connected first to the fall back or secondary server during the period from December 10, 2012 to May 30, 2014 and was very often also the second stock broker to connect during this period. The Independent Agency observed that the particular stock broker's continuous access to the fall back or secondary server during the period from December 10, 2012 to May 30, 2014 may not have been possible without the knowledge of certain employees identified in the report, who did not take any action despite consistent connections to the fall back servers against protocol;
- d. In order to ensure that norms of fair access were not breached, it was possible for our Company to negate the advantage of connecting first by implementing a randomiser for the TBT systems which would randomly pick a connection to begin dissemination of data, though a randomiser was implemented in another server;
- e. The Independent Agency has observed that while it has not validated the performance of the Multicast TBT system (which was introduced in April 2014) in an operating environment, on the basis of a review of the architecture of the Multicast TBT, the issues related to benefits from early connectivity and sequential dissemination of ticks appear to have been addressed.
- f. In relation to the question of whether we breached our own policies by permitting entities that are not internet service provider to lay fibre optic cables at our co-location facility for various stock brokers, the Independent Agency has observed that in the absence of a specific policy and operating procedure, it appears that our Company relied on such entities' undertakings rather than satisfying itself about the entities' status as a licensed provider of point to point connectivity;
- g. While the Independent Agency observed indications of differential behaviour being shown towards a few stock brokers by certain employees identified in the report, the Independent Agency has stated that it is not in a position to comment on whether this would amount to collusion or connivance;
- h. The Independent Agency observed lack of documented policies and protocols with respect to various aspects of the functioning of the TBT system; and
- i. After our Company confirmed completion of the data restoration exercise for all TBT servers, the Independent Agency came across additional TBT servers which had not been put through the restoration process, and the persons interviewed by the Independent Agency were unaware of them.

The Independent Agency has also made observations that due to absence of protocols related to data retention, email and other information for certain former employees of our Company was unavailable.

Our Board, in its meeting held on December 19, 2016, has taken the report on record and decided to initiate a review of the Multicast TBT systems of our Company including the processes and procedures, data retention, job rotation, mandatory leave, segregation of duties. We have forwarded the report to SEBI on December 23, 2016.

Revenues from our co-location facility (including the revenue generated from trading activity from co-location facility) derived by our Company in fiscals 2015 and 2016 and for the six months ended September 30, 2016, were ₹ 4,512.4 million, ₹ 5,539.6 million and ₹ 3,029.1 million, respectively constituting 26.1%, 29.7% and 29.3% of our revenue from operations, respectively. Until receipt of final findings by SEBI or directed otherwise, the revenues generated by our Company from our co-location business since September 1, 2016 are required be transferred to a separate bank account and accordingly, our Company will not have access to such revenues. We cannot guarantee that our Company will have access to such revenues in the future. Further, any adverse finding by SEBI (irrespective of the examination

report of the Independent Agency) may materially adversely affect our business, in particular our co-location business, our reputation and results of operations.

Additionally, in relation to the allegations against our Company's co-location facility as described above, Moneywise Media Private Limited and its editors had, in June and July, 2015 published certain articles against our Company's co-location facility, in response to which, our Company had filed a defamation suit in July, 2015, wherein interim reliefs sought by our Company were dismissed by the Single Judge of the Bombay High Court. For details, see "Outstanding Litigation and Material Developments - Litigation involving our Company - Litigation filed by our Company- Other matters involving an amount exceeding ₹ 97.5 million" on pages 457 to 458.

4. Declines in interest rates may adversely affect our results of operations and financial position.

Our earnings and reserves are invested in a mixed portfolio of assets as permitted under the SEBI regulations. For the six months ended September 30, 2016 and for fiscal 2016, fiscal 2015 and fiscal 2014, our investment, dividend and interest income accounted for 33.2%, 31.4%, 36.1% and 40.0% of our total income, respectively. See also "Our Business – Our Business" beginning on page 161.

Our investments are exposed to the effects of fluctuations in the prevailing levels of market interest rates and thus declines in interest rates may adversely affect their values. See "Management's Discussion and Analysis of Financial Condition and Results of Operations – Quantitative and Qualitative Disclosures About Market Risk – Interest Rate Risk" on page 448. Interest rates are sensitive to many factors beyond our control, including general economic conditions and governmental, monetary and tax policies, in particular monetary policy in the United States administered by the Board of Governors of the Federal Reserve System. Changes in the general level of interest rates can affect our profitability by affecting the spread between, among other things, income we receive on our investments, the value of our interest-earning investments, our ability to realize gains from the sale of investments and our interest expense on any interest-bearing liabilities that we may incur in the future. Fluctuations in interest rates may also affect the valuation of our investments. As a stock exchange, our ability to manage interest rate and other market risks is limited by the SEBI regulations, which set forth a list of instruments eligible for investment and prevent us from engaging in hedging activities. For the foregoing reasons, a decline in interest rates may adversely affect our results of operations and financial position.

5. Our Company and certain of our Directors, Subsidiaries and Group Companies are involved in certain legal and other proceedings.

Our Company and certain of our Directors, Subsidiaries and Group Companies are currently involved in certain legal proceedings. These legal proceedings are pending at different levels of adjudication before various courts and tribunals. The summary of outstanding litigation in relation to criminal matters, direct tax matters, indirect tax matters, actions by regulatory/statutory authorities and other matters exceeding ₹ 97.5 million against our Company, its Directors, Subsidiaries and Group Companies have been set out below.

Litigation against our Company

Nature of the cases	No. of cases outstanding	Amount involved (in ₹ million)*
Criminal matters	5	Not quantifiable
Direct tax matters	31	503.80
Indirect tax matters	4	397.5
Action by regulatory/statutory authorities	5	Not quantifiable
Other matters exceeding ₹97.5 million	5	10,769.5

In addition to the above, our Company is involved in a litigation under the RTI Act, wherein it is alleged that our Company is a "public authority" under the RTI Act, the outcome of which could have a material adverse effect on the position of our Company. For further details, see "Outstanding Litigation and Material Developments – Litigation involving our Company – Litigation filed against our Company – Matters involving our Company, whose outcome could have material adverse effect on the position of our Company" on page 456.

Litigation against our Directors

Nature of the cases	No. of cases outstanding	Amount involved (in ₹ million)*
Criminal matters	3	Not quantifiable
Direct tax matters	Nil	Nil
Indirect tax matters	Nil	Nil
Action by regulatory/statutory authorities	Nil	Nil
Other matters exceeding ₹97.5 million	Nil	Nil

Litigation against our Subsidiaries

Nature of the cases	No. of cases outstanding	Amount involved (in ₹ million)*
Criminal matters	1	Not quantifiable
Direct tax matters	18	92.6
Indirect tax matters	4	5.1
Action by regulatory/statutory authorities	1	241
Other matters exceeding ₹97.5 million	3	1,589.1

Litigation against our Group Companies

Nature of the cases	No. of cases outstanding	Amount involved (in ₹ million)*
Criminal matters	1	Not quantifiable
Direct tax matters	13	95.4
Indirect tax matters	8	792.5
Action by regulatory/statutory authorities	1	Nil
Other matters exceeding ₹97.5 million	Nil	Nil

* The amounts indicated above (wherever quantifiable) are approximate amounts, which excludes interests.

One of the legal proceedings in which we are currently involved relates to certain allegations under the Competition Act against our Company and one of our Subsidiaries, DotEx. On November 16, 2009, MCX Stock Exchange Limited, now the Metropolitan Stock Exchange of India Limited, or MSI, filed an information with the Competition Commission of India, or the CCI, alleging that our Company is in a dominant position in the stock exchange services market and that we have abused our dominance by engaging in, among other things, predatory pricing in the newly established currency derivatives segment, where we have waived various fees in the past. The CCI in its order held that our Company enjoyed a dominant position in the market for stock exchange services in the currency derivatives segment and that our Company abused its dominance by engaging in “unfair pricing” (not specifically “predatory pricing”) vis-a-vis MSI, directed us to cease and desist from unfair pricing and levied a penalty of ₹ 555.0 million on our Company. The CCI order also observed that DotEx, being a wholly owned subsidiary of our Company had little independence of action in the matter and did not levy any separate penalty on it. Subsequently, upon challenge of the order of CCI by us before the Competition Appellate Tribunal, or the Tribunal, the Tribunal upheld the finding of abuse of dominance and upheld the penalty levied by the CCI, by a 4-2 majority decision. We filed a civil appeal before the Supreme Court of India against the order of the Tribunal, which has granted an interim stay on the penalty to be paid by our Company. The matter is currently pending before the Supreme Court of India. Separately, MSI has also filed a compensation application before the Tribunal, claiming an amount of ₹ 8,569.9 million along with interest at the rate of 18% per annum until realization of the claim.

For further details in relation to the aforementioned complaint filed by MSI and other legal proceedings involving our Company, certain of our Directors, Subsidiaries and Group Companies, see “Outstanding Litigation and Material Developments” beginning on page 455.

Decisions in any of the aforesaid proceedings adverse to our interests may have a material adverse effect on our business, results of operations, financial condition and prospects. If the courts or tribunals rule against us or our Directors, Subsidiaries and Group Companies, we may face monetary and/or reputational losses and may have to make provisions in our financial statements, which could increase our expenses and our liabilities.

6. *We operate in a competitive industry, and we may not be able to compete successfully.*

Our industry is competitive and we expect competition to intensify further. We face significant competition for new listings and trading of equities, exchange-traded funds, currency derivatives, interest rate futures, bonds, and mutual funds. We also face significant competition for new listings of equity and futures and options, as well as in our index and data businesses.

Our listing and trading businesses face competition from traditional trading venues in and outside of India. These include regulated markets like ours and specialized stock exchanges. In our currency derivatives segment, we primarily compete with international trading venues in respect of futures and options contracts that are settled in U.S. Dollars. We also face increasing competition from non-traditional trading venues, such as multilateral trading facilities and a wide range of over-the-counter services provided by market makers, banks, brokers, electronic communications networks and other financial market participants.

Trends towards the liberalization and globalization of capital markets have resulted in greater mobility of capital, international participation in local markets and competition among stock exchanges in different geographical areas. As a result, global competition among listing venues, trading markets and other execution venues has become more intense. The global exchange sector has also become more competitive through industry consolidation and demutualizations (in which an exchange converts from member ownership to for-profit status). These trends require us to compete for listings and trading volumes with foreign stock exchanges, some of which have greater financial resources than we do, which may adversely impact our ability to compete effectively. Our arrangements with foreign stock exchanges for the listing of NIFTY indices-linked derivatives on foreign exchanges have grown our index business while also introducing greater competition for trading volumes from foreign stock exchanges. Differences in regulatory regimes outside of India could also affect the competitive dynamics in our industry in a manner that is material and adverse to us. See “– External Risks – Government and regulatory policies in India or abroad or changes to such policies could materially adversely affect our customers, leading to a reduction in trading volumes, transaction charges or demand for our products and services” on page 42.

Our competitors have adopted aggressive pricing strategies in the past and may reduce their transaction charges and listing fees below those charged by us or offer other forms of financial or other incentives. Certain pending litigation may restrict our ability to lower our transaction fees, which may affect our ability to compete successfully with respect to price. For more information, see “– Our Company and certain of our Directors, Subsidiaries and Group Companies are involved in certain legal and other proceedings” on pages 23 to 25. We could lose a substantial percentage of trading volumes or fail to attract new listings if we are unable to effectively compete on price. In addition, our profit margins could decline if we lower our trading fees in response to pricing pressures, which would result in a corresponding reduction in transaction charges, listing fees and book building fees.

We compete on a range of factors in addition to price, including, but not limited to, the quality and speed of trade execution, market liquidity, functionality, ease of use and performance of trading systems, the range of products and services offered to customers and listed entities, and technological innovation and reputation. Therefore, there can be no assurance that pricing strategies that we adopt will succeed in retaining or attracting trading members and new listings to our platforms or result in higher trading volumes.

If we fail to compete successfully, our business, results of operations, financial condition and prospects may be materially and adversely affected.

7. *We may be unsuccessful in implementing, or fail to realize the expected benefits from, our growth strategies.*

Our business strategies seek to further diversify our product and service offerings in our trading and non-trading businesses through innovation and investment in high-growth areas of our businesses, increasing trading volumes by attracting new issuers and investors to our exchange (particularly from underpenetrated markets), maintenance and upgrading our infrastructure and technology, pursuit of additional partnerships and collaborations, establishment of an international exchange and clearing corporation in Gujarat International Finance Tech City – International Financial Service Centre, or GIFT City and investments in

RXIL and NSE Academy.

The factors that may have an effect on the successful implementation of growth strategies, many of which are beyond our control, include the following:

- the general condition of the Indian, Asian and global economies;
- our ability to successfully introduce new services and products;
- our ability to adapt to changes in demand and advancements in technology;
- regulatory restrictions and approvals, including changes to permit foreign stock exchanges to establish operations in India.
- demand for our indices and data products;
- our ability to secure strategic business collaborations with other exchanges, service providers and market participants; and
- our ability to improve and upgrade our platform infrastructure, including minimizing errors and mitigating risks on our exchange.

The implementation of our growth strategies will require significant resources, including upfront expenditures and our management's time and attention. There can be no assurance that the investments that we make to implement our growth strategies will yield their anticipated benefits in a timely manner or at all. Any failure to successfully implement, or realize the expected benefits of, our growth strategies may have a material adverse effect on our business, results of operations, financial condition and prospects.

8. *We operate in a highly regulated industry and any failure to comply with our legal and regulatory requirements or obligations may result in censures, fines and other penalties imposed on us.*

We operate in a highly regulated industry and are subject to extensive regulation. The SEBI regulates us and has broad powers to withhold approvals or consents with respect to proposals made by us (whether with respect to rule amendments, product range or infrastructure or market development initiatives), to issue suspension orders and to require us to produce records and supply information. We are subject to significant oversight, surveillance and potential investigation and intervention by the SEBI and other regulatory authorities, including periodic reviews, audits and inspections by the SEBI. Pursuant to such inspections, the SEBI has in the past required us to undertake certain actions to ensure compliance with the SECC Regulations and other SEBI circulars, including pertaining to shareholding requirements, composition and functioning of our committees, the penalties that we impose under the rules and regulations of our exchange, collection of outstanding listing and other fees and the transfer such amounts to the investor protection fund.

The SEBI has in the past and may in the future issue show cause notices, censure orders or otherwise impose restrictions or conditions on the operation of our business. We were censured by the SEBI in 2011 for allowing our members to modify client codes at the end of each trading day to correct trading errors without those modifications being independently analyzed by us and reported to the SEBI. In addition, SEBI cautioned us to maintain adequate mechanisms for monitoring the risk management practices of our trading members in the future and directed us to make disbursements from the assets and deposits of our defaulting members or the Investor Protection Fund to settle claims of aggrieved investors. We were also censured by the SEBI in 2014 for weaknesses in our trading systems that led to irregular trading activity resulting in the temporary suspension of trading during the trading day in question. SEBI has also initiated an examination against our Company's co-location facility and has directed our Company to also conduct an independent forensic examination by an external agency into the co-location facilities of our Company. See "—SEBI has initiated an examination and has directed our Company to also conduct an independent forensic examination by an external agency, into the co-location facilities of our Company and has also directed our Company to deposit the revenue generated from co-location in a separate bank account. Any adverse SEBI directive on this matter may materially and adversely affect our co-location business, results of operations, business and reputation" on pages 21 to 23.

In case of any non-compliance or alleged non-compliance with applicable laws or regulations, we could be subject to investigations, censures, fines or other judicial or administrative proceedings that may result in additional regulation of our business, substantial penalties, loss of reputation or client confidence or restrictions on our operations or claims for damages.

We are also obligated to perform certain regulatory functions, for example monitoring compliance with Indian securities laws by entities listed on our platforms, which we undertake through our regulations, rules and bye-laws. We may incur additional costs in undertaking any additional legal or regulatory obligations that may be imposed on us by statute or regulation from time to time. Any failure by us to adequately monitor compliance with applicable securities laws for entities listed on our platforms may subject us to penalties, fines, suspension of our business by the SEBI or third-party lawsuits. For example, in the past there have been lawsuits brought against stock exchanges in India, including us, alleging that the stock exchanges have not adequately monitored listed companies, in particular companies that have been suspended for trading for long periods of time. During certain recent inspections that it has conducted, SEBI directed us to administer stricter compliance measures in relation to our members, including by undertaking more stringent actions for collection of outstanding listing fees, turnover fees and subscription fees, which generally relate to members who are inactive or suspended, and by strengthening our staff tasked with monitoring information received and processed by our exchange. These observations from SEBI have been or currently are being implemented by us. The SEBI has recently announced its intention to encourage compulsory delisting of listed companies that have been suspended from trading for extended time periods, including companies listed on our exchange. Any steps that we take to delist these companies may result in litigation against us by such companies and any delay or failure by us to take action against these companies may result in litigation against us by our regulators for failure to fulfill our oversight responsibilities.

Our ability to comply with applicable laws and regulations in our operations and in our capacity as regulator is largely dependent on our establishment and maintenance of compliance, audit and reporting systems, as well as our ability to attract and retain qualified compliance and other risk management personnel. We cannot assure you that these systems and procedures will be fully effective or that we will be able to attract, retain and replace the necessary personnel. We may also incur additional costs if our businesses or regulatory functions become subject to the requirements of overseas governmental bodies as a result of new laws, regulations or court decisions relating to the extraterritorial effect of foreign laws and regulations to which we may be subject.

In our capacity as a regulator, we are also party to legal proceedings from time to time, such as in relation to (i) cases challenging the validity of SEBI directives and our bye-laws; (ii) cases challenging the validity of arbitral awards or arbitration petitions where such arbitration proceedings have been conducted in accordance with our bye-laws; (iii) cases filed before various consumer forums for deficiency of services; and (iv) cases challenging certain other actions taken by us, such as disciplinary actions and suspension of listing.

9. *Our public duties as a stock exchange may conflict with the interests of our shareholders.*

We are required to act in the public interest when discharging our obligations to ensure orderly and fair capital markets and to ensure prudent risk management. In the event that our interests as regulator conflict with any other interests, our interests as regulator will prevail. Our business, results of operations, financial condition and prospects and your interests may be adversely affected if we are required to place the public interest ahead of our own commercial interests and the interests of our shareholders. Further, we have obligations to regulate and monitor activities of our trading members and ensure compliance with applicable laws and the rules of our markets by market participants. There may be potential conflicts of interest due to our regulatory obligations. For instance, we are responsible for identifying possible violations of the securities laws by our trading members and taking regulatory action against those trading members if such violations are confirmed. Any failure by us to diligently and fairly regulate our markets or to otherwise fulfill our regulatory obligations could result in regulatory actions against us, significantly harm our reputation and adversely affect our business, results of operations, financial condition and prospects.

10. *There is uncertainty on the impact of currency demonetization in India on our business.*

On November 8, 2016, the Reserve Bank of India, or RBI, and the Ministry of Finance of the GoI withdrew the legal tender status of ₹ 500 and ₹ 1,000 currency notes pursuant to notification dated November 8, 2016. The short-term impact of these developments has been, among other things, a decrease in liquidity of cash in India. There is uncertainty on the long-term impact of this action. The RBI has also established, and continues to refine, a process for holders of affected banknotes to tender such notes for equivalent value credited into the holders' bank accounts.

The short- and long-term effects of demonetization on the Indian economy, India's capital markets and our business are uncertain and we cannot accurately predict its effect on our business, results of operations, financial condition and prospects.

11. *We may be unable to keep up with rapid technological change.*

Technology is a key component of our operations and business strategy, and our business environment has undergone, and continues to experience, significant and rapid technological change. For example, electronic and high-speed trading has grown significantly in recent years, execution methods continue to evolve and automated risk management systems have become more sophisticated. The GoI and the SEBI may also undertake initiatives from time to time that encourage or require us to upgrade or modernize our technology.

We may not be able to successfully develop or license necessary technologies or create new platforms and services. There can be no assurance that we will be able to respond to customer demands, technological advances and emerging industry standards and practices on a cost-effective and timely basis, or that we will be able to continue to optimize and improve the responsiveness, functionality, capacity, accessibility, scalability, features or efficiency of our trading and clearing platforms, software, systems and technologies.

Our efforts to maintain and upgrade our existing technology and pursue opportunities to integrate emerging technologies such as “FinTech” innovation may be costly and may not yield their anticipated benefits. We face potential competition from FinTech firms and financial institutions that could develop new products or services to compete with those that we provide, such as alternative trading, clearing and settlement systems and back-end services. If we are unable to anticipate and respond to the demand for new services, products and technologies on a timely and cost-effective basis and to adapt to technological advancements and changing standards, we may be unable to compete effectively.

The adoption and implementation of new technologies, whether in our platforms, products or services, may result in increased costs and require significant additional resources, including management time and attention. There can also be no assurance that we will be able to realize the expected benefits of new technologies that we implement in a timely manner or at all. In particular, we rely on the ability of our customers to have the necessary knowhow and front and back office functionality to support any of our new platform features, products or services, which directly impacts the acceptability of such new features, products or services. Consequently, if revenue does not increase as a result of our investments in technology, the up-front costs associated with those investments may exceed revenue and prevent us from realizing any returns on such investments.

We are dependent on open source software for our key operating systems and databases. We rely on open source software providers for software maintenance, development and technical support and are therefore dependent on such third-party software providers to respond to viruses, cyber-attacks or other security breaches affecting their software and to upgrade their software in response to evolving technology and market demands. In the event that the developers of open source software that we rely on do not upgrade such software in a timely manner or at all, we may become reliant on open source software that becomes obsolete or vulnerable in terms of security.

The occurrence of any of the foregoing risks could have a material adverse effect on our business, results of operations, financial condition and prospects.

12. *We depend on our computer and communications systems and software, which may fail to perform effectively or require maintenance and upgrades.*

Our business depends on the performance and reliability of complex computer and communications systems and software. See “Our Business – Our Technology” and “Our Business – Intellectual Property” beginning on pages 172 and 176.

We have encountered isolated instances of temporary interruptions or inconsistencies in our systems, products and services. In October 2012, weaknesses in our trading systems led to irregular trading activity resulting in the temporary suspension of trading activity during a single trading day. On certain isolated occasions during 2016, we experienced a temporary interruption in rapid communication between our trading and risk management systems for our cash market segment, the delayed opening of a call auction trading sessions due to a failed system module, an error in securities lending and borrowing order collection due to server failures and inconsistent data reporting in our cash market segment due to a system messaging error.

We may experience systems interruptions, disruptions or failures in the future as a result of, among other things, power or telecommunications failures, war, terrorism, human error, natural disasters, fire, sabotage, hardware or software malfunctions or defects, complications experienced in connection with system

upgrades, computer viruses, intentional acts of vandalism and similar events over which we have little or no control. Our trading systems utilize real-time data transmission within systems, the failure of which would materially and adversely affect our trading platforms. As we rollout new applications, software errors in our new or legacy applications may cause systems to behave incorrectly or fail. Heavy trading on our platforms or order routing during peak trading times or at times of unusual market volatility could also cause our systems to operate slowly or even to fail for periods of time. Our estimates of system capacity needs may be inaccurate, resulting in periods of insufficient capacity while we bring additional servers online.

Our or our third-party service providers' failure to maintain systems or to ensure sufficient capacity, or the failure or lack of capacity of the systems belonging to our third-party service providers may result in one or more of the following:

- disruptions in our products and services;
- temporary suspension of trading, regulatory functions and data feed services;
- failed or delayed execution, clearing and settlement of orders;
- the need to unwind inadvertent trades;
- incomplete or inaccurate accounting, recording or processing of trades;
- security breaches in respect of confidential or sensitive information;
- customer complaints or decreased customer satisfaction;
- litigation or regulatory proceedings against us; and
- reputational loss.

We may incur significant capital expenditures in order to maintain and upgrade our systems in addition to any expenses that we incur as a result of any system failure. There can be no assurance that our investments in technology will yield their anticipated results in a timely manner or at all.

If any one or more of these situations were to arise, we could incur reputational damage, regulatory sanctions, litigation, loss of market share, loss of trading volume and loss of revenues. As a result of any errors, delays or periods of unavailability of information, we may incur liabilities to our customers who rely on our products and services. These and other consequences could materially and adversely affect our business, results of operations, financial condition and prospects.

13. *We may be unable to retain or replace our management team, highly-skilled employees or key personnel.*

We are dependent on our management team, including our Managing Director and Chief Executive Officer, Group President, Chief Financial Officer – Group Accounts and Finance, Chief Regulatory Officer, Chief Operations Officer – Trading, Chief Business development Officer, Chief Technology Officer – Projects, Chief Technology Officer – Operations, Chief Financial Officer – Group Investments and Shareholder relations, Company Secretary, Chief People's Officer, General Counsel and other significant employees of our Subsidiaries, for strategic planning and operational oversight and management. There can be no assurance that we will be able to retain our management team or successfully implement our succession plans to replace departing members of our management team and maintain business continuity.

On December 2, 2016, Chitra Ramkrishna resigned with immediate effect from her position as our Managing Director and Chief Executive Officer. Our Board of Directors has appointed a search committee to forward new names for the appointment of the Managing Director and Chief Executive Officer of our Company to SEBI, however we are unable to predict when these positions will be filled. In terms of a circular dated December 13, 2012 issued by SEBI, we are required to forward new names for the appointment of the Managing Director and Chief Executive Officer to SEBI within a period of 60 days from the date of resignation. Our Board of Directors has redesignated J Ravichandran, our Group President, as Chief Executive Officer In-charge until such time as a new Chief Executive Officer and Managing Director are appointed. As the appointment of our Managing Director is subject to SEBI approval, there can be no assurance that SEBI will grant such approval in a timely manner or at all. While our previous

Managing Directors and Chief Executive Officers were appointed from the then existing management team of our Company, there can be no assurance that the new Managing Director and Chief Executive Officer will be appointed from the existing Board or management team of our Company or that our new Managing Director and Chief Executive Officer will adopt our current business plans and strategies.

We depend on our highly-skilled and key personnel in all aspects of our operations, including our listing business, trade operations, exchange memberships, clearing and settlement, risk management, surveillance, marketing, new initiatives, special projects and treasury and tax functions. Competition for highly-skilled employees and key personnel is intense in our industry, including due to the unique nature of the exchange industry, which may lead to scarcity of available employees. Our employee attrition rate was 13.7% and 8.7% for fiscal 2016 and the six months ended September 30, 2016, respectively.

Our future success will to a large extent depend on our ability to retain key personnel and our ability to attract and retain highly-skilled technical, managerial and marketing personnel. As a regulated stock exchange in India, we are prohibited from offering employee stock option plans to our employees and are required to hire “fit and proper” (as defined under the SECC Regulations) employees, and the ability of our employees to invest in securities is significantly restricted. These and similar restrictions may hinder our ability to recruit and hire personnel. Market conditions may also cause the costs of retaining and attracting such personnel to increase significantly beyond current levels.

There can be no assurance that we will be able to retain our highly-skilled employees or key personnel or to attract such additional personnel as our business needs expand or to replace departed personnel. Any increase in the turnover of employees in key positions could lead to a temporary reduction in our operational efficiency due to lack of availability of potential employees with the relevant skills and the lengthy training processes required to train new employees in these positions. The loss of or diminution in the services of our key personnel could impair our ability to reach our strategic goals. These and other consequences could have an adverse effect on our business, results of operations, financial condition and prospects.

14. *Our businesses require us to acquire, store and transmit sensitive information, which exposes us to risks of internal and external security breaches and could give rise to liabilities.*

The acquisition and secure processing, transmission and storage of sensitive, confidential and proprietary information are and will continue to be critical elements of our operations, including our listing, trading, clearing and settlement, index and data feed businesses. We also assume significant risks related to data protection and data security threats through DotEx’s role as the managed service provider for central KYC registry maintained by the Central Registry of Securitization Asset Reconstruction and Security Interest of India. DotEx will acquire, store and transmit personally identifiable information and confidential information from all types of financial market participants in India.

We rely on our systems and employees, and those of certain third-party vendors and service providers in conducting our operations. Those technologies, systems and networks may become the target of cyber-attacks or information security breaches that could result in the unauthorized release, gathering, monitoring, misuse, loss or destruction of our or our members’ confidential, proprietary and other information, or disruptions of and errors within our systems. Our risk and exposure to these matters remains heightened because of, among other things, the evolving nature of these threats and our outsourcing of certain business operations, in particular our reliance on licensed technologies for some of the key components of our technology platform and outsourced employees for support and maintenance of these licensed technologies.

Data security breaches may also result from fraud or other misconduct by our employees, third-party vendors and trading members or their respective constituents. It is not possible to always prevent misconduct, and the precautions that we take may not be effective in all cases. We are exposed to risks of clerical and recordkeeping errors or other unintentional accidents caused by any of these parties. In addition, the third parties to whom we provide and entrust information, may not take proper care of our information and may not employ appropriate techniques for safeguarding data leading to breakdowns, failures, or capacity constraints of their own systems.

We cannot guarantee that our existing security measures will prevent all security breaches, intrusions or attacks. A party, whether internal or external, that is able to circumvent our security systems could steal information or cause significant disruptions to our systems. Security breaches or attacks could result in our competitors obtaining strategically important information about us and give them a competitive advantage over us, cause reputational harm, or lead to regulatory sanctions, litigation, loss of market share, loss of trading volume and loss of revenues. Security breaches could also result in negative publicity, damage to

our reputation and cause our customers to lose confidence in us. We may need to expend significant resources to protect against security breaches, intrusions, attacks or other threats or to address problems including reputational harm and litigation, caused by breaches.

We face a related risk that our business continuity, disaster recovery and data security systems prove to be inadequate. Any such failure could require us to expend significant resources to correct the defect, as well as by exposing us to litigation or losses not covered by insurance. Although we have business continuity plans and other safeguards in place, our business operations may also be adversely affected by significant and widespread disruption to our physical infrastructure or operating systems and those of our third-party service providers that support our business.

Although we have not experienced any material losses relating to cyber-attacks or other information security breaches in the past, there can be no assurance that we will not suffer such losses in the future. Any of these occurrences could diminish our ability to operate our business, or cause financial loss, potential liability, decreases in trading volumes, reputational damage or regulatory intervention, which could materially adversely affect our business, results of operations, financial condition and prospects.

15. *Our existing products and services may lose their market appeal and we may be unsuccessful in developing new products and services.*

Our continued success and future growth depend on our ability to develop and offer new products and services that appeal to our existing and prospective customers. We may spend substantial money and time, including management time and attention, developing or improving products and services and such investments may not yield expected benefits.

If a significant portion of our existing product portfolio becomes outdated or loses market share and we are unable to offer new products in their place in a timely manner, or if we fail to increase demand for or fail to competitively price our products and services, our business, results of operations, financial condition and prospects could be adversely affected. Further, we may not be able to increase our market share in terms of trading volumes in the newer product segments that we currently offer, such as futures and options on foreign exchange rates, or maintain our market share for product segments which we currently have a sizeable market share. Consequently, our continued success and future growth rely on the development and introduction of new financial products that appeal to customers, as well as on the ability to attract new types of investors to our products.

We are limited in our flexibility to innovate or differentiate our products and services from other Indian stock exchanges because all products and services that we offer must be approved by the regulator. See “– Our business depends on statutory and regulatory approvals, licenses, registrations and permissions which we may be unable to obtain or renew in a timely manner or at all” on page 32. Our new products and services may also require our subsidiary and clearing corporation, National Securities Clearing Corporation Limited, or NSCCL, to introduce new settlement procedures, which also require prior approval from the SEBI. This review and approval process generally prevents us from responding quickly to changing customer demand and provides our domestic competitors with advanced warning of our innovations and the lead time to develop and introduce similar products and services on similar timelines. The time-consuming process for launching new products, particularly the requirement for SEBI approval which often provides competitors with an opportunity to catch up to our product innovations, may result in the loss of any first-mover advantage that we would otherwise gain from our investments in product development, which may result in our inability to extract the expected benefits from our investments. Delays in obtaining the SEBI’s approval of new or modified clearing and settlement procedures could prevent us from introducing new products and services in a timely manner or at all. For details regarding pending approvals as of the date of this Draft Red Herring Prospectus, see “Government and Other Approvals” beginning on page 464.

16. *We may not be able to increase our revenues from our non-trading businesses, which are subject to numerous operational risks.*

Our non-trading businesses comprise index creation and licensing, market data feeds, technology solutions and financial education offerings. While we expect our non-trading businesses to provide alternative sources of revenue that reduce our dependence on trading volumes, they are subject to a number of risks including those described below.

Our index and data feed businesses operated by our wholly-owned subsidiary, IISL are exclusively focused on the domestic Indian capital markets. Our index business is dependent on our NIFTY 50 Index. As a result, changing market conditions or other factors that adversely affect investment interest and trading

activity in the Indian capital markets could reduce demand for our index and data products, which could result in a decrease in our non-trading revenues.

Our index business is subject to concentration risks. In fiscal 2016, 82.5% of our index license fees outside India were from exchange customers, of which 98.7% was from our top index licensing customer. There can be no assurance that we will be able to diversify the customer base of either our index or replace key customers in the event that they reduce their purchases of our products or elect not to renew their contracts with IISL, which could result in a decrease in our non-trading revenues.

In our data feed business, there is present and growing demand for analyzed data content and cross-market data, while our current products are limited to raw data content. Additionally, we conduct our data feed business on a business-to-business model and do not sell directly to end-users or produce data for direct retail investor consumption.

We seek to expand the range of our non-trading products and services through innovation and any inability to do so may prevent us from increasing our revenues from our non-trading businesses. Other risks related to our non-trading business include:

- the failure to generate expected returns from new products and services in our commercial IT business;
- the inability of our financial education programs to drive growth in our exchange membership;
- illegal data vending, piracy and violations of our the terms of use of our index and data products, which may reduce sales or demand for such products and services; and
- the inability to compete effectively in the relevant markets of our non-trading businesses.

The foregoing and similar risks related to our non-trading businesses may materially adversely affect our business, results of operations, financial condition and prospects.

17. *Our business depends on statutory and regulatory approvals, licenses, registrations and permissions which we may be unable to obtain or renew in a timely manner or at all.*

We are required to obtain, maintain and renew various statutory and regulatory approvals, licenses, registrations and permissions from time to time for the operation of our platforms and businesses. For example, we have obtained licenses from the SEBI in respect of EMERGE (our platform for SMEs) and trading in derivatives and government securities and we would be required to obtain regulatory approvals from the SEBI. For further details, see “Government and Other Approvals” beginning on page 464. There can be no assurance that the relevant authorities will issue or renew our approvals, licenses, registrations and permissions in a timely manner or at all. Regulatory approval, licenses, registration and permissions granted to us typically impose additional requirements, obligations or restrictions on our operations, which must be complied with in order for us to continue our operations. Failure by us to obtain, maintain, renew or replace the approvals, licenses, registrations and permissions that we require may result in the interruption of our business or our inability to scale up our operations or offer new products and services. In addition, our various third-party vendors and intermediaries may require similar statutory or regulatory approvals, licenses, registrations and permissions. For further details, see “Government and Other Approvals” beginning on page 464. Any inability to obtain, maintain or renew necessary approvals, licenses, registrations and permissions and comply with their terms and conditions could adversely affect our business, results of operations, financial condition and prospects.

18. *Failure to protect our intellectual property rights could materially adversely affect our business.*

We own or license rights to a number of trademarks, service marks, trade names, that we use in our business, including NSE, NIFTY and NIFTY 50. We also have certain NIFTY-related trademark registration applications pending in India and abroad. We may not succeed in registering our marks or otherwise protecting our intellectual property. Our trademark registration applications have been unsuccessful in the past, for example where similar marks have already been registered in a particular jurisdiction.

The protective steps that we take to protect our intellectual property rights, including registrations under trademark laws, confidentiality provisions and contractual arrangements, may be inadequate to deter misappropriation of our intellectual property. Certain of our key systems and technology that support our functions were developed in-house, including NEAT, our screen-based trading system. However, we do

not have registered patents in relation to the method or process for developing such systems and technology, and we may not be able to protect such systems and technology from unauthorized use. There can be no assurance that we will take the necessary actions to protect our intellectual property rights in the future, including by successfully renewing the intellectual property rights that we own. We may be unable to detect the unauthorized use of, or take appropriate steps to enforce, our intellectual property rights in India or abroad. Failure to protect our intellectual property and trademarks could harm our reputation and affect our ability to compete effectively. Further, defending our intellectual property rights may require significant financial and managerial resources, the expenditure of which may materially adversely affect our business, results of operations, financial condition and prospects.

Although the non-disclosure obligations under our employment contracts with certain of our key personnel extend beyond the term of the contract, we cannot assure protection of our know-how, trade-secrets or other confidential or proprietary information once these agreements are terminated. The disclosure of such information about us could have an adverse effect on our business, resulting operations, financial condition and prospects.

19. *Our operations, trading members, listed entities and assets are concentrated in India.*

The principal place of our business is India and substantially all of the companies listed on our platforms are incorporated in, or have operations primarily in, India. Consequently, any adverse change in the Indian legal, political, economic or business environment that impacts the financial condition of Indian companies could adversely affect us to the extent such changes cause investors to withdraw their investments and cease trading on the markets we operate. Such changes include, for example, modifications of the GoI's economic policy that may result in a decline in gross domestic product, or GDP, or deceleration of GDP growth, high inflation, declines in interest rates, growing budget deficits and foreign debt, as well as changes in the exchange rate of the Indian Rupee against major world currencies or changes in corporation tax, exchange controls or other regulations that impact a listed entity's ability to conduct its business.

In addition, if returns on investments in Indian companies are generally lower than returns on investments in companies based in other countries, we may be unsuccessful in attracting foreign and local investors to our platforms. Any of these events may have a material adverse effect on our business, results of operations, financial condition and prospects.

See also “– Broad market trends and other factors beyond our control could significantly reduce demand for our products and services”, “– We operate in a highly regulated industry and any failure to comply with our legal and regulatory requirements or obligations may result in censures, fines and other penalties imposed on us”, “– External Risks – Government and regulatory policies in India or abroad or changes to such policies could materially adversely affect our customers, leading to a reduction in trading volumes, transaction charges or demand for our products and services”, and “– External Risks – Political, economic or other factors in India beyond our control may have an adverse impact on our business, results of operations and prospects”.

20. *Regulation of ownership and eligibility requirements of shareholders of securities of Indian stock exchanges may hamper our ability to raise capital and restrict investment in our Company.*

Investment in stock exchanges and in Indian securities is subject to regulation. The SECC Regulations and the circulars issued in connection with the SECC Regulations, *inter alia*, prescribe conditions in relation to the ownership of stock exchanges including the following:

- At least 51% of the paid up equity share capital of a stock exchange is required to be held by the public. ‘Public’ has been defined to include any member or section of the public but does not include any trading or clearing member or their associates and agents. A public sector bank, public financial institution, insurance company, mutual fund or alternative investment fund in the public sector, which has associates as trading members or clearing members is deemed as public for the purpose of the SECC Regulations.
- A person resident in India, directly or indirectly, either individually or together with persons acting in concert, is not permitted to acquire or hold more than 5% of the paid up equity share capital in a stock exchange. However, certain categories of investors are permitted to hold up to 15% of the paid up equity share capital of the stock exchange, with the prior approval of the SEBI for holding more than 5%.
- A person resident outside India, directly or indirectly, either individually or together with persons acting in concert, is not permitted to acquire or hold more than 5% of the paid up equity share

capital in a stock exchange. The union cabinet, pursuant to the press release dated July 27, 2016, approved an increase in the foreign shareholding limit from 5% to 15% for a stock exchange, a depository, a banking company, an insurance company and a commodity derivative exchange. Further, the combined holding of all persons resident outside India may not exceed 49% of its paid up equity share capital.

- For persons acquiring more than 2% of the paid up equity share capital, such person is required to seek the approval of the SEBI within 15 days of such acquisition.
- Only “fit and proper” (as defined under the SECC Regulations) persons are permitted to acquire or hold shares in a stock exchange. SEBI has advised us in its recent inspection reports to continuously follow up in relation to the divestment of the Equity Shares of one of our shareholders, holding 0.02% of our Equity Share capital. The shareholder is required to divest its shareholding in our Company following the SEBI’s determination that the shareholder is not a “fit and proper” person under the SECC Regulations. Following the completion of the Offer, the text of the relevant regulation in connection with “fit and proper” persons is required to be made part of the contract note. The listed stock exchange is also required to submit to the SEBI on a quarterly basis, an exceptional report in relation to the shareholders who are not “fit and proper” and action taken in respect of such shareholders.

Under the SEBI circular no. CIR/MRD/DSA/01/2016 dated January 1, 2016, persons acquiring shares of a stock exchange have self-declaration obligations and the depositories have an obligation to monitor, report and ensure compliance with the shareholding restrictions with respect to stock exchanges. However, the infrastructure enacted to ensure compliance with the SECC Regulations and the January 2016 Circular is yet to be tested on a real-time basis as we do not currently have any listed peers. Accordingly, we cannot assure you that such infrastructure will be appropriate or adequate to ensure compliance with shareholding restrictions and monitoring requirements. Further, any failure to comply with the above restrictions could lead to freezing of voting rights and all corporate actions in respect of the excess Equity Shares held and the requirement to dispose of any shareholding in excess of regulatory limits.

According to the SECC Regulations, purchases of Equity Shares by foreign portfolio investors are restricted to the secondary market. This may constrain our ability to raise capital in the future through primary offerings, as foreign portfolio investors would not be allowed to participate. Further, there can be no assurance that the SEBI will grant the approval required for acquisitions beyond the prescribed limit under the SECC Regulations. These limitations on acquisition and holding could also have a material adverse effect on our business, results of operations, financial condition and prospects. For further details in relation to the restrictions on shareholding, refer to the sections “Regulations and Policies” and “Offer Procedure” beginning on pages 177 and 506, respectively.

21. *Our clearing house operations expose us to various risks in respect of our clearing members and third-party depositories.*

Our clearing and settlement operations are conducted through our subsidiary, NSCCL. NSCCL guarantees the settlement of trades on our platforms and maintains a Core Settlement Guarantee Fund to support its guarantor obligations.

Parties to a settlement may default on their obligations for reasons beyond our control. A member’s default on its obligations may result in a loss if NSCCL’s margin and security deposits are insufficient to meet its obligations. NSCCL is also subject to liquidity risk when a clearing member defaults or is delayed in fulfilling its obligations or when a clearing bank defaults or delays in facilitating the pay-out of funds. NSCCL is also subject to collateral risk where it is unable to access the collateral deposited by clearing members (including due to legal disputes or otherwise) or where changing market conditions result in a reduction in the liquidation value of the collateral compared to the obligation which the collateral secures.

Funding of the Core Settlement Guarantee Fund has in the past required and may in the future continue to require significant contribution. NSCCL would use the Core Settlement Guarantee fund to cover losses due to failure of a member of our exchange to honor its obligations. As a consequence, NSCCL may need to access, and our Company and NSCCL may be required to replenish, the Core Settlement Guarantee Fund. In December 2016, SEBI observed that NSCCL had not allocated the loss incurred due to default by one of the brokers in a manner that was in conformity with the bye-laws of NSCCL. Accordingly, SEBI advised NSCCL to transfer certain amounts from its reserves to the Core Settlement Guarantee Fund. For details in relation to regulatory action and directives in connection with Core Settlement Guarantee Fund, see “Outstanding Litigation and Material Developments – Litigation involving our Subsidiaries – Litigation filed against NSCCL - Actions by regulatory / statutory authorities” on pages 458 to 459.

Our and NSCCL's risk management related policies and procedures may not be sufficient to detect problems or prevent defaults. Furthermore, our and NSCCL's measures and financial resources to offset counterparty default risk, including the Core Settlement Guarantee Fund, may be insufficient to protect against counterparty defaults or the adverse effects of those defaults. We may also be affected by any delays or failures in the timely and efficient transfer of securities to and from the relevant depositories. We cannot assure you that our clearing and settlement arrangements will be satisfactory to our members and will not require system modifications in the future. If the various measures that our Company and NSCCL take to cover defaults and maintain liquidity are not sufficient to protect us from a default or if significant defaults take place, our business, results of operations, financial condition and prospects may be adversely affected.

The majority of the securities listed on our exchange are in dematerialized form and held by one of two depositories, the Central Depository Services (India) Limited, or our associate company, the National Securities Depository Limited. NSCCL has established connectivity with both depositories and relies on their services for the electronic settlement of trades executed on our exchange. Any delay or failure by the depositories to perform their settlement obligations could adversely affect NSCCL and, in turn, our business, results of operations, financial condition and prospects.

22. *Damage to our reputation could materially adversely affect our business.*

Reputation and customer confidence (including that of issuers, our trading members and other financial intermediaries and investors) are important to our business, and we consider our brand to be one of our assets.

Our investor services department receives complaints from investors from time to time in the ordinary course of operations. The nature of these complaints included the following:

- execution of trades without consent;
- non-receipt of funds or securities;
- excess brokerage fees charged by our trading members;
- failure of our trading members to issue documents;
- non-refund of margins or security deposits;
- non-payment of dividends;
- non-receipt of credit balances shown in statements of account; and
- poor quality of customer service.

If we are not able to promptly and effectively respond to investor complaints, customer confidence and satisfaction may decline and our reputation and brand may be adversely affected.

Our reputation could be harmed in many other ways, including by failures or disruptions of our systems, operational errors, data security or privacy breaches, regulatory actions or the actions and activities of our trading members and customers whom we do not control. See also “–SEBI has initiated an examination and has directed our Company to also conduct an independent forensic examination by an external agency, into the co-location facilities of our Company and has also directed our Company to deposit the revenue generated from co-location in a separate bank account. Any adverse SEBI directive on this matter may materially and adversely affect our co-location business, results of operations, business and reputation” and “– We rely on third parties for the provision of certain services and products, including certain aspects of our critical system infrastructure and software” on pages 21 to 23 and 36.

Due to the role that we perform in the Indian capital markets, errors in our transaction systems, interruptions in trading, operational errors, inadvertent leakages of confidential information relating to customers, legal proceedings, regulatory action, press speculation or other unfavorable information could damage our brand and reputation. The actions of other market participants, including issuers, financial intermediaries and competing trading platforms acting contrary to accepted standards of conduct or market practice could undermine general confidence in the Indian capital markets and in our business. Finally, our trading members, Directors and employees may engage in fraud or other misconduct, and although we take precautions to prevent and detect this activity, such precautions may not be effective in all cases, which

could result in sanctions or serious harm to our reputation.

Damage to our reputation could reduce our trading volumes and the number of listings on our platforms. We have filed a defamation suit in relation to certain articles against our Company's co-location facility. For further details, see "Outstanding Litigation and Material Developments – Litigation involving our Company – Litigation filed by our Company" beginning on pages 457 to 458. Any damage to our reputation could adversely affect our business, results of operations, financial condition and prospects.

23. *We rely on third parties for the provision of certain services and products, including certain aspects of our critical system infrastructure and software.*

We rely on third parties to provide some of the important elements of our trading, clearing and other systems, communications and networking equipment, computer hardware and software and related support and maintenance, as well as other functions necessary for the operation of our business. These third parties include software and hardware vendors, data processors, internet service providers, telephone companies, warehouses, banks and quality certification companies.

We license our risk management software, trading technology used in our NMF II mutual fund platform, databases, routers, servers and other critical software and hardware on a perpetual or annual basis from third parties, many of whom also provide regular support and maintenance services to us. Any premature termination of our license agreements or the loss of the ability to use such technology for any reason would have an adverse impact on our business and operations. Rapid changes in our industry or technology may result in our licensed technologies becoming obsolete prior to the expiration of our licenses or to the recall or discontinuation of support for outdated products or services. We cannot assure you that our licensors will be able to adequately and timely maintain and update the infrastructure and software that we license to meet our needs. Accordingly, we may be required to invest additional amounts and incur significant costs in upgrading existing technologies.

We cannot assure you that our third-party vendors will be able to continue to provide their products and services in an efficient, cost-effective manner or that they will be able to adequately expand their services to meet our needs. Any interruption or deterioration in the performance of these services, regardless of the cause, could also be disruptive to our business and affect trading activity. Our disaster recovery planning may not be sufficient for all eventualities and our property insurance coverage may not be adequate to compensate us fully for any losses that we may suffer. If our vendors cannot expand system capacity to handle increased demand, if they fail to perform, if their systems experience interruptions, malfunctions, disruptions or slower response times or if they fail to update their systems in a timely manner or at all, then we could incur reputational damage, regulatory sanctions, litigation, loss of market share, loss of trading volume and loss of revenues, any of which could materially adversely affect our business, results of operations, financial condition and prospects.

24. *We may be unable to acquire other companies or technologies or enter into investments, alliances, joint ventures or other business combinations successfully or at all.*

We may in the future seek to acquire or invest in businesses, applications or technologies that we believe could complement or expand our business, improve our technology platform and capabilities or otherwise offer growth opportunities, subject to applicable law. The pursuit of potential acquisitions may divert the attention of management and cause us to incur various costs and expenses in identifying, investigating and pursuing suitable acquisitions, whether or not they are consummated. There can be no assurance that we will be able to adequately assess, identify or capitalize on suitable opportunities for business diversification or other purposes, obtain the financing necessary to complete and support such investments, alliances or ventures on satisfactory terms, or that any such business combination will prove to be profitable or create value for our shareholders.

The SECC Regulations, which restrict us, as a stock exchange, from engaging in activities that are unrelated or not incidental to our functions as a stock exchange or clearing corporation (except through a separate legal entity and as permitted by the SEBI) may reduce the number of such opportunities available to us. In its recent inspection reports, SEBI has observed that we have acquired a stake in Computer Age Management Systems Limited, or CAMS (without providing notice to SEBI) and made an investment in a wind power project, and that through these investments our Company is engaged in activities not incidental to stock exchange activities, as prescribed under Regulation 41(3) of the SECC Regulations. These matters are under consideration by SEBI.

If SEBI were to determine that we have made an acquisition which does not comply with the SECC Regulations, we could be subject to penalties, including instructions for us to divest all or a portion of our

shareholding in such entities, which in turn may adversely affect our business, result of operations, financial condition and prospects.

Additionally, potential investments, alliances and joint ventures may result in our exposure to unanticipated liabilities and we can provide no assurance that we would be able to identify any actual or potential liabilities.

It may be necessary for us to raise additional funds through public or private financings to complete our proposed acquisitions or investments. Additional funds may not be available on terms that are acceptable to us and, in the case of equity financings, may result in dilution to our shareholders. Any future acquisitions by us also could result in large and immediate write-offs, the incurrence of contingent liabilities or amortization of expenses related to acquired intangible assets.

In any acquisition, we may not be able to realize the benefits of acquiring such businesses. For example, we have acquired a stake in Power Exchange India Limited, or PXIL, our Group Company. We have recently advised PXIL to consider taking immediate steps to close down its business as early as possible and in any event not later than February 28, 2017, since PXIL has been incurring heavy cash losses. Additionally, if we are unable to successfully integrate an acquired business with our existing operations, technologies and company culture. We cannot assure you that following any such acquisition we would achieve the expected synergies to justify the transaction. Any failure to complete any proposed acquisition, investment, alliance, joint venture or other business combination in accordance with our expectations, or the failure to identify suitable opportunities, may adversely affect our business, results of operations or financial condition.

25. *Our data products may contain undetected errors.*

Through our data feed business, we distribute trading data sourced from our exchange. We also sell data products based on our NIFTY indices on a subscription basis. The compilation and dissemination of market data or index information could give rise to miscalculations or undetected errors. Market participants who use real time price and order book information or other market moving signals to make their buy or sell decisions and recommendations or require accurate instrument reference data for risk management activities and error-free settlement may base their decisions on miscalculated or erroneous information. We may be exposed to damage claims brought against us based on such miscalculations or undetected errors which could be costly to defend, harm our reputation and result in contractual disputes, delays in or loss of market acceptance of our products or unexpected expenses and diversion of resources to remedy errors. Any such events may have a material adverse effect on our business, results of operations, financial condition and prospects.

26. *Our risk management framework and insurance policies may not be effective or adequate.*

Our risk management framework includes capital adequacy requirements for members, monitoring member performance and track record, stringent margin requirements, online monitoring of member positions and automatic disablement from trading when limits are breached. Our risk management policies and procedures designed to prevent the occurrence of, or mitigate, risks such as investment risk, market risk, credit risk, operational risk and liquidity risk may not be adequate or effective. We can provide no assurance that our IT systems, policies and procedures and personnel will always be effective or that we will always be successful in monitoring or evaluating the compliance risks to which we are or may be exposed. Non-compliance with applicable regulations could lead to reduced trading volumes or trading members on our platforms or customers using our products and services. Further, our business involves risks and hazards which may adversely affect our profitability, including equipment breakdown, failure of systems and infrastructure, employee frauds, and terrorist activities. We cannot assure you that the operation of our business will not be affected by any of the incidents and hazards listed above or by other factors.

We have a variety insurance policies to cover our assets against external risks and for the benefit of our employees, employment practices liability insurance, employee health insurance and such other insurance policies as required by applicable law and which are subject to certain exclusions and limits on coverage. There can be no assurance that any claim under the insurance policies maintained by us will be honored fully, in part or on time, or that we have taken out sufficient insurance to cover all material losses, including coverage for claims by third parties and litigation. To the extent that we suffer loss or damage for which we did not obtain or maintain insurance, that is not covered by insurance or exceeds our insurance coverage, the loss would have to be borne by us and our cash flows, results of operations and financial performance could be adversely affected. For a detailed description of the insurance policies obtained by us including the assets covered under such insurance, see “Our Business – Insurance” on page 176.

27. *Our proposed international exchange in GIFT City is subject to contingencies and uncertainties.*

We have incorporated two Subsidiary companies, NSE IFSC Limited and NSE IFSC Clearing Corporation Limited, and applied to the SEBI for in-principle approval to establish international exchange and clearing corporation businesses in GIFT City. We cannot assure you that we will receive these approvals or other approvals required for conducting operations in GIFT City in a timely manner or at all. Establishing an international exchange at GIFT City will require significant capital expenditure, and there can be no assurance that the international exchange will generate sufficient business to recover the costs of establishment or become profitable. We have not finalized our plans for our proposed exchange and clearing corporation businesses at GIFT City and may incur additional costs or delays as those plans are formalized. There can be no assurance that depository services will be available at GIFT City in a timely manner or at all and, as a result, trading on our proposed international exchange may be limited to products that do not require depository services. Contingencies and uncertainties such as the foregoing may result in our inability to successfully implement our GIFT City project.

28. *A significant portion of our costs are fixed or semi-fixed and cannot be adjusted to periodic fluctuations in our trading volumes and revenue.*

A significant portion of our costs comprise fixed and semi-fixed costs such as employee benefits expenses, depreciation and amortization expenses, rent, repairs and maintenance expenses, regulatory fees payable to SEBI, software expenses and other expenses, which are not fully dependent on our trading volumes. We base our expectations of our cost structure on historical and expected levels of demand for our products and services as well as our fixed operating infrastructure, such as computer hardware and software, hosting facilities and security and staffing levels. We may not be able to quickly adjust our operating expenses in the event that our trading volumes decrease, demand for our products and services or our revenue falls short of expectations, which may result in larger decreases in our revenues than corresponding decreases in expenses. Because our cost structure is largely fixed, if demand for our current products and services declines for any reason, we may not be able to adjust our cost structure to counteract the associated decline in revenues. In the event of any of the foregoing, our business, results of operations, financial condition and prospects may be adversely affected.

29. *We may be required to comply with certain foreign regulations and seek recognition from foreign regulators in conjunction with our business ventures outside of India.*

Our business ventures outside of India may require us to comply with regulations promulgated by foreign governments and stock exchange regulators.

We have entered into cross-listing and licensing arrangements with the Singapore Exchange, the Chicago Mercantile Exchange, the Osaka Exchange and the TAIFEX to provide for trading of derivatives benchmarked to our NIFTY 50 index and other indices on foreign exchanges. As a result of these partnerships, derivatives benchmarked to NIFTY indices are traded on these four exchanges. We have also entered into a memorandum of understanding with the London Stock Exchange to explore opportunities for collaboration, such as the establishment of a research center in GIFT City. Foreign governments or regulators, including our stock exchange partners, may require us or the products that we market outside of India to meet regulatory requirements that may be different from or stricter than the requirements that we are subject to in India. We may also incur additional costs or our management may be required to devote additional time and attention in order to meet these requirements. As a result, our business, results of operations, financial condition and prospects may be materially adversely affected.

30. *We may not be able to amend our bye-laws and rules in a timely manner or at all.*

As a recognized stock exchange in India, we have power to make rules for the purposes of discharging our statutory duties. However, rules that we propose, including amendments to rules and rules in relating to fees that we assess, must be approved in writing by the SEBI and, wherever applicable, notifications by the SEBI must be published in the Gazette of India and the Maharashtra State Gazette before they can take effect.

The SEBI may approve, disapprove, or recommend changes to rules or amendments to existing rules that we submit for approval. Any failure to obtain approval for any proposed change could prevent us from effecting changes to our rules, which may affect our business, results of operations, financial condition and prospects. We are permitted to establish bye-laws subject to the prior approval of the SEBI. In the event bye-laws are required to be amended, the SEBI may amend our bye-laws on its own motion or upon a written request of the governing body of our Company. Such amended bye-laws are required to be published in accordance with the procedure prescribed under the SCRA, including publication in the

official gazette. The review process to frame or amend our bye-laws can be lengthy and may significantly delay the implementation of proposed changes that we believe are necessary to the operation of our markets. If we are unable to obtain approval to implement an amendment to our bye-laws, it could negatively affect our ability to make needed changes or implement business activities.

31. *We have in the past entered and will continue to enter into related party transactions.*

In the ordinary course of our business, we have entered and will continue to enter into transactions with related parties. While we believe that the related party transactions that we have entered are legitimate business transactions conducted on an arms' length basis, we cannot assure you that we could not have achieved more favorable terms had such arrangements not been entered into with related parties. We cannot assure you that these or any future related party transactions that we may enter into, individually or in the aggregate, will not have an adverse effect on our business, results of operations, financial condition and prospects. See "Related Party Transactions" beginning on page 212.

32. *Our financial condition and results of operations could vary significantly from what has been presented in this Draft Red Herring Prospectus if our audited financial statements, including the consolidated Restated Financial Information, are restated with respect to how we record our Company's contributions to the Core Settlement Guarantee Fund.*

Our Company's contributions to the CSGF are regulatory in nature and have restricted use and purpose. Accordingly, as a matter of accounting prudence and consistent with the accounting policy followed while preparing the financial statements in previous years under Indian GAAP, we recognize our Company's contribution to the CSGF maintained by NSCCL in our audited consolidated financial statements, including the consolidated Restated Financial Information, as an expense in our consolidated statement of profit and loss for the year or period in when the contribution was made.

Under Ind AS, an alternative view could be to record our contributions to the CSGF as an appropriation from reserves, instead of charging as an expense in our consolidated statement of profit and loss, based on the view that our Company, NSCCL and the CSGF are part of NSE Group, thereby eliminating intra-group transactions. See "Management's Discussion and Analysis of Financial Condition and Results of Operations – Significant Accounting Policies – Core Settlement Guarantee Fund" beginning on pages 434 to 435 for information regarding the estimated impact that such adjustments would have on our consolidated Restated Financial Information. We are in the process of seeking necessary clarification in this regard. See also the examination report of the Joint Auditors in relation to our Company's consolidated Restated Financial Information beginning on page 218.

If our accounting policy changes concerning our Company's contribution to the CSGF and it is determined that a restatement of our audited financial statements, including the consolidated Restated Financial Information, is required, our financial condition and results of operations would be different from what has been presented in this Draft Red Herring Prospectus.

33. *Our Company is not, and does not intend to become, regulated as an investment company under the U.S. Investment Company Act and related rules.*

Our Company has not been and does not intend to become registered as an investment company under the U.S. Investment Company Act of 1940, as amended, or the U.S. Investment Company Act. Accordingly, unlike registered investment companies, our Company will not be subject to the vast majority of the provisions of the U.S. Investment Company Act, including provisions that require investment companies to have a majority of disinterested directors, provide limitations on leverage and limit transactions between investment companies and their affiliates. None of these protections or restrictions is or will be applicable to our Company.

If our Company was to become subject to the U.S. Investment Company Act because of a change of law or otherwise, the various restrictions imposed by the U.S. Investment Company Act, and the substantial costs and burdens of compliance therewith, could adversely affect our operating results and financial performance. Moreover, parties to a contract with an entity that has improperly failed to register as an investment company under the U.S. Investment Company Act may be entitled to cancel or otherwise void their contracts with the unregistered entity, and shareholders in that entity may be entitled to withdraw their investment.

Our Company is relying on the exemption provided by Section 3(c)(7) of the U.S. Investment Company Act to avoid being required to register as an investment company under the U.S. Investment Company Act and related rules. In order to help ensure compliance with the exemption provided by Section 3(c)(7) of the

U.S. Investment Company Act, our Company has implemented restrictions on the ownership and transfer of Equity Shares by any persons acquiring our Equity Shares in Offer who are in the United States or who are U.S. Persons (as defined in Regulation S under the U.S. Securities Act of 1933, as amended, or the U.S. Securities Act), which may materially affect your ability to transfer our Equity Shares. See “Terms of the Offer – Eligibility and Transfer Restrictions” beginning on page 497.

34. *Our Subsidiaries may not pay dividends on shares that we hold in them. Consequently, our Company may not receive any return on investments in our Subsidiaries.*

While most of our Subsidiaries have paid dividends in the past, they do not have dividend policies and may be restricted from paying dividends by applicable law or by contract, including under their respective charter provisions and the terms of any financing arrangements that they may enter into. Under the SECC Regulations, the utilization of profits and investments by NSCCL, our wholly-owned Subsidiary and a recognized clearing corporation, is required to be in accordance with the norms specified by the SEBI. We cannot assure you that our Subsidiaries will generate sufficient profits and cash flows or otherwise be able to pay, or that they will pay, dividends to us in the future.

35. *This Draft Red Herring Prospectus contains information from the Oliver Wyman Report, which we have commissioned.*

This Draft Red Herring Prospectus includes information from the Oliver Wyman Report. We commissioned this report for the purpose of confirming our understanding of the industry in connection with the Offer. Neither we, nor any of the Managers, nor any other person connected with the Offer has verified the information in the Oliver Wyman Report. Oliver Wyman has advised that, while it has taken due care and caution in preparing its report based on public information and industry and statistical data information obtained from sources which it considers reliable, it does not guarantee the accuracy, adequacy or completeness of such information and is not liable for any loss or damage suffered because of reliance on the information contained in the report. Further, the Oliver Wyman Report is not a recommendation to invest in, refrain from investing in or divest from any company covered in the Oliver Wyman Report. The Oliver Wyman Report highlights certain industry and market data relating to our Company and our competitors. Such data is subject to many assumptions. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources. Further, such assumptions may change based on various factors. We cannot assure you that Oliver Wyman’s assumptions are correct or will not change and accordingly our position in the market may differ from that presented in this Draft Red Herring Prospectus. Prospective investors are advised not to unduly rely on the Oliver Wyman Report when making their investment decisions.

36. *Some of the records of our regulatory approvals are not traceable.*

Certain records of our regulatory approvals, including key approvals received from SEBI in relation to exchange traded interest rate futures segment, NIFTY IT and NIFTY Infrastructure futures and options segment are not traceable. We may not be able to furnish actual letters received from SEBI evidencing receipt of such approvals. Despite having conducted an extensive search of our records, we have not been able to retrieve the aforementioned documents, and have accordingly placed reliance on other documents, including our annual reports and minutes of the meetings of the Board of Directors for corroborating such regulatory approvals. While we continue to conduct a search for such records and may also consider approaching SEBI to obtain a certified copy of the such records, if required, we cannot assure you that the abovementioned records of our regulatory approvals will be available in the future.

37. *We do not own the land on which our Registered Office and Corporate Office are situated.*

We do not own the land on which our Registered Office and Corporate Office are situated. Our Registered Office and our Corporate Office are located on land owned by the Mumbai Metropolitan Region Development Authority and leased to us for a period of 80 years with effect from December 11, 1998. We cannot assure you that we will own or have the right to occupy this land in the future, or that we will be able to continue with the uninterrupted use of the land on which our Registered Office and Corporate Office are situated in the event that we are unable to comply with the terms of our lease agreement, which may impair our operations and adversely affect our business, results of operations and financial condition. For further details, see “Our Business – Properties” on page 176.

38. *One of our Group Companies has incurred losses in the last preceding financial year and has a negative net worth, based on the last audited financial statements available.*

One of our Group Companies, PXIL, has incurred losses in the preceding financial years and has a negative net worth, based on the Group Company's last available audited financial statements. For further details, see "Our Group Companies – Details of Group Companies with negative net worth" and "Our Group Companies - Loss making Group Companies" beginning on page 208 and 211, respectively. We have advised PXIL to consider taking immediate steps to close down its business, in accordance with due process including applicable regulatory compliances, as early as possible and in any event not later than February 28, 2017, since PXIL has been incurring heavy cash losses. We cannot assure you that our Group Companies will not incur losses or have negative net worth in the future.

39. *Any increase in or realization of our contingent liabilities could have a material adverse effect on our financial condition.*

As of September 30, 2016, our consolidated Restated Financial Information disclosed and reflected the following contingent liabilities:

Particulars	As of September 30, 2016 (₹ in millions)
Claims against our Company not acknowledged as debts amounts	159.0
Penalties levied by CCI	555.0
COMPAT – Compensation claim	8,569.9
Suit for damages/compensation	1,525.7
Income Tax Matters	473.4
Fringe Benefit Tax matters	22.2
Wealth tax matters *	0.9
Services tax matters	483.0
Securities Transaction Tax matters	67.6
Sales Tax / VAT / Central Excise	3.8
Bank guarantees	49.3
Total	11,909.8

For further details, see "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Outstanding Litigation and Material Developments" beginning on pages 428 and 450, respectively. There can be no assurance that we will not incur similar or increased levels of contingent liabilities in the current financial year or in the future. In the event that any of our contingent liabilities were to become actual liabilities, they could have a material adverse effect on our business, results of operations, financial condition and prospects.

40. *Financial information in relation to certain of our Subsidiaries, associates and joint ventures used for preparation of our consolidated financial statements as included in this Draft Red Herring Prospectus have not been audited.*

Financial information in relation to the following Subsidiaries, associates and joint ventures of our Company used for the preparation of our consolidated financial statements for the six months ended September 30, 2016 and the fiscal years ended March 31, 2016, 2015, 2014, 2013 and 2012, as included in this Draft Red Herring Prospectus, is unaudited and furnished by the management of the relevant subsidiary, associate or joint venture:

- NSE.IT (US) Inc. for the years ended March 31, 2016, 2015, 2014, 2013 and 2012;
- NSE.IT (UK) Limited for the year ended March 31, 2012;
- National Commodity Clearing Limited for the years ended March 31, 2014, 2013 and 2012;
- Power Exchange India Limited for the six months ended September 30, 2016 and the years ended March 31, 2016, 2015, 2014, 2013 and 2012;
- Omnesys Technologies Private Limited for the years ended March 31, 2014, 2013 and 2012;
- Market Simplified India Limited for six months ended September 30, 2016 and the years ended March 31, 2016, 2015, 2014, 2013 and 2012; and
- Receivables Exchange of India Limited for the six months ended September 30, 2016 and the year ended March 31, 2016.

We may face risks associated with such financial information not being verified by an independent third party. If such financial information had been audited, adjustments and modifications may have arisen during the course of audit process, which could have resulted in differences compared to those unaudited financial information which were furnished and relied on for preparation of our consolidated financial statements.

41. *One of our Group Companies has unsecured loans that may be recalled by the lenders at any time.*

One of our Group Companies, Market Simplified, has currently availed unsecured loans which may be recalled by the lenders at any time. In the event that any lender seeks a repayment of any such loan, such Group Company would need to find alternative sources of financing, which may not be available on commercially reasonable terms, or at all. Such Group Company may not have adequate working capital to undertake new projects or complete the ongoing projects. As a result, any such demand may affect our business, cash flows, financial condition and results of operations.

External Risks

42. *Government and regulatory policies in India or abroad or changes to such policies could materially adversely affect our customers, leading to a reduction in trading volumes, transaction charges or demand for our products and services.*

The Indian central and state governments have traditionally exercised, and continue to exercise, significant influence over many aspects of the Indian economy. Since 1991, successive governments have pursued policies of economic liberalization and financial sector reforms. The current government has announced its general intention to continue India's current economic and financial sector liberalization and deregulation policies. There can be no assurance that future government policies will be accommodative of our business and intended to facilitate economic liberalization.

Changes in policies by the Government of India or foreign governments may affect trading volumes on our platforms or demand for our products and services in our non-trading businesses. Such changes may relate to, among others, monetary or tax law or policy, tax treaties, regulatory changes in India affecting investors (for example, changes in permitted lot sizes for derivatives or open interest limits for foreign institutional investors), the listing requirements on competing stock exchanges, changes affecting the ability of investors to freely trade on our platforms, the taxation or repatriation of profits from trading on international exchanges, or changes to the manner in which securities are traded, cleared and settled. The easing of restrictions in India, such as those currently preventing foreign stock exchanges from operating in India and limiting the total amounts that Indian residents can invest outside of India, could result in increased competition and adversely affect our ability to maintain our trading volumes and market share. Regulatory changes or restrictions may also adversely impact our integrated business model, such as by introduction of interoperability between different clearing corporations or requiring the separation of clearing and settlement services from trading services.

Legislative and regulatory changes may create potential for regulatory arbitrage if significant policy differences emerge, which may divert our trading volumes to other exchanges. Certain of the exchanges that we compete with outside of India impose lower regulatory and compliance costs on their customers, including automated trading systems that generally are not subject to stringent regulatory requirements and standards. Our trading volumes may decrease if our members shift their business to exchanges or automated trading systems where trading is more affordable due to differences in the applicable regulatory regime. We have reduced our prices in the past in response to competitive pressures resulting from differing regulations and may do so in the future for various reasons, including regulatory changes or restrictions on pricing. For example, in July 2016, we reduced our transaction charges on option trading following an increase in the securities transaction tax, or the STT, by the Government of India, or GoI, which would otherwise have increased trading costs to our members and, as a result, may have led to a reduction in our trading volume and revenues.

These or related factors may have a material adverse effect on our business, results of operations, financial condition and prospects.

43. *Fluctuation in the exchange rate between the Indian Rupee and foreign currencies may have an adverse effect on the value of our Equity Shares, independent of our operating results.*

On listing, our Equity Shares will be quoted in Indian Rupees on the Stock Exchanges. Any dividends in respect of our Equity Shares will also be paid in Indian Rupees and subsequently converted into the relevant foreign currency for repatriation, if required. Any adverse movement in currency exchange rates

during the time that it takes to undertake such conversion may reduce the net dividend to foreign investors. In addition, any adverse movement in currency exchange rates during a delay in repatriating outside India the proceeds from a sale of Equity Shares, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares may reduce the proceeds received by Equity Shareholders.

For example, the exchange rate between the Rupee and the U.S. dollar has fluctuated substantially in recent years and may continue to fluctuate substantially in the future, which may have an adverse effect on the trading price of our Equity Shares and returns on our Equity Shares, independent of our operating results.

44. *Changes in tax laws or regulations or their interpretations may significantly affect our financial statements for the current and future years.*

Any change in tax laws, including related to indirect taxes, may result in the loss of certain existing exemptions and benefits that are currently available to us (such as the exemption for income by way of dividends from investments in domestic companies and income in respect of investments in units of mutual funds/bonds). If there is an upward revision to the currently applicable normal corporate tax rate of 30% along with applicable surcharge and cess become applicable to us, our tax burden will increase.

The GoI has proposed a comprehensive national goods and services tax, or GST, regime that will combine specified taxes and levies by the central and state governments into one unified rate of tax. The Constitution (101st Amendment) Act 2016, which received presidential assent on September 8, 2016, authorizes the GoI and state governments to introduce the GST. While the GoI and certain state governments have announced that all committed incentives will be protected following the implementation of the GST, given the limited availability of information in the public domain concerning the GST, we are unable to provide any assurance as to this or any other aspect of the tax regime following implementation of the GST. The GST regime, once implemented, may have an adverse effect on our business, results of operations, financial condition and prospects. For example, the GST regime may, among other things, increase our tax expenses in respect of procurement of goods and services or increase our tax compliance costs in the future. Details of the implementation of the GST regime are uncertain and implementation remains subject to agreement between the GoI and various state governments, which could create further uncertainty.

The GoI has also proposed certain reforms to the provisions relating to GAAR. Proposed amendments to the relevant provisions have been introduced in the Finance Act, 2012 and will apply (pursuant to the Finance Act, 2015) in respect of any assessment year beginning on or after April 1, 2018. The GAAR provisions concern arrangements declared as “impermissible avoidance arrangements”, which include any arrangement, the main purpose or one of the main purposes of which is to obtain a tax benefit and which satisfies at least one of the following tests: (i) creates rights, or obligations, which are not ordinarily created between persons dealing at arm’s length; (ii) results, directly or indirectly, in misuse, or abuse, of the provisions of the Income Tax Act; (iii) lacks commercial substance or is deemed to lack commercial substance, in whole or in part; or (iv) is entered into, or carried out, by means, or in a manner, which are not ordinarily employed for bona fide purposes. If GAAR provisions are invoked, the tax authorities will have wide powers, including denial of tax benefit or a benefit under a tax treaty. As the taxation system is intended to undergo significant overhaul, its consequent effects on us cannot be determined at present and there can be no assurance that such effects would not adversely affect our business, results of operations, financial condition and prospects.

Future tax increases or amendments may affect the overall tax efficiency of our Company and may result in significant additional taxes becoming applicable to us. The profitability of transactions that we enter into may be adversely affected by tax risks materializing and associated costs being greater than anticipated. We cannot predict whether any new tax laws or regulations impacting our business will be enacted or the nature and impact of such laws or regulations.

45. *U.S. regulation of investment activities may negatively affect the ability of banking entities to purchase our Equity Shares.*

The Volcker Rule, generally prohibits certain banking entities from acquiring or retaining an ownership interest in, sponsoring or having certain relationships with covered funds, subject to certain exclusions and exemptions. As we are relying on an analysis that our Company does not come within the definition of an “investment company” under the U.S. Investment Company Act because of the exception provided under section 3(c)(7) thereunder, our Company may be considered a “covered fund” for purposes of the Volcker Rule. The following would be considered a “banking entity” subject to the Volcker Rule: (i) any U.S. insured depository institution, (ii) any company that controls an U.S. insured depository institution, (iii) any non-U.S. company that is treated as a bank holding company for purposes of Section 8 of the

International Banking Act of 1978 (i.e., a non-U.S. company that maintains a branch, agency or commercial lending office in the U.S.) and (iv) any affiliate or subsidiary of any of the foregoing under the U.S. Bank Holding Company Act, other than a covered fund that is not itself a banking entity under clauses (i), (ii) or (iii).

There may be limitations on the ability of banking entities to purchase or retain our Equity Shares in the absence of an applicable Volcker Rule exemption. Consequently, depending on market conditions and the banking entity status of potential purchasers of our Equity Shares from time to time, the Volcker Rule restrictions could negatively affect the liquidity and market value of our Equity Shares.

Each investor must make its own determination as to whether it is a banking entity subject to the Volcker Rule and, if applicable, the potential impact of the Volcker Rule on its ability to purchase or retain our Equity Shares. Investors are responsible for analyzing their own regulatory position and none of our Company, the Managers or any other person connected with the Offer makes any representation to any prospective investor or holder of our Equity Shares regarding the treatment of our Company under the Volcker Rule, or to such investor's investment in the our Company at any time in the future.

46. *Political, economic or other factors in India beyond our control may have an adverse impact on our business, results of operations and prospects.*

The following external risks may have an adverse impact on our business, results of operations and prospects, should any of them materialize:

- the Indian economy has had sustained periods of high inflation in the recent past. High rates of inflation may increase our employee costs and decrease demand for products distributed by us, which may have an adverse effect on our profitability and competitive advantage, to the extent that we are unable to pass on increased employee costs by increasing cost of the products;
- a downgrade of India's sovereign rating by international credit rating agencies may adversely affect our access to capital and may increase our borrowing costs, which may constrain our ability to grow our business and operate profitably;
- a decline in India's foreign exchange reserves may affect liquidity and interest rates in the Indian economy as well as the valuation of the Indian Rupee, which may adversely affect our financial condition;
- political instability, resulting from a change in government or in economic and fiscal policies, may adversely affect economic conditions in India;
- civil unrest, acts of violence, terrorist attacks, regional conflicts or situations or war. If our operations are disrupted by any such agitation, terrorist attacks or conflicts, particularly in Mumbai, where our exchange is situated, our business, results of operations and prospects could be adversely affected; and
- India has experienced natural calamities such as earthquakes, tsunamis, floods and drought in recent years. The extent and severity of these natural disasters determines their effect on the economy. If any of the EBOs or other facilities were to be damaged as a result of an earthquake or other natural calamities, or if such events should otherwise impact the national or any regional economies, our business, results of operations and prospects may be adversely affected.

47. *Significant differences exist between Ind AS and other accounting principles, such as Indian GAAP, IFRS and U.S. GAAP, which may be material to investors' assessment of our financial condition.*

Our consolidated Restated Financial Information as of and for the fiscal years ended March 31, 2012, 2013, 2014, 2015 and 2016 and the six months ended September 30, 2016 included in this Draft Red Herring Prospectus have been prepared under Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013 to the extent applicable. The consolidated Restated Financial Information have been compiled from the audited consolidated financial statements of our Company for the respective years under the previous generally accepted accounting principles followed in India ("Indian GAAP"), and from the audited condensed consolidated financial statements as of and for the six months ended September 30, 2016 prepared under Ind AS.

In accordance with Ind AS 101 First-time Adoption of Indian Accounting Standard, we have presented

reconciliation from Indian GAAP to Ind AS. Please see Note 41 to the consolidated Restated Financial Information beginning on page 312. Except as otherwise provided in the consolidated Restated Financial Information with respect to Indian GAAP, no attempt has been made to reconcile any of the information given in this Draft Red Herring Prospectus to any other principles or to base the information on any other standards. Ind AS differs from other accounting principles with which prospective investors may be familiar, such as Indian GAAP, IFRS and U.S. GAAP. Accordingly, the degree to which the financial statements included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Ind AS. Persons not familiar with Ind AS should limit their reliance on the financial disclosures presented in this Draft Red Herring Prospectus.

In addition, our consolidated Restated Financial Information may be subject to change if new or amended Ind AS accounting standards are issued in the future or if we revise our elections or selected exemptions in respect of the relevant regulations for the implementation of Ind AS.

48. *Rights of shareholders under Indian laws may be more limited than under the laws of other jurisdictions.*

Indian legal principles related to corporate procedures, directors' fiduciary duties and liabilities may differ from those that would apply to a company in another jurisdiction. Investors may have more difficulty in asserting their rights as shareholders in an Indian company than as shareholder of a corporation in another jurisdiction. Shareholders' rights under Indian law may not be as extensive as shareholders' rights under the laws of other jurisdictions. Under the Companies Act, prior to issuance of any new equity shares, a public limited company incorporated under Indian law must offer its equity shareholders pre-emptive rights to subscribe to a proportionate number of equity shares to maintain existing ownership, unless such pre-emptive rights are waived by a special resolution by a three-fourths majority of the equity shareholders voting on such resolution. If you are a foreign investor and the law of the foreign jurisdiction that you are in does not permit the exercise of such pre-emptive rights without our filing an offering document or registration statement with the applicable authority in such foreign jurisdiction, you will be unable to exercise such pre-emptive rights, unless we make such a filing. If we elect not to file an offering document or a registration statement, the new securities may be issued to a custodian, who may sell the securities for your benefit. The value such custodian receives on the sale of any such securities and the related transaction costs cannot be predicted. To the extent that you are unable to exercise pre-emptive rights granted in respect of our Equity Shares, your proportional interest in our Company would decline.

49. *It may not be possible for investors outside India to enforce any judgment obtained outside India against our Company or our management or any of our associates or affiliates in India, except by way of a suit in India.*

Our Company is incorporated as a public limited company under the laws of India and our directors and executive officers reside in India. A substantial portion of our assets and the assets of our executive officers and directors, are located primarily in India. As a result, it may be difficult to effect service of process outside India upon us and our executive officers and directors or to enforce judgments obtained in courts outside India against us or our executive officers and directors, including judgments predicated upon the civil liability provisions of the securities laws of jurisdictions outside India.

India has reciprocal recognition and enforcement of judgments in civil and commercial matters with only a limited number of jurisdictions, such as the United Kingdom, Singapore and Hong Kong. In order to be enforceable, a judgment from a jurisdiction with reciprocity must meet certain requirements of the Indian Code of Civil Procedure, 1908, or the Civil Code. The Civil Code only permits the enforcement and execution of monetary decrees in the reciprocating jurisdiction, not being in the nature of any amounts payable in respect of taxes, other charges, fines or penalties. Judgments or decrees from jurisdictions which do not have reciprocal recognition with India cannot be enforced by proceedings in execution in India. Therefore, a final judgment for the payment of money rendered by any court in a non-reciprocating territory for civil liability, whether or not predicated solely upon the general laws of the non-reciprocating territory, would not be enforceable in India. Even if an investor obtained a judgment in such a jurisdiction against us, our officers or directors, it may be required to institute a new proceeding in India and obtain a decree from an Indian court. However, the party in whose favor such final judgment is rendered may bring a fresh suit in a competent court in India based on a final judgment that has been obtained in a non-reciprocating territory within three years of obtaining such final judgment. We have been advised by our Indian counsel that the United States and India do not currently have a treaty providing for reciprocal recognition and enforcement of judgments, other than arbitration awards, in civil and commercial matters. Therefore, a final judgment for the payment of money rendered by any federal or state court in the United States on civil liability, whether or not predicated solely upon the federal securities laws of the United States, would not be enforceable in India. However, the party in whose favor such final judgment is

rendered may bring a new suit in a competent court in India based on a final judgment that has been obtained in the United States within three years from the date of the judgment. It is unlikely that an Indian court would award damages on the same basis or to the same extent as was awarded in a final judgment rendered by a court in another jurisdiction if the Indian court believed that the amount of damages awarded was excessive or inconsistent with public policy in India. In addition, any person seeking to enforce a foreign judgment in India is required to obtain prior approval of the RBI to repatriate any amount recovered pursuant to the execution of the judgment.

Risks Related to the Offer and Our Equity Shares

50. *We will not receive any proceeds from the Offer.*

The Offer is an offer for sale by the Selling Shareholders. Accordingly, we will not receive any of the Offer proceeds, which will be remitted to the Selling Shareholders. See “Objects of the Offer” beginning on page 101.

51. *QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid, and Retail Individual Investors are not permitted to withdraw their Bids after Bid/Offer Closing Date.*

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are required to pay the Bid Amount on submission of the Bid and are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid. Similarly, Retail Individual Investors can revise or withdraw their Bids at any time during the Bid/Offer Period and until the Bid/Offer Closing Date, but not thereafter. Therefore, QIBs and Non-Institutional Investors will not be able to withdraw or lower their Bids following adverse developments in international or national monetary policy, financial, political or economic conditions, our business, results of operations or otherwise at any stage after the submission of their Bids.

52. *Our Equity Shares have never been publicly traded and may experience price and volume fluctuations following the completion of the Offer, an active trading market for the Equity Shares may not develop, the price of our Equity Shares may be volatile and you may be unable to resell your Equity Shares at or above the Offer Price or at all.*

Prior to the Offer, there has been no public market for our Equity Shares, and an active trading market may not develop or be sustained after the Offer. Additionally, our Equity Shares will be listed on only one stock exchange, BSE and this may also affect the liquidity and trading market for these Equity Shares. Our Company has filed an application seeking approval of SEBI for trading the Equity Shares, as permitted securities, on the trading platform of our Company in addition to the trading platform of BSE. For further details, see “Other Regulatory and Statutory Disclosures - Listing” on page 489. Listing and quotation does not guarantee that a market for our Equity Shares will develop or, if developed, the liquidity of such market for the Equity Shares. The Offer Price of the Equity Shares is proposed to be determined through a book-building process and may not be indicative of the market price of the Equity Shares at the time of commencement of trading of the Equity Shares or at any time thereafter.

There has been significant volatility in the Indian stock markets in the recent past, and the trading price of our Equity Shares after this Offer could fluctuate significantly as a result of market volatility or due to various internal or external risks, including but not limited to those described in this Draft Red Herring Prospectus. A decrease in the market price of our Equity Shares could cause you to lose some or all of your investment.

53. *Any future issuance of Equity Shares may dilute your shareholdings, and sales of our Equity Shares by our major shareholders may adversely affect the trading price of the Equity Shares.*

Any future equity issuances by us may lead to the dilution of investors’ shareholdings in our Company. In addition, any sales of substantial amounts of our Equity Shares in the public market after the completion of this Offer by our major shareholders, or the perception that such sales could occur, could adversely affect the market price of our Equity Shares and could materially impair our future ability to raise capital through offerings of our Equity Shares. We cannot predict what effect, if any, market sales of our Equity Shares held by our major shareholders or the availability of these Equity Shares for future sale will have on the market price of our Equity Shares.

54. *You may be subject to Indian taxes arising out of capital gains on the sale of our Equity Shares.*

Under the Income-tax Act, capital gains arising from the sale of equity shares in an Indian company within 12 months of purchase are generally taxable in India. Any gain realized on the sale of shares on a stock exchange held for more than 12 months will not be subject to capital gains tax in India if the STT has been paid on the sale transaction. The STT is collected by the Indian stock exchange on which equity shares are sold. Any gain realized on the sale of shares held for more than 12 months to an Indian resident, which are sold other than on a recognized stock exchange and as a result of which no STT has been paid, will be subject to long term capital gains tax in India. Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less which are sold other than on a recognized stock exchange and on which no STT has been paid, will be subject to short term capital gains tax. Capital gains arising from the sale of shares will be exempt from taxation in India in cases where an exemption is provided under a tax treaty between India and the country of which the seller is a resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdictions on gains arising from a sale of the shares subject to relief that may be available under the applicable tax treaty or under the laws of their own jurisdiction.

55. *Government regulation of foreign ownership of Indian securities may have an adverse effect on the price of our Equity Shares.*

Foreign ownership of Indian securities is subject to Government regulation. In accordance with foreign exchange regulations currently in effect in India, under certain circumstances the RBI must approve the sale of the Equity Shares from a non-resident of India to a resident of India or vice-versa if the sale does not meet certain requirements specified by the RBI. Additionally, any person who seeks to convert the Rupee proceeds from any such sale into foreign currency and repatriate that foreign currency from India is required to obtain a no-objection or a tax clearance certificate from the Indian income tax authorities. As provided in the foreign exchange controls currently in effect in India, the RBI has provided that the price at which the Equity Shares are transferred be calculated in accordance with internationally accepted pricing methodology for the valuation of shares at an arm's length basis, and a higher (or lower, as applicable) price per share may not be permitted. We cannot assure investors that any required approval from the RBI or any other government agency can be obtained on terms favorable to a non-resident investor in a timely manner or at all. Because of possible delays in obtaining requisite approvals, investors in the Equity Shares may be prevented from realizing gains during periods of price increase or limiting losses during periods of price decline. See "Restriction on Foreign Ownership of Indian Securities" beginning on page 546.

Prominent Notes

1. Initial public offer of up to 111,411,970 Equity Shares for cash at a price of ₹ [●] per Equity Share, aggregating up to ₹ [●] million through an offer for sale by the Selling Shareholders. The Offer would constitute 22.5% of our post-Offer paid-up Equity Share capital.
2. As of September 30, 2016, our Company's net worth was ₹ 59,420.0 million as per our Company's standalone Restated Financial Information and ₹ 70,574.7 million as per our Company's consolidated Restated Financial Information.
3. As of September 30, 2016, the net asset value per Equity Share was ₹ 120.04 as per our Company's standalone Restated Financial Information and was ₹ 142.58 as per our Company's consolidated Restated Financial Information.
4. For details of related party transactions entered into by our Company with our Subsidiaries and our Group Company in the last fiscal year, including the nature and cumulative value of the transactions, see "Related Party Transactions" beginning on page 212.
5. There has been no financing arrangement whereby our Directors or any of their respective relatives have financed the purchase by any other person of securities of our Company other than in normal course of the business of the financing entity during the period of six months immediately preceding the date of this Draft Red Herring Prospectus.
6. Except as disclosed in "Our Group Companies" and "Related Party Transactions" beginning on pages 206 and 212, respectively, our Group Companies do not have business interests or other interests in our Company.
7. For details of transactions entered into by our Company with our Group Companies and our Subsidiaries,

as applicable, the nature and value of the transactions, see “Related Party Transactions” beginning on page 212.

8. For any complaints, information or clarifications pertaining to the Offer, investors may contact the Registrar to the Offer, our Company and the Managers who have submitted the due diligence certificate to the SEBI.

SECTION III: INTRODUCTION

SUMMARY OF INDUSTRY

The information in this section has been obtained from the Oliver Wyman Report that includes publically available information and third party data sources. We have commissioned the Oliver Wyman Report for the purposes of confirming our understanding of the industry in connection with the Offer. Neither we, nor any of the Managers, nor any other person connected with the Offer has verified the information in the Oliver Wyman Report. Similarly, Oliver Wyman has not verified any publically available information or third party sources referenced in the Oliver Wyman Report (as mentioned in the Market Data section for this Draft Red Herring Prospectus). Prospective investors are advised not to unduly rely on the Oliver Wyman Report and this section when making their investment decision.

The financial information pertaining to our Company included in the Oliver Wyman Report and this Industry Overview section has been prepared in accordance with Indian GAAP. The financial information pertaining to our Company included elsewhere in this Draft Red Herring Prospectus has been derived from our Restated Financial Information that have been prepared under Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013 to the extent applicable. The Restated Financial Information have been compiled from the audited consolidated financial statements of our Company for the respective years under Indian GAAP, and from the audited condensed consolidated financial statements as of and for the six months ended September 30, 2016 prepared under Ind AS. Significant differences exist between Ind AS and Indian GAAP. See "Risk Factors – Internal Risks – Significant differences exist between Ind AS and other accounting principles, such as Indian GAAP, IFRS and U.S. GAAP, which may be material to investors' assessment of our financial condition" on pages 44 to 45 for more information

The Oliver Wyman Report contains the following disclaimers:

"The report contains information that has been furnished by others which is believed to be reliable but has not been verified. No warranty is given as to the accuracy of such information. Public information and industry and statistical data contained in the report are from sources we deem to be reliable; however, we make no representation as to the accuracy or completeness of such information and have accepted the information without further verification.

The findings contained in this report may contain predictions based on current data and historical trends. Any such predictions are subject to inherent risks and uncertainties. In particular, actual results could be impacted by future events which cannot be predicted or controlled, including, without limitation, changes in business strategies, the development of future products and services, changes in market and industry conditions, the outcome of contingencies, changes in management, changes in law or regulations. Oliver Wyman accepts no responsibility for actual results or future events.

This report does not represent investment advice and is not a recommendation to any third parties to invest in, refrain from investing in, or divest from, any company covered in the report. Oliver Wyman shall not be liable for any loss or damage suffered by third parties because of reliance on the information contained in this report."

Overview of Indian macro-economy – Trends and Outlook

With approximately 1.3 billion people and one of the world's largest economies, India's recent growth and development has been one of the most significant achievements of our times. With the nominal GDP growing at 9% over the past decade, India has witnessed a fast growth in its economy and recently overtook China to become the fastest growing large economy globally (in real GDP terms).

Specifically for India, real GDP growth rates for recent years have been 5.6% (2012), 6.6% (2013), 7.2% (2014) and 7.6% (2015).

Foreign direct investment into India has steadily increased from approximately USD 24 billion in calendar year 2012 to approximately USD 44 billion in calendar year 2015 and approximately USD 32 billion in the nine months ended September 30, 2016. Foreign direct investment in India accounted for only approximately 2% of India's GDP in 2015 despite increasing from approximately USD 28 billion to approximately USD 34 billion to approximately USD 44 billion as of 2013, 2014 and 2015, respectively.

Driven by strong growth in economy along with a strong savings culture, both household income and household savings have seen a substantial increase in the past decade. The per capita income increased by approximately 3.5 times from 2006 to 2015 (indicating annual growth rate of approximately 15%). At the same time, per capita savings grew by approximately 2.5 times from 2006 to 2015 (indicating annual growth rate of approximately 10%)

In the recent past, there have been numerous policy initiatives undertaken to continue this strong pace of growth. Examples include: increased public spend in infrastructure, passage of Goods and Services Tax, focused efforts to improve ease of doing business, launching of industrial corridors, movements such as ‘Start-up India’, ‘Make in India’, ‘Skill India’, ‘Digital India’, “India Stack”. These efforts are likely to serve as a catalyst for growth in the Indian economy.

Going forward, the outlook for Indian economy remains strong. Numerous independent agencies estimate Indian economy to grow at 7-8% (real GDP terms) over the next few years. This trend is likely to continue beyond the next 5 years and India is expected to become the 3rd largest economy in the world by 2030, with GDP approximately tripling to USD 7 trillion.

This strong outlook is driven by a number of factors such as continued policy reforms, thrust on reviving manufacturing, close monitoring of inflation targets and so on.

Additional note to readers

The recent government action of demonetisation is a significant step to move India to a ‘less-cash’ economy in the near term and potentially a ‘cash-less’ economy in the medium term. The economy is currently in a period of ‘transition’ and there is uncertainty on the nature and timing of the impact of the policy action. Directionally, we can expect that demonetisation may lead to attractive growth opportunities for exchanges in India. We list below some potential drivers that may support capital markets growth, the likely time to impact (near term vs. medium term vs. long term) as well as nature of impact (permanent vs. temporary)

- *Greater allocation of household savings towards productive, financial assets (long term, permanent). This will have direct positive impact on capital markets participation by retail investors*
- *Adoption of digital payment mechanisms for financial as well as non-financial transactions (long term, permanent). This has the potential to lead to greater participation in capital markets due to seamless integration of payment and trading platforms*
- *Uncertainty in outlook leading to higher market volatility (medium term, temporary). This may lead to greater turnover in the capital markets in the near term (hence leading to potential increase in exchange revenues)*
- *Drop in interest rate driving greater participation in capital markets for better returns (near term, temporary). This may lead to greater participation as well as turnover in the capital markets*

At the same time, the policy action can also dampen the outlook for exchanges in India due to reasons such as slowdown in GDP growth (near term, temporary), substantial proportion of new deposits driven towards tax payments (near term, permanent), sizeable proportion of new deposits locked in fixed deposits (near term, temporary), reduced attractiveness of India as an investment destination given uncertainty over investment horizons of 3/5 years.

There is a great deal of uncertainty on the near-medium term impact of demonetisation. The move has potential to become an inflection point for banking and capital markets sectors, as well as for the economy as a whole. We believe that it is too early to define likely scenarios or to estimate quantitative impact of demonetisation on turnover in various asset classes. As such, this report (finalised before the full impact of demonetisation is clear) does not take into account the opportunities for faster growth of capital markets nor does it factor in potential slowdown in the economy in the near term.

Capital markets in India – Evolution and global comparison

As the Indian economy matured from 1991, financial services sector served as the backbone of India growth with strong growth in indicators like banked population, number of bank branches and ATMs, banking sector assets, market capitalization and number of listed companies, among others.

Traditionally, Indian households have invested a majority of their savings (approximately 60%) into physical assets such as gold and real estate with share of financial assets being lower as compared to developed economies. However, the share of financial assets in savings is increasing over the last 3 years.

It is expected that the allocation of household savings to financial assets will improve in the medium term driven by

- **Improving financial literacy levels:** A number of focused programs being run by the regulators towards

this cause

- **Focus on financial inclusion:** Driving financial inclusion has been the focus of numerous initiatives in the recent past such as Pradhan Mantri Jan Dhan Yojana, linking of Aadhaar card to bank accounts, Pradhan Mantri Fasal Bima Yojana, Digital India, India Stack, new bank licenses, launch of payment banks and small banks. These initiatives are expected to be instrumental in further pushing financial inclusion and drive a step change in key financial markets indicators
- **Ease of access:** Supported by boom in the telecom sector (internet and mobiles), as well as the launch of banking services on mobile phones and rise of fin-tech companies that focus on customer experience, it is expected that accessibility of organised financial services will improve dramatically
- **Urbanisation:** While the India Economic survey estimates proportion of population living in urban areas as approximately 30%, The World Bank Group estimates suggest that there is a sizeable amount of hidden urbanisation. The World Bank Group estimates the share of India's population living in areas with urban-like features is approximately 55%. It is expected that the trend of urbanization will continue at a rapid pace until 2050. This implies that a vast and growing proportion of the population will have access to financial products, thereby enhancing allocation of savings to financial assets
- **Greater confidence in the markets:** SEBI has taken a number of steps to improve corporate governance and disclosure standards and to curb malpractices such as insider trading. In the medium term, these steps will lead to greater trust and confidence in capital markets

Financial savings in India totalled approximately USD 0.5 TN as of 2015, comprising approximately 56% of bank deposits and only 7% of investments in direct equities. Thus, within financial assets, majority of household savings in India are currently in the form of cash and deposits (approximately 60%). This is in sharp contrast to developed economies where households rely on a mix of equities, pension products, insurance and other financial products. Compared to emerging markets selected (e.g. Brazil, Malaysia), there is a huge scope to broaden the suite of financial products that households invest in. As financial literacy levels improve and per capita savings increase, the allocation of savings into more sophisticated products such as insurance, mutual funds and direct equities is expected to increase.

Within financial services, capital markets specifically have also seen key developments over the past years. Examples of key developments include demutualisation of exchanges in 2002, dematerialisation of equities, emergence of screen based trading owing to the launch of a new technology platform by NSE, introduction of new asset classes and key regulatory changes introduced by SEBI and RBI to further develop the market. These changes have helped capital markets in India grow to their current state.

While comparing capital markets in India to global markets, it is important to understand the nuanced differences between capital markets in India vs. global peers. We highlight some salient features of capital markets in India as follows:

- **High reliance on banks and NBFCs for corporate funding:** Growth of corporates in India has been fuelled by the banking sector to a large extent. The share of corporate loans to total corporate credit is approximately 65%. As the economy matures, it is important that the reliance on bank funding is reduced – thus indicating strong potential for growth of capital markets
- **Under-developed corporate bond market and nascent (on-exchange) markets for FX and IR derivatives:** While equity capital markets in India are well-developed, the corporate bond markets are yet to reach substantial size in primary as well as secondary markets. Corporate bonds outstanding to GDP ratio for India is approximately 13% compared to 21% for China, 28% for Hong Kong, 44% for Malaysia, 32% for Singapore, 75% for Korea. Likewise, exchange based markets for trading of FX derivatives and interest rate derivatives are at early stages of development in India
- **Low retail investor participation:** Retail investors constitute only approximately 13% of the stock ownership in India. The number of Demat accounts in India is less than 10% of the number of banking accounts. This indicates a strong potential for greater participation of retail investors in Indian capital markets. We expect that improved ease of access to information and to the markets driven by increasing mobile penetration will also play an important role in deepening participation of retail investors in the markets
- **Low free float levels:** A large number of listed companies in India have significant promoter holding leading to lower free float levels (47% for NSE, 46% for BSE compared to 89% in Bovespa, 66% in HKEx, 80% in JSE, 56% in KRX, 82% for LSE and 90% for NASDAQ). This manifests itself in lower

turnover velocity. As the promoters dilute their holdings over time, this will drive greater turnover in the markets

Cash equities:

Cash turnover velocity in India has been falling over the past decade (decline from 103% in 2010 to 53% in 2015). At present, India, with cash turnover at 53%, operates around the average of emerging markets.

The market capitalisation to GDP ratio for India is approximately 73% compared to 140% in US, 89% for Korea and 129% for Malaysia. Comparing market capitalisation to GDP ratios across countries is tough since the ratio tends to be very volatile on a y-o-y basis as well as the ratio depends significantly on the nature of the market.

In terms of concentration of trading activity in equities, top 50 equities account for a large portion of total equity volumes traded at both NSE and BSE. This concentration has decreased in the past decade and has now stabilised at around 63%. This is a similar trend globally where most of the exchanges have high concentration in terms of liquidity indicating that concentration of liquidity in the top stocks is not an issue unique to Indian exchanges.

Equity derivatives:

The ratio of equity derivatives to cash volumes in India is severely skewed and the skew has only accentuated in the recent years. The strong growth in derivatives segments is driven by growth in index options which have grown by approximately 46% annually since FY09 whereas other derivative products (index futures and equity futures) have grown in the range of 3-13% which is similar to the growth rate of cash equities.

The strong growth in index options is driven by regulatory changes and launch of new initiatives. In 2008, the STT (Securities Transaction tax) structure for index options was changed (STT to be levied on option premium instead of option value) which led to a huge surge in volumes for index options. Additionally, the launch of co-location services in 2009 led to a boom in High Frequency Trading in India leading to a sharp growth in index options trading volumes. Also, a number of key indices have been launched in recent years. Launch of Liquidity Enhancement Incentive Programmes (LEIPS) by BSE in 2014 to incentivise derivative traders further boosted the growth in derivative trades, however eventual withdrawal of these incentives led to correction of volume surge caused by the launch of this scheme.

Driven by the fast growth in the derivatives segment, the ratio of 'derivatives to cash' turnover in India has increased substantially in the recent years. In comparison to a number of emerging markets, the equity derivatives markets in India are significantly larger and well-developed.

Others

On the other hand, currency, interest rate and commodity derivatives in India are quite small constituting about 3% of total trade volumes in India due to structural reasons like absence of interlinked bond-currency-derivative nexus, government regulations restricting individuals from participating in the currency markets.

In comparison, these markets constitute a large proportion of turnover in global peers. For example: Russia – 57% of total turnover is in FX derivatives, Australia and Canada both have 90%+ turnover in IR derivatives, EU has 59% in IR derivatives and China has 19% in commodities

The outlook for capital markets in India is strongly positive driven by fundamental factors such as

- **Development of corporate bonds market:** Development of the corporate bonds market is a key focus area for India. A number of initiatives are envisaged – a prime example being RBI's recent announcement on caps on bank's exposure to large conglomerates. This is also supported by the recent moves from SEBI such as allowing FPIs to trade in the corporate bonds segment directly
- **Large funding gap for the SME sector:** As per our estimates, SME space has a funding gap of up to INR 27 TN currently. Capital markets are expected to have a strong role in financing SMEs for which both leading exchanges in India have launched their own platforms
- **Growing retail investor participation:** Currently, retail participation in capital markets in India through direct as well as managed routes (such as mutual funds) is very low.

Through a number of measures such as financial literacy efforts, simplification of KYC norms, focused initiatives for retail investors, rising investments in insurance and mutual funds, it is expected that retail investor participation in India will grow considerably in the medium term

- **Continued FII flows:** India remains an attractive investment destination for foreign investors. In addition, a number of government initiatives focusing on enhancing attractiveness of India as an investment destination have been launched recently. It is expected that continued FII flows into India will be a key driver of growth in the medium term

Market infrastructure landscape in India – Evolution and global comparison

Exchanges are organized markets designed to provide centralized facilities for the listing and trading of financial instruments, including securities issued by companies, sovereigns and other entities to raise capital. The exchange industry is generally supervised by a financial regulatory agency. In some cases, exchanges may also act as a self-regulatory organization responsible for supervising their members and affiliated markets.

Companies running exchanges typically generate the bulk of their revenues by collecting fees from issuers for the listing of their securities, from market members that deal in the financial instruments admitted to trading on the exchange and for selling market data and other technological solutions. The three most traditional sources of revenues for exchange companies are the fees charged on trades, the fees charged for the admission of securities and members and the selling of data captured on these two activities. However, as exchange companies expand along the value chain, more sources of income are acquired.

As on March 31, 2016 there are seven stock exchanges in India, of which four are in the process of exiting. Focusing on equity, equity derivatives, currency derivatives and interest rate derivatives segments, the three main exchanges in the Indian market include: National Stock Exchange (NSE), Bombay Stock Exchange (BSE) and Metropolitan Stock Exchange of India (MSEI). As of March 31, 2016, there are six recognized national commodities derivatives exchanges and six recognized regional derivatives commodities exchanges.

One of the significant points to note about exchanges in India is that are vertically integrated offering services across the value chain including execution, clearing, settlement and data offerings. In contrast to these, exchange groups in a number of developed markets are fragmented in their service offerings.

Globally, we observe that only 1–2 players dominate the exchange landscape for an asset class in a market with other players, if any, staying insignificant (e.g., Japan, Brazil). New entrants in the market have not been able to establish significant market share even years after their entry (example: MTFs in Europe). Thus liquidity in exchanges is sticky and it is difficult to move market shares unless driven by major technological enhancement (examples: DTB (1990s), ISE (2000s), BATS (2010s))

In India as well, the market shares (by turnover) for each exchange across the key product segments have stayed relatively stable. NSE is the market leader for cash equities (approximately 85% market share as of March 2016), equity derivatives (approximately 94% market share as of March 2016), currency derivatives (approximately 59% market share as of March 2016) and IR derivatives (approximately 79% market share as of March 2016)

We compare the performance of Indian exchanges with selected global peers along key dimensions of breadth of offerings, financial metrics and operating parameters.

Size / Ranking

Indian exchanges are amongst the leading exchanges globally in terms of turnover volumes in key asset classes such as cash equities, equity derivatives and currency derivatives.

In the rankings of global exchanges by cash turnover (based on number of trades) as well as for total derivatives turnover (based on number of contracts traded), Indian exchanges are amongst the top 15 players globally.

Products and Services offered

With the exception of pure-play derivatives exchanges (such as CME), almost all exchange groups offer trading in cash equities and bonds, although markets differ widely in terms of market cap, trading volumes and depth of the order book. Most exchange groups also offer trading in derivatives (equity, FX, commodity and interest rate derivatives) with the exception of credit derivatives, which are still largely traded OTC. Across the value chain view, exchanges offer services such as clearing, settlement, custody, depository, registration and safe-keeping. In addition, exchanges offer a broad suite of services – such as data products, indices, technology offerings, securities lending, collateral management and education services.

It is observed that the suite of products and services offered by Indian exchanges is comparable to leading global players.

Pricing, revenue and growth mix

It is observed that while leading exchanges in Europe and US have significantly diversified their revenue mix, Indian exchanges still earn bulk of their operating revenues from transactions (execution as well as post-trade). This indicates a strong potential to grow revenues in other areas such as data services, index products and technology offerings. Also, Indian exchanges have a large proportion of revenues attributed to non-core operating areas – such as interest income, investment income and rentals – this is unique to the Indian market.

In terms of revenue growth, it is observed that organic growth levels are similar across geographies and the outperformance of several global exchange groups regarding revenue growth is due to their higher appetite for M&A activities. Corrected for growth due to M&A, growth in Indian players has been in line with global players with NSE having seen the strongest growth in total revenues amongst the selected exchange peer set.

The revenue mix of leading exchanges in Europe and US is increasingly getting diversified with market data, indices and technology solutions becoming significant revenue pools. Data business is a reliable revenue source for international stock exchanges, on average accounting for approximately 15-20% of total revenues for stock exchanges in developed economies. In contrast, these emerging growth areas only make up a small proportion of the revenue mix for Indian exchanges indicating a strong potential for growth.

At the same time, pricing for transaction execution and post-trade services is the lowest for Indian exchanges compared to international peers. The estimated full value chain transaction fees for cash equities is 0.3 bps at NSE compared to 1.3 bps at SET, 3.6 bps at Bursa Malaysia, 3.8 bps at SGX and 1.5 bps at LSE (source: Oliver Wyman analysis). Thus there is limited downside risk on pricing since Indian exchanges already operate at most competitive levels.

Cost drivers

Exchange groups operate with different cost and pricing schemes and also deliver varying levels of liquidity. Comparing the operating costs to revenues of exchanges globally, it is observed that Indian exchanges operate towards the lower end of cost to income ratios. In terms of break-up of costs across various drivers, the share of employee costs is the lowest for Indian exchanges compared to global peers. On an operating cost per trade basis as well, Indian exchanges are amongst the most efficient exchanges globally.

Profitability metrics

Most exchange groups are highly profitable companies with EBITDA margins on the order of 50%. On profitability metrics, Indian exchanges are comparable to global peers.

Technical parameters

A number of technical parameters are of critical importance for exchanges – examples of such parameters include latencies, messages per second capacity, uptime (%), recovery time and frequency of outages. Data on such technical parameters is not available in the public domain for a large number of exchanges. On certain factors where data is available, the differentiation across exchanges is minimal – for example, most leading global exchanges have uptime achievements of >99%, with some exchanges already targeting 99.99% uptime.

While outages for exchanges are a rare occurrence, in the last 3 years Indian exchanges had lower number of outages (NSE – 0, BSE – 1) compared to some global peers (SGX – 4, DBG – 2, NASDAQ – 1, CME – 1).

Regulatory norms

Post the global financial crises, market infrastructure entities have been at the centre of regulatory attention in EU and US. Especially on the post-trade side, a sea-change in regulations (Basel III, EMIR, T2S and CSD regulation) is expected to profoundly impact the post-trade landscape. At the same time, some regulatory moves, such as the G20 agreement on OTC derivatives, have also helped in boosting exchanges revenue pools.

While the global regulations on exchanges have increased significantly, SEBI has kept pace with the emerging regulatory best practices for market infrastructures. As a result, drastic changes in the regulations governing exchanges in India are not expected.

International presence

International presence is an important factor in the business of exchange groups and has the following key impacts:

- All leading global exchange groups have an international presence (more than one continent).

- International presence is observed to be a key differentiator in terms of revenue size, with expansion beyond a certain size only possible through internationalization.
- Strategies for ‘internationalisation’ vary significantly by size of the exchange group. Large groups often choose M&A as a means to expand internationally. As smaller exchange groups are restricted in their M&A possibilities, they turn to partnerships and JVs to the same end. A further way for smaller exchange groups to internationalize is to consolidate with neighbouring markets.

Indian exchanges have significant potential to follow patterns of peers internationally forming further exchange links or JVs, or other means to tap into regional / international revenue pools.

Outlook for addressable market for Indian exchanges

Driven by the strong growth in Indian economy and developments in capital markets, it is expected that key asset classes will see further growth in turnover in the coming year.

Cash equities

High level comparison of key ratios such as market cap to GDP and turnover velocity indicate a significant headroom for growth for cash equities turnover in India

The estimation of outlook for turnover of cash equities in India can be done by using four parameters:

- GDP (growth in nominal GDP): A number of independent agencies provide an estimate of growth in nominal GDP in India over the next 5 years – estimates ranging 10-12% growth in nominal GDP. However, based on past data, it is observed that there is often significant variance in forecasted vs. actual GDP growth. As a result, to maintain a conservative estimate, a haircut of 20% is applied on the growth forecasts from various agencies. So for the sake of estimating turnover in cash equities, we consider that nominal GDP in India is estimated to grow at 8-10% over the next 5 years.
- Market capitalization as % of GDP: Historically, market capitalisation to GDP has been a very volatile ratio making it difficult to predict a trend between market cap and GDP. We estimate that in the next five years, market cap to GDP stays flat (i.e. 0% CAGR) or experience modest growth (1-2% CAGR).
- Free float as % of market capitalization: Driven by SEBI’s raising of minimum public shareholding to 25%, promoter holding has been on a decline. As a result, free float levels in India have been rising and have been around 40% since 2013. With the planned disinvestment of government stake in PSUs, free float levels may rise further in the coming years. However, as observed in the past, the disinvestment process is slow and may take years. Additionally, absolute free float can increase if the number of securities listed on an exchange increase. It is observed that 2016 has seen a large number of IPOs adding a significant value on Indian stock exchanges. Though increasing number of IPOs will contribute to rising values of free float in India, free float as % of market cap is not expected to grow any further. Hence, as a conservative estimate, it is expected that free float levels will remain constant and not rise further over the next 5 years.
- Cash turnover as % of free float: Turnover velocity corrected for free float in India observed a steep decline during FY11. This steep decline was caused by taxation changes in Securities Transaction Tax (STT). During FY11, STT was started to be calculated on option premium instead of notional value leading to huge surge in options turnover and diminishing cash turnover velocity. In recent years, turnover velocity corrected for free float has been relatively stable at approximately 110-115% In absence of further regulatory changes, a further decline in cash turnover velocity (corrected for free float) is not anticipated.

Using the above estimates, it is observed that turnover for cash equities has a potential to grow at 8-12% over the next 5 years (marginally better than the estimated GDP growth rates).

Trends supporting growth in cash markets

It is observed that the estimated potential for growth in cash markets is supported by number of trends observed in the market. These trends include increasing retail participation, greater financial literacy and penetration of capital markets products, regulatory initiatives, ease of technological access, plans for divestment, rising free float levels, expected surge in IPOs, capital requirements for SMEs and mid-corporates, strong investor confidence in India

Potential risks to growth in cash markets

Alongside these drivers, it is important to note that there are certain risks which may impact the growth of the capital markets in India.

a. HFT regulations –

High Frequency Trading is algorithmic based trading that uses powerful computers to enter and exit positions at very high frequency. Globally, share of HFT in cash volumes lies in the range of 20-30% with the exception of US and Japan where HFT drives approximately 50% of total cash turnover. The reason for relatively low share of HFT in cash turnover for some developed economies is high degree of statutory levies which makes HFT unattractive.

In India, HFT has seen increasing popularity over the past few years leading to a surge in both cash and derivative markets. It is estimated that HFT drives ~25% of the turnover for cash equities and ~36% of the turnover in the derivatives segment.

SEBI released a discussion paper on strengthening the regulatory framework for HFT in August 2016. The paper proposes seven potential measures to regulate HFT – these include minimum resting time, banning of tick-by-tick data sharing, randomisation of orders, auctions instead of continuous markets, redesign of queuing practices, increase in minimum tick size, and restriction on colocation. It is difficult to predict the nature of HFT regulations that may be implemented in India at this stage. However, taking cues from global regulations which have focused more on risk management, and various options discussed in the paper released by SEBI, **it is estimated that regulatory changes can impact anywhere between 0% (negligible impact) of HFT volumes to more than 40% of HFT volumes (high impact).**

b. Change due to General Anti-Avoidance Rules – GAAR is the anti-tax avoidance regulation in India. Government of India recently amended the tax treaty with Mauritius to levy taxes on capital gains made on equity transactions made via Mauritius on or after 1 April 2017. Similarly, tax treaty with Singapore (Mauritius and Singapore are the top two sources of foreign investments in India constituting more than 50% of FDI inflows to the country in 2015) is also under review and is likely to be amended soon. This move may deter foreign investments in the market dampening volumes

c. Tightening of FII regulations / investment limits: FIIs constituted to about 18% of total turnover in cash market in March 2016. At the same time, their share in derivatives was close to 10% of total client turnover. Though unlikely, any tightening of restrictions on foreign investors' participation in Indian capital markets will not only have a direct negative impact on turnover driven by FIIs, but will also have a trickle-down effect on the overall market causing a steep decline in the volumes on Indian exchanges

Equity futures

Historically, ratio of futures turnover to cash turnover has been gradually increasing. However, the ratio has been stable at approximately 2.5 over the past couple of years. As a conservative estimate, it is estimated that the ratio of futures to cash will remain same over the next 5 years. This results in an estimate of annual growth rate of 8-12% for futures over the next 5 years for equity futures turnover.

Since the growth of equity futures is tied to growth of cash equity markets, the drivers that will support the growth of cash markets will also help drive the growth of equity futures. In terms of risks, the risks that could impact the growth in futures have been discussed along with risks to growth of options.

Equity options

Similar to futures, estimation of addressable market size for options can be done based on estimation of market size for cash equities. Over the past decade, ratio of options to cash turnover has been steadily increasing.

This rise has been caused due to sharp spike in options volume which in turn is largely driven by 'one-time' regulatory changes and launch of new initiatives.

As a result of these regulatory changes and new initiatives, options to cash turnover ratio for India is an outlier among peer countries.

Considering the absence of any further 'one-time' changes and the current disproportionate high levels of options as compared to cash turnover, it is expected that the options turnover will see a correction in the near term to stabilise at around FY13 levels. As a result, it is estimated that turnover in equity options has **potential to grow annually by 6-10% over the next 5 years.**

Similar to growth in equity futures market, growth in equity options is tied to the growth in cash markets and thus drivers of growth in cash markets will support the growth in equity options markets as well. In terms of risks, it is observed that in addition to risks affecting growth of cash markets, which may impact the growth of derivative markets, there are additional risks that may impact the growth of derivative markets in India:

- a. **Change in contract size for derivatives:** Indian securities regulator, SEBI, recently increased the minimum investment size for any equity derivative from existing INR 0.2 mm to INR 0.5 mm. This step is estimated to have led to a significant decline in derivative volumes, prompting the exchanges to launch incentives to boost volumes. It is expected that as exchanges withdraw incentives, derivatives turnover can see a sharp correction in the near-medium term. (*source: Exchange disclosures, Oliver Wyman research and analysis*)
- b. **Changes to taxation regulations:** Earlier this year, central government increased the securities transaction tax (STT) on options three-fold from existing 0.017% to 0.05% which led to an estimated decline of approximately 5% in options volumes. It is observed that increase in STT leads to a wider bid-ask spread reducing the liquidity of the market thus negatively impacting the volumes. Though, this particular change in taxation is small in absolute terms, and markets were able to recover quickly from its impact, increase in taxes decreases the overall attractiveness of derivative markets in India and any further increase in taxes may cause a permanent decline in the derivative volumes in India (*source: Exchange disclosures, Oliver Wyman research and analysis*)

Other asset classes

While cash equities and equity derivatives will be the key drivers of growth for market infrastructures in coming years, other asset classes including currency, interest rate and commodity derivatives, bonds and ETFs are also expected to witness a strong growth. Developed economies have large portion of their turnover coming from trade of currency and interest rate (IR) derivatives. However, India has small turnover for FX and IR derivatives due to a number of structural reasons such as absence of bond markets, restrictions on participation (includes outright bans (e.g., resident individuals could not participate in currency markets until recently) or regulatory restrictions on some kinds of activities (for example, banks are prohibited from adopting long positions on interest rate futures)).

a. Currency derivatives

In FY14, SEBI tightened exposure limits in FX derivatives to check large scale speculation and avoid the fall in rupee value which led to a sharp decline in trade volume in currency derivatives. However, it is expected that going forward, the markets will grow further on the back of growth drivers and achieve a sizeable market in next 5-7 years.

Growth in FX derivative segments will be driven by greater ‘globalisation’ of Indian economy leading to greater need for hedging, greater participation of FIIs, stable rupee levels and reduced capital controls (causing shifting of overseas Non Derivative Fund volumes to onshore).

While there is a risk of restrictions on FII participation in FX derivatives markets in India, it is expected that growth drivers will help FX derivatives market in India to potentially grow at an annual rate of 10-15%. It is observed that a number of enablers will be required to support the strong growth in currency derivatives market. These include:

- **Regulatory response strategies:** Due to a perceived rise in speculative trading in currency futures which led to fall in rupee levels, SEBI placed limits on trading of FX derivatives in FY14 which led to a decline in trading volumes. Though the SEBI restrictions were removed once the rupee levels stabilised and the volumes are back to an upward trajectory, continued stability of rupee levels (as compared to a fall driven by speculative trading) will be required to avoid future regulatory intervention and ensure continued growth in volumes
- **Ease in regulations on ECB:** RBI is taking initiatives to relax regulations to develop currency derivative markets in India. Recent example includes relaxation of cap on External Commercial Borrowings from USD 500 mm to USD 750 mm. This allows firms to raise larger amounts in foreign currencies creating a stronger need for currency risk hedging leading to a stronger demand for FX derivatives. These continued initiatives are required to help grow the currency derivative markets in India
- **Ease of foreign investor participation in Indian currency markets:** Foreign investors could only participate in currency markets in India to hedge an underlying exposure. In 2014, RBI changed this regulation to allow foreign investors to participate in currency derivative markets in India to the extent of USD 10 mm without any underlying exposures which was further increased to USD 15 mm in 2015. This gradual relaxation of norms for foreign investor participation in currency markets will be crucial for development of currency markets in India
- **Increase in trading time:** India allows currency trades in four currency pairs: USD-INR, GBP-

INR, EUR-INR, and JPY-INR. Due to time zone differences, there are often significant developments that impact the currency markets after trading has closed for the day in India. As a result, investors trading on Indian exchanges lose out on an opportunity to trade based on these developments. Increasing trading time on Indian exchanges to allow investors to make the most of these developments will encourage greater participation leading to higher volumes.

- **Introducing new cross-currency pairs:** RBI introduced three new cross-currency pairs (GBP-INR, EUR-INR, and JPY-INR) last year which led to an increase in volumes in currency markets. Introduction of more cross-currency pairs which are in demand among investors will also help push the volumes further

b. Interest rate derivatives

On the other hand, interest rate derivatives in India have a small base and have a potential to grow strongly in the next five years.

Growth in interest rates derivative segments will be driven by lifting of restrictions pertaining to IR derivatives trading and establishment of arbitrage free yield curve. Additionally, it is observed that following enablers will be required support growth of interest rate derivatives market in India:

- **Launch of more tenures in interest rate futures:** currently, IRFs are permitted on 6-, 10- and 13-year government securities and 91-day treasury bills. Introduction of more tenures will provide greater flexibility to participants to choose a product suitable to them increasing volumes
- **Development of bonds market in India:** IRFs are mainly used by holders of government bonds to hedge their interest rate risks. A developed bonds market will help IR derivatives market to grow as well
- **Relaxation of participation in IR derivatives market:** The restrictions on participation in IR derivatives market have been gradually relaxed with participation of FIIs and retail investors now permitted. However, most entities can only participate in the IR derivatives market to hedge interest rate risk. Gradual relaxation of these restrictions will be crucial for development of IR derivatives market in India
- **Focus from regulators to develop the market:** Both RBI and SEBI have taken been taking active measures to develop the IR derivatives market in India. These initiatives need to continue to fuel further growth of IR derivatives market

As a result, it is estimated that IR derivatives market in India has a potential to grow at annual rate of 15-20% over the next 5 years.

c. Commodity derivatives

India commodity derivative market has seen a sharp decline since seeing its peak in FY12 due to imposition of commodities trading tax (CTT) of 0.01% on derivatives trading in non-agricultural commodities in 2013. We expect that a number of initiatives launched by regulators will be key enablers for the growth of commodity derivative markets in India:

- Increased focus of government on price discovery of agricultural produce
- Potential disruptive growth in turnover of agricultural derivatives due to adoption of e-mandi model
- Guidance from RBI to banks to manage commodities risk of borrowers for agricultural commodities

However, there is a risk that primary focus of regulator in the near term may be more on risk management (as opposed to market development). As a result, it is estimated that market for commodities derivatives in India will witness a growth of 0-10% over the next 5 years.

d. Corporate bonds

Compared to emerging markets and developed market peers, corporate bond markets in India are small in terms of outstanding issuances as well as turnover

A number of initiatives launched by the regulators will be the key enablers for growth of corporate bond markets in India:

- Introduction of an electronic auction platform by SEBI for primary debt offers to develop an enabling eco system for private placement market for corporate bonds
- RBI has released guidelines to encourage large corporates to access a certain portion of their financing needs through capital markets instead of the banking channel
- Expansion of investment basket of foreign portfolio investors to include debt securities
- Hike in partial credit enhancement - RBI has increased partial credit enhancement for corporate bonds from 20% to 50%
- RBI is in the process of drafting guidelines to accept corporate bonds as collateral for RBI's liquidity adjustment facility operations
- Set-up of a dedicated fund by LIC of India to provide credit enhancement to infrastructure projects. The fund will help in raising the credit rating of bonds floated by infrastructure companies and will facilitate investment from long term investors
- Development of a complete repository for corporate bonds, covering both primary and secondary market segments in plans by RBI and SEBI

If implemented well, these initiatives could reduce the reliance on the banking system and establish a robust avenue for corporate funding. However, there is a risk that ongoing emphasis on building exchange traded derivatives (ETD) market for credit and credit derivatives may dilute the focus on debt market. As a result of these drivers and risk factors, it is estimated that the bonds market in India has a potential to grow at an annual growth rate of 5-10% over the next 5 years. For India to witness a stronger growth in corporate bond markets, as explained earlier, regulators will have to push initiatives for development of the debt market in India.

e. ETFs

ETF market in India is still in its nascent stage with most of equity ETFs launched within the past couple of years. While Gold ETFs formed a major part of underlying AUM, they have seen a decline in the recent years causing a decline in ETF volumes. However, driven by pickup of equity ETFs and increasing awareness of ETFs in the market, ETF volumes have grown in 2015 and are expected to grow further driven by regulatory initiatives.

A number of initiatives launched by the regulators will be key enablers for the growth of ETFs market in India:

- Government's plan to use ETFs to operationalise divestment of its stake in state-owned firms and other corporate entities
- SEBI's initiative to clear ETFs quicker than mutual funds
- Lower annual expense ratio for ETFs as compared to mutual funds

However, there is a risk that ETFs market may not see substantial growth due to lack of proactive regulator initiatives to develop the ETF market. With these drivers and risk factors, it is estimated that ETF market in India has a potential to grow at 0-5% over the next 5 years.

Outlook for growth by services

Indian exchanges have a strong presence in services and service offerings which is expected to grow further

a. Listing services

Indian economy looks towards having more IPOs in the future driven by strong economic fundamentals, favourable policy climate and strong investor confidence. This is expected to drive the growth of listing revenues for Indian exchanges. In terms of revision to fee schedule, considering that there has been a revision recently, another revision in not expected in near future. With this, **it is expected that listing fees in India will potentially grow at 15-20% over the next 5 years.**

b. Data services

Data revenues in the Indian market have grown steadily at 14% CAGR over the past 5 years. However, data revenues are still under-leveraged as compared to other global peers indicating potential for strong upside.

It is expected that the market for data revenues in India will exhibit a strong growth in the coming years driven by opportunities to launch new product offerings and increased focus on driving data related revenues. However, two specific risks remain which may pose challenges for growth in data services: I) Reluctance to pay fees for data services in the Indian market; ii) Competition from global players (e.g. Bloomberg) as well as domestic exchanges and other data businesses.

Overall, it is estimated that market data revenues will maintain their past growth rate and potential to grow annually by 15-20%.

c. Index services

Historically, index products and services in India has been a growing segment with main revenue coming from licensing fee for usage of indices as an underlying for different products like index funds, ETFs and other structured financial products. Though, over the years, index licensing outside India has also been a major driver of revenue growth.

Globally, the market for index products and services is split between a few leading specialist index players and index businesses of banks and exchanges.

It is expected that revenues from index services can further grow for the Indian market by expanding product offering to beyond equities. With this, it is expected that revenues from index services will potentially grow at 15-20% over the next 5 years.

Emerging growth opportunities

Over the past couple of years, different steps of the market infrastructure value chain have seen different revenue pool growth. The different steps of the infrastructure value chain include solutions and services around data, the building of utilities (e.g. around areas of post-trade) and solutions around collateral management. The development of international financial centres and the advent of disruptive trading platforms and technologies are further topics highlighted in this context.

Data related services and solutions

Currently, revenues from data services make up a small proportion of revenues for Indian exchanges (approximately 3%). This is significantly lower than the share of revenues from data services at peer exchanges – ranging from 5-7% for emerging market exchanges (IDX, Bursa Malaysia, BM&F Bovespa, SET) and 10-35% for developed market exchanges (DBAG, SGX, KRX, LSE, NYSE, NASDAQ). On average, data business is a reliable revenue source for international stock exchanges, accounting for approximately 15-20% of total revenues for stock exchanges in developed economies. Similarly, index services have been a key area of focus for global exchanges. These products and offerings are under-developed in India and represent a key area for future growth opportunity.

Regarding market and reference data, most developed exchange groups have introduced sophisticated products to provide value-add to their clients and mitigate the risk of market data commoditization. This includes products that bundle data from multiple exchanges, innovative delivery methods (e.g. portals/apps) and customized solutions.

Exchanges without international reach and/or relatively small market cap are increasingly looking to launch international or specialist indices in cooperation with globally established index providers. This also opens up opportunities for trading of the corresponding ETFs on their platforms.

Most advanced exchange groups have expanded their product portfolio into the analytics/tools part of the market data value chain. This includes portfolio and risk management tools (mostly for the buy-side) as well as charting, pricing and technical analysis tools.

The broadened offering helps these peers to better serve their clients' needs and diversify/stabilize their revenue base. In the Indian market, growth opportunities exist in all areas around data distribution and advanced analysis/data products.

Utility building

Changing market conditions on both supply and demand side in capital markets create a strong rationale for alternative sourcing models. On one hand, market infrastructure industry now has the ability to address the need for simplification and mutualisation. On the other hand, there is a burning platform for change, especially for regional/domestic exchanges and Investment banks that lack scale to reach a competitive cost-per-trade compared to Tier one banks. The European players Clearstream/Eurex Clearing and Euroclear can serve as templates for services to add around the settlement step of securities transactions, as can “securities transactions banks” such as dwpbank in Germany, or similar services now offered by a joint venture partnership of Broadridge and Accenture.

For the Indian exchanges, there may be opportunities for value-added services around corporate action processing both on the corporate and the bank-side.

Collateral management

Globally, structural deepening of rates and FX futures markets is expected to drive listed derivative volumes upwards, nearly doubling by 2018. Bilateral trades experience the largest increase in collateral requirements as regulation bites; futurization will also shift collateral to exchanges. Europe and the US are expected to experience similar degrees of futurization by 2018, while Asia lags in both markets due to a delayed regulatory timeline. The global stock of highly-rated collateral is sufficient to meet higher demands, but clients will need increased support in accessing it.

Collateral management is one of the areas where opportunities for MI players exist – globally as well as in India. While regulations in India may not yet require sophisticated collateral management services to the same extent as in Europe or the US, Indian exchange groups can initiate capability building efforts for such services.

International Financial Centres

Exchange groups depend on their domestic market environment, but eventually also on their potential to attract international business such as ties to the operations of major banks that set up shop in International Financial Centres (IFCs) and international bonds or funds listings from large corporates that operate globally.

Market infrastructures in emerging economies are therefore showing increased interest in supporting regional or national governments in their efforts to increase the visibility of their main hubs as IFCs.

In India, of all the IFCs being planned, considerations have advanced the furthest for GIFT city initiative in Gujarat. While RBI and SEBI have specified regulations for setting up International Banking Units and market infrastructures, a number of key areas remain to be addressed for GIFT City to be successful – for example, introduction of capital account convertibility, clearance of bankruptcy laws and rationalization of tax structures. If these pre-requisites are addressed, the revenue potential from an IFC like GIFT city can be sizable.

Disruptive trading platforms and technologies

Last but not least, the exchange landscape is undergoing technological change in several aspects. New technologies such as block-chain are poised to overhaul parts of the trading value chain. Markets are becoming more fragmented in developed markets as banks launching their own alternative trading systems (dark pools) and increasing numbers of exchanges and other trading facilities opening for business. Similarly, some exchange groups are developing to become technology providers for others.

All of these trends can play out in the Indian market and can be used by the incumbent exchange groups to their advantage if they act swiftly and decisively.

SUMMARY OF OUR BUSINESS

Investors should note that this is only a summary of our business and does not contain all information that should be considered before investing in the Equity Shares. Before deciding to invest in the Equity Shares, prospective investors should read this entire Draft Red Herring Prospectus, including the information in “Risk Factors” and “Financial Statements” beginning on pages 19 and 214, respectively. An investment in the Equity Shares involves a high degree of risk. For a discussion of certain risks in connection with an investment in the Equity Shares, see “Risk Factors” beginning on page 19.

Overview

We are the leading stock exchange in India and the fourth largest in the world by equity trading volume in 2015, according to WFE. We own and manage the NIFTY 50 index, a leading benchmark for the Indian capital markets. We offer comprehensive coverage of the Indian capital markets across asset classes, including equity, fixed income and derivative securities. We have a fully-integrated business model comprising our exchange listings, trading services, clearing and settlement services, indices, market data feeds, technology solutions and financial education offerings. We also oversee compliance by our trading and clearing members and listed companies with the rules and regulations of our exchange.

We ranked first among exchanges globally in terms of stock index option and currency option trading volumes in 2015, according to WFE. We also ranked second among exchanges globally in terms of single stock future contracts trading volume and currency future contracts trading volume in 2015, according to WFE.

We began operations in 1994 and have ranked as the largest stock exchange in India in terms of total turnover and average daily turnover, or ADT, for equity shares every year since 1995, based on annual reports of SEBI. We have leading market shares by total turnover of 85% in equity cash trading, 94% in equity derivatives trading, 59% in currency derivatives trading, 79% in interest rate derivatives trading, 77% in ETFs trading, 80% in corporate bonds trading for fiscal 2016, according to the Oliver Wyman Report.

Securities are listed and traded on two markets within our exchange: our cash market and our derivatives market. Our cash market can be categorized into our equity cash market for equities and equity-linked securities and our debt cash market for fixed income securities. There were 1,822 companies with a combined market capitalization of ₹ 108,660,631.3 million listed on our equity cash market as of September 30, 2016. Trading in our cash market represented 5.7% and 5.2% of total trading volume on our exchange in fiscal 2016 and the six months ended September 30, 2016, respectively.

Our derivatives market offers trading in various forms of derivatives, such as futures and options on stocks and domestic and global indices, currency futures and options and interest rate futures. Trading in derivatives represented 94.3% and 94.8% of total trading volume on our exchange in fiscal 2016 and the six months ended September 30, 2016, respectively.

Our vertically-integrated business model includes our post-trade and non-trading businesses, which are intended to serve the investment community’s diverse needs and provide us with complementary sources of revenue. Our clearing corporation and Subsidiary, the National Securities Clearing Corporation Limited, or NSCCL, provides clearing and settlement services for our exchange to support our members throughout the lifecycle of a trade. NSCCL was the first clearing corporation established in India, according to the Oliver Wyman Report.

Our Subsidiary, India Index Services and Products Limited, or IISL, owns and manages a portfolio of 67 indices under our NIFTY brand as of September 30, 2016, including our flagship index, the NIFTY 50. Our NIFTY indices are used as benchmarks for products traded on our exchange and globally and as indicators of the Indian economy and capital markets. NIFTY indices served as the benchmark index for 38 ETFs listed in India and 12 ETFs listed abroad as of September 30, 2016. Derivatives benchmarked to NIFTY indices were also available for trading on four international stock exchanges as of November 30, 2016, pursuant to cross-listing arrangements and license agreements that we have entered into with the Singapore Exchange, the Chicago Mercantile Exchange, the TAIFEX and the Osaka Exchange.

Our Subsidiary, DotEx International Limited, or DotEx, operates our data feed business, which distributes real-time and proprietary market information to global data vendors, as well as to financial institutions and individual investors. We offer outsourced IT services and financial education through our wholly-owned Subsidiaries, NSEIT Limited, or NSEIT, and NSE Academy Limited, or NSE Academy, respectively. We also have investments in complementary businesses, including mutual fund registry services, back-end exchange support services for our platforms, depository services, e-corporate governance, mobile trading solutions and commodity, power and receivables exchanges.

We have an “anywhere, any asset” trading platform that supports trading in all products listed on our exchange and offers web-based desktop, mobile and tablet functionality. We have a pan-India, high-speed network, which supported more than 181,524 terminals connecting to our platforms as of September 30, 2016. Our scalable technology platform is capable of handling high trading volumes, including high-frequency trading and trading through co-location facilities, and to readily add capacity to support increased trading volume. We have developed components of our technology platform in house, as well as improvements to certain of our third-party developed or licensed technologies, including the National Exchange for Automated Trading, or NEAT, system, our screen-based trading system.

We were recognized as Indian Exchange of the Year for 2014 by Futures & Options World and received the CII EXIM Bank Excellence Prize for 2014 and 2016, the IMC Ramkrishna Bajaj National Quality Certificate of Merit for 2014 and the Best Derivatives Providers Performance Award for 2014 from Global Finance.

Our total income has grown at a rate of 31.0% to ₹ 23,591.7 million in fiscal 2016 compared to ₹ 18,010.1 million in fiscal 2012. Our net profit after tax attributable to equity shareholders increased 10.2% to ₹ 9,752.1 million in fiscal 2016 compared to ₹ 8,848.7 million in fiscal 2012. Our EBITDA increased to ₹ 16,040.3 million in fiscal 2016 compared to ₹ 13,792.7 million, in fiscal 2012. In the six months ended September 30, 2016, we had total income of ₹ 13,435.1 million, net profit after tax attributable to equity shareholders of ₹ 5,883.2 million and EBITDA of ₹ 9,151.4 million. Reflecting the increased diversification of our business, our revenues from operations (excluding transaction charges from trading on our exchange) increased 16.6% from ₹ 5,967.5 million in fiscal 2012 to ₹ 6,959.7 million in fiscal 2016 and income from investments (excluding operating investment income) increased 18.6% from ₹ 3,914.3 million in fiscal 2012 to ₹ 4,643.9 million in fiscal 2016. For a reconciliation of EBITDA, which is a non-GAAP measure, to our net profit after tax as restated, see “Management’s Discussion and Analysis of Financial Condition and Results of Operations – Results of Operations” beginning on page 439.

Our consolidated net worth attributable to equity shareholders was ₹ 68,676.7 million and ₹ 70,574.7 million as of March 31, 2016 and September 30, 2016, respectively, compared to ₹ 52,660.0 million as of March 31, 2012. We had cash and cash equivalents and bank balances other than cash and cash equivalents (including other non-current bank balances, earmarked deposits and balance in escrow account) aggregating to ₹ 74,383.6 million, ₹ 50,287.5 million and ₹ 89,377.3 million as of March 31, 2012 and 2016 and September 30, 2016, respectively. We had no outstanding loans or borrowings as of March 31, 2016 and September 30, 2016.

Our Competitive Strengths

Market leader in India and a leading stock exchange globally

We ranked as the largest stock exchange in India in terms of total and average daily turnover for equity shares every year since 1995, based on annual reports of SEBI. We began operations in 1994 and have ranked as the largest stock exchange in India in terms of total turnover and average daily turnover, or ADT, for equity shares every year since 1995, based on annual reports of SEBI. We have leading market shares by total turnover of 85% in equity cash trading, 94% in equity derivatives trading, 59% in currency derivatives trading, 79% in interest rate derivatives trading, 77% in ETFs trading, 80% in corporate bonds trading for fiscal 2016, according to the Oliver Wyman Report. We ranked first among exchanges globally in terms of stock index option and currency option trading volume in 2015, according to WFE. We also ranked second among exchanges globally in terms of single stock future contracts trading volume and currency future contracts trading volume in 2015, according to WFE. Our sustained leadership positions across asset classes in the Indian and global exchange sectors demonstrate the robustness and liquidity of our exchange backed by our advanced technology platform and risk management framework.

We believe that the scale and breadth of our products and services, our sustained leadership positions across multiple asset classes in India and globally and our integrated business model enable us to be highly reactive to market demands and changes and deliver innovation in both our trading and non-trading businesses and to provide high-quality data and services to market participants and clients. We also believe that our leadership positions in trading volumes help to attract additional participants to our exchange, which in turn results in more efficient price discovery, attracts additional listings on our exchange, generates trading activity that maintains our trading fee structure and drives demand for our data and index products. We have leveraged high trading volumes in existing products, particularly in our derivatives market, to expand our trading and non-trading product offerings, introducing new derivative and other structured products for trading, new NIFTY indices to track different market sectors and support for algorithmic trading through our co-location facilities in response to the evolving needs and expectations of high volume and high frequency traders.

Strong track record of growth in an Indian economy poised for further growth

Real GDP growth in India was 5.6%, 6.6%, 7.2% and 7.6% in 2012, 2013, 2014 and 2015, respectively, according

to the Oliver Wyman Report. India is projected to be among the fastest growing economies in the world between 2016 and 2020 and is expected to become the third largest economy in the world by 2030, with GDP approximately tripling to \$7 trillion by 2030, according to the Oliver Wyman Report. Foreign direct investment into India has steadily increased from approximately USD 24 billion in calendar year 2012 to approximately USD 44 billion in calendar year 2015 and approximately USD 32 billion in the nine months ended September 30, 2016, according to the Oliver Wyman Report. Per capita savings in India has increased at an annual growth of approximately 10% per year between 2006 and 2015, from ₹ 7,478 per person in 2006 to ₹ 18,063 per person in 2015, according to the Oliver Wyman Report. Financial assets comprise an increasing share of total savings of households in India, rising from 33% of total savings in fiscal 2013 to 40% in fiscal 2015, according to the Oliver Wyman Report. India's workforce is expected to increase to 940 million and account for nearly 67% of the total population of India by 2021, which is expected to drive strong demand and growth across most sectors and industries, according to the Oliver Wyman Report.

Mobile and internet penetration in India increased from 150 million users and 33 million users, respectively, in 2006 to 1,010 million users and 340 million users, respectively, in 2015, according to the Oliver Wyman Report. We anticipate that the growth of the Indian economy, together with continued focus on economic liberalization by the Government of India, or GoI, will lead to an expansion of the Indian capital markets and opportunities for us to further expand our business in the future.

We have a strong track record of growth alongside the Indian economy. Our NIFTY 50 index, a well-recognized and widely-used indicator of market activity in India, increased from 5,295.55 points as of March 31, 2012 to 7,738.40 points and 8,611.15 points as of March 31, 2016 and September 30, 2016, respectively, demonstrating the strong recent growth of the Indian capital markets. Total turnover in our cash market increased from ₹ 28,108,931.9 million in fiscal 2012 to ₹ 42,369,828.4 million and ₹ 24,174,891.6 million in fiscal 2016 and the six months ended September 30, 2016, respectively. Our initiatives to increase trading volumes as the Indian economy expanded have included the introduction of new products for trading, such as futures and options on new currency pairs, new indices and interest rates, trading in mutual fund units and offer for sale bidding, and improvement of our trading technology and platforms.

Comprehensive and innovative product and service offerings delivered through a vertically-integrated business model supported by a robust risk management system

Our integrated business model provides comprehensive pre- and post-trade products and services for our trading members and market participants throughout the entire life cycle of a trade. Our model provides us with revenue sources and innovation opportunities complementary to our listing and trading businesses and is summarized below.

Value Chain	Organization	Products / Services / Functions
Listing	NSE	Issuer listing interface for IPOs, further issuances and private placements. New trading product development and regulatory interfacing. SEBI Listing Regulations compliance monitoring.
Trading	NSE	Cash market: trading in equities (corporate stocks, SME stocks, ETFs, mutual fund units and securities lending and borrowing) and fixed income securities (government and corporate bonds, sovereign gold bonds and other debt securities). Derivatives market: trading in equity (stock, index and volatility), currency and interest rate futures. Risk management for all asset classes. See “– Post-Trade – Risk and Collateral Management” beginning on page 168.
Clearing & Settlement	NSCCL ⁽¹⁾	Traditional clearing and settlement services and collateral management and risk management for all asset classes, provided by NSCCL to our Company.
Indices	IISL ⁽¹⁾	Indices: broad market, sectoral, thematic, strategy and fixed income.
Data Feeds	DotEx ⁽¹⁾	Data vending: real-time, delayed and historical data. KYC Registration Agency and service provider for central KYC. NEAT-On-Web, or NOW: web-based and mobile trading through licensed

Value Chain	Organization	Products / Services / Functions
		software.
Technology	NSEIT ⁽¹⁾	Commercial technology: Testing Centre of Excellence, application services, infrastructure management, assessment services, Integrated Security Response Centre and analytics as a service, focused on external clients such as BFSI clients.
	NSE Infotech ⁽¹⁾	Exchange technology: Trading platforms and infrastructure and IT risk and compliance focused on our own value chain.
Financial Education	NSE Academy ⁽¹⁾	Financial literacy programs.

Note:

(1) Wholly-owned Subsidiary of NSE.

We also have investments in complementary businesses, including mutual fund registry services, back-end exchange support services for our platforms, depository services, e-corporate governance, mobile trading solutions and commodity, power and receivables exchanges.

We continue to expand the range of our asset class coverage as well as the products and services that we offer. In our trading business, we have launched trading in NSE Bond Futures II, India VIX futures, and derivatives on our NIFTY 50 index, additional tenors on interest rate futures and sovereign gold bonds. In our data feed business, we are developing new types of data products to complement our existing data offerings.

We have pursued innovation in our non-trading business to diversify our sources of revenue while strengthening our trading business. Since our joint marketing agreement with Standard and Poor's Financial Services in respect of our NIFTY indices ended in 2013, we have introduced new indices and grown our revenues from indices and data offerings. To encourage trading among domestic retail investors, we offer web-based and mobile internet trading through licensed NOW software and introduced financial education programs to teach foundational principles of investing and money management.

To attract investors to our exchange, we must instill investor confidence in the safety of our markets, which has driven us to strengthen our Investigation and Surveillance Department and our risk and collateral management facilities. Our risk-management system operates continuously online to set and update margin requirements for members and monitor our risk management functions. As part of our risk management framework, we maintain a Core Settlement Guarantee Fund with total assets of ₹ 9,973.0 million and ₹ 15,577.0 million as of March 31, 2016 and September 30, 2016, respectively, compared to ₹ 6,754.7 million as of March 31, 2015.

Advanced technology platform with a track record of innovation

Our advanced electronic systems for trade execution and post-trade services, including clearing, settlement and risk management, provide reliable and consistent transaction execution and settlement, which helps us to maintain our competitive position. We have an experienced team of IT professionals, supported by select third-party IT vendors, to operate and support our infrastructure and software and create and implement new technologies. We have developed components of our technology platform in house, as well as improvements to certain of our third-party developed or licensed technologies, including the National Exchange for Automated Trading, or NEAT, system, our screen-based trading system. We also license the NOW trading software that provides connectivity to our exchange through trading terminals, web-based browsers and mobile devices.

Our electronic systems deploy real-time hardware and software monitoring and analytics with self-correction capability, predictive behavior technology and surveillance of known failure points and unexpected events. To avoid outages or disruptions, we ensure that our systems have built in redundancy and excess capacity at all times, implemented regular testing protocols and adopted continuous obsolescence planning to keep our hardware and systems updated. To minimize cyber security threats, we have implemented a security framework to prevent and detect system intrusions and internal and external security tools. Our systems have processed an average of approximately 743 million messages per day for the six months ended September 30, 2016

We are a pioneer in technology and ensure the reliability and performance of our systems through our culture of innovation and investment in technology. Our investments in technology (including hardware and software) increased to ₹ 8,400.6 million and ₹ 8,831.0 million in fiscal 2016 and the six months ended September 30, 2016, respectively, from ₹ 6,063.5 million in fiscal 2012. We have adopted real-time risk monitoring for trading on our

exchange. Our launches of electronic, screen-based trading in 1994 and derivatives trading (in the form of index futures) were each the first of their kind in India. We launched internet trading in 2000, electronic filing system for listed companies, direct market access, co-location facilities and our mutual fund trading platform in 2009 and mobile trading for investors in 2010.

Strong and diverse financial profile across established and high-growth business lines

We have enjoyed strong financial results in the past. Our total income has grown at a rate of 31.0% to ₹ 23,591.7 million in fiscal 2016 compared to ₹ 18,010.1 million in fiscal 2012. Our net profit after tax attributable to equity shareholders increased 10.2% to ₹ 9,752.1 million in fiscal 2016 compared to ₹ 8,848.7 million in fiscal 2012. Our EBITDA increased to ₹ 16,040.3 million in fiscal 2016 compared to ₹ 13,792.7 million, in fiscal 2012. In the six months ended September 30, 2016, we had total income of ₹ 13,435.1 million, net profit after tax attributable to equity shareholders of ₹ 5,883.2 million and EBITDA of ₹ 9,151.4 million. Reflecting the increased diversification of our business, our revenues from operations (excluding transaction charges from trading on our exchange) increased 16.6% from ₹ 5,967.5 million in fiscal 2012 to ₹ 6,959.7 million in fiscal 2016 and income from investments (excluding operating investment income) increased 18.6% from ₹ 3,914.3 million in fiscal 2012 to ₹ 4,643.9 million in fiscal 2016.

We have a strong balance sheet and have accumulated significant financial resources which provide us with strategic flexibility to grow our business. Our consolidated net worth attributable to equity shareholders was ₹ 68,676.7 million and ₹ 70,574.7 million as of March 31, 2016 and September 30, 2016, respectively, compared to ₹ 52,660.0 million as of March 31, 2012. We had cash and cash equivalents and bank balances other than cash and cash equivalents (including other non-current bank balances, earmarked deposits and balance in escrow account) aggregating to ₹ 74,383.6 million, ₹ 50,287.5 million and ₹ 89,377.3 million as of March 31, 2012 and 2016 and September 30, 2016, respectively. We have a large and diversified long-term investment portfolio that totalled ₹ 39,230.5 million and ₹ 34,804.2 million as of March 31, 2016 and September 30, 2016, respectively. Our investment policy is governed by the SEBI guidelines, which limits our exposure to certain classes of assets that may be exposed to greater degrees of risk. See “Management’s Discussion and Analysis of Financial Condition and Results of Operations – Key Components of Our Restated Consolidated Statement of Profit & Loss – Income – Income from Investments” and “Risk Factors – Internal Risks – Declines in interest rates may adversely affect our results of operations and financial position” on pages 437 and 23, respectively.

Our diversified business model reduces our dependence on our trading business. In fiscal 2016 and the six months ended September 30, 2016, 37.3% and 36.8% of our revenue from operations, respectively, were generated from sources other than our trading services and income from investments of deposits received from trading members, including annual listing fees, revenues from our data feed and index businesses and rack space rental and connectivity charges related to co-location services. These sources have generally provided us with predictable sources of revenue from year to year. Though diversified, our businesses are complementary, allowing us to leverage strong performance in individual products to increase our revenue streams throughout our vertically-integrated value chain.

Experienced and skilled management team

Our management team has extensive experience in financial market operations with a demonstrated ability to innovate and grow our business. Our management has strong sector-specific operational and management expertise and an understanding of the key opportunities and risks associated with our industry and our business. Our management team is supported by our Board of Directors, which has extensive executive leadership experience in the public and private sectors across business, regulation and technology.

We have implemented management training, development and progression plans to support our long-term operations. We periodically rotate members of our management team and non-management employees to different departments or businesses, which we believe contributes to the integration of our model and facilitates innovation.

Our Business Strategies

We seek to maintain the market leadership position of our exchange through the following strategies:

Diversify our product and service offerings and maintain new product innovation and development

We intend to further diversify our product and service offerings in our trading and non-trading businesses through innovation and investment in high-growth areas of our businesses.

Changes in listing and trading regulations by the GoI have in the past created, and may create future opportunities for us to introduce new products for trading on our exchange. For example, we have focused on increasing our listings of ETFs since the GoI eased its regulations in August 2015 to permit greater investment in ETFs by

provident funds. The SEBI has promulgated regulations for the listing of real estate investment trusts, or REITs, and infrastructure investment trusts, or InvITs, and may authorize new investment products in the future, creating new opportunities for us to offer trading in new asset classes, particularly in our cash market. We also have numerous new products under development for which we are awaiting the SEBI's approval to launch, particularly in our derivatives business.

We believe that there is strong growth potential for our debt cash market as the majority of fixed income trading activity in India is still concentrated in the OTC market. The GoI is focused on growing India's debt capital market and the Working Group on Development of Corporate Bond Market in India issued recommendations to improve the regulatory framework for India's debt market in its August 2016 report. In anticipation of greater interest in fixed income trading in the future, in June 2016, we launched our NSE Electronic Debt Bidding platform for private placement issuances of fixed income securities.

We are actively evaluating potential new opportunities in our index and data feed businesses to build on our established NIFTY indices and market data offerings. For example, we plan to continue licensing our NIFTY indices for use as benchmarks for derivative and other structured products listed in India and globally. We also plan to explore opportunities to broaden our data product offerings to remain competitive in the market data industry. In addition, our Subsidiary, DotEx, was selected by the Central Registry of Securitization Asset Reconstruction and Security Interest of India, or CERSAI, as the managed service provider for CERSAI's central KYC registry, which was launched in July 2016.

Our vertically-integrated business model also presents opportunities for cross-selling between our business lines and throughout the value chain. We remain focused on encouraging more of our exchange members to trade in multiple categories of assets on our exchange, attracting our financial education clients to our exchange, marketing our index and data products to our more sophisticated traders and pursuing other cross-selling opportunities that our business model creates.

In our commercial technology business, we plan to develop new offerings focused on IT-enabled management services and analytics as a service. We anticipate our products and services will support product excellence, digital transformation, cloud and total outsourcing and cyber security and intelligence, particularly among banking and financial services clients. We may also seek out inorganic growth opportunities, including in the areas of digital transformation and technology security services.

Increase trading volumes by attracting new issuers and investors to our exchange

We are focused on improving liquidity on our exchange by attracting new issuers, strengthening our domestic investor base and making our exchange more accessible to foreign investors. We plan to target new types of issuers looking to access the Indian capital markets to list on our exchange. For example, we launched our EMERGE and EMERGE-ITP platforms to provide tailored listing alternatives for Indian SMEs seeking access to capital. We are reaching out to state governments to recommend the launch of SME-focused investment funds to expand the institutional investor base and attract more SMEs to our platforms. We conduct financial education workshops through NSE Academy to develop a new generation of investors. As the regulatory environment in India changes, we intend to diversify our listing acquisition campaigns to target new categories of issuers that become eligible for public listings in India. By continuously enhancing the quality of our exchange, we will also seek to encourage Indian companies listed or considering listing abroad to instead list on our exchange.

Our strategy to strengthen our investor base is focused on accommodating the evolving trading needs and expectations of institutional and other sophisticated traders and investors. We have rolled out co-location facilities on our premises and provide direct market access connections to our trading systems. We are in the process of further modernizing our trading infrastructure for algorithmic and high-volume trading and expanding our suite of derivative products. In addition, we plan to regularly update our traditional trading terminals and internet and mobile browser-based trading platforms to further improve reliability and trade execution.

We seek to attract additional foreign investors to our exchange and to become the domestic exchange of choice for foreign investors looking to access the Indian capital markets. We offer foreign investors access to Indian corporates, including all companies that comprise our NIFTY 50 index, and we have expanded our index and currency derivatives offerings to provide foreign investors with more opportunities to gain exposure to the Indian capital markets. We expect to continue our international marketing efforts in select markets, which in the past have entailed participation in conferences, trade shows, roadshows and meetings with institutional investors in Singapore, Hong Kong, New York and London. We have also sought approval from the U.S. Commodity Futures Trading Commission in August 2007, which we updated in December 2015, to expand our marketing and customer acquisition efforts in the United States and plan to explore additional opportunities to increase our international footprint and outreach.

Finally, we continuously evaluate and refine our pricing strategy for each class of assets traded on our exchange and offer incentive schemes for individual asset classes from time to time.

Maintain and upgrade infrastructure and technology

We believe that our advanced electronic systems for trade execution and post-trade services are our competitive strength. We are committed to continually improving our core IT capabilities and platform infrastructure in order to maintain our systems' reliability, performance and security and enhance our customers' experience. We have regularly allocated substantial resources towards upgrading our information technology systems and infrastructure, with the over-arching goals of achieving higher capacity and lower latency, improving market efficiency and transparency, enhancing user access and providing flexibility for future business growth and market needs. We continually monitor and add processing capacity to safeguard against system disruptions during periods of high trading activity. We also seek to increase trading volume and turnover by optimizing our trading platforms to improve efficiency and reduce costs.

We plan to develop and implement initiatives to maintain and improve our system infrastructure and technology and our front- and back-end functions in response to technological developments, customer demand and competitive pressures. We are working toward integrating FinTech innovations into our businesses, including distributed ledger and block chain technology, big data analytics and machine learning. We participated in Hyperledger's Open Source Forum for blockchain technologies, are pursuing FinTech collaborations with third parties and plan to continue investing in technology innovation and working to bring FinTech-driven solutions to market in the future.

Pursue additional partnerships and collaborations in the global exchange ecosystem

We intend to further increase our brand recognition and diversify our product and service offerings by pursuing partnerships and collaborations with other leading global stock exchanges, market participants, technology providers and financial institutions throughout the global exchange ecosystem.

We have entered into cross-listing and licensing arrangements with the Singapore Exchange, the Chicago Mercantile Exchange, the Osaka Exchange and the TAIFEX to provide for trading of derivatives benchmarked to our NIFTY 50 index and other NIFTY indices on foreign exchanges. As a result of these partnerships, derivatives benchmarked to NIFTY indices are traded on four exchanges around the world, including U.S. Dollar denominated futures linked to our NIFTY 50, NIFTY Bank, NIFTY IT, NIFTY CPSE and NIFTY Midcap 50 indices traded on the Singapore Exchange, U.S. Dollar denominated futures linked to our NIFTY 50 futures traded on the Chicago Mercantile Exchange, Yen-denominated NIFTY 50 futures traded on the Osaka Exchange and New Taiwan Dollar denominated NIFTY 50 futures traded on the TAIFEX. Also in 2016, 6 ETFs linked to NIFTY indices were launched in international markets, including Hong Kong, Taiwan and South Korea. As of September 30, 2016, ETFs linked to NIFTY indices were listed on 17 exchanges in 15 countries.

Our arrangements with international stock exchanges also contribute to the liquidity of our markets. For example, our collaboration with the Chicago Mercantile Exchange enables us to offer Rupee-denominated derivatives benchmarked to the S&P 500® and the Dow Jones Industrial Average™ on our exchange. Our non-NIFTY index derivatives turnover were ₹ 77,604,283.4 million and ₹ 111,933,910.1 million in fiscal 2016 and the six months ended September 30, 2016, compared to ₹ 6,980,172.2 million in fiscal 2012.

We have entered into a memorandum of understanding with the LSE to explore opportunities for collaboration, such as the establishment of a research center in GIFT City (defined herein). We also will continue to explore organic and external opportunities to expand into new markets and products in our non-trading businesses, including in the areas of indices, data analytics, digital transformation and technology solutions.

Capture growth in the underpenetrated Indian financial markets

We intend to further strengthen our brand and market leadership position by reaching investors in more geographic locations and from different backgrounds across India. We plan to conduct investor awareness programs, pursue tie-ups with state-level education boards and universities to offer post-graduate and certificate programs and conduct conferences and seminars around our product and service offerings. Our past financial inclusion initiatives include state financial literacy programs that were developed together with the Tamil Nadu and Himachal Pradesh state education boards and are administered outside of India's metropolitan centers.

To introduce more first-time investors to the Indian markets and attract them to our exchange, our outreach, advertising and expansion initiatives seek to transform India's strong culture of saving into an "equity culture". We plan to intensify our outreach and advertising programs directed at younger Indians through our wholly-owned Subsidiary, NSE Academy, which promotes financial literacy as a necessary life skill. NSE Academy's initiatives, including partnerships with state and national school boards and schools, interactive courses on personal finance and

certification programs, teach school children, homemakers and other non-finance professionals the value of investing, provide an introduction to the Indian capital markets and help to develop new market professionals.

Amid the recent trend of increasing mobile and internet penetration in India, we license NOW, our web-based and mobile trading platform, which is targeted towards the growing number of mobile phone users in India and positions us to increase our market share among internet and mobile traders. Assuming that mobile and internet penetration increases in India, we anticipate that investment in our trading platforms will enable us to attract more members to our exchange from areas outside of India's major commercial centers.

Indian capital markets are comparatively underpenetrated with significant potential for further growth according to the Oliver Wyman Report:

- financial savings in India totalled approximately \$0.5 trillion as of 2015, comprising 56% of bank deposits and only 7% of investments in direct equities;
- foreign direct investment in India accounted for only approximately 2% of India's GDP in 2015 despite increasing from \$28 billion to \$34 billion to \$44 billion in 2013, 2014 and 2015, respectively; and
- in 2015, India's market capitalization to GDP ratio was 73% compared to 140% in the United States, and India's cash turnover velocity was 53% compared to 268% in the United States.

Establishment of an international exchange in GIFT City

We have incorporated two Subsidiary companies, NSE IFSC Limited and NSE IFSC Clearing Corporation Limited, and applied to the SEBI for in-principle approval to establish international exchange and clearing corporation businesses in Gujarat International Finance Tech City – International Financial Service Centre, or GIFT City, which is a special economic zone under development to become India's first international financial services center. These proposed new businesses are intended to expand our trading business and to grow our market share by capturing trading volumes that in the past have shifted outside of India in search of lower transaction costs and higher position limits. Stock exchanges operating in the GIFT IFSC will be permitted to offer trading in securities in any currency other than the Indian rupee. Subject to SEBI approval, trading would be permitted in equity shares of companies incorporated outside of India, depository receipts, debt securities of eligible issuers, currency, index, interest rate and non-agriculture commodity derivatives and all categories of exchange traded products that are available for trading in stock exchanges in FATF/IOSCO compliant jurisdictions. NSE IFSC Limited would also be permitted to offer longer trading days than what stock exchanges are currently permitted to do. We will be conducting marketing and familiarization activities to keep prospective investors informed about the framework of operations of NSE IFSC and NSE IFSC Clearing Corporation, as we have in the past for the launch of new businesses, products, and services.

SUMMARY OF FINANCIAL INFORMATION

You should read the following summary financial information together with our consolidated Restated Financial Information and standalone Restated Financial Information as of and for the half year ended September 30, 2016, and the fiscal years ended March 31, 2016, 2015, 2014, 2013 and 2012, including the significant accounting policies and notes thereto and reports thereon beginning on pages 215 and 337. Our fiscal year ends on March 31 of each year, and all references to a particular fiscal year are to the twelve-month period ended March 31 of that year.

Our consolidated Restated Financial Information and standalone Restated Financial Information have been prepared under Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013 to the extent applicable. Our consolidated Restated Financial Information and standalone Restated Financial Information have been compiled from the audited consolidated and standalone financial statements of our Company for the respective years under the previous generally accepted accounting principles followed in India ("Indian GAAP") and from the audited condensed consolidated and standalone financial statements as of and for the half year ended September 30, 2016 prepared under Ind AS. The consolidated Restated Financial Information and standalone Restated Financial Information, as of and for the years ended March 31, 2015, 2014, 2013 and 2012, are referred to as "proforma" and are prepared after making adjustments and in accordance with applicable rules, regulations and the ICAI Guidance Note on Reports in Company Prospectuses (Revised 2016). For further information, please see the consolidated Restated Financial Information and standalone Restated Financial Information which begin on pages 215 and 337, respectively.

We have presented reconciliation between Indian GAAP and Ind AS in accordance with Ind AS 101 First-time Adoption of Indian Accounting Standard; please see Note 41 to the consolidated Restated Financial Information and Note 41 to the standalone Restated Financial Information beginning on pages 312 and 399, respectively.

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RESTATED CONSOLIDATED SUMMARY INFORMATION OF ASSETS AND LIABILITIES

(₹ in million)

	As at 30.09.2016	As at 31.03.2016	As at 31.03.2015 Proforma	As at 31.03.2014 Proforma	As at 31.03.2013 Proforma	As at 31.03.2012 Proforma
ASSETS						
Non-current assets						
Property, plant and equipment	4,958.9	5,071.8	4,958.1	4,523.8	4,490.3	3,956.5
Capital work-in-progress	200.2	150.6	56.3	103.8	159.4	74.2
Goodwill	673.5	673.5	673.5	673.5	17.6	17.6
Other intangible assets	506.3	458.8	332.0	351.7	394.7	444.1
Intangible assets under development	233.8	233.1	113.9	57.4	109.7	81.5
Investment in associates/ joint venture accounted for using the equity method	7,501.2	7,082.9	6,529.8	6,136.5	1,922.4	1,747.2
Financial assets						
- Investments	27,303.0	32,147.6	15,358.5	10,221.7	4,075.6	5,535.5
- Other financial assets						
Non-current bank balances	6,411.7	5,215.9	8,658.8	8,899.2	10,689.7	10,337.2
Others	341.1	638.5	341.5	756.5	331.4	440.8
Income tax assets (net)	3,103.8	2,841.2	989.2	1,114.8	1,006.4	994.4
Deferred tax assets (net)	27.4	18.6	1,587.3	1,408.5	822.2	290.9
Other non-current assets	182.8	142.4	240.8	199.9	158.3	166.7
Total non-current assets	51,443.7	54,674.9	39,839.7	34,447.3	24,177.7	24,086.6
Current assets						
Inventories	0.2	0.3	0.4	0.1	0.1	0.4
Financial assets						
- Investments	47,790.4	31,810.7	31,870.4	13,949.9	16,803.9	10,306.7
- Trade receivables	3,041.4	2,785.1	2,287.0	2,157.6	1,559.8	1,817.4
- Cash and cash equivalents	70,025.6	29,447.4	22,945.7	42,975.5	25,701.0	27,071.4
- Bank balances other than cash and cash equivalents	12,940.0	15,624.2	19,438.8	35,614.0	32,767.4	36,975.0
- Other financial assets	1,361.7	1,567.3	3,782.2	3,410.7	2,950.4	1,856.6
Other current assets	669.2	499.7	368.0	632.9	551.9	290.0
Total current assets	135,828.5	81,734.7	80,692.5	98,740.7	80,334.5	78,317.5
TOTAL ASSETS	187,272.2	136,409.6	120,532.2	133,188.0	104,512.2	102,404.1
EQUITY AND LIABILITIES						
EQUITY						
Equity share capital	450.0	450.0	450.0	450.0	450.0	450.0
Other equity	70,124.7	68,226.7	63,777.7	60,981.8	56,811.3	52,210.0
Equity attributable to owners of National Stock Exchange of India Limited	70,574.7	68,676.7	64,227.7	61,431.8	57,261.3	52,660.0
Non Controlling Interest	-	-	-	-	345.6	269.4
TOTAL EQUITY	70,574.7	68,676.7	64,227.7	61,431.8	57,606.9	52,929.4
CORE SETTLEMENT GUARANTEE FUND						
- Core Settlement Guarantee Fund paid	15,577.0	9,973.0	6,754.7	-	-	-
- Core Settlement Guarantee Fund payable	3,036.3	6,858.1	5,227.7	4,501.2	2,194.0	-
	18,613.3	16,831.1	11,982.4	4,501.2	2,194.0	-
LIABILITIES						
Non-current liabilities						
Other financial liabilities	88.6	85.7	80.3	75.7	71.8	68.5
Provisions	155.2	112.6	98.7	84.2	31.1	14.1
Deferred tax liabilities (net)	1,267.8	905.0	356.3	252.9	160.1	115.4
Other non-current liabilities	53.9	53.9	53.9	53.9	53.9	53.9
Total non-current liabilities	1,565.5	1,157.2	589.2	466.7	316.9	251.9
Current liabilities						
Financial liabilities						

	As at 30.09.2016	As at 31.03.2016	As at 31.03.2015 Proforma	As at 31.03.2014 Proforma	As at 31.03.2013 Proforma	As at 31.03.2012 Proforma
- Deposits	17,873.0	16,751.5	16,635.7	16,790.4	16,928.9	16,990.7
- Trade payables	793.1	664.3	562.7	737.7	563.3	650.2
- Other financial liabilities	68,124.2	28,659.1	23,026.3	46,034.9	24,615.7	28,395.5
	86,790.3	46,074.9	40,224.7	63,563.0	42,107.9	46,036.4
Provisions	578.0	486.0	386.5	334.2	213.7	410.1
Income tax liabilities (net)	357.5	182.6	517.3	490.4	607.6	592.7
Other current liabilities	8,792.9	3,001.1	2,604.4	2,400.7	1,465.2	2,183.6
Total current liabilities	96,518.7	49,744.6	43,732.9	66,788.3	44,394.4	49,222.8
TOTAL LIABILITIES	98,084.2	50,901.8	44,322.1	67,255.0	44,711.3	49,474.7
TOTAL EQUITY AND LIABILITIES	187,272.2	136,409.6	120,532.2	133,188.0	104,512.2	102,404.1

The above statement should be read with the Basis of preparation and Significant Accounting policies appearing in Annexure V, Notes to the Restated Consolidated Financial information appearing in Annexure VI and Statement of adjustments to Audited Consolidated Financial Statement appearing in Annexure VII of the consolidated Restated Financial Information, beginning on page 215.

RESTATED CONSOLIDATED SUMMARY INFORMATION OF PROFIT & LOSS

(₹ in Millions)

Particulars	For the half year ended 30.09.2016	For the year ended 31.03.2016	For the year ended 31.03.2015 Proforma	For the year ended 31.03.2014 Proforma	For the year ended 31.03.2013 Proforma	For the year ended 31.03.2012 Proforma
Income						
Revenue from operations	10,337.2	18,635.4	17,296.0	13,630.9	12,801.9	13,614.4
Other income	3,097.9	4,956.3	5,614.4	5,575.4	5,334.3	4,395.7
Total income	13,435.1	23,591.7	22,910.4	19,206.3	18,136.2	18,010.1
Expenses						
Employee benefits expense	1,222.1	2,179.8	1,891.4	1,744.5	1,745.2	1,648.6
Depreciation and amortisation expense	598.6	1,089.2	932.9	840.0	855.0	981.9
Other expenses	2,275.9	3,939.8	3,752.3	3,352.1	3,156.8	2,764.3
Total expenses	4,096.6	7,208.8	6,576.6	5,936.6	5,757.0	5,394.8
Profit before exceptional item, share of net profits of investments accounted for using equity method and tax	9,338.5	16,382.9	16,333.8	13,269.7	12,379.2	12,615.3
Share of net profit of associates and joint ventures accounted by using equity method	555.0	911.5	732.5	314.2	235.1	195.5
Profit before exceptional item and tax	9,893.5	17,294.4	17,066.3	13,583.9	12,614.3	12,810.8
Add : Profit on sale of investment in equity instruments of associates / subsidiary	-	-	-	441.8	-	-
Profit before contribution to Core Settlement Guarantee Fund and tax	9,893.5	17,294.4	17,066.3	14,025.7	12,614.3	12,810.8
Less : Contribution to Core Settlement guarantee fund (Core SGF)	(1,340.7)	(2,343.3)	(2,229.7)	(2,548.2)	(2,194.0)	-
Profit before tax	8,552.8	14,951.1	14,836.6	11,477.5	10,420.3	12,810.8
Less : Tax expense						
Current tax	2,363.5	3,020.3	4,878.6	4,452.4	3,814.2	3,935.5
Deferred tax expense	306.1	2,178.7	19.9	(496.1)	(531.0)	(44.1)
Total tax expenses	2,669.6	5,199.0	4,898.5	3,956.3	3,283.2	3,891.4
Net Profit after tax as restated (A)	5,883.2	9,752.1	9,938.1	7,521.2	7,137.1	8,919.4
Other comprehensive income						
<i>Items that will be reclassified to profit or loss</i>						
Changes in fair value of FVOCI debt instruments	348.0	(79.7)	(25.6)	(15.0)	(1.6)	-
Income tax relating to items that will be reclassified to profit or loss						
Changes in fair value of FVOCI debt instruments	(120.4)	27.6	8.9	5.1	0.5	-
<i>Items that will not be reclassified to profit or loss</i>						
Remeasurements of post-employment benefit obligations	(103.6)	(27.9)	(42.3)	7.9	(28.4)	(9.9)
Share of other comprehensive income of associates and Joint Ventures accounted for using the equity method	(5.6)	(2.7)	(13.0)	3.1	0.2	-
Changes in fair value of FVOCI equity instruments	50.7	215.7	43.2	(995.0)	(285.0)	728.6
Income tax relating to items that will not be reclassified to profit or loss						
Remeasurements of post-	41.4	9.2	11.5	(2.5)	8.9	3.3

Particulars	For the half year ended 30.09.2016	For the year ended 31.03.2016	For the year ended 31.03.2015 Proforma	For the year ended 31.03.2014 Proforma	For the year ended 31.03.2013 Proforma	For the year ended 31.03.2012 Proforma
employment benefit obligations						
Share of other comprehensive income of associates and Joint Ventures accounted for using the equity method	1.9	0.9	4.4	(1.1)	(0.1)	-
Changes in fair value of FVOCI equity instruments	(4.3)	(41.3)	(7.4)	(9.2)	(53.8)	196.8
Total other comprehensive income for the period / year, net of taxes (B)	208.1	101.8	(20.3)	(1,006.7)	(359.3)	918.8
Total comprehensive income for the period / year as restated (A+B)	6,091.3	9,853.9	9,917.8	6,514.5	6,777.8	9,838.2
Material restatement adjustments	-	3,443.9	(313.6)	(1,647.9)	(1,482.3)	-
Profit is attributable to :						
Owners of National Stock Exchange of India Limited	5,883.2	9,752.1	9,938.1	7,486.7	7,052.1	8,848.7
Non Controlling Interest	-	-	-	34.5	85.0	70.7
Other comprehensive income is attributable to :						
Owners of National Stock Exchange of India Limited	208.1	101.8	(20.3)	(1,006.7)	(359.3)	918.8
Non Controlling Interest	-	-	-	-	-	-
Total comprehensive income is attributable to :						
Owners of National Stock Exchange of India Limited	6,091.3	9,853.9	9,917.8	6,480.0	6,692.8	9,767.5
Non Controlling Interest	-	-	-	34.5	85.0	70.7

The above statement should be read with the Basis of preparation and Significant Accounting policies appearing in Annexure V, Notes to the Restated Consolidated Financial Information appearing in Annexure VI and Statement of adjustments to Audited Consolidated Financial Statement appearing in Annexure VII of the consolidated Restated Financial Information, beginning on page 215.

RESTATED CONSOLIDATED SUMMARY INFORMATION OF CASH FLOW

(₹ in Millions)

	For the half year ended 30.09.2016	For the year ended 31.03.2016	For the year ended 31.03.2015 Proforma	For the year ended 31.03.2014 Proforma	For the year ended 31.03.2013 Proforma	For the year ended 31.03.2012 Proforma
A) CASH FLOWS FROM OPERATING ACTIVITIES						
PROFIT BEFORE INCOME TAX	8,552.8	14,951.1	14,836.6	11,477.5	10,420.3	12,810.8
Adjustments for						
Depreciation and amortisation expense	598.6	1,089.2	932.9	840.0	855.0	981.9
Interest income from financial assets at amortised cost	(770.0)	(2,444.4)	(2,894.7)	(4,352.5)	(4,452.5)	(3,267.7)
Interest income from investment at designated at fair value through other comprehensive income	(325.8)	(810.5)	(148.2)	(24.5)	(0.8)	-
Dividend income	(26.5)	(15.0)	(13.7)	(155.3)	(314.7)	(373.0)
Net gain on financial assets mandatorily measured at fair value through profit or loss	(1,191.6)	(30.8)	(87.4)	(135.0)	34.6	(57.1)
Net gain on sale of investments	(727.2)	(1,343.2)	(1,962.9)	(312.8)	(117.3)	(219.5)
Net (gain) / loss on disposal of property, plant and equipment	(1.4)	(60.5)	2.5	6.0	7.9	4.8
Doubtful debts written off	0.7	0.6	0.4	0.1	-	1.0
Provision for Doubtful Debts	-	2.1	1.0	0.4	-	-
Profit on sale of investment in equity instruments of associates / subsidiary	-	-	-	(441.8)	-	-
Impairment in value of Investments	50.1	-	-	-	-	-
Share of net profit of associates and joint ventures accounted by using equity method	(555.0)	(911.5)	(732.5)	(314.2)	(235.1)	(195.5)
Change In operating assets and liabilities						
(Increase)/Decrease in trade receivables	(257.0)	(500.8)	(130.8)	(598.3)	257.6	140.6
(Increase)/Decrease inventories	0.1	0.1	(0.3)	-	0.3	(0.1)
Increase/(Decrease) in trade payables	128.8	101.6	(175.0)	174.4	(86.9)	17.4
(Increase)/Decrease in other financial assets	454.9	1,774.4	(246.8)	(240.5)	(340.2)	24.4
(Increase)/Decrease in other assets	(200.0)	(113.7)	267.2	(100.8)	(281.2)	22.8
Increase/(Decrease) in other financial liabilities	39,476.0	5,568.7	(23,013.3)	21,520.1	(3,907.3)	(4,185.6)
Increase/(Decrease) in provisions	31.1	85.4	24.5	181.5	(207.7)	65.3
Increase/(Decrease) in other liabilities	5,793.0	391.9	208.5	926.8	(718.0)	166.2
Refund / proceed of deposit	1,121.4	115.7	(154.6)	(138.5)	(61.8)	0.4
Change in Core Settlement Guarantee Fund balance	1,539.5	3,750.0	4,032.3	2,307.2	2,194.0	-
CASH GENERATED / (USED) FROM OPERATIONS	53,692.4	21,600.4	(9,254.3)	30,619.8	3,046.2	5,937.1
Income taxes paid	(2,451.2)	(5,207.0)	(4,726.1)	(4,678.0)	(3,811.3)	(3,844.5)
NET CASH INFLOW /	51,241.3	16,393.4	(13,980.4)	25,941.8	(765.1)	2,092.6

	For the half year ended 30.09.2016	For the year ended 31.03.2016	For the year ended 31.03.2015 Proforma	For the year ended 31.03.2014 Proforma	For the year ended 31.03.2013 Proforma	For the year ended 31.03.2012 Proforma
OUTFLOW FROM OPERATING ACTIVITIES - TOTAL (A)						
B) CASH FLOWS FROM INVESTING ACTIVITIES						
Payment for property, plant and equipment	(601.6)	(1,405.1)	(1,521.0)	(1,514.7)	(1,319.5)	(855.6)
Proceeds from property, plant and equipment	1.6	72.3	0.3	11.5	17.3	5.8
Payment / proceeds from investments	(8,914.1)	(15,037.3)	(20,064.4)	(5,799.6)	(4,963.5)	(83.4)
Payment for acquisition of subsidiary	-	-	-	(1,000.6)	-	-
Payment / proceeds from fixed deposits	1,488.4	7,257.5	16,415.6	(1,056.1)	3,855.1	(3,126.2)
Interest received	1,286.7	3,512.6	2,686.6	3,549.5	3,591.6	2,587.4
Dividend received	26.5	15.0	13.7	155.3	314.7	373.0
NET CASH INFLOW / (OUTFLOW) FROM INVESTING ACTIVITIES - TOTAL (B)	(6,712.5)	(5,585.0)	(2,469.2)	(5,654.7)	1,495.7	(1,099.0)
C) CASH FLOWS FROM FINANCING ACTIVITIES						
Transactions with Non Controlling Interest	-	-	-	(380.1)	(8.9)	-
Dividend paid (including dividend distribution tax)	(3,950.6)	(4,306.7)	(3,580.2)	(2,632.5)	(2,092.1)	(1,094.3)
NET CASH OUTFLOW FROM FINANCING ACTIVITIES - TOTAL (C)	(3,950.6)	(4,306.7)	(3,580.2)	(3,012.6)	(2,101.0)	(1,094.3)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A)+(B)+(C)	40,578.2	6,501.7	(20,029.8)	17,274.5	(1,370.4)	(100.7)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	29,447.4	22,945.7	42,975.5	25,701.0	27,071.4	27,172.1
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD *	70,025.6	29,447.4	22,945.7	42,975.5	25,701.0	27,071.4
* Includes amount received from members towards settlement obligation and margin money. (Refer Note 11 & 16)						
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENT	40,578.2	6,501.7	(20,029.8)	17,274.5	(1,370.4)	(100.7)
<i>Reconciliation of cash and cash equivalents as per the cash flow statement</i>						
Cash and cash equivalents as per						

	For the half year ended 30.09.2016	For the year ended 31.03.2016	For the year ended 31.03.2015 Proforma	For the year ended 31.03.2014 Proforma	For the year ended 31.03.2013 Proforma	For the year ended 31.03.2012 Proforma
above comprise of the following						
Cash and cash equivalents	70,025.6	29,447.4	22,945.7	42,975.5	25,701.0	27,071.4
Bank overdrafts	-	-	-	-	-	-
Balances per statement of cash flows	70,025.6	29,447.4	22,945.7	42,975.5	25,701.0	27,071.4

The above statement should be read with the Basis of preparation and Significant Accounting policies appearing in Annexure V, Notes to the restated financial information appearing in Annexure VI and Statement of adjustments to Audited Consolidation Financial Statement appearing in Annexure VII of the consolidated Restated Financial Information, beginning on page 215.

RESTATED STANDALONE SUMMARY INFORMATION OF ASSETS AND LIABILITIES

(₹ in million)

	As at 30.09.2016	As at 31.03.2016	As at 31.03.2015 Proforma	As at 31.03.2014 Proforma	As at 31.03.2013 Proforma	As at 31.03.2012 Proforma
ASSETS						
Non-current assets						
Property, plant and equipment	4,877.3	4,985.1	4,874.5	4,384.1	4,301.7	3,745.0
Capital work-in-progress	193.3	144.3	51.5	103.8	158.0	73.3
Intangible assets	436.9	426.0	317.1	327.1	373.2	424.9
Intangible assets under development	203.0	231.1	113.9	57.4	109.7	81.5
Investment in subsidiaries and associates	8,942.3	8,942.3	8,933.0	8,933.0	1,732.5	1,300.4
Financial assets						
- Investments	23,313.3	28,291.4	12,583.7	7,198.3	3,512.6	3,974.1
- Other financial assets						
Non-current bank balances	1,601.8	2,808.6	5,482.2	6,123.6	6,867.0	6,262.2
Others	196.5	231.5	171.3	535.3	214.4	268.6
Income tax assets (net)	2,888.6	2,576.5	676.6	726.1	722.2	716.0
Deferred tax assets (net)	-	-	1,574.7	1,402.1	807.3	180.7
Other non-current assets	167.6	138.9	238.3	194.3	146.8	150.3
Total non-current assets	42,820.6	48,775.7	35,016.8	29,985.1	18,945.4	17,177.0
Current assets						
Financial assets						
- Investments	34,804.8	15,980.1	21,300.0	7,428.1	11,854.6	7,196.2
- Trade receivables	2,380.7	2,249.4	1,694.2	1,515.2	1,220.3	1,384.8
- Cash and cash equivalents	815.3	506.5	327.0	261.9	2,660.8	761.7
- Bank balances other than cash and cash equivalents	2,861.5	11,409.6	14,291.8	28,204.9	24,976.2	27,502.7
- Other financial assets	361.7	999.1	1,333.2	2,166.9	2,046.8	1,339.5
Other current assets	846.0	728.3	527.2	790.1	688.1	320.6
Total current assets	42,070.0	31,873.0	39,473.4	40,367.1	43,446.8	38,505.5
TOTAL ASSETS	84,890.6	80,648.7	74,490.2	70,352.2	62,392.2	55,682.5
EQUITY AND LIABILITIES						
EQUITY						
Equity share capital	450.0	450.0	450.0	450.0	450.0	450.0
Other equity	58,970.0	56,757.3	52,852.7	48,838.5	43,903.4	38,942.8
TOTAL EQUITY	59,420.0	57,207.3	53,302.7	49,288.5	44,353.4	39,392.8
LIABILITIES						
Non-current liabilities						
Other financial liabilities	88.6	85.7	80.3	75.7	71.8	68.5
Provisions	148.1	102.5	93.1	84.2	26.7	9.6
Deferred tax liabilities (net)	506.5	319.3	-	-	-	-
Other non-current liabilities	53.9	53.9	53.9	53.9	53.9	53.9
Total non-current liabilities	797.1	561.4	227.3	213.8	152.4	132.0
Current liabilities						
Financial liabilities						
- Deposits	11,100.3	10,984.5	10,934.7	11,209.2	11,530.5	11,858.6
- Trade payables	813.2	668.0	477.4	432.7	443.8	533.4
- Other financial liabilities	1,047.6	1,042.7	1,243.8	1,724.2	1,758.5	992.5
	12,961.1	12,695.2	12,655.9	13,366.1	13,732.8	13,384.5
Provisions	408.4	436.0	343.1	310.2	183.9	384.9
Income tax liabilities (net)	115.8	20.5	365.4	281.7	479.9	460.8
Other current liabilities	11,188.2	9,728.3	7,595.8	6,891.9	3,489.8	1,927.5
Total current liabilities	24,673.5	22,880.0	20,960.2	20,849.9	17,886.4	16,157.7
TOTAL LIABILITIES	25,470.6	23,441.4	21,187.5	21,063.7	18,038.8	16,289.7
TOTAL EQUITY AND LIABILITIES	84,890.6	80,648.7	74,490.2	70,352.2	62,392.2	55,682.5

The above statement should be read with the Basis of preparation and Significant Accounting policies appearing in Annexure V, Notes to the Restated Financial Information appearing in Annexure VI and Statement of adjustments to Audited Standalone Financial Statement appearing in Annexure VII of standalone Restated Financial Information, beginning on page 337.

RESTATED STANDALONE SUMMARY INFORMATION OF PROFIT & LOSS

(₹ in million)

Particulars	For the half year ended 30.09.2016	For the year ended 31.03.2016	For the year ended 31.03.2015 Proforma	For the year ended 31.03.2014 Proforma	For the year ended 31.03.2013 Proforma	For the year ended 31.03.2012 Proforma
Income						
Revenue from operations	8,266.3	14,729.7	13,643.4	10,797.1	9,976.9	10,627.0
Other income	4,134.0	5,573.7	5,551.1	5,901.8	6,386.4	4,432.4
Total income	12,400.3	20,303.4	19,194.5	16,698.9	16,363.3	15,059.4
Expenses						
Employee benefits expense	587.3	1,062.9	895.8	816.6	750.6	713.6
Clearing & settlement charges	493.2	985.4	911.8	756.3	720.9	1,157.7
Depreciation and amortisation expense	567.3	1,030.9	857.9	769.7	770.3	890.2
Other expenses	2,029.8	3,732.0	3,664.4	3,159.6	3,031.2	2,679.4
Total expenses (excluding contribution to Core Settlement Guarantee Fund)	3,677.6	6,811.2	6,329.9	5,502.2	5,273.0	5,440.9
Profit before exceptional item and contribution to Core Settlement Guarantee Fund and tax	8,722.7	13,492.2	12,864.6	11,196.7	11,090.3	9,618.5
Add : Profit on sale of investment in equity instruments in subsidiaries and associates	-	-	-	1,946.6	363.8	-
Profit before contribution to Core Settlement Guarantee Fund and tax	8,722.7	13,492.2	12,864.6	13,143.3	11,454.1	9,618.5
Less : Contribution to Core Settlement guarantee fund (Core SGF)	(1,340.7)	(2,343.3)	(2,229.7)	(2,548.2)	(2,194.0)	-
Profit before tax	7,382.0	11,148.9	10,634.9	10,595.1	9,260.1	9,618.5
Less: Income tax expense						
Current tax	1,670.0	1,450.0	3,300.0	3,199.3	2,815.1	2,670.0
Deferred tax expense/(credit)	89.4	1,894.8	(129.7)	(600.7)	(672.0)	(53.9)
Total tax expenses	1,759.4	3,344.8	3,170.3	2,598.6	2,143.1	2,616.1
Net profit after tax as restated (A)	5,622.6	7,804.1	7,464.6	7,996.5	7,117.0	7,002.4
Other comprehensive income						
<i>Items that will be reclassified to profit or loss</i>						
Changes in fair value of FVOCI debt instruments	348.0	(79.7)	(25.6)	(15.0)	(1.6)	-
Income tax relating to items that will be reclassified to profit or loss						
Changes in fair value of FVOCI debt instruments	(120.4)	27.6	8.9	5.1	0.5	-
<i>Items that will not be reclassified to profit or loss</i>						
Remeasurements of post-employment benefit obligations	(77.6)	(21.0)	(22.1)	3.9	(24.5)	0.1
Changes in fair value of FVOCI equity instruments	50.7	215.7	43.2	(995.0)	(285.0)	728.6
Income tax relating to items that will not be reclassified to profit or loss						
Remeasurements of post-employment benefit obligations	26.8	7.3	7.4	(1.9)	8.0	(0.1)
Changes in fair value of FVOCI equity instruments	(4.3)	(41.3)	(7.4)	(9.2)	(53.8)	196.8
Total other comprehensive income for the period, net of taxes (B)	223.2	108.6	4.4	(1,012.1)	(356.4)	925.4
Total comprehensive income for the year as restated (A+B)	5,845.8	7,912.7	7,469.0	6,984.4	6,760.6	7,927.8

Particulars	For the half year ended 30.09.2016	For the year ended 31.03.2016	For the year ended 31.03.2015 Proforma	For the year ended 31.03.2014 Proforma	For the year ended 31.03.2013 Proforma	For the year ended 31.03.2012 Proforma
Material restatement adjustments	-	3,447.4	(317.1)	(1,648.2)	(1,482.2)	-

The above statement should be read with the Basis of preparation and Significant Accounting policies appearing in Annexure V, Notes to the Restated Financial Information appearing in Annexure VI and Statement of adjustments to Audited Standalone Financial Statement appearing in Annexure VII of standalone Restated Financial Information, beginning on page 337.

RESTATED STANDALONE INFORMATION OF CASH FLOW

(₹ in million)

		For the half year ended 30.09.2016	For the year ended 31.03.2016	For the year ended 31.03.2015 Proforma	For the year ended 31.03.2014 Proforma	For the year ended 31.03.2013 Proforma	For the year ended 31.03.2012 Proforma
A)	CASH FLOWS FROM OPERATING ACTIVITIES						
	PROFIT BEFORE INCOME TAX	7,382.0	11,148.9	10,634.9	10,595.1	9,260.1	9,618.5
	Adjustments for						
	Depreciation and amortisation expense	567.3	1,030.9	857.9	769.7	770.3	890.2
	Interest income from financial assets at amortised cost	(564.5)	(2,052.7)	(2,223.4)	(3,469.7)	(3,495.8)	(2,489.7)
	Interest income from investment at designated at fair value through other comprehensive income	(325.8)	(810.5)	(148.2)	(24.5)	(0.9)	-
	Dividend income	(1,626.5)	(1,501.1)	(1,161.5)	(1,664.8)	(2,330.2)	(1,165.3)
	Net (gain) / loss on financial assets mandatorily measured at fair value through profit or loss	(994.9)	70.6	(5.8)	1.0	84.3	(5.3)
	Net gain on sale of investments	(538.5)	(950.1)	(1,474.8)	(2,161.9)	(487.1)	(213.7)
	Net (gain) / loss on disposal of property, plant and equipment	(1.4)	(60.5)	2.5	6.0	8.0	4.2
	Doubtful debts written off	0.7	2.1	-	0.4	-	0.2
	Wealth Tax	-	(11.4)	5.0	2.0	2.0	2.0
	Change In operating assets and liabilities						
	(Increase)/Decrease in trade receivables	(132.0)	(557.3)	(179.0)	(295.3)	164.5	102.3
	Increase/(Decrease) in trade payables	145.2	190.5	44.7	(11.1)	(89.5)	27.3
	(Increase)/Decrease in other financial assets	220.2	56.3	736.6	157.4	(155.5)	(305.1)
	(Increase)/Decrease in other assets	(149.6)	(182.9)	261.8	(127.7)	(375.6)	236.8
	Increase/(Decrease) in other financial liabilities	15.8	(265.1)	(485.1)	66.4	638.5	(51.7)
	Increase/(Decrease) in provisions	(59.5)	81.3	19.6	187.8	(208.5)	65.4
	Refund / proceed of deposit	115.8	49.9	(274.6)	(321.3)	(328.1)	1.0
	Increase/(Decrease) in other liabilities	1,459.9	2,132.4	704.2	3,402.1	1,562.5	117.5
	CASH GENERATED FROM OPERATIONS	5,514.1	8,371.3	7,314.8	7,111.7	5,019.0	6,834.7
	Income taxes paid	(1,886.8)	(3,690.7)	(3,171.8)	(3,403.4)	(2,804.2)	(2,613.9)
	NET CASH INFLOW FROM OPERATING ACTIVITIES - TOTAL (A)	3,627.3	4,680.6	4,143.0	3,708.3	2,214.8	4,220.8
B)	CASH FLOWS FROM INVESTING ACTIVITIES						
	Payment for property, plant and equipment	(496.6)	(1,321.1)	(1,478.9)	(835.4)	(1,267.2)	(814.7)
	Proceeds from property, plant and equipment	1.8	71.9	0.4	11.4	13.4	5.4
	Payment / proceeds from investments	(11,963.0)	(9,379.5)	(17,136.6)	(4,913.2)	(4,317.8)	(3,247.9)
	Payment / proceeds from fixed deposits	9,754.9	5,555.9	14,554.4	(2,485.3)	1,921.7	(2,307.8)

		For the half year ended 30.09.2016	For the year ended 31.03.2016	For the year ended 31.03.2015 Proforma	For the year ended 31.03.2014 Proforma	For the year ended 31.03.2013 Proforma	For the year ended 31.03.2012 Proforma
	Interest received	1,390.9	3,078.7	2,210.2	2,826.7	2,804.0	1,932.5
	Dividend received from subsidiaries, associate companies and others	1,626.5	1,501.1	1,161.5	1,664.8	2,330.2	1,165.3
	NET CASH INFLOW / (OUTFLOW) FROM INVESTING ACTIVITIES - TOTAL (B)	314.6	(493.0)	(689.0)	(3,730.9)	1,484.3	(3,267.2)
C)	CASH FLOWS FROM FINANCING ACTIVITIES						
	Dividend paid (including dividend distribution tax)	(3,633.1)	(4,008.1)	(3,388.9)	(2,376.2)	(1,800.0)	(945.0)
	NET CASH OUTFLOW FROM FINANCING ACTIVITIES - TOTAL (C)	(3,633.1)	(4,008.1)	(3,388.9)	(2,376.2)	(1,800.0)	(945.0)
	NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A)+(B)+(C)	308.8	179.5	65.1	(2,398.9)	1,899.1	8.6
	CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	506.5	327.0	261.9	2,660.8	761.7	753.1
	CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	815.3	506.5	327.0	261.9	2,660.8	761.7
	NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENT	308.8	179.5	65.1	(2,398.9)	1,899.1	8.6
	<i>Reconciliation of cash and cash equivalents as per the cash flow statement</i>						
	Cash and cash equivalents as per above comprise of the following						
	Cash and cash equivalents	815.3	506.5	327.0	261.9	2,660.8	761.7
	Bank overdrafts	-	-	-	-	-	-
	Balances per statement of cash flows	815.3	506.5	327.0	261.9	2,660.8	761.7

The above statement should be read with the Basis of preparation and Significant Accounting policies appearing in Annexure V, Notes to the restated financial information appearing in Annexure VI and Statement of adjustments to Audited Standalone Financial Statement appearing in Annexure VII of the standalone Restated Financial Information, beginning on page 337.

Emphasis of matter

The Joint Auditors who have issued the examination reports which are included in this Draft Red Herring Prospectus, have drawn attention to Note 38 of the consolidated Restated Financial Information, without modifying their opinion, indicating the following:

“We draw attention to Note 38 to the restated consolidated financial information, which describes the accounting treatment adopted by our Company in its Restated Consolidated financial information in relation to the recording of expense on account of contributions made to Core Settlement Guarantee Fund maintained in the subsidiary National Securities Clearing Corporation Limited as per SEBI Regulations and for the reasons stated therein. Our opinion is not modified in respect of this matter.”

THE OFFER

Offer of Equity Shares⁽¹⁾	Up to 111,411,970 Equity Shares
<i>Of which</i>	
A) QIB portion ⁽²⁾⁽³⁾	Not more than 55,705,984 Equity Shares
<i>Of which</i>	
• Anchor Investor Portion	Up to 33,423,590 Equity Shares
• Balance available for allocation to QIBs other than Anchor Investors (assuming Anchor Investor Portion is fully subscribed)	22,282,394 Equity Shares
<i>Of which</i>	
Available for allocation to Mutual Funds only (5% of the QIB Portion (excluding the Anchor Investor Portion))	1,114,120 Equity Shares
Balance of QIB Portion for all QIBs including Mutual Funds	21,168,274 Equity Shares
B) Non-Institutional Portion ⁽³⁾	Not less than 16,711,796 Equity Shares
C) Retail Portion ⁽³⁾	Not less than 38,994,190 Equity Shares
Equity Shares pre and post Offer	
Equity Shares outstanding prior to the Offer	495,000,000 Equity Shares
Equity Shares outstanding after the Offer	495,000,000 Equity Shares

- (1) The Selling Shareholders, severally and not jointly, specifically confirm that the portion of the Equity Shares Offered by each of the Selling Shareholders are eligible for the Offer in accordance with the SEBI ICDR Regulations. The Offer has been authorised by the Selling Shareholders by way of their respective Selling Shareholders' Consent Letters. For details of the list of Selling Shareholders, see "Other Information - Annexure A" on page 562. Further, our Board of Directors and our Shareholders have approved the Offer pursuant to the resolutions dated October 4, 2016 and November 10, 2016, respectively.
- (2) Our Company in consultation with the Managers, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds only, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In case of under-subscription or non-Allotment in the Anchor Investor Portion, the balance Equity Shares in the Anchor Investor Portion shall be added back to the QIB Portion. For further details, including restrictions on allotment in the Offer, see "Offer Procedure" beginning on page 506.
- (3) Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill over from any other category or combination of categories at the discretion of our Company in consultation with the Managers and the Designated Stock Exchange.

In terms of the SECC Regulations, no person shall be Allotted Equity Shares in a recognised stock exchange unless such person satisfies the 'fit and proper' criteria prescribed under the SECC Regulations. Allotment to any person, directly or indirectly, either individually or together with persons acting in concert such that his shareholding exceeds 2% of the paid up Equity Share capital of our Company, shall be subject to approval of SEBI, within 15 days of acquisition of the Equity Shares. Further, no person shall be Allotted Equity Shares such that the Allotment would result in shareholding of the Bidder, either directly or indirectly, individually or together with persons acting in concert and including existing shareholding, if any, exceeding 5% or more of the paid up Equity Share capital of our Company, unless such Bidder is eligible to hold or acquire more than 5% under the SECC Regulations and prior approval of SEBI has been obtained by the Bidder in this regard. In addition, only certain specified investors are permitted to hold up to 15% of the paid up Equity Share capital of a recognised stock exchange subject to the prior approval of SEBI. For further details, see "Regulations and Policies", "Terms of the Offer", "Offer Procedure", "Restrictions on Foreign Ownership of Indian Securities" and "Offer Structure" beginning on pages 177, 493, 506, 546 and 502, respectively.

Allocation to investors in all categories, except the Retail Portion and the Anchor Investor Portion, if any, shall be made on a proportionate basis.

GENERAL INFORMATION

Our Company was incorporated at Mumbai on November 27, 1992 as National Stock Exchange of India Limited, a public limited company under the Companies Act, 1956. Our Company obtained the certificate of commencement of business on March 2, 1993. Our Company was granted recognition as a stock exchange on April 26, 1993, which was subsequently renewed with effect from April 26, 1998 and April 26, 2003, each time for a period of five years. Subsequently, renewal of recognition was granted on a permanent basis through a notification dated April 17, 2008 with effect from April 26, 2008.

For details of the business of our Company and change in registered office, see “Our Business” and “History and Certain Corporate Matters” beginning on page 152 and 182, respectively.

Registered Office and Corporate Office of our Company

“Exchange Plaza”
C-1, Block G
Bandra Kurla Complex
Bandra (East)
Mumbai 400 051
Tel: (91 22) 2659 8100
Fax: (91 22) 2659 8120
E-mail: nseipo@nse.co.in
Website: www.nseindia.com
CIN: U67120MH1992PLC069769
Registration Number: 69769

Address of the RoC

Our Company is registered with the RoC situated at 100, Everest, Marine Drive, Mumbai 400 002.

Board of Directors

The following table sets forth details relating to our Board as on the date of this Draft Red Herring Prospectus:

Name	Designation	DIN	Address
Ashok Chawla	Chairman and Public Interest Director	00056133	E-11, (Mehrauli-Badarpur Road), Saket, Delhi 110 017
Ravi Narain	Vice-Chairman and Shareholder Director	00062596	B-3, Diwan Shree Apartments 30, Ferozeshah Road, New Delhi 110 001
Abhay Havaladar	Shareholder Director	00118280	Sea Mist, B Wing, Flat 1301, 13 th floor, Manuel Gonsalves Road, Off Turner Road, Bandra (West), Mumbai 400 050
Dinesh Kanabar	Public Interest Director	00003252	14A Sett Minar, Dr. Gopalrao Deshmukh road, opposite Jaslok Hospital, Mumbai 400 026
Anshula Kant	Shareholder Director	06998644	11-C, Kinellan Tower, 100-A, Napean Sea Road, Malbar Hill, Mumbai 400 006
Naved Masood	Public Interest Director	02126497	T 12, No. 802, Commonwealth Games Village, Near Akshardham, New Delhi 110 092
T.V. Mohandas Pai	Public Interest Director	00042167	521, The Embassy Ali Asker Road, Bengaluru 560 052
Prakash Parthasarathy	Shareholder Director	02011709	#5B, EPIP Zone, behind Sap Labs, Whitefield, Bengaluru 560 048
Dharmishta Raval	Public Interest Director	02792246	25, Saurabh Society, Drive In Road, Ahmedabad 380 009
Sunita Sharma	Shareholder Director	02949529	D-5, Jeevan Jyot, Setalwad Lane, Napean Sea Road, Mumbai 400 006

For further details of our Directors, see “Our Management” beginning on page 191.

Chief Financial Officer

Yatrik Vin
“Exchange Plaza”
C-1, Block G
Bandra Kurla Complex

Bandra (East)
Mumbai 400 051
Tel: (91 22) 2659 8100
Fax: (91 22) 2659 8120
E-mail: yrv@nse.co.in

Company Secretary and Compliance Officer

S. Madhavan
“Exchange Plaza”
C-1, Block G
Bandra Kurla Complex
Bandra (East)
Mumbai 400 051
Tel: (91 22) 2659 8100
Fax: (91 22) 2659 8120
E-mail: nseipo@nse.co.in

Investors can contact our Company Secretary and Compliance Officer and the Managers or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems, such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders and non-receipt of funds by electronic mode.

All grievances may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary with whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or first Bidder, Bid cum Application Form number, Bidder DP ID, Client ID, PAN, date of submission of the Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for, ASBA Account number in which the Bid Amount was blocked and the name and address of the Designated Intermediary (or the Managers, in case of Anchor Investors) where the Bid cum Application Form was submitted by the Bidder.

Further, the Bidders shall also enclose a copy of the Acknowledgement Slip or specify the application number duly received from the Designated Intermediaries in addition to the documents/information mentioned hereinabove.

Managers

Joint GCBRLMs

Citigroup Global Markets India Private Limited*

1202, 12th Floor
First International Financial Centre
G Block C54 & 55
Bandra Kurla Complex
Bandra (East)
Mumbai 400 051
Tel: (91 22) 6175 9999
Fax: (91 22) 6175 9961
E-mail: nse.ipo@citi.com
Investor grievance e-mail: investors.cgmib@citi.com
Website:
<http://www.online.citibank.co.in/rhtm/citigroupglobalscreen1.htm>
Contact person: Saksham Bhandari
SEBI registration number: INM000010718

Kotak Mahindra Capital Company Limited

1st Floor, 27 BKC, Plot No. 27
G Block, Bandra Kurla Complex
Bandra (East)
Mumbai 400 051
Tel: (91 22) 4336 0000
Fax: (91 22) 6713 2447
E-mail: nse.ipo@kotak.com
Investor grievance e-mail: kmccredressal@kotak.com

JM Financial Institutional Securities Limited

7th Floor, Cnergy
Appasaheb Marathe Marg
Prabhadevi
Mumbai 400 025
Tel: (91 22) 6630 3030
Fax: (91 22) 6630 3330
E-mail: nse.ipo@jmfl.com
Investor grievance e-mail: grievance.ibd@jmfl.com
Website: www.jmfl.com
Contact person: Lakshmi Lakshmanan
SEBI registration number: INM000010361

Morgan Stanley India Company Private Limited*

18F, Tower 2, One Indiabulls Centre
841, Senapati Bapat Marg
Mumbai 400 013
Tel: (91 22) 6118 1000
Fax: (91 22) 6118 1040
E-mail: nse_ipo@morganstanley.com
Investor grievance e-mail:

Website: www.investmentbank.kotak.com
Contact person: Ganesh Rane
SEBI registration number: INM000008704

investors_india@morganstanley.com
Website: <http://www.morganstanley.com/about-us/global-offices/india/>
Contact person: Satyam Singhal
SEBI registration number: INM000011203

BRLMs

HDFC Bank Limited*

Investment Banking Group, Unit No. 401 & 402 4th Floor, Tower B, Peninsula Business Park
Lower Parel, Mumbai 400 013
Tel: (91 22) 3395 8019
Fax: (91 22) 3078 8584
E-mail: nse.ipo@hdfcbank.com
Investor grievance e-mail: investor.redressal@hdfcbank.com
Website: www.hdfcbank.com
Contact person: Rishi Tiwari / Keyur Desai
SEBI registration number: INM000011252

IDFC Bank Limited

Naman Chambers,
C-32, G-Block, Bandra Kurla Complex
Bandra (East), Mumbai 400 051
Tel: (91 22) 6622 2600
Fax: (91 22) 6622 2501
E-mail: nse.ipo@idfcbank.com
Investor grievance e-mail: mb.ig@idfcbank.com
Website: www.idfcbank.com
Contact person: Rajshekhar Swamy/ Gaurav Goyal
SEBI registration number: MB/INM000012250

ICICI Securities Limited

ICICI Centre, H.T. Parekh Marg
Churchgate
Mumbai 400 020
Tel: (91 22) 2288 2460
Fax: (91 22) 2282 6580
E-mail: nse.ipo@icicisecurities.com
Investor grievance e-mail: customercare@icicisecurities.com
Website: www.icicisecurities.com
Contact person: Rupesh Khant/Prem D'Cunha
SEBI registration number: INM000011179

IIFL Holdings Limited

10th Floor, IIFL Centre
Kamala City, Senapati Bapat Marg
Lower Parel (West)
Mumbai 400 013
Tel: (91 22) 4646 4600
Fax: (91 22) 2493 1073
E-mail: nse.ipo@iiflcap.com
Investor grievance e-mail: ig.ib@iiflcap.com
Website: www.iiflcap.com
Contact person: Gaurav Singhvi/ Pinak Bhattacharyya
SEBI registration number: INM000010940

**In compliance with the proviso to Regulation 21A(1) of the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended, read with proviso to Regulation 5(3) of the SEBI ICDR Regulations, Citi, Morgan Stanley and HDFC will be involved only in marketing of the Offer.*

Syndicate Members

[•]

Indian Legal Counsel to our Company

Cyril Amarchand Mangaldas

5th Floor, Peninsula Chambers
Peninsula Corporate Park
Ganpatrao Kadam Marg
Lower Parel
Mumbai 400 013
Tel: (91 22) 2496 4455
Fax: (91 22) 2496 3666

Indian Legal Counsel to the Managers

Shardul Amarchand Mangaldas & Co

Express Towers
24th floor
Nariman Point
Mumbai 400 021
Tel: (91 22) 4933 5555
Fax: (91 22) 4933 5550

International Legal Counsel to our Company

Latham & Watkins LLP

9 Raffles Place
#42-02 Republic Plaza
Singapore 048619
Tel: (65) 6536 1161
Fax: (65) 6536 1171

International Legal Counsel to the Managers

Sidley Austin LLP

Level 31, Six Battery Road
Singapore 049909
Tel: (65) 6230 3900
Fax: (65) 6230 3939

Joint Auditors of our Company

Khandelwal Jain & Co., Chartered Accountants

12-B, Baldota Bhavan, 5th Floor
117, M. Karve Road, Churchgate
Mumbai 400 020
Tel: (91 22) 4311 6000
Fax: (91 22) 4311 6060
E-mail: kjco@kjco.net
Firm registration number: 105049W
Peer review number: 008860

Price Waterhouse & Co Chartered Accountants LLP

252, Veer Savarkar Marg
Shivaji Park, Dadar (West)
Mumbai 400 028
Tel: (91 22) 6669 1000
Fax: (91 22) 6654 7800
E-mail: ipo.pe@in.pwc.com
Firm registration number: 304026E/ E- 300009
Peer review number: 007770

Escrow Collection Bank(s)

[•]

Public Offer Bank(s)

[•]

Refund Bank(s)

[•]

Bankers to our Company

HDFC Bank Limited

Trade World, A- Wing
2nd floor, Kamala Mills Compound
Senapati Bapat Marg, Lower Parel
Mumbai 400 013
Tel: (91 22) 2498 8484
Fax: (91 22) 4080 4711
E-mail: sagar.welekar@hdfcbank.com
Website: www.hdfcbank.com
Contact person: Sagar Welekar

IDBI Bank Limited

C-7, G Block, BKC, Opposite NSE Building
Bandra (East)
Mumbai 400 051
Tel: (91 22) 6758 7598/6758 7597
Fax: (91 22) 6758 7596
E-mail: pankaj.kumar@idbi.co.in
Website: www.idbi.com
Contact person: Pankaj Kumar

ICICI Bank Limited

Capital Market Division
1st floor, 122 Mistry Bhawan
Dinshaw Vachha Road
Churchgate, Mumbai 400 020
Tel: (91 22) 2285 9990
Fax: (91 22) 2261 1138
E-mail: roshan.tellis@icicibank.com
Website: www.icicibank.com
Contact person: Roshan Tellis

Axis Bank Limited

Capital Market Division,
Jeevan Prakash Building, Sir P M Road,
Fort, Mumbai 400 001
Tel: (91 22) 4086 7501
Fax: (91 22) 4086 7540
E-mail: ketan.dani@axisbank.com
Website: www.axisbank.com
Contact person: Ketan Dani

Canara Bank

Canara Bank, RNA Corporate Bank, Government
Colony, Bandra East
Tel: (91 22) 2655 0232
Fax: (91 22) 2655 0240
E-mail: cb1517@canarabank.com
Website: www.canarabank.com
Contact person: Sanjay Raghuwanshi/Vineeth Abraham

Registrar to the Offer**Link Intime India Private Limited**

C-13, Pannalal Silk Mills Compound
L.B.S. Marg, Bhandup (West)
Mumbai 400 078
Tel: (91 22) 6171 5400
Fax: (91 22) 2596 0329
E-mail: nse.ipo@linkintime.co.in
Investor grievance e-mail: nse.ipo@linkintime.co.in
Website: www.linkintime.co.in
Contact person: Shanti Gopalkrishnan
SEBI registration number: INR000004058

Designated Intermediaries**Self Certified Syndicate Banks**

The list of banks that have been notified by SEBI to act as the SCSBs for the ASBA process is provided on the website of SEBI at <http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries> and updated from time to time. For a list of branches of the SCSBs named by the respective SCSBs to receive the ASBA Forms from the Designated Intermediaries, please refer to the above-mentioned link.

Syndicate SCSB Branches

In relation to Bids (other than Bids by Anchor Investors) submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the members of the Syndicate is available on the website of the SEBI (<http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries>) and updated from time to time. For more information on such branches collecting Bid cum Application Forms from the Syndicate at Specified Locations, see the website of the SEBI (<http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries>).

Registered Brokers

The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the websites of BSE and our Company at http://www.bseindia.com/Markets/PublicIssues/brokercentres_new.aspx?expandable=3 and http://www.nseindia.com/products/content/equities/ipos/ipo_mem_terminal.htm, as updated from time to time.

Registrar and Share Transfer Agents

The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the websites of BSE and our Company at <http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?expandable=6> and http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm, as updated from time to time.

Collecting Depository Participants

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as name and contact details, is provided on the websites of BSE and our Company at <http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?expandable=6> and http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm, as updated from time to time.

Experts

Except as stated below, our Company has not obtained any expert opinions:

Our Company has received written consent from the Joint Auditors, namely, Khandelwal Jain & Co., Chartered Accountants and Price Waterhouse & Co Chartered Accountants LLP, to include their names as an expert under Section 26(1)(a)(v) of the Companies Act, 2013 in this Draft Red Herring Prospectus in relation to the reports of the Statutory Auditors dated December 20, 2016, on the Restated Standalone Financial Information and Restated Consolidated Financial Information of our Company, included in this Draft Red Herring Prospectus and such consent has not been withdrawn up to the time of delivery of this Draft Red Herring Prospectus. A written consent under the provisions of Companies Act, 2013, is different from a consent filed with the U.S. Securities and Exchange Commission under Section 7 of the U.S. Securities Act, which is applicable only to transactions involving securities registered under the U.S. Securities Act. As the Equity Shares are proposed to be offered as a part of an initial public offering in India and the Equity Shares have not been and will not be registered under the U.S. Securities Act, Khandelwal Jain & Co. Chartered Accountants and Price Waterhouse & Co Chartered Accountants LLP have not given consent under Section 7 of the U.S. Securities Act. In this regard, the Joint Auditors have given consent to be referred to as “experts” in this Draft Red Herring Prospectus in accordance with the requirements of the Companies Act, 2013.

Our Company has also received a written consent from Khandelwal Jain & Co., Chartered Accountants to include their name as an “expert” for the statement of tax benefits dated December 26, 2016 included in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

The term “experts” as used in this Draft Red Herring Prospectus is different from those defined under the U.S. Securities Act which is applicable only to transactions involving securities registered under the U.S. Securities Act. The reference to the Statutory Auditors as “experts” in this Draft Red Herring Prospectus is not made in the context of the U.S. Securities Act but solely in the context of this initial public offering in India.

Monitoring Agency

The Offer being an offer for sale, our Company will not receive any proceeds from the Offer and is not required to appoint a monitoring agency for the Offer.

Appraising Entity

The Offer being an offer for sale, the objects of the Offer have not been appraised.

Inter-se allocation of Responsibilities

The following table sets forth details of the inter-se allocation of responsibilities for various activities among the Managers for the Offer:

Inter-se Allocation of Responsibilities among the Managers			
S. No.	Activity	Responsibilities	Co-ordination
1.	Capital structuring with relative components and formalities such as type of instruments, etc.	Managers	Kotak
2.	Due diligence of Company's operations / management / legal etc. Drafting and design of Draft Red Herring Prospectus, Red Herring Prospectus including memorandum containing salient features of the Prospectus. The Managers shall ensure compliance with stipulated requirements and completion of prescribed formalities with the Stock Exchange, RoC and SEBI including finalisation of Prospectus and RoC filing, follow up and coordination till final approval from all regulatory authorities	Managers	JM Financial
3.	Drafting and approval of all statutory advertisements and non statutory advertisements including corporate advertisements, brochures, media monitoring, etc.	Managers	Kotak
4.	Appointment of other intermediaries viz., Registrar, Printer, Share Escrow Agent, Advertising Agency and Bankers to the Offer	Managers	Kotak
5.	Preparation of road show presentation, frequently asked questions and positioning strategy	Managers	Morgan Stanley*
6.	International distribution strategy in consultation with our Company, which will cover, inter alia, - Finalise the list and division of investors for one to one meetings, and - Finalising the international road show schedule and investor meeting schedules	Managers	Citi*

Inter-se Allocation of Responsibilities among the Managers			
S. No.	Activity	Responsibilities	Co-ordination
7.	Domestic institutions / banks / mutual funds distribution strategy in consultation with our Company, which will cover, inter alia, - Finalise the list and division of investors for one to one meetings, and - Finalising the domestic road show schedule and investor meeting schedules	Managers	Kotak
8.	Non-Institutional and Retail distribution strategy in consultation with our Company, which will cover, inter alia, - Finalise Media and PR strategy - Finalising centers for holding conferences for press and brokers - Finalising collection centres; - Follow-up on distribution of publicity and Issuer material including form, prospectus and deciding on the quantum of the Offer material and Applications	Managers	Kotak
9.	Co-ordination with Stock Exchange for Book Building software, bidding terminals, mock trading, payment of 1% security deposit	Managers	Kotak
10.	Post-Offer activities, which shall involve essential follow-up steps including follow-up with bankers to the Offer and Self Certified Syndicate Banks to get quick estimates of collection and advising the issuer about the closure of the issue, based on correct figures, finalisation of the basis of allotment or weeding out of multiple applications, listing of instruments, dispatch of certificates or demat credit and refunds and coordination with various agencies connected with the post-issue activity such as registrars to the issue, bankers to the issue, Self Certified Syndicate Banks etc. Including responsibility for underwriting arrangements, as applicable, coordinating with Stock Exchanges and SEBI for release of 1% security deposit post closure of the Offer	Managers	JM Financial
11.	Payment of STT on behalf of the Selling Shareholders	Managers	JM Financial

* In compliance with the proviso to Regulation 21A(1) of the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended, read with proviso to Regulation 5(3) of the SEBI ICDR Regulations, Citi, Morgan Stanley and HDFC will be involved only in marketing of the Offer.

Credit Rating

As this is an offer of Equity Shares, there is no credit rating for the Offer.

Trustees

As this is an offer of Equity Shares, the appointment of trustees is not required.

Book Building Process

Book building, in the context of the Offer, refers to the process of collection of Bids from investors on the basis of the Red Herring Prospectus and the Bid cum Application Forms within the Price Band, which will be decided by our Company in consultation with the Managers and upon due consideration of the recommendation of the Selling Shareholders' Committee, and which shall be notified in all editions of the English national newspaper [●], all editions of the Hindi national newspaper [●], and [●] edition of the Marathi newspaper [●] (Marathi being the regional language of Maharashtra, where our Registered Office is located), each with wide circulation at least five Working Days prior to the Bid / Offer Opening Date. The Offer Price shall be determined by our Company in consultation with the Selling Shareholders' Committee and the Managers after the Bid/Offer Closing Date.

All Bidders, except Anchor Investors, can participate in the Offer only through the ASBA process.

In accordance with the SEBI ICDR Regulations, QIBs Bidding in the QIB Portion and Non-Institutional Investors Bidding in the Non-Institutional Portion are not allowed to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders (subject to the Bid Amount being up to ₹ 200,000) can revise their Bids during the Bid/Offer Period and withdraw their Bids until the Bid / Offer Closing Date. Further, Anchor Investors cannot withdraw their Bids after the Anchor Investor Bid / Offer Period. Allocation to the Anchor Investors will be on a discretionary basis. Additionally, allocation will be subject to restriction on shareholding as prescribed under the SECC Regulations for all categories.

For further details, see “Offer Structure” and “Offer Procedure” beginning on pages 502 and 506, respectively.

Participation in this Offer shall be subject to the requirements of the SECC Regulations applicable to our Company. For further details, see “Regulations and Policies” “Offer Structure”, “Offer Procedure” and “Restrictions on Foreign Ownership of Indian Securities” beginning on pages 177, 502, 506 and 546 respectively.

The Book Building Process under the SEBI ICDR Regulations is subject to change from time to time and the investors are advised to make their own judgment about investment through this process prior to submitting a Bid in the Offer.

Notwithstanding the foregoing, the Offer is also subject to obtaining (i) final approval of the RoC after the Prospectus is filed with the RoC; and (ii) final listing and trading approval from the Stock Exchange, which our Company shall apply for after Allotment.

For further details, see “Terms of the Offer”, “Offer Structure” and “Offer Procedure” beginning on pages 493, 502 and 506, respectively.

Illustration of Book Building Process and Price Discovery Process

For an illustration of the Book Building Process and the price discovery process, see “Offer Procedure – Part B – Basis of Allocation” beginning on page 535.

Underwriting Agreement

After the determination of the Offer Price and allocation of Equity Shares, but prior to the filing of the Prospectus with the RoC, our Company and the Selling Shareholders propose to enter into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through the Offer. The Underwriting Agreement is dated [●]. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters will be several and will be subject to certain conditions specified therein.

The following table sets forth details relating to the intention of the Underwriters to underwrite the number of Equity Shares indicated below:

(This portion has been intentionally left blank and will be completed before filing the Prospectus with the RoC.).

Name, address, telephone number, fax number and e-mail address of the Underwriters	Indicative number of Equity Shares to be underwritten	Amount underwritten (₹ in million)
[●]	[●]	[●]

The above-mentioned underwriting obligation is indicative and will be finalised after pricing and actual allocation and subject to the provisions of the SEBI ICDR Regulations.

In the opinion of our Board, the resources of the Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The Underwriters are registered with SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchange. Our Board of Directors, at its meeting held on [●], has accepted and entered into the Underwriting Agreement mentioned above on behalf of our Company.

Allocation among the Underwriters may not necessarily be in proportion to their underwriting commitment.

Notwithstanding the above, the Underwriters shall be severally responsible for ensuring payment with respect to the Equity Shares allocated to investors procured by them. In the event of any default in payment, the respective Underwriter, in addition to other obligations defined in the Underwriting Agreement, will also be required to procure purchase for or purchase the Equity Shares to the extent of the defaulted amount in accordance with the Underwriting Agreement. The Underwriting Agreement has not been executed as on the date of this Draft Red Herring Prospectus and our Company and the Selling Shareholders intend to enter into an Underwriting Agreement with the Underwriters after the determination of the Offer Price and allocation of Equity Shares, but prior to the filing of the Prospectus with the RoC.

CAPITAL STRUCTURE

The following table sets forth details of the share capital of our Company as at the date of this Draft Red Herring Prospectus:

<i>(In ₹, except share data)</i>			
	Particulars	Aggregate value at face value	Aggregate value at Offer Price
A	AUTHORISED SHARE CAPITAL		
	500,000,000 Equity Shares	500,000,000	
B	ISSUED, SUBSCRIBED AND PAID-UP CAPITAL BEFORE THE OFFER		
	495,000,000 Equity Shares	495,000,000	
C	PRESENT OFFER IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS		
	Offer for sale of up to 111,411,970 Equity Shares ⁽¹⁾	111,411,970	●
D	ISSUED, SUBSCRIBED AND PAID-UP CAPITAL AFTER THE OFFER		
	495,000,000 Equity Shares	495,000,000	●
E	SECURITIES PREMIUM ACCOUNT		
	Before the Offer	355,000,000	●
	After the Offer	355,000,000	●

(1) The Selling Shareholders, severally and not jointly, specifically confirm that the portion of the Equity Shares offered by each of the Selling Shareholders are eligible for the Offer in accordance with the SEBI ICDR Regulations. The Offer for Sale has been authorised by the Selling Shareholders by way of their respective Selling Shareholders' Consent Letters.

Changes in the authorised share capital of our Company

- The initial authorised share capital of our Company of ₹ 250,000,000 comprising 25,000,000 equity shares of face value of ₹ 10 each was increased to ₹ 500,000,000 comprising 50,000,000 equity shares of face value of ₹ 10 each, pursuant to a resolution passed by our Shareholders on March 9, 1999.
- The authorised share capital of our Company was sub-divided from ₹ 500,000,000 comprising 50,000,000 equity shares of ₹ 10 each to ₹ 500,000,000 comprising 500,000,000 Equity Shares of ₹ 1 each pursuant to a resolution passed by our Shareholders on November 10, 2016.

Notes to the Capital Structure

1. Equity Share capital history of our Company

(a) The following table sets forth details of the history of the Equity Share capital of our Company:

Date of allotment of equity shares	Number of equity shares allotted	Face value (₹)	Offer price (including premium if applicable) (₹)	Reason for allotment	Consideration	Cumulative number of equity shares	Cumulative paid-up equity share capital (₹)
November 27, 1992	7	10	10	Subscription to the Memorandum of Association ⁽¹⁾	Cash	7	70
August 9, 1993	10,000,000	10	10	Allotment ⁽²⁾	Cash	10,000,007	100,000,070
April 15, 1994	14,999,993	10	10	Preferential allotment ⁽³⁾	Cash	25,000,000	250,000,000
June 29,	14,760,000	10	30	Rights issue ⁽⁴⁾	Cash	39,760,000	397,600,000

Date of allotment of equity shares	Number of equity shares allotted	Face value (₹)	Offer price (including premium if applicable) (₹)	Reason for allotment	Consideration	Cumulative number of equity shares	Cumulative paid-up equity share capital (₹)
1999							
June 29, 1999	5,000,000	10	30	Preferential allotment ⁽⁵⁾	Cash	44,760,000	447,600,000
July 15, 1999	240,000	10	30	Rights issue ⁽⁶⁾	Cash	45,000,000	450,000,000
November 24, 2016	4,500,000	10	-	Bonus issue in the ratio of 1:10 ⁽⁷⁾	N.A.	49,500,000	495,000,000
Pursuant to the Shareholders' resolution passed on November 10, 2016, our Company sub-divided its equity shares from the face value of ₹ 10 each to the face value of ₹ 1 each with effect from December 14, 2016. Therefore, the cumulative number of issued, subscribed and paid-up equity shares pursuant to sub-division is 495,000,000 Equity Shares of the face value of ₹ 1 each.							

- (1) Subscription to the MoA of one equity share each by Industrial Development Bank of India, Industrial Credit and Investment Corporation of India Limited, General Insurance Corporation of India, Life Insurance Corporation of India, G. Sreerama Murthy, Arindrajit Lahiri and Ravi Narain.
- (2) An aggregate of 10,000,000 equity shares were allotted by our Company to Industrial Development Bank of India (1,400,000 equity shares), Industrial Credit and Investment Corporation of India Limited (1,400,000 equity shares), Industrial Finance Corporation of India Limited (1,400,000 equity shares), State Bank of India (1,400,000 equity shares), Life Insurance Corporation of India (1,400,000 equity shares), General Insurance Corporation of India (160,000 equity shares), National Insurance Company Limited (160,000 equity shares), New India Assurance Company Limited (160,000 equity shares), Oriental Insurance Company Limited (160,000 equity shares), United India Insurance Company Limited (160,000 equity shares), Stock Holding Corporation of India Limited (800,000 equity shares), Infrastructure Leasing and Financial Services Limited (800,000 equity shares) and SBI Capital Markets Limited (600,000 equity shares), pursuant to Board resolution passed on May 12, 1993.
- (3) An aggregate of 14,999,993 equity shares were allotted by our Company to Industrial Development Bank of India (2,099,999 equity shares), General Insurance Corporation of India (239,999 equity shares), Life Insurance Corporation of India (2,099,999 equity shares), Industrial Finance Corporation of India (2,100,000 equity shares), State Bank of India (2,100,000 equity shares), National Insurance Company Limited (240,000 equity shares), New India Assurance Company Limited (240,000 equity shares), Oriental Insurance Company Limited (240,000 equity shares), United India Insurance Company Limited (240,000 equity shares), Stock Holding Corporation of India (1,199,996 equity shares), Infrastructure Leasing and Financial Services Limited (1,200,000 equity shares), SBI Capital Markets Limited (900,000 equity shares), Bank of Baroda (500,000 equity shares), Canara Bank (500,000 equity shares), Corporation Bank (150,000 equity shares), Oriental Bank of Commerce (150,000 equity shares), Punjab National Bank (500,000 equity shares), Indian Bank (150,000 equity shares) and Union Bank of India (150,000 equity shares), pursuant to Board resolution passed on January 11, 1994 and Shareholders' resolution passed on January 11, 1994.
- (4) An aggregate of 14,760,000 equity shares were allotted by our Company on a rights basis to Industrial Development Bank of India (2,100,000 equity shares), Industrial Finance Corporation of India Limited (2,100,000 equity shares), Life Insurance Corporation of India (2,100,000 equity shares), State Bank of India (2,100,000 equity shares), SBI Capital Markets Limited (900,000 equity shares), ICICI Limited (840,001 equity shares), General Insurance Corporation of India (240,000 equity shares), National Insurance Company Limited (240,000 equity shares), New India Assurance Company Limited (240,000 equity shares), Oriental Insurance Company Limited (240,000 equity shares), United India Insurance Company Limited (240,000 equity shares), Stock Holding Corporation of India Limited (1,199,999 equity shares), Infrastructure Leasing and Financial Services Limited (1,200,000 equity shares), Bank of Baroda (300,000 equity shares), Canara Bank (300,000 equity shares), Corporation Bank (90,000 equity shares), Oriental Bank of Commerce (150,000 equity shares, which includes 60,000 additional equity shares allotted by our Company out of the unsubscribed portion of the rights issue), Indian Bank (90,000 equity shares), Union Bank of India (90,000 equity shares), pursuant to Board resolution and Shareholders' resolution passed on February 9, 1999 and March 9, 1999, respectively.
- (5) An aggregate of 5,000,000 equity shares were allotted by our Company on a preferential basis to ICICI Limited (3,000,000 equity shares) and Unit Trust of India (2,000,000 equity shares) pursuant to Board resolution and Shareholders' resolution passed on February 9, 1999 and March 9, 1999, respectively.
- (6) 240,000 equity shares were allotted by our Company to Industrial Development Bank of India on a rights basis out of the unsubscribed portion of the rights issue, pursuant to Board resolution and Shareholders' resolution passed on February 9, 1999 and March 9, 1999, respectively.

(7) The bonus issue was made to the Shareholders of our Company as of the record date, November 23, 2016, in the ratio of 1:10, pursuant to Board resolutions passed on October 4, 2016 and Shareholders' resolution passed on November 10, 2016, respectively. Our Company has not issued any equity shares out of revaluation reserves since incorporation.

2. **Issue of equity shares for consideration other than cash, through a bonus issue or out of revaluation reserves**

Except as set out below, our Company has not issued equity shares for consideration other than cash, through a bonus issue or out of revaluation reserves:

Date of Allotment	Names of the Allottees	Number of equity shares Allotted	Face Value (₹)	Issue price per Equity Share (₹)	Reason for allotment	Benefits accrued to our Company
November 24, 2016	Allotment to the Shareholders of our Company as of the record date, being November 23, 2016	4,500,000	10	-	Bonus issue in the ratio of 1:10	-

(1) The bonus issue was made to our Shareholders as of the record date, November 23, 2016, in the ratio of 1:10, pursuant to Board resolutions passed on October 4, 2016 and Shareholders' resolution passed on November 10, 2016.

3. **Details of Lock-in**

(a) *Details of share capital locked in for three years*

Our Company is a professionally managed company and does not have an identifiable promoter either in terms of the SEBI ICDR Regulations or the Companies Act. Accordingly, in terms of Regulation 34(a) of the SEBI ICDR Regulations, there is no requirement of promoter's contribution in this Offer and none of the Equity Shares will be locked in for a period of three years.

(b) *Details of share capital locked in for a year*

Except the Equity Shares subscribed to and Allotted pursuant to the Offer and Equity Shares held by VCFs, AIFs of category I or an FVCI, which are required to be locked-in for a period of one year from the date of purchase by such VCF, AIF or FVCI, the entire pre-Offer Equity Share capital of our Company will be locked-in for a period of one year from the date of Allotment.

(c) *Lock in of Equity Shares to be Allotted, if any, to Anchor Investors*

Any Equity Shares allotted to Anchor Investors in the Anchor Investor Portion shall be locked-in for a period of 30 days from the date of Allotment.

(d) *Other Requirements in respect of lock-in*

The Equity Shares held by our Shareholders prior to the Offer, and which are locked-in for a period of one year from the date of Allotment in the Offer may be transferred to any other person holding the Equity Shares which are locked-in, subject to the continuation of the lock-in in the hands of transferees for the remaining period and compliance with the Takeover Regulations.

4. **Shareholding Pattern of our Company**

(a) *Listing Regulations*

The following table sets forth details of the shareholding pattern of our Company as on the date of this Draft Red Herring Prospectus, as per the Listing Regulations:

Category (I)	Category of shareholder (II)	Nos. of shareholders (III)	Number of fully paid up Equity Shares held (IV)	Number of Partly paid-up Equity Shares held (V)	Number of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) =(IV)+(V)+ (VI)	Shareholding as a % of total number of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2+{D)	Number of Voting Rights held in each class of securities (IX)				Number of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of Equity Shares held in dematerialised form (XIV)
								No of Voting Rights			Total as a % of (A+B+C)			Number (a)	As a % of total Shares held (b)	Number (a)	As a % of total Share s held (b)	
								Class eg: Equity	Class eg: Others	Total								
(A)	Promoter & Promoter Group	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(B)	Public	52	314,535,254	-	-	314,535,254	63.5	314,535,254	-	314,535,254	63.5	-	-	-	-	-	-	314,535,254
(C)	Non Promoter- Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C3	Trading Members and Associates of Trading Members	27	180,464,746			180,464,746	36.5	180,464,746		180,464,746	36.5							180,464,746
	Total	79	495,000,000	-	-	495,000,000	100.0	495,000,000	-	495,000,000	100.0	-	-	-	-	-	-	100.0

(b) *SECC Regulations*

The following table sets forth details of the shareholding pattern of our Company as on the date of this Draft Red Herring Prospectus, as per the SECC Regulations:

Category of Shareholder	Number of Shareholders	Total number of Equity Shares (face value of ₹ 1 each)	Percentage of equity shares (%)
TRADING MEMBERS			
Individuals	-	-	-
Corporates (listed)	-	-	-
Corporates (unlisted)	2	2,126,674	0.4
Banks (wherever permitted)	8	45,038,312	9.1
Any other (specify)	-	-	-
Total A	10	4,7,164,986	9.5
ASSOCIATES OF TRADING MEMBERS			
Individuals	3	247,500	0.1
Corporates (listed)	2	7,645,000	1.5
Corporates (unlisted)	2	43,450,000	8.8
HUF	-	-	-
Trust	-	-	-
Financial institutions/ banks	2	5,283,157	1.1
FDI	4	44,610,500	9.0
FPI	1	24,750,000	5.0
Any other (specify)	-	-	-
Insurance companies	2	5,225,000	1.1
Venture capital fund	1	2,088,603	0.4
Total B	17	133,299,760	27.0
Total A+B	27	180,464,746	36.5
PUBLIC			
Individuals	7	5,484,919	1.1
Corporates (listed)	1	110,000	0.0
Corporates (unlisted)	6	5,670,500	1.2
HUF	-	-	-
Trust	-	-	-
Financial institutions/banks	1	15,100,250	3.1
FDI	13	125,595,536	25.4
FPI	15	45,725,669	9.2
Any other (specify)	-	-	-
Insurance companies	6	98,213,500	19.8
Venture capital fund	3	18,634,880	3.8
Total C	52	314,535,254	63.5
Total A+B+C	79	495,000,000	100.0

5. **The list of top 10 Shareholders of our Company and the number of Equity Shares held by them are set forth below:**

(a) The following table sets forth details of the top 10 Shareholders as on the date of this Draft Red Herring Prospectus:

S. No.	Name of the Shareholder	Number of Equity Shares (face value of ₹ 1 each)	Percentage (%)
1.	Life Insurance Corporation of India	61,913,500	12.5
2.	State Bank of India	25,712,500	5.2
3.	Aranda Investments (Mauritius) Pte. Limited	24,750,000	5.0
3.	Gagil FDI Limited	24,750,000	5.0
3.	SAIF II-SE Investments Mauritius Limited	24,750,000	5.0
3.	Veracity Investments Limited	24,750,000	5.0
4.	Stock Holding Corporation of India Limited	22,000,000	4.4
5.	SBI Capital Markets Limited	21,450,000	4.3
6.	IFCI Limited	15,100,250	3.1

S. No.	Name of the Shareholder	Number of Equity Shares (face value of ₹ 1 each)	Percentage (%)
7.	GS Strategic Investments Limited	14,850,000	3.0
7.	MS Strategic (Mauritius) Limited	14,850,000	3.0
7.	PI Opportunities Fund I	14,850,000	3.0
7.	Tiger Global Five Holdings	14,850,000	3.0
8.	Acacia Banyan Partners	12,375,000	2.5
9.	Norwest Ventures Partners X FII- Mauritius	10,450,000	2.1
10.	Citigroup Strategic Holdings Mauritius	9,900,000	2.0
10.	DVI Fund Mauritius Limited	9,900,000	2.0
Total		347,201,250	70.1

- (b) The following table sets forth details of the top 10 Shareholders 10 days prior to the date of this Draft Red Herring Prospectus:

S. No.	Name of the Shareholder	Number of equity shares (face value of ₹ 1 each)	Percentage (%)
1.	Life Insurance Corporation of India	61,913,500	12.5
2.	State Bank of India	25,712,500	5.2
3.	Aranda Investments (Mauritius) Pte. Limited	24,750,000	5.0
3.	Gagil FDI Limited	24,750,000	5.0
3.	SAIF II-SE Investments Mauritius Limited	24,750,000	5.0
3.	Veracity Investments Limited	24,750,000	5.0
4.	Stock Holding Corporation of India Limited	22,000,000	4.4
5.	SBI Capital Markets Limited	21,450,000	4.3
6.	IFCI Limited	15,100,250	3.1
7.	GS Strategic Investments Limited	14,850,000	3.0
7.	MS Strategic (Mauritius) Limited	14,850,000	3.0
7.	PI Opportunities Fund I	14,850,000	3.0
7.	Tiger Global Five Holdings	14,850,000	3.0
8.	Acacia Banyan Partners	12,375,000	2.5
9.	Norwest Ventures Partners X FII- Mauritius	104,500,000	2.1
9.	Citigroup Strategic Holdings Mauritius	99,000,000	2.0
10.	DVI Fund Mauritius Limited	99,000,000	2.0
Total		3,472,012,500	70.1

- (c) The following table sets forth details of the top 10 Shareholders two years prior to the date of this Draft Red Herring Prospectus:

S. No.	Name of the Shareholder	Number of equity shares (face value of ₹ 10 each)	Percentage (%)
1.	Life Insurance Corporation of India	4,728,500	10.5
2.	State Bank of India	4,587,500	10.2
3.	IFCI Limited	2,497,750	5.6
4.	Aranda Investments (Mauritius) Pte. Limited	2,250,000	5.0
5.	Gagil FDI Limited	2,250,000	5.0
6.	GS Strategic Investments Limited	2,250,000	5.0
7.	SAIF II-SE Investments Mauritius Limited	2,250,000	5.0
8.	Stock Holding Corporation of India Limited	2,250,000	5.0
9.	IDBI Bank Limited	2,249,153	5.0
10.	IDFC Limited	2,206,537	4.9
Total		27,519,440	61.2

6. As on the date of this Draft Red Herring Prospectus, our Company has not allotted any Equity Shares pursuant to any scheme approved under Sections 391 to 394 of the Companies Act, 1956 or Sections 230 to 232 of the Companies Act, 2013.
7. None of our Directors and Key Management Personnel hold any Equity Shares.
8. Other than the bonus issue made by our Company on November 10, 2016, our Company has not issued any Equity Shares at a price that may be lower than the Offer Price during the last one year. For details in relation to the bonus issuance, see “Capital Structure - Notes to the Capital Structure – Issue of Equity Shares for consideration other than

cash, through a bonus issue or out of revaluation reserves” on page 95.

9. For details in relation to allotments made in the last two years preceding the date of this Draft Red Herring Prospectus, see “Capital Structure - Equity Share capital history of our Company” beginning on page 93.
10. Our Company has not issued any employee stock options in the past.
11. As of the date of this Draft Red Herring Prospectus, the total number of our Shareholders is 79.
12. There has been no financing arrangement whereby our Directors and their relatives have financed the purchase by any other person of securities of our Company other than in normal course of the business of the financing entity during the period of six months immediately preceding the date of this Draft Red Herring Prospectus.
13. Our Company presently does not intend or propose to alter its capital structure for a period of six months from the Bid/Offer Opening Date, by way of split or consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly for Equity Shares) whether on a preferential basis or by way of issue of bonus shares or on a rights basis or by way of further public issue of Equity Shares or qualified institutions placements or otherwise.
14. Our Directors and their immediate relatives have not purchased or sold any securities of our Company or its Subsidiaries during the period commencing six months immediately prior to the date of filing this Draft Red Herring Prospectus.
15. Our Company, our Directors and the Managers have not made any or entered into any buy-back and/or standby arrangements for purchase of the Equity Shares being offered in the Offer from any person.
16. Except for (i) 9,900,000 Equity Shares held by Citigroup Strategic Holdings Mauritius Limited, an associate of Citi, (ii) 2,126,674 Equity Shares held by JM Financial, one of our Managers, (iii) 14,850,000 Equity Shares held by MS Strategic (Mauritius) Limited, an associate of Morgan Stanley, (iv) 811,250 Equity Shares held by Housing Development Finance Corporation Limited, associate of HDFC, (v) 2,750,000 Equity Shares held by ICICI Lombard General Insurance Company Limited and 2,629 Equity Shares held by ICICI Bank Limited, associates of I-Sec, and (vi) 4,471,907 Equity Shares held by IDFC, one of our Managers and 1,392,380 Equity Shares held by IDFC S.P.I.C.E Fund, associate of IDFC as on the date of this Draft Red Herring Prospectus, the Managers or their respective associates (in accordance with the definition of “associate company” as provided under Section 2(6) of the Companies Act, 2013) do not hold any Equity Shares in our Company.
17. There are no outstanding warrants, options or rights to convert debentures, loans or other instruments into Equity Shares as on the date of this Draft Red Herring Prospectus.
18. Any over-subscription to the extent of 10% of the Offer can be retained for the purposes of rounding off to the nearest multiple of minimum Allotment lot.
19. All Equity Shares allotted pursuant to the Offer will be fully paid-up at the time of Allotment and there are no partly paid up Equity Shares as on the date of this Draft Red Herring Prospectus.
20. The Offer is being made through the Book Building Process wherein not more than 50% of the Offer shall be available for allocation on a proportionate basis to QIBs, provided that our Company in consultation with the Managers may allocate up to 60% of the QIB Category to Anchor Investors on a discretionary basis. 5% of the QIB Category (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Category shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. Under-subscription, if any, in any category, except in the QIB Category, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the Managers and the Designated Stock Exchange. All potential investors, other than Anchor Investors, are mandatorily required to utilise the ASBA process by providing details of their respective bank accounts which will be blocked by the SCSBs to the extent of the respective Bid Amounts, to participate in the Offer. For further details, see “Offer Procedure” beginning on page 506.
21. There shall be only one denomination of the Equity Shares, unless otherwise permitted by law. Our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time.

22. No payment, direct or indirect in the nature of discount, commission, and allowance or otherwise shall be made by us to the persons who are Allotted Equity Shares pursuant to the Offer.

OBJECTS OF THE OFFER

The objects of the Offer are to achieve the benefits of listing the Equity Shares on the Stock Exchange and to carry out the sale of up to 111,411,970 Equity Shares by the Selling Shareholders. The listing of the Equity Shares will enhance our Company's brand and provide liquidity to the existing Shareholders. Our Company expects that the proposed listing will also provide a public market for the Equity Shares in India. Our Company will not receive any proceeds of the Offer.

Offer Expenses

The total Offer related expenses are estimated to be approximately ₹ [●] million. The Offer related expenses include, among others, listing fees, fees payable to the Managers underwriting fees, selling commission, legal counsels, Registrar to the Offer, Public Offer Bank(s) including processing fee to the SCSBs for processing Bid cum Application Forms submitted by ASBA Bidders procured by the Members of the Syndicate and submitted to SCSBs, brokerage and selling commission payable to Registered Brokers, RTAs and CDPs, printing and stationery expenses, advertising and marketing expenses and all other incidental expenses for listing the Equity Shares on the Stock Exchange. All costs, fees and expenses associated with and incurred in connection with the Offer will be borne by the Selling Shareholders on a pro-rata basis, except the listing fees, which shall be borne by our Company. Additionally, in the event our Company incurs any portion of the Offer expenses, on behalf of the Selling Shareholders, the Selling Shareholders shall reimburse our Company, in proportion to the respective Equity Shares offered by each Selling Shareholder in the Offer. All such amounts shall be deducted from the Offer proceeds received and credited in the Public Offer Account, before the same is disbursed to the Selling Shareholders. The following table sets forth details of the break-up for the Offer expenses:

Activity	Estimated Expense ⁽¹⁾ (₹ million)	As a % of total estimated Offer expense ⁽¹⁾	As a % of total Offer size ⁽¹⁾
Fees payable to the Managers	[●]	[●]	[●]
Selling commission and processing fees for SCSBs ⁽²⁾	[●]	[●]	[●]
Selling commission and bidding charges for the members of the Syndicate (including Sub-Syndicate members), Syndicate Members, Registered Brokers, RTAs and CDPs ⁽³⁾⁽⁴⁾	[●]	[●]	[●]
Fees payable to Registrar to the Offer	[●]	[●]	[●]
Printing and stationery expenses	[●]	[●]	[●]
Advertising and marketing expenses			
Others:	[●]	[●]	[●]
i. Listing fees;			
ii. SEBI and the Stock Exchange processing fees;			
iii. Book building fees;			
iv. Fees payable to legal counsels;			
v. Fees payable to Joint Auditors and independent chartered accountants; and			
vi. Miscellaneous.			
Total Offer Expenses	[●]	[●]	[●]

(1) Amounts will be finalised at the time of filing the Prospectus and on determination of Offer Price and other details. The details of commission and processing fees shall be incorporated at the time of filing the Red Herring Prospectus.

(2) SCSBs will be entitled to a processing fee of ₹ [●] per ASBA Form for processing the ASBA Forms procured by Members of the Syndicate, sub-syndicate/agents, Registered Brokers, RTAs or CDPs from Retail Individual Bidders and Non-Institutional Bidders and submitted to the SCSBs.

(3) Members of the Syndicate including Sub-Syndicate Members, RTAs, CDPs and SCSBs (for the forms directly procured by them) will be entitled to selling commission as below:

- *Portion for Retail Individual Bidders: [●]% of the Amount Allotted**
- *Portion for Non-Institutional Bidders: [●]% of the Amount Allotted**

(4) *Registered Brokers will be entitled to a commission of ₹ [●] per every valid ASBA Form submitted to them and uploaded on the electronic bidding system of the Stock Exchange.*

(All of the above are exclusive of applicable taxes)

** Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price.*

The commission and processing fees shall be payable within [●] Working Days post the date of the receipt of the final invoices of the respective intermediaries by our Company.

Monitoring of Utilisation of Funds

Since the Offer is an offer for sale and our Company will not receive any proceeds from the Offer, our Company is not required to appoint a monitoring agency for the Offer.

BASIS FOR OFFER PRICE

The Offer Price will be determined by our Company in consultation with the Selling Shareholders' Committee and the Managers, within the price band which will be determined by our Company in consultation with the Managers and upon due consideration of the recommendation of the Selling Shareholder's Committee. The Offer Price will be determined on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process and on the basis of quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹1 each and the Offer Price is [●] times the face value at the lower end of the Price Band and [●] times the face value at the higher end of the Price Band. Investors should also refer to "Our Business", "Risk Factors", "Financial Statements" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on pages 152, 19, 215 and 428, respectively, to have an informed view before making an investment decision.

Qualitative Factors

We believe the following business strengths allow us to successfully compete in the industry:

- a) Market leader in India and a leading stock exchange globally;
- b) Strong track record of growth in an Indian economy poised for further growth;
- c) Comprehensive and innovative product and service offerings delivered through a vertically-integrated business model supported by a robust risk management system;
- d) Proprietary technology platform with a track record of innovation;
- e) Strong and diverse financial profile across established and high-growth business lines; and
- f) Experienced and skilled management team.

For further details, see "Our Business – Our Competitive Strengths" beginning on page 153.

Quantitative Factors

The information presented below is based on our Company's standalone and consolidated Restated Financial Information. For further details, see "Financial Statements" beginning on page 215.

Some of the quantitative factors which may form the basis for calculating the Offer Price are as follows:

I. Basic and Diluted Earnings per Share ("EPS") (Face value of ₹ 1 each), as adjusted for change in capital:

On a standalone basis:

Financial Year ended	Restated Standalone Basic and Diluted EPS (₹)	Weight
March 31, 2016	15.77	3
March 31, 2015	15.08	2
March 31, 2014	16.15	1
Weighted Average	15.60	

On a consolidated basis:

Financial Year ended	Restated Consolidated Basic and Diluted EPS (₹)	Weight
March 31, 2016	19.70	3
March 31, 2015	20.08	2
March 31, 2014	15.12	1
Weighted Average	19.06	

For the six month period ended September 30, 2016, the basic EPS and the diluted EPS was ₹ 11.36, on a restated standalone basis, and ₹ 11.89, on a restated consolidated basis (Not Annualized).

Notes:

$$(1) \text{ Basic EPS (₹) } = \frac{\text{Net profit as restated, attributable to equity shareholders}}{\text{-----}}$$

Weighted average number of equity shares

$$(2) \text{ Diluted EPS (₹) } = \frac{\text{Net profit as restated, attributable to equity shareholders}}{\text{Weighted average number of dilutive equity shares}}$$

(3) The face value of each Equity Share is ₹ 1.

(4) All share data has been adjusted for bonus issue and sub-division of equity shares of our Company:

- A bonus issue was made to our shareholders as of the record date, November 23, 2016, in the ratio of 1:10, pursuant to our Board and Shareholders' resolutions passed on October 4, 2016 and November 10, 2016, respectively.
- The equity shares of our Company were sub-divided from equity shares of face value of ₹ 10 each into equity shares of face value of ₹ 1 each, pursuant to our Board and Shareholders' resolutions passed on October 4, 2016 and November 10, 2016, respectively. The record date for the aforementioned sub-division was December 14, 2016.

(4) Basic and diluted earnings per Equity Share are computed in accordance with Accounting Standard 20 and Accounting Standard 33 'Earnings per Share' notified under the Companies Act, 2013 read together with the Companies (Accounting Standards) Rules.

(5) The figures disclosed above are based on the Restated Financial Information. The above information should be read with significant accounting policies and notes on Restated Financial Information as appearing in the Financial Statements beginning on page 215.

II. Price/Earning ("P/E") ratio in relation to Price Band of ₹ [●] to ₹ [●] per Equity Share:

Particulars	P/E at the lower end of the Price Band (number of times)	P/E at the higher end of the Price Band (number of times)
Based on basic and diluted EPS for the year ended March 31, 2016 on a standalone basis	[●]	[●]
Based on basic and diluted EPS for the year ended March 31, 2016 on a consolidated basis	[●]	[●]

III. Return on Net Worth ("RoNW"):

Period ended	Restated Standalone RoNW (%)	Restated Consolidated RoNW (%)	Weight
March 31, 2016	13.64%	14.20%	3
March 31, 2015	14.00%	15.47%	2
March 31, 2014	16.22%	12.19%	1
Weighted Average	14.19%	14.29%	

For the six month period ended September 30, 2016, the RoNW was 9.46% on a restated standalone basis and 8.34% on a restated consolidated basis (not annualized).

Notes:

$$(1) \text{ RoNW (\%)} = \frac{\text{Net profit after tax, as restated}}{\text{Net worth at the end of the year/ period}}$$

(2) Net worth has been computed as the aggregate of equity share capital and other equity (including securities premium and surplus/ (deficit)), excluding non-controlling interest.

(3) The figures disclosed above are based on the Restated Financial Information. The above information should be read with significant accounting policies and notes on the Restated Financial Information as appearing in "Financial Statements" beginning on page 215.

IV. Minimum Return on Increased Net Worth required for maintaining pre-issue EPS as at March 31, 2016 is:

There will be no change in the net worth post-Offer, as the Offer is by way of offer for sale.

V. Net Asset Value (NAV) per Equity Share (Face value of ₹ 1 each):

Financial Year ended/ Period ended	NAV per Equity Share (₹)
September 30, 2016 on standalone basis	120.04
September 30, 2016 on consolidated basis	142.58
March 31, 2016 on standalone basis	115.57
March 31, 2016 on consolidated basis	138.74

- As the Offer consists only of an offer for sale by the Selling Shareholders, there will be no change in the NAV post-Offer.
- Offer Price: ₹ [●]

Notes:

- (1) NAV per Equity Share (₹) =
$$\frac{\text{Net worth at the end of the year/ period}}{\text{Number of equity shares outstanding at the end of the year/ period}}$$
- (2) All share data has been adjusted for bonus issue and sub-division of equity shares of our Company.
- (3) Net worth has been computed as the aggregate of equity share capital and other equity (including securities premium and surplus/ (deficit)), excluding non-controlling interest.
- (4) The figures disclosed above are based on the Restated Financial Information. The above information should be read with significant accounting policies and notes on Restated Financial Information as appearing in "Financial Statements" beginning on page 215.

VI. Comparison with Listed Industry Peers

There are no comparable listed companies in India engaged in the same line of business as our Company, hence comparison with industry peers are not applicable.

VII. The Offer price is [●] times of the face value of the Equity Shares.

The Offer Price of ₹ [●] has been determined by our Company in consultation with the Selling Shareholders' Committee and the Managers, on the basis of demand from investors for Equity Shares through the Book Building Process and, is justified in view of the above qualitative and quantitative parameters.

Investors should read the above mentioned information along with "Risk Factors", "Our Business", "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Financial Statements" beginning on pages 19, 152, 428 and 215, respectively, to have a more informed view. The trading price of the Equity Shares could decline due to the factors mentioned in the "Risk Factors" and you may lose all or part of your investments.

STATEMENT OF TAX BENEFITS

Date: December 26, 2016

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

Dear Sirs,

Subject: Statement of Possible Special Tax Benefits available to National Stock Exchange of India Limited (“the Company”) and its shareholders prepared in accordance with the requirement in Schedule VIII – Clause (VII) (L) of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (“the regulations”)

We hereby report that the enclosed Annexure, prepared by National Stock Exchange of India Limited (“the Company”), states the possible special tax benefits available to the Company and the shareholders of the Company under the provisions of the Income-tax Act, 1961 (“the Act” or “the Tax Laws”), (i.e. including amendments made by Finance Act 2016, i.e. applicable for the financial year 2016-17, relevant to the assessment year 2017-2018) presently in force in India as on signing date for inclusion in the Draft Red Herring Prospectus (“**DRHP**”), the Red Herring Prospectus (“**RHP**”) and Prospectus (collectively “**Offer Documents**”). Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company or its shareholders to derive the possible special tax benefits, is dependent upon the Company or its shareholders fulfilling such conditions, which based on the business imperatives, the Company may face in the future and accordingly, the Company or its shareholders may or may not choose to fulfill.

The benefits discussed in the enclosed Annexure cover only the special tax benefits available to the Company and its shareholders and do not cover general tax benefits. Special tax benefits are benefits which are generally not available for all companies. Further, the preparation of the contents stated is the responsibility of the Company's management. We are informed that this Statement is only intended to provide general information to the investors and hence is neither designed nor intended to be a substitute for professional tax advice. In view of the nature of individual tax consequences and the changing tax laws, each of the investor is advised to consult his or her or their own tax consultant with respect to the specific tax implications arising out of their participation in the offer for sale of equity shares of the Company.

We do not express any opinion or provide any assurance as to whether:

- the Company or its shareholders will continue to obtain these benefits in future; or
- the conditions prescribed for availing the benefits, where applicable, have been/would be met with; and the revenue authorities/courts will concur with the views expressed herein.

The contents of the enclosed Annexure are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

Our views expressed herein are based on the facts and assumptions indicated to us. No assurance is given that the revenue authorities / courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. We shall not be liable for any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct.

We hereby consent to the use of our name and other details, including reference to our firm as one of the joint statutory auditors to the Company. We further consent to be named as an expert in the Offer Documents, as defined under the provisions of the Companies Act, 2013 and the rules framed thereunder.

The enclosed annexure is intended for your information and for inclusion in the Offer Documents in connection with the proposed offer for sale of equity shares and is not to be used, referred to or distributed for any other purpose without our prior written consent.

Yours faithfully,

**For Khandelwal Jain & Co.
Chartered Accountants
(Firm Registration No. 105049W)**

**S.S.Shah
Partner
Membership No.33632
Mumbai**

ANNEXURE TO THE STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO NATIONAL STOCK EXCHANGE OF INDIA LIMITED (THE “COMPANY”) AND ITS SHAREHOLDERS UNDER THE APPLICABLE TAX LAWS IN INDIA

Outlined below are the possible special tax benefits available to the Company and its shareholders under the current tax laws in force in India. These benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant tax laws. Hence, the ability of the Company or its shareholders to derive the special tax benefits is dependent upon the Company or its shareholders fulfilling such conditions, which based on business imperatives it faces in the future, it may not choose to fulfil.

UNDER THE INCOME TAX ACT 1961 (“THE ACT”)

1. Special tax benefits available to the Company

There are no special tax benefits available to the Company under the provisions of the Act.

2. Special tax benefits available to the shareholders of the Company

2.1 Special tax benefits to Foreign Institutional Investors (‘FIIs’) / Foreign Portfolio Investor

Section 2(14) of the Act provides that any security held by a FII who has invested in such securities in accordance with the regulations made under Securities and Exchange Board of India Act, 1992 would be treated as a capital asset only so that any income arising from transfer of such security by a FII would be treated in the nature of capital gains.

Under section 115AD(1)(ii) of the Act, income by way of STCG arising to the FII on transfer of shares shall be chargeable at a rate of 30% where such transactions are not subjected to STT and at the rate of 15% if such transaction of sale is entered on a recognised stock exchange in India and is chargeable to STT. The above rates are to be increased by applicable surcharge, education cess and secondary and higher education cess.

Under section 115AD(1)(iii) of the Act income by way of LTCG arising from the transfer of shares (in cases not covered under section 10(38) of the Act) held in the Company will be taxable at the rate of 10% (plus applicable surcharge, education cess and secondary and higher education cess). The benefits of indexation of cost and of foreign currency fluctuations are not available to FIIs.

FPI registered under SEBI (Foreign Portfolio Investors) Regulation 2014 have been specified as FII’s for the purpose of section 115AD

2.2 Special tax benefits available to venture capital companies/ funds

Under section 10(23FB) of the Act, any income of Venture Capital Company registered with SEBI or Venture Capital Fund registered under the provision of the Registration Act, 1908 (set up to raise funds for investment in venture capital undertaking notified in this behalf), would be exempt from income tax, subject to conditions specified therein. (Not applicable to income of venture capital fund/company being an investment fund specified in clause of the Explanation 1 to section 115UB).

Venture capital companies / funds are defined to include only those companies / funds which have been granted a certificate of registration, before the 21st day of May, 2012 as a Venture Capital Fund or have been granted a certificate of registration as Venture Capital Fund as a sub-category of Category I Alternative Investment Fund.

‘Venture capital undertaking’ means a venture capital undertaking as defined in clause (n) of regulation 2 of the Venture Capital Funds Regulations or as defined in clause (aa) of sub-regulation (1) of regulation 2 of the Alternative Investment Funds Regulations.

As per section 115U(1) of the Act, any income accruing or arising to or received by a person out of investments made in Venture Capital Company/Venture Capital Fund would be taxable in the hands of the person making an investment in the same manner as if it were the income accruing/arising/received by such person had the investments been made directly in the venture capital undertaking.

As per section 115U(5) of the Act, the income accruing or arising to or received by the venture capital company/funds from investments made in a venture capital undertaking if not paid or credited to a person (who has investments in a Venture Capital Company /Fund) shall be deemed to have been credited to the account of the said person on the last day of the previous year in the same proportion in which such person would have been entitled to receive the income had it been paid in the previous year.

2.3 Special tax benefits to Non-Resident Indians

As per section 115C(e) of the Act, the term “non-resident Indian” means an individual, being a citizen of India or a person of Indian origin who is not a “resident”. A person shall be deemed to be of Indian origin if he, or either of his parents or any of his grand-parents, was born in undivided India.

As per section 115E of the Act, in the case of a shareholder being a non-resident Indian, and subscribing to the shares of the Company in convertible foreign exchange, in accordance with and subject to the prescribed conditions, LTCG on transfer of the shares of the Company (in cases not covered under section 10(38) of the Act) will be subject to tax at the rate of 10% (plus applicable surcharge, education cess and secondary and higher education cess), without any indexation benefit.

As per section 115F of the Act and subject to the conditions specified therein, in the case of a shareholder being a non-resident Indian, gains arising on transfer of a long term capital asset being shares of the Company, which were acquired, or purchased with or subscribed to in, convertible foreign exchange, will not be chargeable to tax if the entire net consideration received on such transfer is invested within the prescribed period of six months in any specified asset or savings certificates referred to in section 10(4B) of the Act. If part of such net consideration is invested within the prescribed period of six months in any specified asset or savings certificates referred to in section 10(4B) of the Act then this exemption would be allowable on a proportionate basis. Further, if the specified asset or saving certificates in which the investment has been made is transferred within a period of three years from the date of investment, the amount of capital gains tax exempted earlier would become chargeable to tax as long term capital gains in the year in which such specified asset or savings certificates are transferred.

As per section 115G of the Act, non-resident Indians are not obliged to file a return of income under section 139(1) of the Act, if their only source of income is income from specified investments or long term capital gains earned on transfer of such investments or both, provided tax has been deducted at source from such income as per the provisions of Chapter XVII-B of the Act.

As per section 115H of the Act, where non-resident Indian becomes assessable as a resident in India, he may furnish a declaration in writing to the Assessing Officer, along with his return of income for that year under section 139 of the Act to the effect that the provisions of Chapter XII-A shall continue to apply to him in relation to investment income derived from the investment in equity shares of the Company as mentioned in section 115C(f)(i) of the Act for that year and subsequent assessment years until assets are converted into money.

As per section 115I of the Act, a non-resident Indian may elect not to be governed by the provisions of Chapter XII-A for any assessment year by furnishing a declaration along with his return of income for that assessment year under section 139 of the Act, that the provisions of Chapter XII-A shall not apply to him for that assessment year and accordingly his total income for that assessment year will be computed in accordance with the other provisions of the Act.

2.4 Special tax benefits available to Alternative Investment Fund (Category I and II)

Under section 10(23FBA), any income of an investment fund other than the income chargeable under the head "Profits and gains of business or profession" is exempt from income tax.

As per section 115UB(1) of the Act, any income accruing or arising to or received by a person out of his investments in investment Fund would be taxable in the hands of the person making an investment in the same manner as if it were the income accruing/arising/received by such person had the investments by the investment fund been made directly by him.

As per section 115UB(6) of the Act, the income accruing or arising to or received by the investment fund if not paid or credited to the person (who has investments in the investment fund) shall be deemed to have been credited to the account of the said person on the last day of the previous year in the same proportion in which such person would have been entitled to receive the income had it been paid in the previous year

2.5 Special tax benefits available to Mutual Funds

As per section 10(23D) of the Act, any income of Mutual Funds registered under the Securities and Exchange Board of India Act, 1992 or Regulations made thereunder and such other Mutual Funds set up by public sector banks or public financial institutions or authorised by the Reserve Bank of India subject to such conditions as the Central Government may, by notification in the Official Gazette, specify in this behalf will be exempt from income tax.

Notes:

- *The above Statement of Tax Benefits sets out the provisions of law (i.e. the Act as amended by the Finance Act 2016)*

presently in force in India, in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of equity shares;

- The above Statement of Tax Benefits sets out the only the special tax benefits available to the Company and its shareholders under the current tax laws (i.e. the Act as amended by the Finance Act 2016) presently in force in India. These benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant tax laws;*
- The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefits under any other law;*
- This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences, the changing tax laws, each investor is advised to consult his or her/ its own tax consultant with respect to the specific tax implications arising out of their participation in the issue;*
- In respect of non-residents, the tax rates and the consequent taxation mentioned above shall be further subject to any benefits available under the DTAA, if any, between India and the country in which the non-resident has fiscal domicile;*
- The stated benefits will be available only to the sole/first named holder in case the shares are held by joint shareholders;*
- The tax rates (including rates for tax deduction at source) mentioned in this Statement is applicable for AY 2017-18.*
- Wealth Tax is abolished by Finance Act, 2015 with effect from April 1, 2015 and will accordingly not apply in relation to the assessment year 2016-17 and subsequent assessment year.*

SECTION IV: ABOUT OUR COMPANY

INDUSTRY OVERVIEW

The information in this section has been obtained from the Oliver Wyman Report that includes publically available information and third party data sources. We have commissioned the Oliver Wyman Report for the purposes of confirming our understanding of the industry in connection with the Offer. Neither we, nor any of the Managers, nor any other person connected with the Offer has verified the information in the Oliver Wyman Report. Similarly, Oliver Wyman has not verified any publically available information or third party sources referenced in the Oliver Wyman Report (as mentioned in the Market Data section for this Draft Red Herring Prospectus). Prospective investors are advised not to unduly rely on the Oliver Wyman Report and this section when making their investment decision.

The financial information pertaining to our Company included in the Oliver Wyman Report and this Industry Overview section has been prepared in accordance with Indian GAAP. The financial information pertaining to our Company included elsewhere in this Draft Red Herring Prospectus has been derived from our Restated Financial Information that have been prepared under Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013 to the extent applicable. The Restated Financial Information have been compiled from the audited consolidated financial statements of our Company for the respective years under Indian GAAP, and from the audited condensed consolidated financial statements as of and for the six months ended September 30, 2016 prepared under Ind AS. Significant differences exist between Ind AS and Indian GAAP. See "Risk Factors – Internal Risks – Significant differences exist between Ind AS and other accounting principles, such as Indian GAAP, IFRS and U.S. GAAP, which may be material to investors' assessment of our financial condition" on pages 44 to 45 for more information

The Oliver Wyman Report contains the following disclaimers:

"The report contains information that has been furnished by others which is believed to be reliable but has not been verified. No warranty is given as to the accuracy of such information. Public information and industry and statistical data contained in the report are from sources we deem to be reliable; however, we make no representation as to the accuracy or completeness of such information and have accepted the information without further verification.

The findings contained in this report may contain predictions based on current data and historical trends. Any such predictions are subject to inherent risks and uncertainties. In particular, actual results could be impacted by future events which cannot be predicted or controlled, including, without limitation, changes in business strategies, the development of future products and services, changes in market and industry conditions, the outcome of contingencies, changes in management, changes in law or regulations. Oliver Wyman accepts no responsibility for actual results or future events.

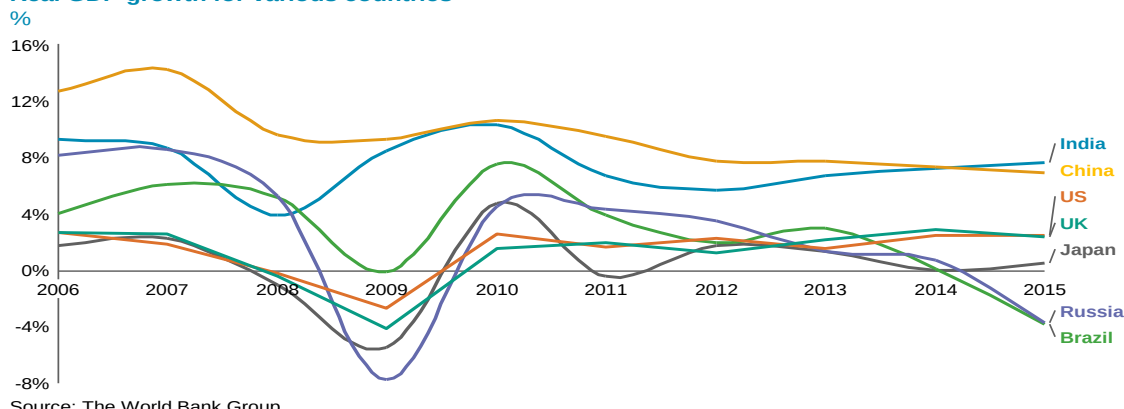
This report does not represent investment advice and is not a recommendation to any third parties to invest in, refrain from investing in, or divest from, any company covered in the report. Oliver Wyman shall not be liable for any loss or damage suffered by third parties because of reliance on the information contained in this report."

Overview of Indian macro-economy – Trends and Outlook

With approximately 1.3 billion people and one of the world's largest economies, India's recent growth and development has been one of the most significant achievements of our times. With the nominal GDP growing at 9% over the past decade, India has witnessed a fast growth in its economy and recently overtook China to become the fastest growing large economy globally (in real GDP terms).

Figure: India has overtaken China to be the fastest growing large economy

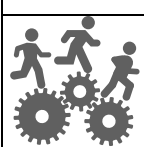
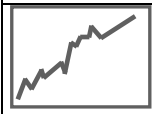
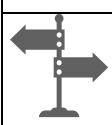
Real GDP growth for various countries



Specifically for India, real GDP growth rates for recent years have been 5.6% (2012), 6.6% (2013), 7.2% (2014) and 7.6% (2015).

This robust performance has been driven by a number of fundamental strengths in the Indian economy as summarised in the table below.

Table: Highlights of historical factors strengthening growth of Indian economy

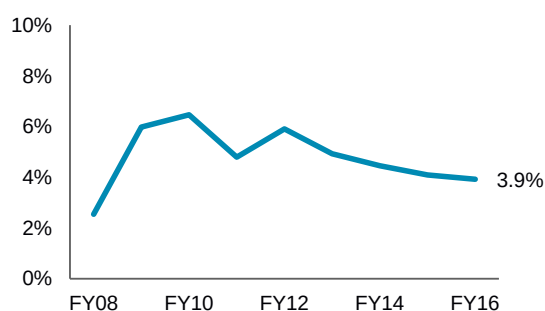
Factor		Description
	Service-led economy of India	- India has seen above 16% annual growth rate in services sector between 2006 and 2014¹ driven by export of IT and BPO services (source: CEIC DATA COMPANY LIMITED) - Services sector contributed approximately 57% of India's GDP in 2014¹ as compared to 53% in 2006 (source: CEIC DATA COMPANY LIMITED)
	Favourable population demographics	- India has the second largest workforce in the world with 860 MM 15–64 year olds which constitutes approximately 66% of the total population (source: The World Bank Group) - In comparison, China has a workforce of 1 BN people which constitutes approximately 73% of its population (source: The World Bank Group)
	Rising Youth Literacy	- India's youth literacy levels have increased from 81.1% in 2006 to 89.7% in 2015 (source: UNESCO Institute for Statistics) - Gross enrolment ratio for tertiary education has increased from 11.5% in 2006 to 23.9% in 2013 (source: UNESCO Institute for Statistics)
	Rising employment levels	- India's unemployment rates have steadily fallen from approximately 12% in early 1990s to approximately 5.5% at present (source: Oxford Economics) - This is in stark contrast to China where unemployment rates have risen from approximately 2.5% in 1991 to approximately 4.1% in 2015 (source: Oxford Economics)
	Large domestic consumer market	- Number of middle class households in India has grown from 65 MM in 2006 to more than 75 MM in 2015. Growing middle class population has led to a sharp increase in domestic consumption of goods (source: Euromonitor) - As a result, India per capita private consumption has grown 2.9 times from 2006 levels to approximately INR 62,000 in 2015 (source: Economist Intelligence Unit)
	Lower external dependencies	Due to lesser reliance on exports, India is relatively better placed to handle external shocks such as falling of commodity prices (source: UNDP)
	Policy reforms	Indian government has continually been introducing key reforms to help the Indian economy grow. Recent examples include increased public spend in infrastructure, reduction of red-tape to facilitate doing businesses and measures to control inflation
	Mature regulatory architecture	- Government has been converging Indian commercial laws to be at par with international laws. For example, the recent enactment of Companies Act, 2013 maps Indian laws at par with the International Company law (source: EY report titled "India Inc. – Companies Act 2013, An Overview") - RBI's guidelines on on-tap licensing of banks and small bank licences and SEBI's push for corporate bond market reflect maturity amongst the regulators

¹ Comparison available between 2006 and 2014 due to change of base year of GDP calculation to 2012

Factor		Description
	Telecom boom	- India has witnessed a telecom boom in the last decade. - Mobile and internet penetration in India increased from 150 million users and 33 million users, respectively, in 2006 to approximately 1,010 million users and approximately 340 million users, respectively, in 2015 (source: Economist Intelligence Unit, TRAI)
	Strong foreign investment flows	India has seen a strong annual growth rate of approximately 24% in net foreign institutional investor inflows over the past decade. As a result, net foreign institutional investor inflows have grown from INR 410 BN in 2006 to INR 2,770 BN in 2015 (source: NSDL) (See figure below)

Figure: India has improved its fiscal position and continued to attract foreign investments

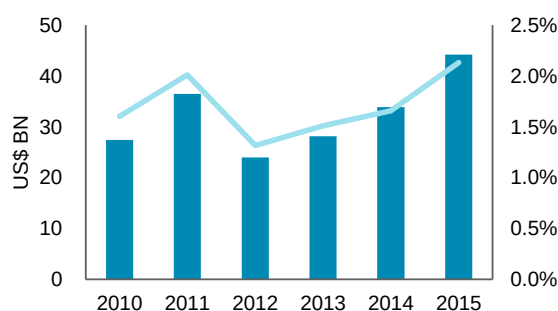
Declining Fiscal Deficit as a % of GDP



Note: The data is for Financial Year(1-Apr to 31-Mar)
Source: CEIC Data Company Limited

India Growth Story on the Rise Attracting Higher Foreign Investments

Foreign Direct Investment, as % of GDP

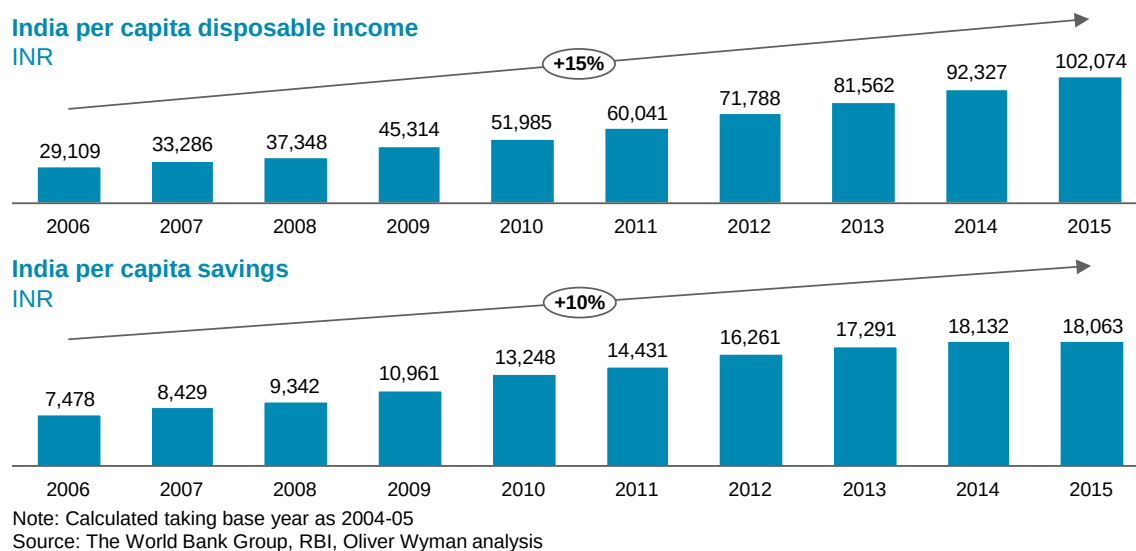


Source: The World Bank Group

Foreign direct investment into India has steadily increased from approximately USD 24 billion in calendar year 2012 to approximately USD 44 billion in calendar year 2015 and approximately USD 32 billion in the nine months ended September 30, 2016. Foreign direct investment in India accounted for only approximately 2% of India's GDP in 2015 despite increasing from approximately USD 28 billion to approximately USD 34 billion to approximately USD 44 billion as of 2013, 2014 and 2015, respectively.

Driven by strong growth in economy along with a strong savings culture, both household income and household savings have seen a substantial increase in the past decade. The per capita income increased by approximately 3.5 times from 2006 to 2015 (indicating annual growth rate of approximately 15%). At the same time, per capita savings grew by approximately 2.5 times from 2006 to 2015 (indicating annual growth rate of approximately 10%)

Figure: India is witnessing fast growth in per-capita disposable income and savings

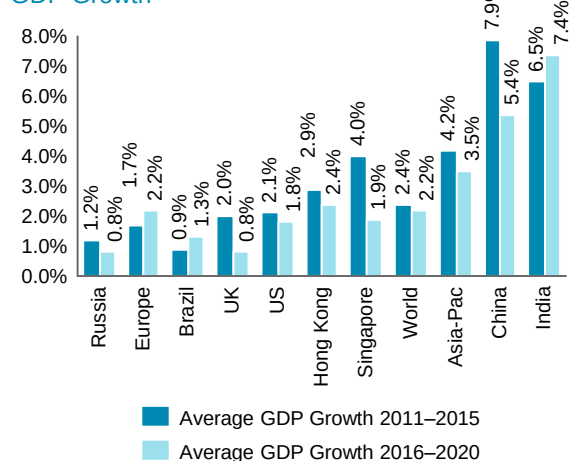


In the recent past, there have been numerous policy initiatives undertaken to continue this strong pace of growth. Examples include: increased public spend in infrastructure, passage of Goods and Services Tax, focused efforts to improve ease of doing business, launching of industrial corridors, movements such as ‘Start-up India’, ‘Make in India’, ‘Skill India’, ‘Digital India’, “India Stack”. These efforts are likely to serve as a catalyst for growth in the Indian economy.

Going forward, the outlook for Indian economy remains strong. Numerous independent agencies estimate Indian economy to grow at 7-8% (real GDP terms) over the next few years. This trend is likely to continue beyond the next 5 years and India is expected to become the 3rd largest economy in the world by 2030, with GDP approximately tripling to USD 7 trillion.

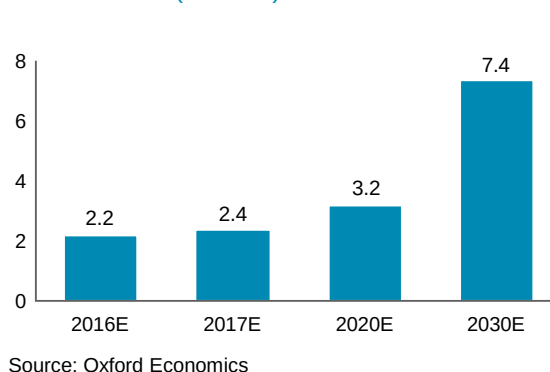
Figure: India is expected to become a US\$ 7 TN+ economy by 2030

India Expected to Continue to Be Fastest Growing Economy Globally



Source: Economist Intelligence Unit

...And become a US\$ 7 Tn+ Economy by 2030



This strong outlook is driven by a number of factors such as continued policy reforms, thrust on reviving manufacturing, close monitoring of inflation targets and so on (summarised in Table below).

Table: Factors determining future outlook of Indian economy

Factor		Description of trend	Expected impact on economy
	Continued policy reforms	The government has indicated its keenness to bring in policy reforms to help Indian economy grow. Examples of recent reforms include passage of Goods and Services Tax (GST), focus on skill development and building an industrial corridor to connect major manufacturing hubs to Delhi and Mumbai	- Improves ease of doing business - Enhances attractiveness of investments into India - Stimulates economic activity and growth
	Favourable outlook on dependency ratio	- Working population (age 15–64) in India is expected to grow to approximately 940 MM by 2021 (67% of population) while this population is expected to fall marginally for China from current approximately 1bn to 990 MM (70% of population) (source: The World Bank Group) - Furthermore, India is expected to overtake China to have the world's largest workforce by 2026 (source: The World Bank Group)	- Enables growth across sectors and industries - Stimulates economic activity
	Increasing manufacturing opportunities	- With China losing its attractiveness as manufacturing hub due to rapidly rising wages, India stands to gain considerably (source: Speech by The World Bank Group President) - To tap into this opportunity, India has launched "Make in India" initiative to attract investors to set-up or expand their manufacturing base in India	- Sets the stage for growth in exports - Enhances localisation of MNCs in India - Creates new jobs - Stimulates economic activity
	Smartphones and internet boom	- Smartphone users in India are expected to grow from 168 MM in 2015 to 317 MM by 2019 (source: Statista) - Similarly, internet users are expected to grow from 340 MM in 2015 to 500 MM by 2017 opening avenues for new online businesses (source: Bloomberg research) - As mobile and internet penetration increases in India, retail participation in the markets may increase	- Improves access to a broad range of services and products - Drives greater consumption - Enhances 'national' and 'global' connect of MSME businesses - Improves literacy and awareness levels
	Start-up boom	- With 4,000+ start-ups, India has 3rd largest number of technology start-ups in the world behind US and UK (source: NASSCOM) - Campaigns like "Start-up India" will push this number even higher	- Disrupts business models - Creates new jobs - Improves access to a broad range of services and products
	Increasing global integration	- Indian government is continually pushing for increasing global integration - Recent relaxation of foreign investment caps include insurance firms (from 26% to 49%), military contractors (from 49% to 100%), real estate companies (now any project regardless of size can have access to FDI) (source: Make in	- Enables easier access to India as an investment destination - Enhances attractiveness of investments into India - Provides diverse avenues for foreign investors to invest in

Factor		Description of trend	Expected impact on economy
		India website)	India
	Inflation	- After years of high inflation of above 8%, India's inflation has come down to moderate levels of approximately 5%–6% since 2014 (source: The World Bank Group) - RBI has set up an inflation targeting regime (5% by March 2017). Due to RBI's strong focus on inflation targets, it is expected that the inflation levels will remain low in the coming years	- Improves competitiveness of India manufactured goods and services in the global market - Stimulates economic activity

Additional note to readers

The recent government action of demonetisation is a significant step to move India to a 'less-cash' economy in the near term and potentially a 'cash-less' economy in the medium term. The economy is currently in a period of 'transition' and there is uncertainty on the nature and timing of the impact of the policy action. Directionally, we can expect that demonetisation may lead to attractive growth opportunities for exchanges in India. We list below some potential drivers that may support capital markets growth, the likely time to impact (near term vs. medium term vs. long term) as well as nature of impact (permanent vs. temporary)

- Greater allocation of household savings towards productive, financial assets (long term, permanent). This will have direct positive impact on capital markets participation by retail investors
- Adoption of digital payment mechanisms for financial as well as non-financial transactions (long term, permanent). This has the potential to lead to greater participation in capital markets due to seamless integration of payment and trading platforms
- Uncertainty in outlook leading to higher market volatility (medium term, temporary). This may lead to greater turnover in the capital markets in the near term (hence leading to potential increase in exchange revenues)
- Drop in interest rate driving greater participation in capital markets for better returns (near term, temporary). This may lead to greater participation as well as turnover in the capital markets

At the same time, the policy action can also dampen the outlook for exchanges in India due to reasons such as slowdown in GDP growth (near term, temporary), substantial proportion of new deposits driven towards tax payments (near term, permanent), sizeable proportion of new deposits locked in fixed deposits (near term, temporary), reduced attractiveness of India as an investment destination given uncertainty over investment horizons of 3/5 years.

There is a great deal of uncertainty on the near-medium term impact of demonetisation. The move has potential to become an inflection point for banking and capital markets sectors, as well as for the economy as a whole. We believe that it is too early to define likely scenarios or to estimate quantitative impact of demonetisation on turnover in various asset classes. As such, this report (finalised before the full impact of demonetisation is clear) does not take into account the opportunities for faster growth of capital markets nor does it factor in potential slowdown in the economy in the near term.

Capital markets in India – Evolution and global comparison

As the Indian economy matured from 1991, financial services sector served as the backbone of India growth with strong growth in indicators like banked population, number of bank branches and ATMs, banking sector assets, market capitalization and number of listed companies, among others.

Table: Summary of shifts in key indicators related to financial markets

	Indicators	India			Developed economies ¹ (2015)	Source
		2006	2015	Annual change		
Banking related	% population with bank accounts ²	44%	52%	4%	Above 90%	RBI, The World Bank Group, FDIC ³ , UOB ⁴
	Number of bank branches per 100,000 adults	8.8	13.5	7%	25–34	International Monetary Fund
	Number of ATMs per 100,000 adults	2.7	17.8	27%	100+	International Monetary Fund
	Number of debit card transactions (MM)	45.7	624.2	34%	10,000+	RBI, Statista
	Banking sector assets (USD TN)	0.65	1.85	12%	16–21	RBI, SNL
	Domestic credit by financial sector (USD TN) ⁵	0.4	1.55	16%	11–63	RBI, SEBI, St. Louis Fed, BOE ⁶
Capital markets and insurance related	Number of listed companies	4,736	5,835	2%	1,070–2,860	The World Bank Group
	Market capitalisation (USD TN)	0.8	1.5	7%	1.5–5	Bloomberg, The World Bank Group
	Market capitalisation as % GDP	86%	73%	7%	88–139%	The World Bank Group
	Assets under management of mutual funds (USD TN)	0.07 ⁷	0.18	11%	1.3–1.5	AMFI, ICI ⁸
	Assets under management of insurers (USD TN)	0.12	0.37	15%	2.5–5.5	IRDAI, OECD

1 Calculated by using sample of advanced economies including US, UK, Japan and Australia

2 For calculating % population with bank accounts, only adult population (age 14+) has been considered

3 Federal Deposit Insurance Corporation

4 University of Birmingham

5 Domestic credit consists of bank advances, NBFC advances and corporate bonds outstanding

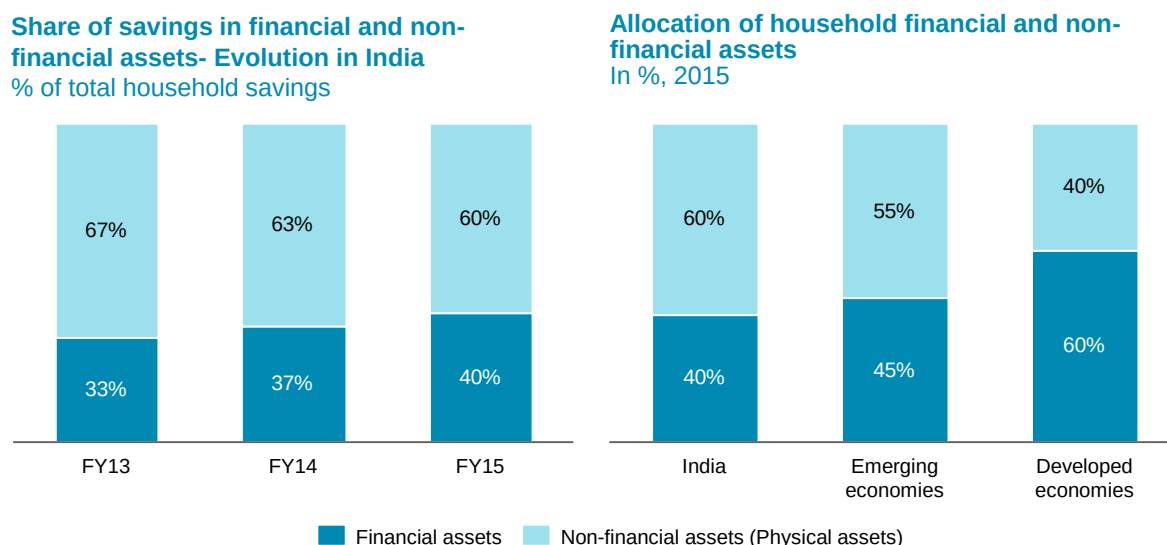
6 Bank of England

7 AUM of mutual fund as of March 2007

8 Investment Company Institute

Traditionally, Indian households have invested a majority of their savings (approximately 60%) into physical assets such as gold and real estate with share of financial assets being lower as compared to developed economies. However, the share of financial assets in savings is increasing over the last 3 years.

Figure: Allocation of household savings towards financial assets has grown in recent years



Note: The chart indicates split of yearly savings and not consolidated y-o-y savings; data for FY16 not available; The data is for Financial Year (1-Apr to 31-Mar)

Note: Financial assets refer to financial products such as deposits, cash, equities, insurance and pensions funds. Non-financial assets include precious metals and real estate

Source: RBI, Oliver Wyman proprietary models and analysis

It is expected that the allocation of household savings to financial assets will improve in the medium term driven by

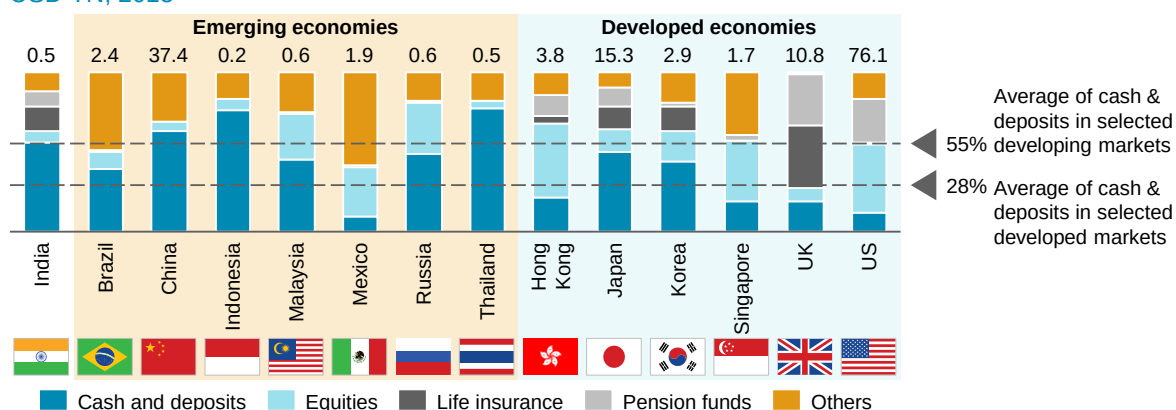
- **Improving financial literacy levels:** A number of focused programs being run by the regulators towards this cause
- **Focus on financial inclusion:** Driving financial inclusion has been the focus of numerous initiatives in the recent past such as Pradhan Mantri Jan Dhan Yojana, linking of Aadhaar card to bank accounts, Pradhan Mantri Fasal Bima Yojana, Digital India, India Stack, new bank licenses, launch of payment banks and small banks. These initiatives are expected to be instrumental in further pushing financial inclusion and drive a step change in key financial markets indicators
- **Ease of access:** Supported by boom in the telecom sector (internet and mobiles), as well as the launch of banking services on mobile phones and rise of fin-tech companies that focus on customer experience, it is expected that accessibility of organised financial services will improve dramatically
- **Urbanisation:** While the India Economic survey estimates proportion of population living in urban areas as approximately 30%, The World Bank Group estimates suggest that there is a sizeable amount of hidden urbanisation. The World Bank Group estimates the share of India's population living in areas with urban-like features is approximately 55%. It is expected that the trend of urbanization will continue at a rapid pace until 2050. This implies that a vast and growing proportion of the population will have access to financial products, thereby enhancing allocation of savings to financial assets
- **Greater confidence in the markets:** SEBI has taken a number of steps to improve corporate governance and disclosure standards and to curb malpractices such as insider trading. In the medium term, these steps will lead to greater trust and confidence in capital markets

Financial savings in India totalled approximately USD 0.5 TN as of 2015, comprising approximately 56% of bank deposits and only 7% of investments in direct equities. Thus, within financial assets, majority of household savings in India are currently in the form of cash and deposits (approximately 60%). This is in sharp contrast to developed economies where households rely on a mix of equities, pension products, insurance and other financial products. Compared to emerging markets selected (e.g. Brazil, Malaysia), there is a huge scope to broaden the suite of financial products that households invest in. As financial literacy levels improve and per capita savings increase, the allocation of savings into more sophisticated products such as insurance, mutual funds and direct equities is expected to increase.

Figure: Cash and deposits form a large portion of financial assets in India

Allocation of household financial assets

USD TN, 2015

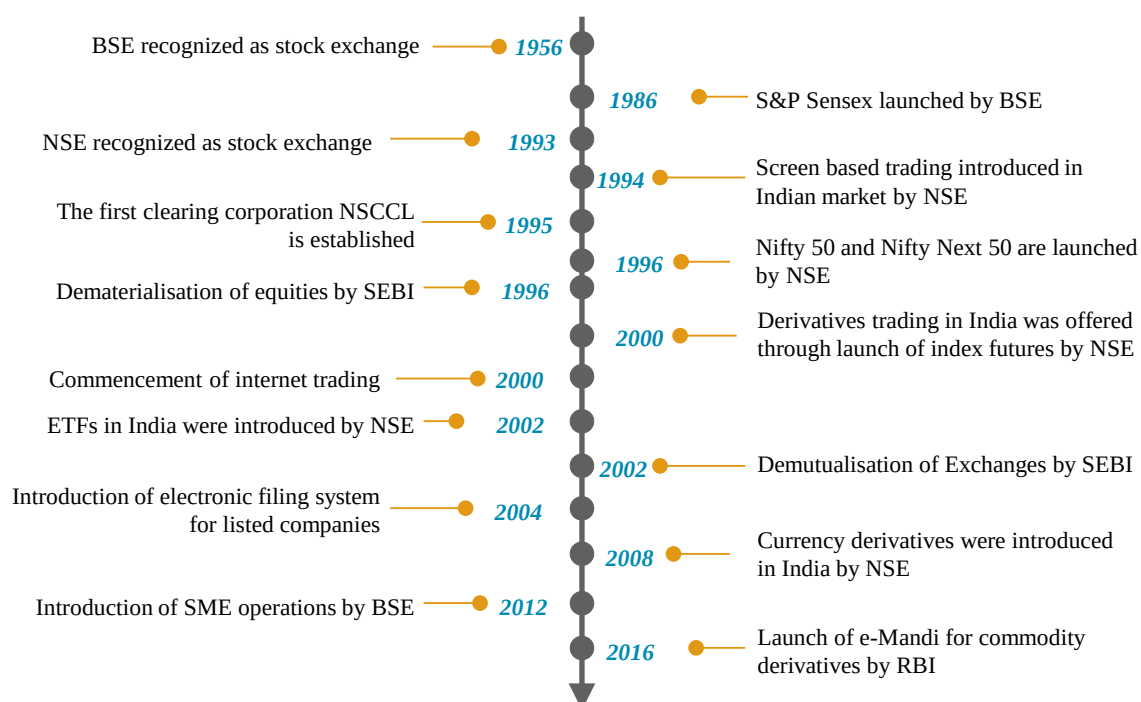


Note: Developed economies (advanced economies) and emerging economies as defined by International Monetary Fund

Source: Economist Intelligence Unit, Oliver Wyman analysis

Within financial services, capital markets specifically have also seen key developments over the past years. Examples of key developments include demutualisation of exchanges in 2002, dematerialisation of equities, emergence of screen based trading owing to the launch of a new technology platform by NSE, introduction of new asset classes and key regulatory changes introduced by SEBI and RBI to further develop the market. These changes have helped capital markets in India grow to their current state.

Figure: Timeline of key events in capital markets in India



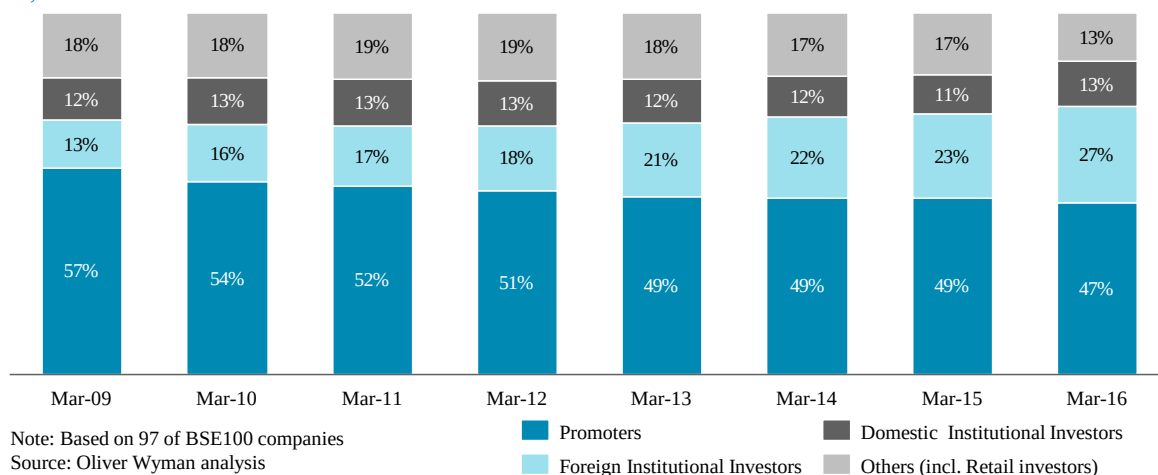
While comparing capital markets in India to global markets, it is important to understand the nuanced differences between capital markets in India vs global peers. We highlight some salient features of capital markets in India as follows:

- **High reliance on banks and NBFCs for corporate funding:** Growth of corporates in India has been fuelled by the banking sector to a large extent. The share of corporate loans to total corporate credit is approximately 65%. As the economy matures, it is important that the reliance on bank funding is reduced – thus indicating strong potential for growth of capital markets
- **Under-developed corporate bond market and nascent (on-exchange) markets for FX and IR derivatives:** While equity capital markets in India are well-developed, the corporate bond markets are yet to reach substantial size in primary as well as secondary markets. Corporate bonds outstanding to GDP ratio for India is approximately 13% compared to 21% for China, 28% for Hong Kong, 44% for Malaysia, 32% for Singapore, 75% for Korea. Likewise, exchange based markets for trading of FX derivatives and interest rate derivatives are at early stages of development in India
- **Low retail investor participation:** Retail investors constitute only approximately 13% of the stock ownership in India. The number of Demat accounts in India is less than 10% of the number of banking accounts. This indicates a strong potential for greater participation of retail investors in Indian capital markets. We expect that improved ease of access to information and to the markets driven by increasing mobile penetration will also play an important role in deepening participation of retail investors in the markets
- **Low free float levels:** A large number of listed companies in India have significant promoter holding leading to lower free float levels (47% for NSE, 46% for BSE compared to 89% in Bovespa, 66% in HKEx, 80% in JSE, 56% in KRX, 82% for LSE and 90% for NASDAQ). This manifests itself in lower turnover velocity. As the promoters dilute their holdings over time, this will drive greater turnover in the markets

Figure: Promoter holding has reduced over time in India leading to improved free float levels (still lagging global peers)

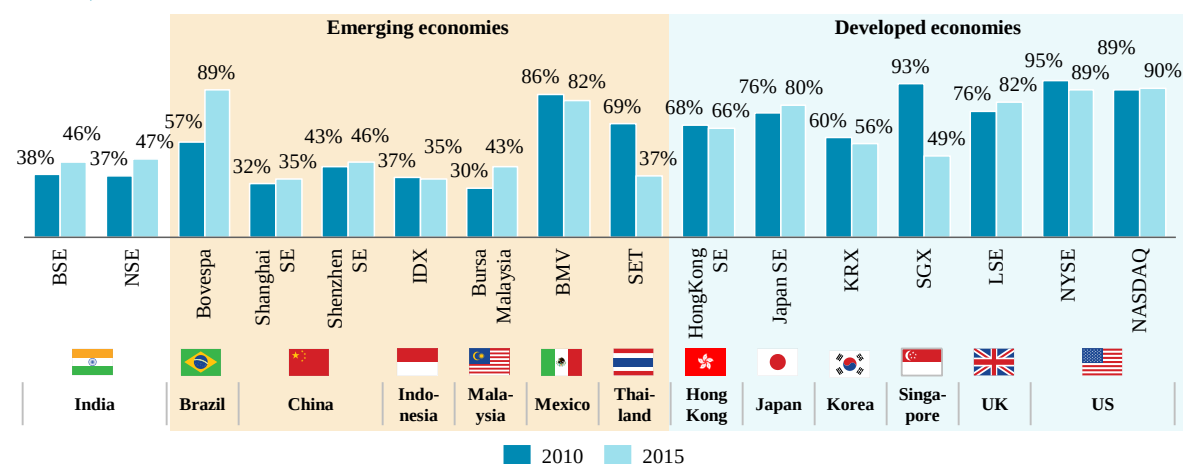
Stock ownership in India

%, Mar 09 – Mar 16



Proportion of free float in major exchanges

% 2010, 2015



Additional note: In the figure, it is observed that free float levels in Brazil saw a sharp increase from 2010 to 2015 due to decrease in promoter holding of few large corporates which affected the overall free float levels of the market.

Globally, there is variation in mix of turnover by asset class across different economies. In general, advanced economies have a higher share of currency and interest rate derivatives while emerging economies have more of equity and equity derivatives. We observe the following salient features of capital markets in India for each asset class:

Cash equities:

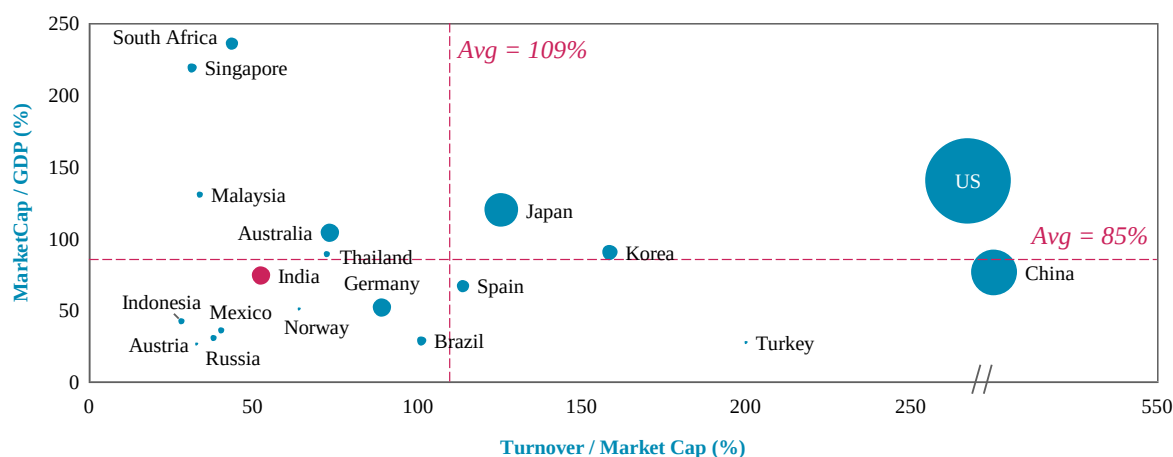
Cash turnover velocity in India has been falling over the past decade (decline from 103% in 2010 to 53% in 2015). At present, India, with cash turnover at 53%, operates around the average of emerging markets.

The market capitalisation to GDP ratio for India is approximately 73% compared to 140% in US, 89% for Korea and 129% for Malaysia. Comparing market capitalisation to GDP ratios across countries is tough since the ratio tends to be very volatile on a y-o-y basis as well as the ratio depends significantly on the nature of the market.

Figure: India has a positive outlook for market cap to GDP and for turnover velocity

Equity market cap relative to GDP vs. turnover velocity

Size of bubble represents market cap, 2015

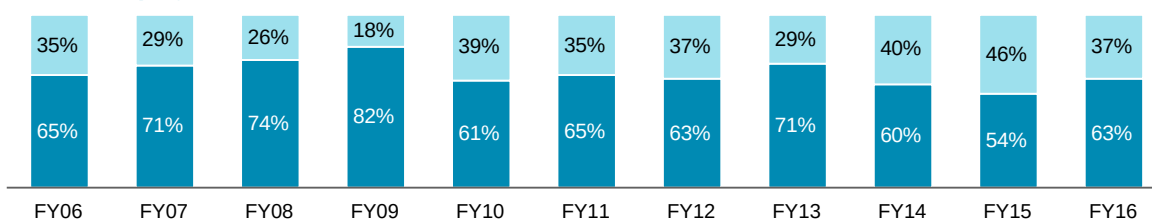


1. Average is taken as simple average 2. List of exchanges by country: India – NSE and BSE; China – Shanghai SE, Shenzhen SE; Mexico – Bolsa Mexicana De Valores, MexDer; Russia – Moscow Exchange; Australia – Australia SE; Canada – TMX Group, Bourse De Montreal; Korea – Korea Exchange, Europe – Deutsche Bourse, EUREX
Source: WFE, The World Bank Group, Oliver Wyman analysis

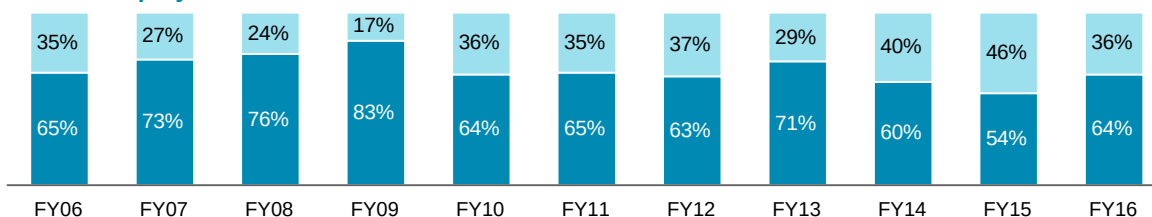
In terms of concentration of trading activity in equities, top 50 equities account for a large portion of total equity volumes traded at both NSE and BSE. This concentration has decreased in the past decade and has now stabilised at around 63%.

Figure: Trading in cash equities segment is fairly concentrated in the top 50 stocks in India

Share of equity traded value at NSE



Share of equity traded value at BSE



Note: The data is for Financial Year (1-Apr to 31-Mar)

Source: Oliver Wyman analysis

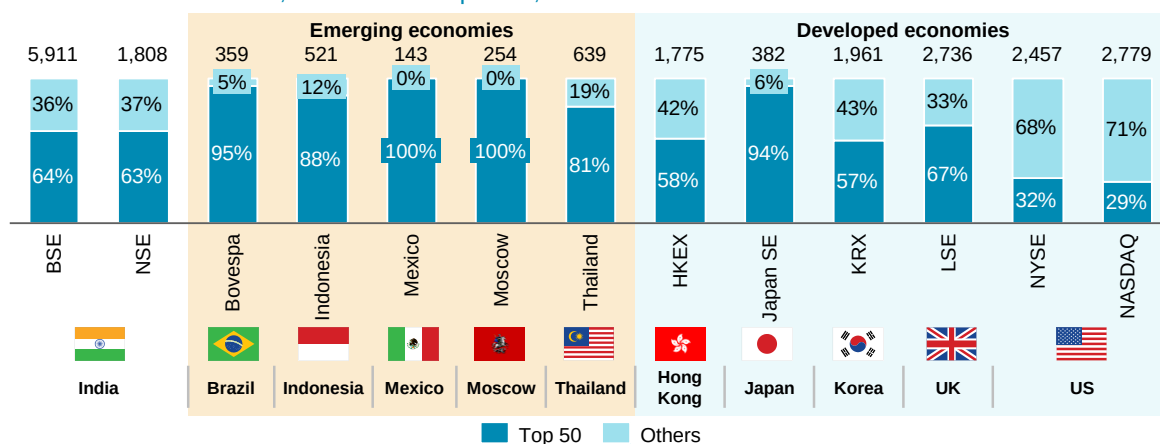
■ Top 50 ■ Others

This is a similar trend globally where most of the exchanges have high concentration in terms of liquidity indicating that concentration of liquidity in the top stocks is not an issue unique to Indian exchanges.

Figure: There is concentration of liquidity in top stocks across all major exchanges

Share of equity traded value and number of companies for different exchanges

% of total traded volume, number of companies, as of 31 Mar 2016



Note: Developed economies (advanced economies) and emerging economies as defined by International Monetary Fund
Source: Oliver Wyman analysis

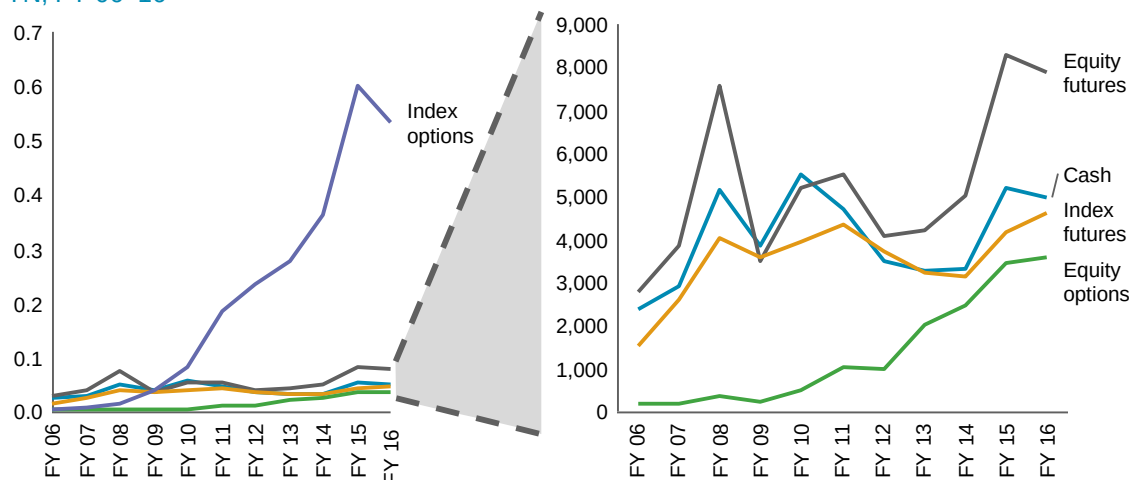
Equity derivatives:

The ratio of equity derivatives to cash volumes in India is severely skewed and the skew has only accentuated in the recent years. The strong growth in derivatives segments is driven by growth in index options which have grown by approximately 46% annually since FY09 whereas other derivative products (index futures and equity futures) have grown in the range of 3-13% which is similar to the growth rate of cash equities.

Figure: Index options have led the strong growth in equity derivative markets in India

Cash and cash derivatives turnover for India

INR TN, FY 06-16



Note: The data is for Financial Year (1-Apr to 31-Mar)
Source: Exchange website, SEBI, WFE

Additional note: Though annual growth rate of equity options is also approximately 47%, this rapid growth is due to a small base and equity options has the smallest share in total derivatives turnover in India.

The strong growth in index options is driven by regulatory changes and launch of new initiatives. In 2008, the STT (Securities Transaction tax) structure for index options was changed (STT to be levied on option premium instead of option value) which led to a huge surge in volumes for index options. Additionally, the launch of co-location services in 2009 led to a boom in High Frequency Trading in India leading to a sharp growth in index options trading volumes. Also, a number of key indices have been launched in recent years. Launch of Liquidity Enhancement Incentive Programmes (LEIPS) by BSE in 2014 to incentivise derivative traders further boosted the growth in derivative trades, however eventual withdrawal of these

incentives led to correction of volume surge caused by the launch of this scheme.

Driven by the fast growth in the derivatives segment, the ratio of ‘derivatives to cash’ turnover in India has increased substantially in the recent years. In comparison to a number of emerging markets, the equity derivatives markets in India are significantly larger and well-developed.

Figure: Comparison of traded volumes of cash equities and equity derivatives

Turnover of Indian equities and equity derivatives INR TN, FY07–FY16

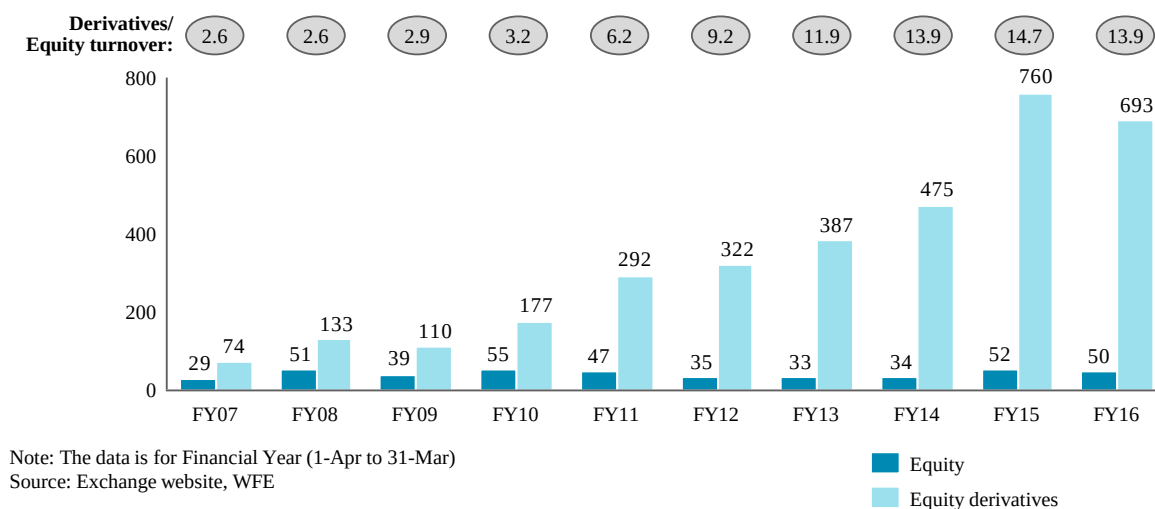
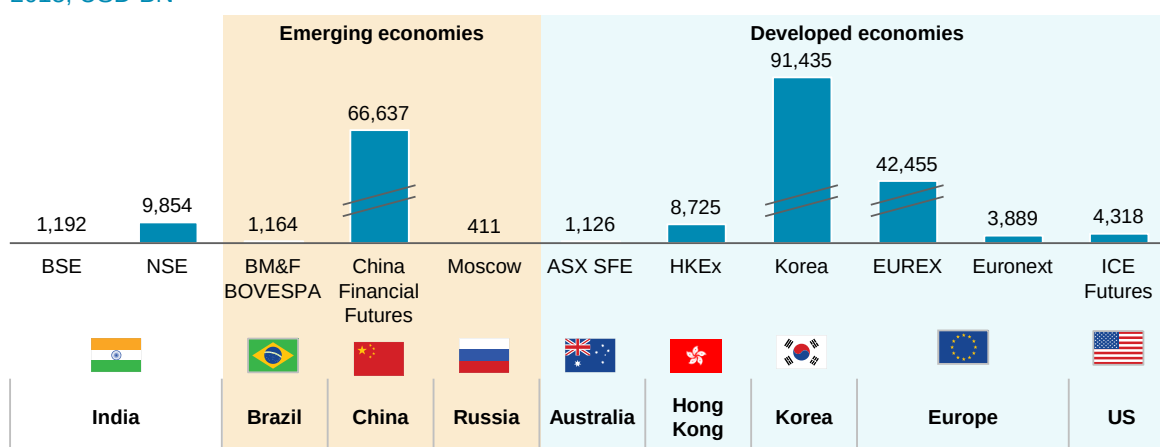


Figure: India has high volumes of equity derivatives as compared to emerging economies

Equity derivatives turnover for different exchanges 2015, USD BN



Note: Developed economies (advanced economies) and emerging economies as defined by International Monetary Fund
Source: WFE

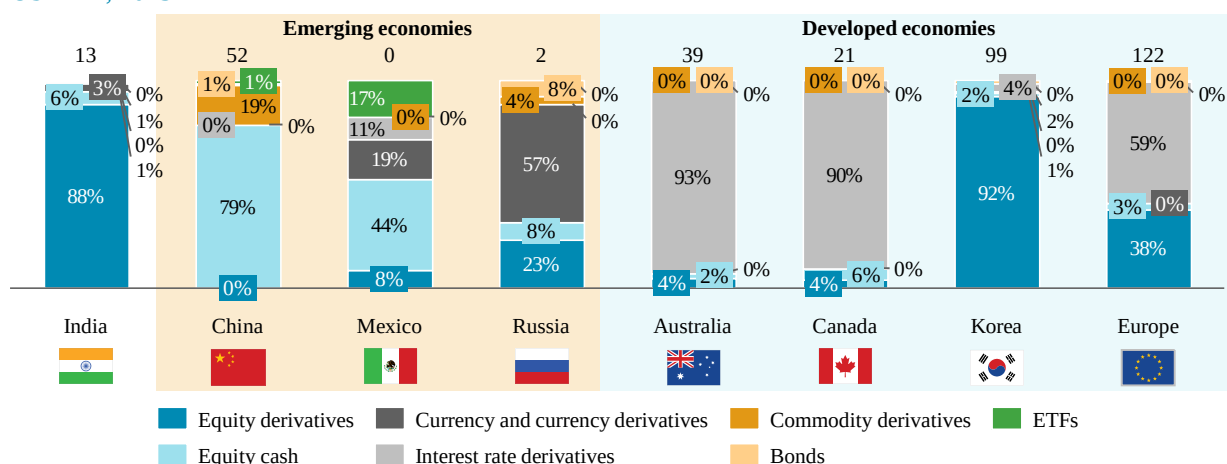
Others

On the other hand, currency, interest rate and commodity derivatives in India are quite small constituting about 3% of total trade volumes in India due to structural reasons like absence of interlinked bond-currency-derivative nexus, government regulations restricting individuals from participating in the currency markets.

Figure: Beyond cash equities and equity derivatives, the other asset classes are still small and in early stages of development in India

Split of turnover by asset class for different countries

USD TN, 2015



1. Developed economies (advanced economies) and emerging economies as defined by International Monetary Fund

2. List of exchanges by country: India – NSE, BSE and MCX; China – Shanghai SE, Shenzhen SE; Mexico – Bolsa Mexicana De Valores, MexDer; Russia – Moscow Exchange; Australia – Australia SE, ASX Derivatives Trading, ASX SFE Derivatives Trading; Canada – TMX Group, Bourse De Montreal; Korea – Korea Exchange, Europe – Deutsche Bourse, EUREX

Source: WFE, SEBI

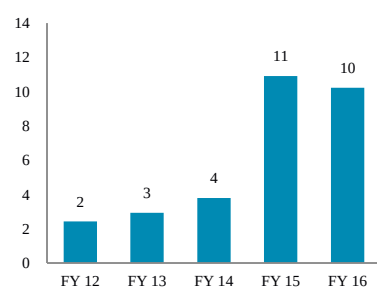
In comparison, these markets constitute a large proportion of turnover in global peers. For example: Russia – 57% of total turnover is in FX derivatives, Australia and Canada both have 90%+ turnover in IR derivatives, EU has 59% in IR derivatives and China has 19% in commodities

The outlook for capital markets in India is strongly positive driven by fundamental factors such as

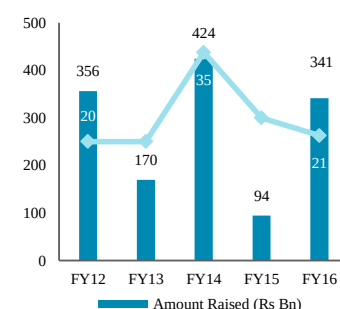
- **Development of corporate bonds market:** Development of the corporate bonds market is a key focus area for India. A number of initiatives are envisaged – a prime example being RBI's recent announcement on caps on bank's exposure to large conglomerates. This is also supported by the recent moves from SEBI such as allowing FPIs to trade in the corporate bonds segment directly

Figure: Debt market in India has opened up gradually however major activity still through private placements

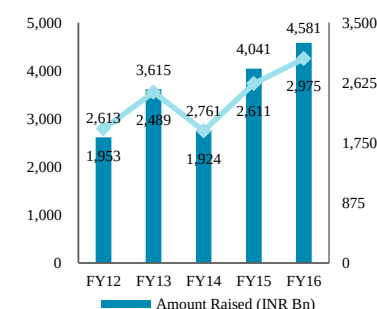
Total Corporate bond turnover* INR (TN)



Debt Public issues INR BN, number of issues



Debt Private Placements INR BN, number of issues



Note: The data is for Financial Year (1-Apr to 31-Mar)

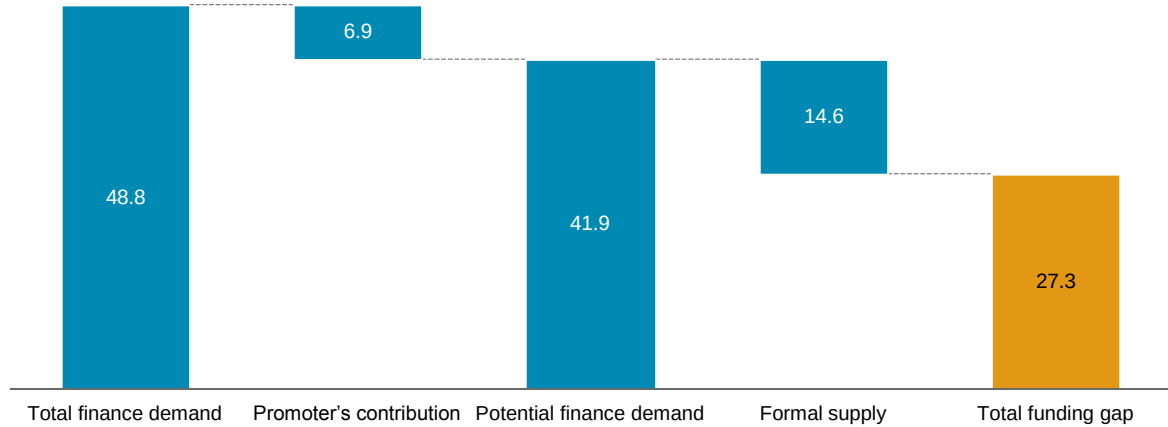
* Corporate bond turnover numbers as reported by SEBI – may include trades that are reported to exchanges but executed off-exchange

Source: SEBI Annual Report

- **Large funding gap for the SME sector:** As per our estimates, SME space has a funding gap of up to INR 27 TN currently. Capital markets are expected to have a strong role in financing SMEs for which both leading exchanges in India have launched their own platforms

Figure: Estimated funding gap for Indian SMEs

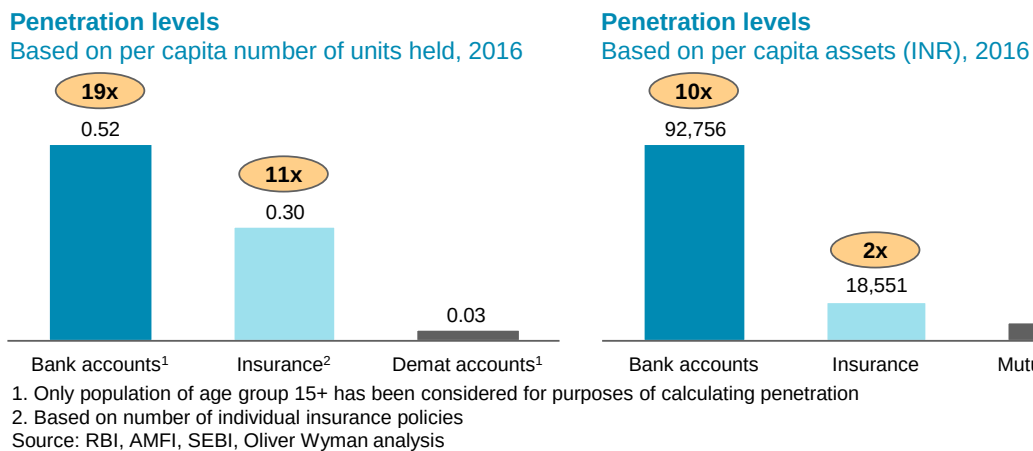
Funding gap in India MSME sector
2016, INR TN



Source: RBI, IFC report: Micro, Small and Medium Enterprise Finance in India, MSME ministry, The World Bank Group, Oliver Wyman analysis

- **Growing retail investor participation:** Currently, retail participation in capital markets in India through direct as well as managed routes (such as mutual funds) is very low.

Figure: Retail participation in capital markets is very low as compared to banking or insurance



Through a number of measures such as financial literacy efforts, simplification of KYC norms, focused initiatives for retail investors, rising investments in insurance and mutual funds, it is expected that retail investor participation in India will grow considerably in the medium term

- **Continued FII flows:** India remains an attractive investment destination for foreign investors. In addition, a number of government initiatives focusing on enhancing attractiveness of India as an investment destination have been launched recently. It is expected that continued FII flows into India will be a key driver of growth in the medium term

Market infrastructure landscape in India – Evolution and global comparison

Exchanges are organized markets designed to provide centralized facilities for the listing and trading of financial instruments, including securities issued by companies, sovereigns and other entities to raise capital. The exchange industry is generally supervised by a financial regulatory agency. In some cases, exchanges may also act as a self-regulatory organization responsible for supervising their members and affiliated markets.

Companies running exchanges typically generate the bulk of their revenues by collecting fees from issuers for the listing of their securities, from market members that deal in the financial instruments admitted to trading on the exchange and for selling market data and other technological solutions. The three most traditional sources of revenues for exchange companies are the fees charged on trades, the fees charged for the admission of securities and members and the selling of data captured on these two activities. However, as exchange companies expand along the value chain, more sources of income are acquired.

As on March 31, 2016 there are seven stock exchanges in India, of which four are in the process of exiting. Focusing on equity, equity derivatives, currency derivatives and interest rate derivatives segments, the three main exchanges in the Indian market include: National Stock Exchange (NSE), Bombay Stock Exchange (BSE) and Metropolitan Stock Exchange of India (MSEI). As of March 31, 2016, there are six recognized national commodities derivatives exchanges and six recognized regional derivatives commodities exchanges.

Table: BSE is the oldest stock exchange in India while NSE is largest in terms of turnover

		NSE	BSE
Year of establishment		1992	1875
Products	Cash equities	✓	✓
	Stock options	✓	✓
	Stock futures	✓	✓
	Index options	✓	✓
	Index futures	✓	✓
	Foreign indices	✓	✓
	Debt instruments	✓	✓
	Currency futures (USD, EUR, GBP, JPY)	✓	✓
	Currency options (USD)	✓	✓
	Interest rate futures	✓	✓
	Other asset classes (direct or through associates)	Power, Commodities, Receivables	Power, Commodities
Number of companies listed (#)		1,808	5,911
Market capitalisation (INR TN)		93.1	94.8
Turnover (INR TN)	Cash equities	42.4	7.4
	Equity derivatives	648.3	44.8
	Currency derivatives	45.0	27.6
	Interest rate derivatives	5.3	1.1

Source: SEBI annual report 2016

One of the significant points to note about exchanges in India is that are vertically integrated offering services across the value chain including execution, clearing, settlement and data offerings. In contrast to these, exchange groups in a number of developed markets are fragmented in their service offerings.

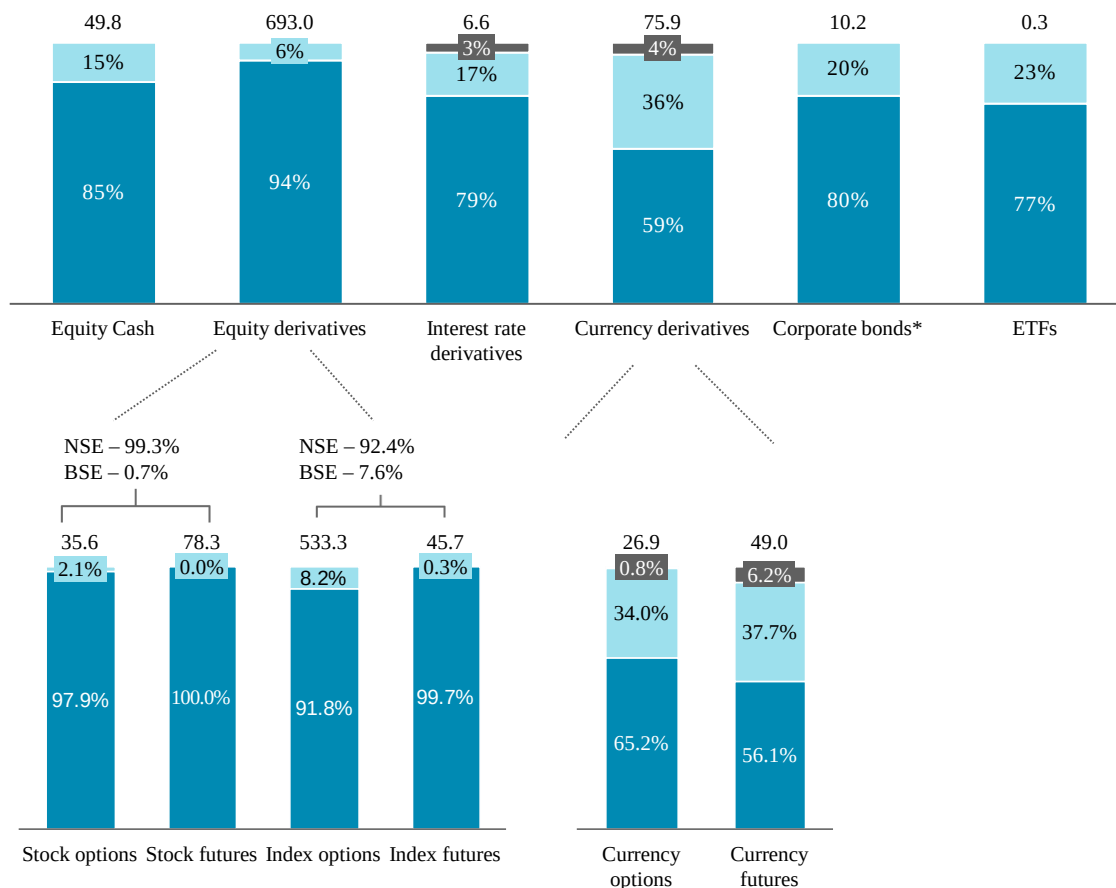
Globally, we observe that only 1–2 players dominate the exchange landscape for an asset class in a market with other players, if any, staying insignificant (e.g., Japan, Brazil). New entrants in the market have not been able to establish significant market share even years after their entry (example: MTFs in Europe). Thus liquidity in exchanges is sticky and it is difficult to move market shares unless driven by major technological enhancement (examples: DTB (1990s), ISE (2000s), BATS (2010s))

In India as well, the market shares (by turnover) for each exchange across the key product segments have stayed relatively stable. NSE is the market leader for cash equities (approximately 85% market share as of March 2016), equity derivatives (approximately 94% market share as of March 2016), currency derivatives (approximately 59% market share as of March 2016) and IR derivatives (approximately 79% market share as of March 2016)

Figure: NSE is the market leader across all asset classes in the Indian market

Total turnover and market share of different players for different asset classes

Turnover in INR TN, market share in %, FY16



Note: The data is for Financial Year (1-Apr to 31-Mar)

Source: WFE, SEBI

* Corporate bond turnover numbers as reported by SEBI – may include trades that are reported to exchanges but executed off-exchange

We compare the performance of Indian exchanges with selected global peers along key dimensions of breadth of offerings, financial metrics and operating parameters

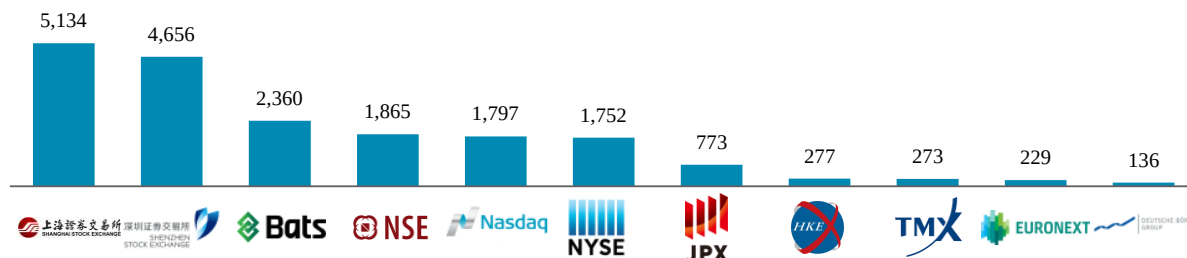
Size / Ranking

Indian exchanges are amongst the leading exchanges globally in terms of turnover volumes in key asset classes such as cash equities, equity derivatives and currency derivatives.

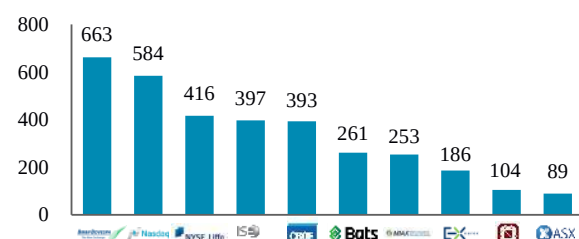
Figure: Turnover on Indian exchanges in key asset classes is comparable to leading exchanges in developed markets

Number of Equity Trades

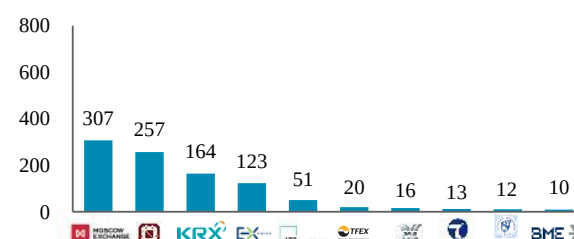
2015, # (MM)



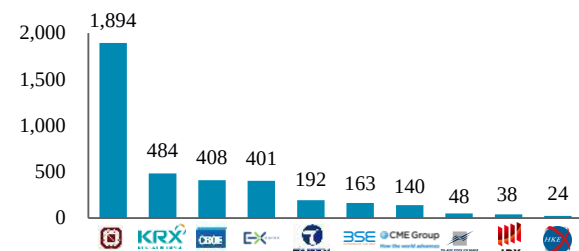
Number of Stock Option Contracts Traded, 2015 (# MN)



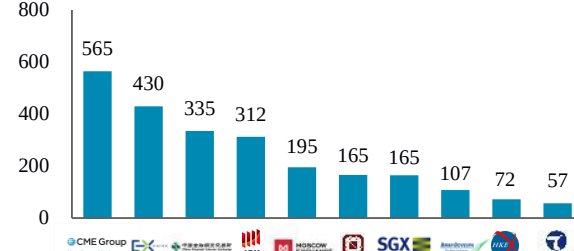
Number of Stock Futures Contracts Traded, 2015 (# MN)



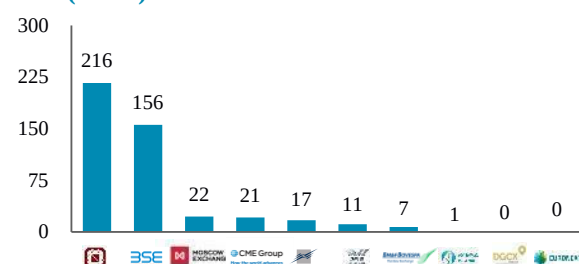
Number of Index Option Contracts Traded, 2015 (# MN)



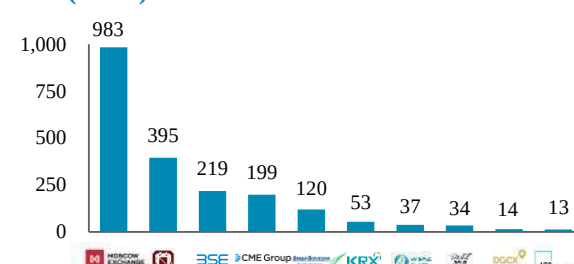
Number of Index Futures Contracts Traded, 2015 (# MN)



Number of Currency Option Contracts Traded, 2015 (# MN)



Number of Currency Futures Contracts Traded, 2015 (# MN)

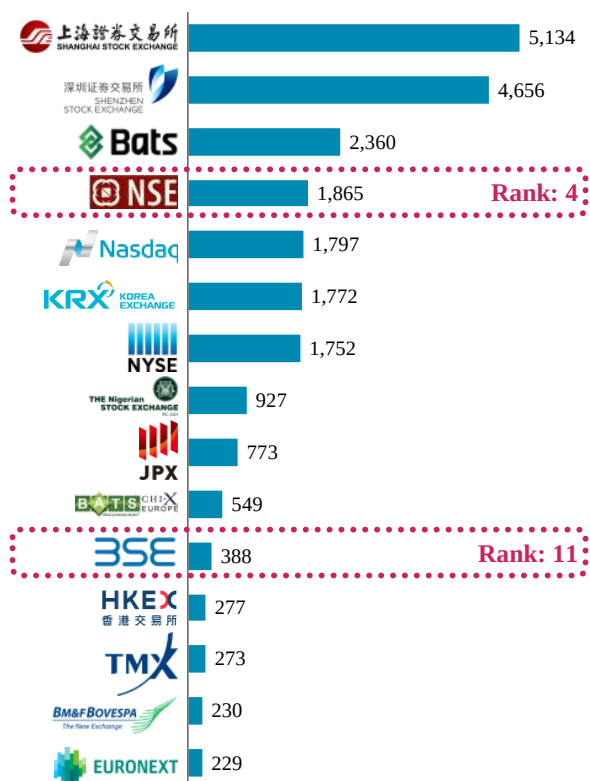


Note: top exchanges chosen based on data availability in WFE
Source: WFE

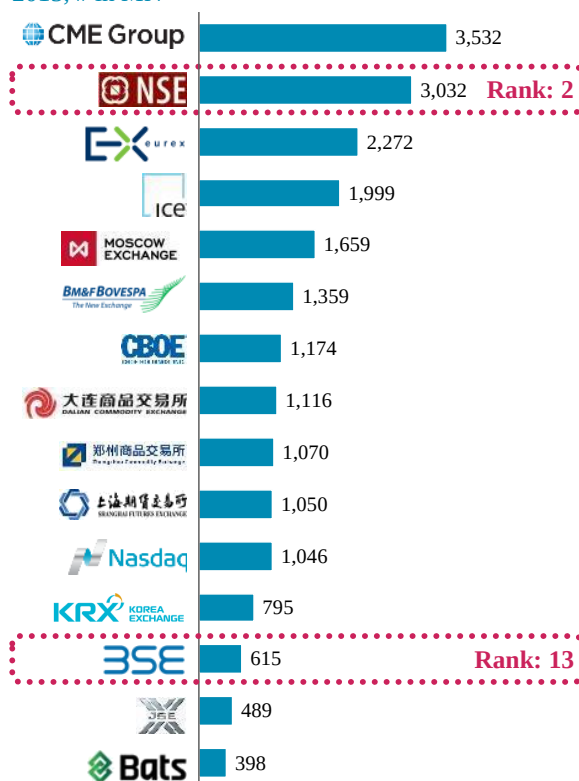
In the rankings of global exchanges by cash turnover (based on number of trades) as well as for total derivatives turnover (based on number of contracts traded), Indian exchanges are amongst the top 15 players globally.

Figure: Indian exchanges are ranked in top 15 global exchanges by number of trades

Top 15 players by number of cash trades¹ 2015, # in MN



Top 15 players by number of derivative contracts traded² 2015, # in MN



1. Excludes data for London Stock Exchange which was not available

2. Includes all derivatives such as equity, currency and commodity derivatives

Note: Rank for cash trades based on data availability in WFE

Source: Cash rankings based on WFE data and Derivative rankings based on FIA data

Products and Services offered

With the exception of pure-play derivatives exchanges (such as CME), almost all exchange groups offer trading in cash equities and bonds, although markets differ widely in terms of market cap, trading volumes and depth of the order book. Most exchange groups also offer trading in derivatives (equity, FX, commodity and interest rate derivatives) with the exception of credit derivatives, which are still largely traded OTC. Across the value chain view, exchanges offer services such as clearing, settlement, custody, depository, registration and safe-keeping. In addition to the above, exchanges offer a broad suite of services – such as data products, indices, technology offerings, securities lending, collateral management and education services.

It is observed that the suite of products and services offered by Indian exchanges is comparable to leading global players

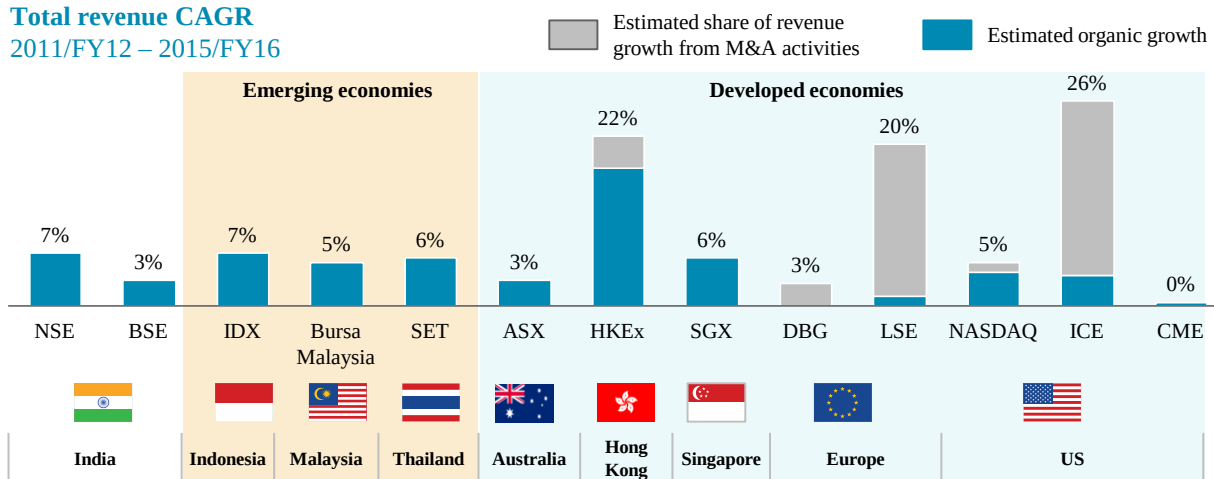
Pricing, revenue and growth mix

It is observed that while leading exchanges in Europe and US have significantly diversified their revenue mix, Indian exchanges still earn bulk of their operating revenues from transactions (execution as well as post-trade). This indicates a strong potential to grow revenues in other areas such as data services, index products and technology offerings. Also, Indian exchanges have a large proportion of revenues attributed to non-core operating areas – such as interest income, investment income and rentals – this is unique to the Indian market.

In terms of revenue growth, it is observed that organic growth levels are similar across geographies and the outperformance of several global exchange groups regarding revenue growth is due to their higher appetite for M&A activities. Corrected for growth due to M&A, growth in Indian players has been in line with global players with NSE having seen the strongest growth in total revenues amongst the selected exchange peer set.

Figure: Growth in developed market groups is primarily driven by M&A activities

Total revenue CAGR 2011/FY12 – 2015/FY16



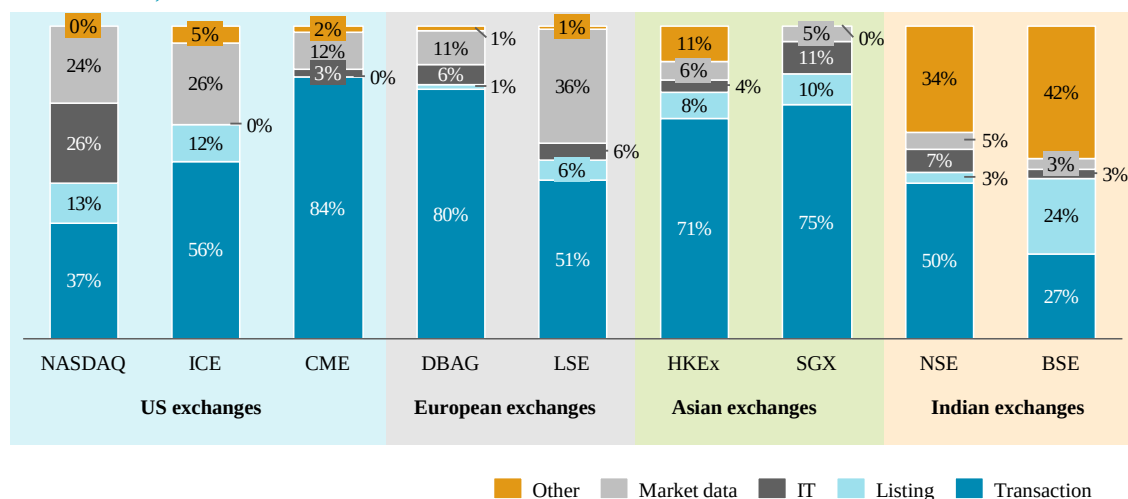
1. Numbers are for the financial reporting cycle for respective exchanges: NSE, BSE – Year ended March; ASX, SGX – year ended June; for rest of the exchanges year ended December
 2. Acquisitions made by highlighted exchanges: HKEx acquired London Metal Exchange in Jun 2012, DBG acquired Eurex in Jun 2012, Impendium in Jan'14 and 360T in Jan'15, LSE acquired LCH.Clearnet in Mar 2012, Gatelab in Feb 2013 and Frank Russell Company in Dec 2014, ICE acquired NYSE Euronext in Dec 2012, SuperDerivatives Inc in Oct 2014, Interactive Data Corporation in Oct 2015 and Trayport in Dec 2015 and NASDAQ acquired eSpeed and Thomson Reuters in 2013 and Dorsey Wright & Associates in 2015
 3. Developed economies (advanced economies) and emerging economies as defined by International Monetary Fund
- Note: All financial numbers for Indian exchanges are based on Indian GAAP standards
Source: Annual reports, Oliver Wyman analysis

The revenue mix of leading exchanges in Europe and US is increasingly getting diversified with market data, indices and technology solutions becoming significant revenue pools. Data business is a reliable revenue source for international stock exchanges, on average accounting for approximately 15-20% of total revenues for stock exchanges in developed economies. In contrast, these emerging growth areas only make up a small proportion of the revenue mix for Indian exchanges indicating a strong potential for growth.

Figure: Revenue mix for leading global exchanges

Revenue mix of major exchanges

% of total revenues, 2015/ FY16



1: Numbers are for the financial reporting cycle for respective exchanges: NSE, BSE – Year ended March, 2016; SGX – year ended June 2016; for rest of the exchanges year ended December-15

2: Market data includes data services and index businesses

Note: All financial numbers for Indian exchanges are based on Indian GAAP standards

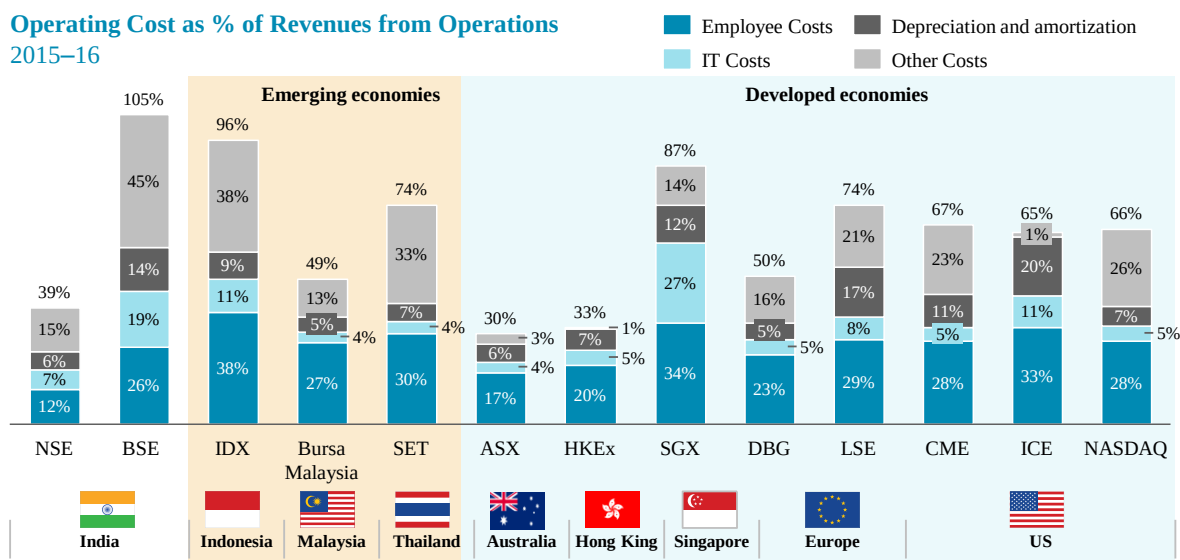
Source: Company reports, Oliver Wyman analysis

At the same time, pricing for transaction execution and post-trade services is the lowest for Indian exchanges compared to international peers. The estimated full value chain transaction fees for cash equities is 0.3 bps at NSE compared to 1.3 bps at SET, 3.6 bps at Bursa Malaysia, 3.8 bps at SGX and 1.5 bps at LSE (source: Oliver Wyman analysis). Thus there is limited downside risk on pricing since Indian exchanges already operate at most competitive levels.

Cost drivers

Exchange groups operate with different cost and pricing schemes and also deliver varying levels of liquidity. Comparing the operating costs to revenues of exchanges globally, it is observed that Indian exchanges operate towards the lower end of cost to income ratios. In terms of break-up of costs across various drivers, the share of employee costs is the lowest for Indian exchanges compared to global peers. On an operating cost per trade basis as well, Indian exchanges are amongst the most efficient exchanges globally.

Figure: Operating cost to operating income ratio varies significantly across exchanges ranging from approximately 30% to approximately 105%



1. Developed economies (advanced economies) and emerging economies as defined by International Monetary Fund

2. Numbers are for the financial reporting cycle for respective exchanges: NSE, BSE – Year ended March, 2016; ASX, SGX – year ended June 2016; for rest of the exchanges year ended December-15

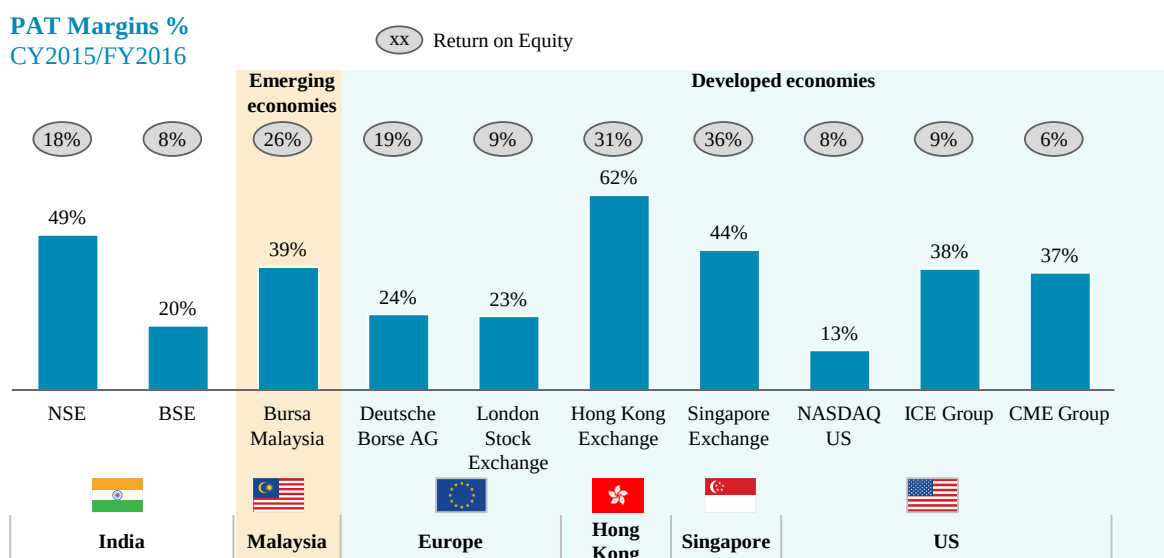
Note: All financial numbers for Indian exchanges are based on Indian GAAP standards

Source: Annual Reports, Oliver Wyman analysis

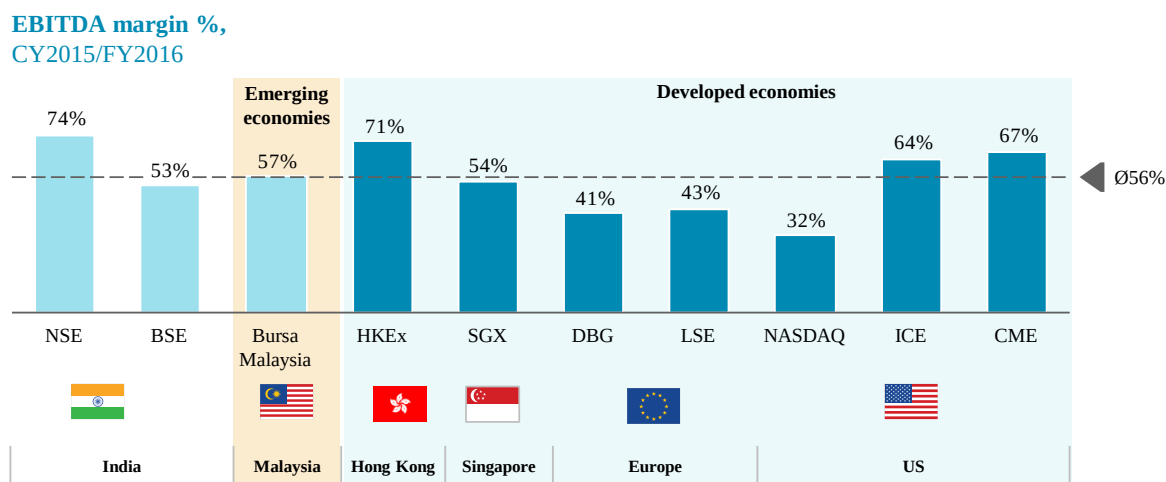
Profitability metrics

Most exchange groups are highly profitable companies with EBITDA margins on the order of 50%. On profitability metrics, Indian exchanges are comparable to global peers.

Figure: Companies operating exchanges are highly profitable enterprises

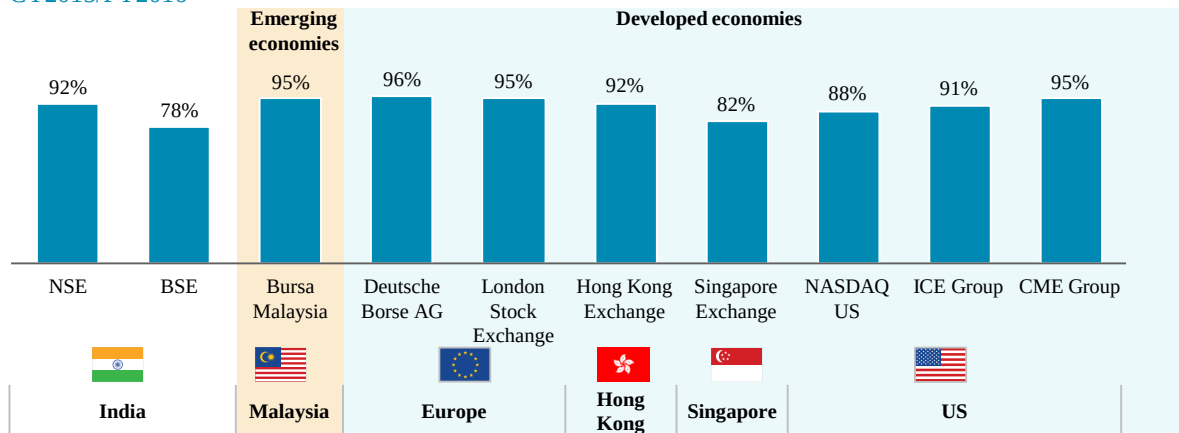


1. NSE and BSE data for year ending 31 Mar 2016, SGX data for year ending 30 June 2016; others are based on CY2015;
 2. Numbers for Indian exchanges are before exceptional item (for example contribution to core SGF is excluded from PAT and RoE estimation)
- Developed economies (advanced economies) and emerging economies as defined by International Monetary Fund
- Note: All financial numbers for Indian exchanges are based on Indian GAAP standards
- Source: S&P Global Market Intelligence



1. Developed economies (advanced economies) and emerging economies as defined by International Monetary Fund
 2. Numbers are for the financial reporting cycle for respective exchanges: NSE, BSE – Year ended March, 2016; ASX, SGX – year ended June 2016; for rest of the exchanges year ended December-15
 3. Numbers for Indian exchanges do not factor in exceptional items (for example contribution to core SGF is excluded from EBITDA estimation)
- Note: All financial numbers for Indian exchanges are based on Indian GAAP standards
- Source: Annual Reports, Oliver Wyman analysis

Net Cash Generation % CY2015/FY2016



Net cash generation is calculated as (EBITDA - Purchase of Fixed assets /Capital work in progress + sale of fixed assets) / EBITDA
 Note: NSE and BSE data for year ending 31 Mar 2016, SGX data for year ending 30 June 2016; others are based on CY2015; Developed economies (advanced economies) and emerging economies as defined by International Monetary Fund
 Note: All financial numbers for Indian exchanges are based on GAAP standards
 Source: S&P Global Market Intelligence

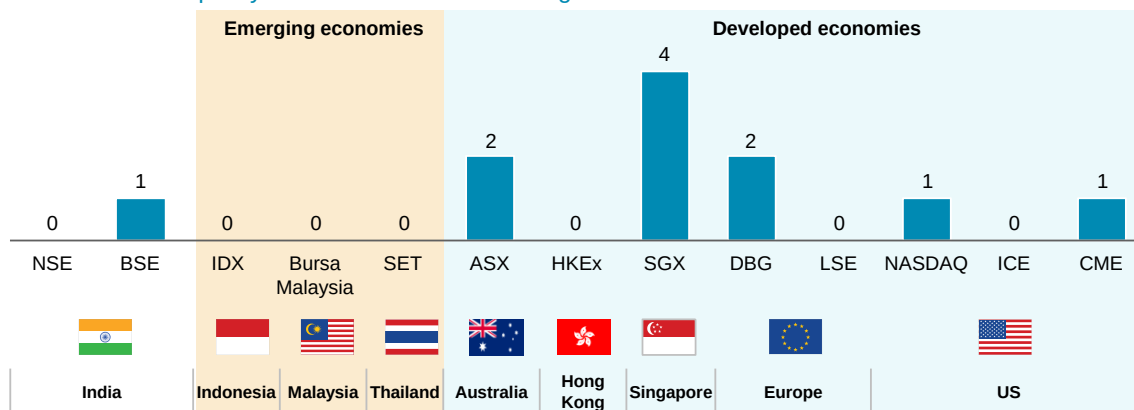
Technical parameters

A number of technical parameters are of critical importance for exchanges – examples of such parameters include latencies, messages per second capacity, uptime (%), recovery time and frequency of outages. Data on such technical parameters is not available in the public domain for a large number of exchanges. On certain factors where data is available, the differentiation across exchanges is minimal – for example, most leading global exchanges have uptime achievements of >99%, with some exchanges already targeting 99.99% uptime.

While outages for exchanges are a rare occurrence, in the last 3 years Indian exchanges had lower number of outages (NSE – 0, BSE – 1) compared to some global peers (SGX – 4, DBG – 2, NASDAQ – 1, CME – 1).

Figure: System outages occur in developed and emerging markets exchanges

Estimated / known number of system outages over the past 3 years and system capacity Information on capacity not available for all exchanges



1. Developed economies (advanced economies) and emerging economies as defined by International Monetary Fund
 2. Dates of outages: DBG: 26th August 2013, 31st October 2014, NASDAQ: 22nd August 2013, CME: 8th April 2014, ASX: October 2014, 19th September 2016, SGX: 5th November 2014, 3rd December 2014, 14th July 2016, 27th October 2015, BSE: 3rd July 2014
 Source: Press articles

Regulatory norms

Post the global financial crises, market infrastructure entities have been at the centre of regulatory attention in EU and US. Especially on the post-trade side, a sea-change in regulations (Basel III, EMIR, T2S and CSD regulation) is expected to profoundly impact the post-trade landscape. At the same time, some regulatory moves, such as the G20 agreement on OTC derivatives, have also helped in boosting exchanges revenue pools.

While the global regulations on exchanges have increased significantly, SEBI has kept pace with the emerging regulatory best practices for market infrastructures. As a result, drastic changes in the regulations governing exchanges in India are not expected.

International presence

International presence is an important factor in the business of exchange groups and has the following key impacts:

- All leading global exchange groups have an international presence (more than one continent);
- International presence is observed to be a key differentiator in terms of revenue size, with expansion beyond a certain size only possible through internationalization.
- Strategies for ‘internationalisation’ vary significantly by size of the exchange group. Large groups often choose M&A as a means to expand internationally. As smaller exchange groups are restricted in their M&A possibilities, they turn to partnerships and JVs to the same end. A further way for smaller exchange groups to internationalize is to consolidate with neighbouring markets.

Indian exchanges have significant potential to follow patterns of peers internationally forming further exchange links or JVs, or other means to tap into regional / international revenue pools.

Outlook for addressable market for Indian exchanges

**See additional note to readers on page 116.*

Driven by the strong growth in Indian economy and developments in capital markets, it is expected that key asset classes will see further growth in turnover in the coming year.

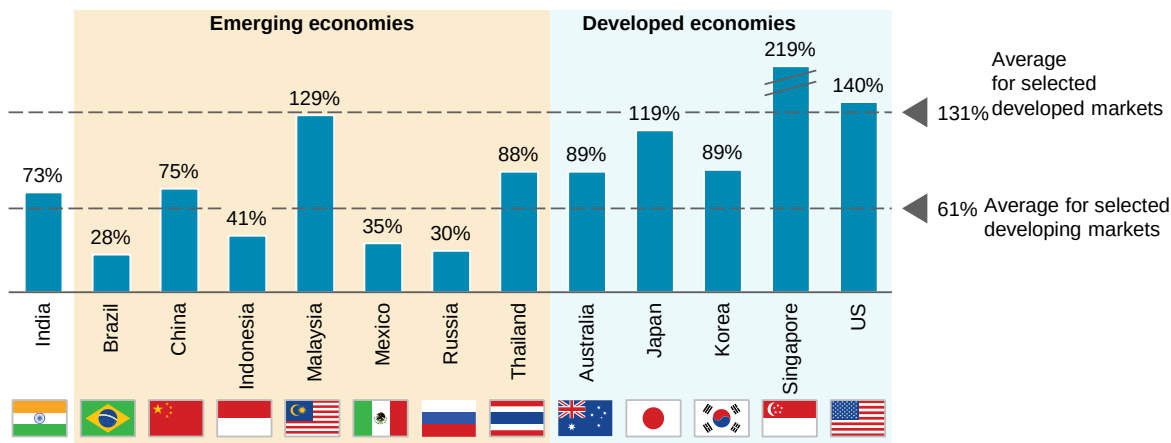
Cash equities

High level comparison of key ratios such as market cap to GDP and turnover velocity indicate a significant headroom for growth for cash equities turnover in India

Figure: Significant headroom for growth in cash equities turnover based on global comparison

Market cap to GDP ratio for different countries

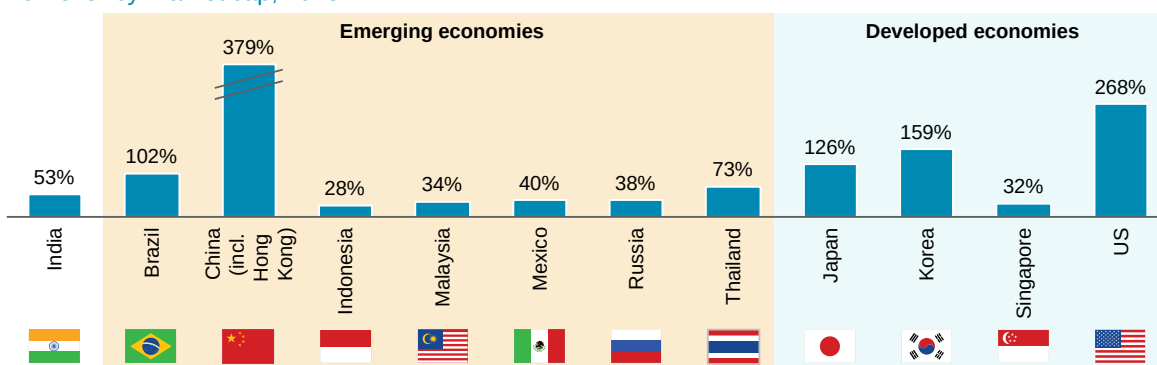
2015



Note: Developed economies (advanced economies) and emerging economies as defined by International Monetary Fund
Source: The World Bank Group

Cash turnover Velocity for different countries

Turnover by market cap, 2015



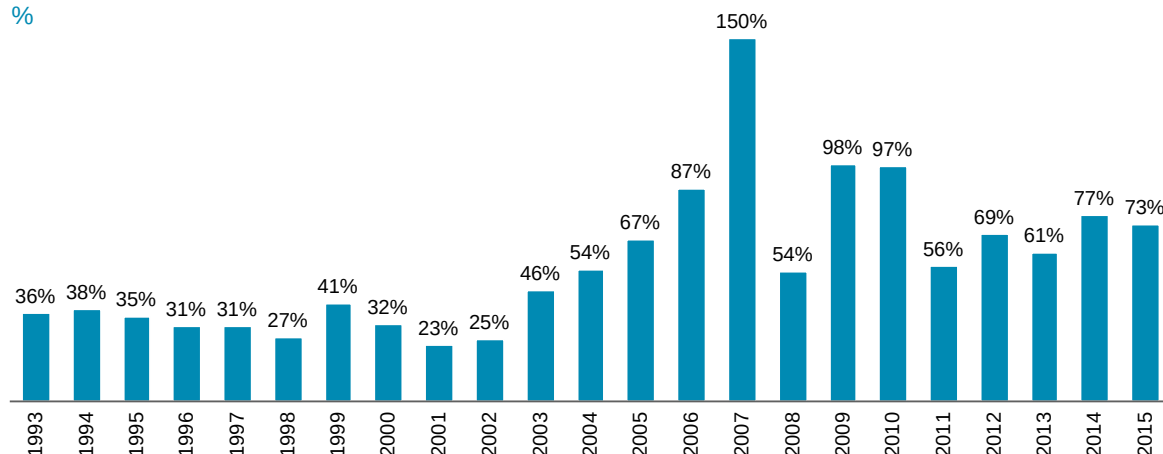
1. Developed economies (advanced economies) and emerging economies as defined by International Monetary Fund
2. List of exchanges by country: India – NSE and BSE; China – Shanghai SE, Shenzhen SE; Mexico – Bolsa Mexicana De Valores, MexDer; Russia – Moscow Exchange; Australia – Australia SE; Canada – TMX Group, Bourse De Montreal; Korea – Korea Exchange, Europe – Deutsche Bourse, EUREX
Source: The World Bank Group, Thomson Reuters Datastream, WFE, Oliver Wyman analysis

The estimation of outlook for turnover of cash equities in India can be done by using four parameters:

- **GDP (growth in nominal GDP):** A number of independent agencies provide an estimate of growth in nominal GDP in India over the next 5 years – estimates ranging 10-12% growth in nominal GDP. However, based on past data, it is observed that there is often significant variance in forecasted vs. actual GDP growth. As a result, to maintain a conservative estimate, a haircut of 20% is applied on the growth forecasts from various agencies. So for the sake of estimating turnover in cash equities, we consider that nominal GDP in India is estimated to grow at 8-10% over the next 5 years.
- **Market capitalization as % of GDP:** Historically, market capitalisation to GDP has been a very volatile ratio making it difficult to predict a trend between market cap and GDP.

Figure: Market capitalisation to GDP is very volatile in India

Market capitalisation to GDP ratio %

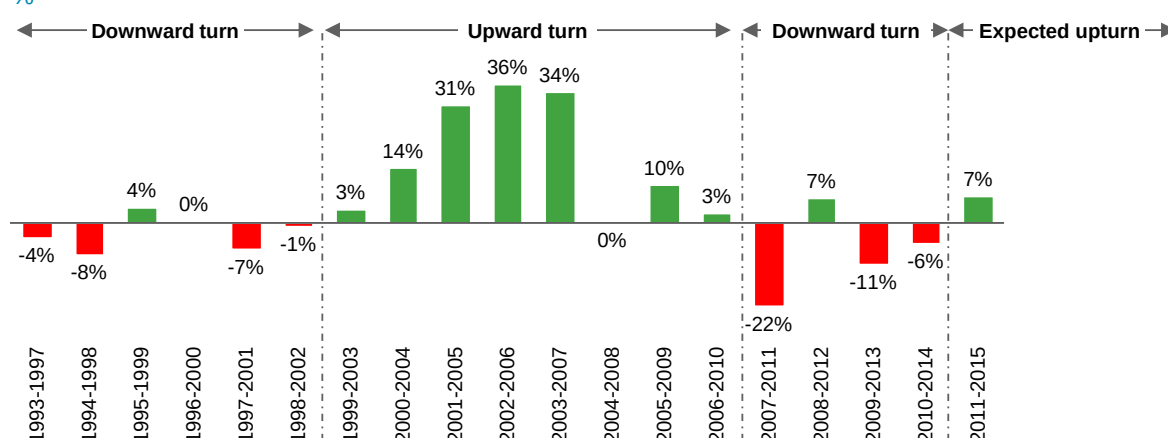


Note: Market capitalisation for BSE taken as proxy for India market cap, data as of December end
Source: CEIC Data Company Limited, Economist Intelligence Unit

However, it is observed that 5-year CAGR for market capitalisation to GDP broadly follows a cyclical pattern as per the economic conditions. Also, it is observed that the time period of each turn (upward or downward) is approximately 5-7 years.

Figure: 5-year CAGR of market capitalisation to GDP broadly follows the economic cycle

5-year rolling CAGR of market capitalisation to GDP %



Note: Market capitalisation for BSE taken as proxy for India market cap, data as on December end
Source: CEIC Data Company Limited, Economist Intelligence Unit

It is observed from the above figure that market capitalisation to GDP in India is on the upward trend at the moment. We estimate that in the next five years, market cap to GDP stays flat (i.e. 0% CAGR) or experience modest growth (1-2% CAGR).

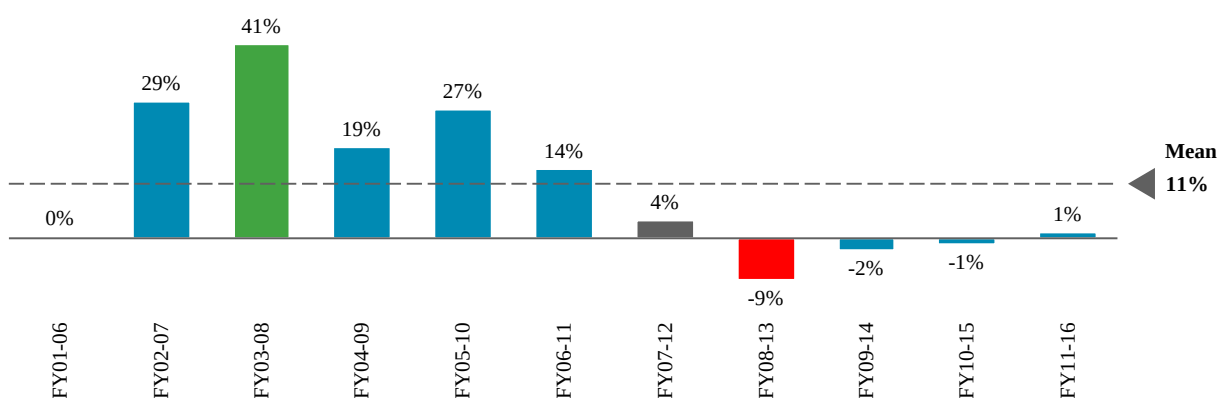
- Free float as % of market capitalization: Driven by SEBI's raising of minimum public shareholding to 25%, promoter holding has been on a decline. As a result, free float levels in India have been rising and have been around 40% since 2013. With the planned disinvestment of government stake in PSUs, free float levels may rise further in the coming years. However, as observed in the past, the disinvestment process is slow and may take years. Additionally, absolute free float can increase if the number of securities listed on an exchange increase. It is observed that 2016 has seen a large number of IPOs adding a significant value on Indian stock exchanges. Though increasing number of IPOs will contribute to rising values of free float in India, free float as % of market cap is not expected to grow any further. Hence, as a conservative estimate, it is expected that free float levels will remain constant and not rise further over the next 5 years.
- Cash turnover as % of free float: Turnover velocity corrected for free float in India observed a steep decline during FY11. This steep decline was caused by taxation changes in Securities Transaction Tax (STT). During FY11, STT was started to be calculated on option premium instead of notional value leading to huge surge in options turnover and diminishing cash turnover velocity. In recent years, turnover velocity corrected for free float has been relatively stable at approximately 110-115% In absence of further regulatory changes, a further decline in cash turnover velocity (corrected for free float) is not anticipated.

Using the above estimates, it is observed that **turnover for cash equities has a potential to grow at 8-12% over the next 5 years** (marginally better than the estimated GDP growth rates).

To test the robustness of this estimate, this estimate has been compared with historical growth rate in cash turnover over the past 15 years. Rolling 5-year CAGR rates have been calculated and various metrics have been calculated to test the estimate.

Figure: Rolling 5-year CAGR of cash turnover

5-year rolling CAGR of cash turnover In %



Note: The data is for Financial Year (1-Apr to 31-Mar)
Source: SEBI, Oliver Wyman analysis

From the above graph, it is evident that the estimated potential in cash turnover growth at 8-12% is well within the average historical growth rate observed.

Trends supporting growth in cash markets

It is observed that the estimated potential for growth in cash markets is supported by number of trends observed in the market. These trends include increasing retail participation, greater financial literacy and penetration of capital markets products, regulatory initiatives, ease of technological access, plans for divestment, rising free float levels, expected surge in IPOs, capital requirements for SMEs and mid-corporates, strong investor confidence in India

Potential risks to growth in cash markets

Alongside these drivers, it is important to note that there are certain risks which may impact the growth of the capital markets in India.

a. **HFT regulations** – explained in details below.

High Frequency Trading is algorithmic based trading that uses powerful computers to enter and exit positions at very high frequency. Globally, share of HFT in cash volumes lies in the range of 20-30% with the exception of US and Japan where HFT drives approximately 50% of total cash turnover. The reason for relatively low share of HFT in cash turnover for some developed economies is high degree of statutory levies which makes HFT unattractive.

In India, HFT has seen increasing popularity over the past few years leading to a surge in both cash and derivative markets. It is estimated that HFT drives ~25% of the turnover for cash equities and ~36% of the turnover in the derivatives segment.

SEBI released a discussion paper on strengthening the regulatory framework for HFT in August 2016. The paper proposes seven potential measures to regulate HFT – these include minimum resting time, banning of tick-by-tick data sharing, randomisation of orders, auctions instead of continuous markets, redesign of queuing practices, increase in minimum tick size, and restriction on colocation. It is difficult to predict the nature of HFT regulations that may be implemented in India at this stage. However, taking cues from global regulations which have focused more on risk management, and various options discussed in the paper released by SEBI, **it is estimated that regulatory changes can impact anywhere between 0% (negligible impact) of HFT volumes to more than 40% of HFT volumes (high impact).**

b. **Change due to General Anti-Avoidance Rules** – GAAR is the anti-tax avoidance regulation in India. Government of India recently amended the tax treaty with Mauritius to levy taxes on capital gains made on equity transactions made via Mauritius on or after 1 April 2017. Similarly, tax treaty with Singapore (Mauritius and Singapore are the top two sources of foreign investments in India constituting more than 50% of FDI inflows to the country in 2015) is also under review and is likely to be amended soon. This move may deter foreign investments in the market dampening volumes

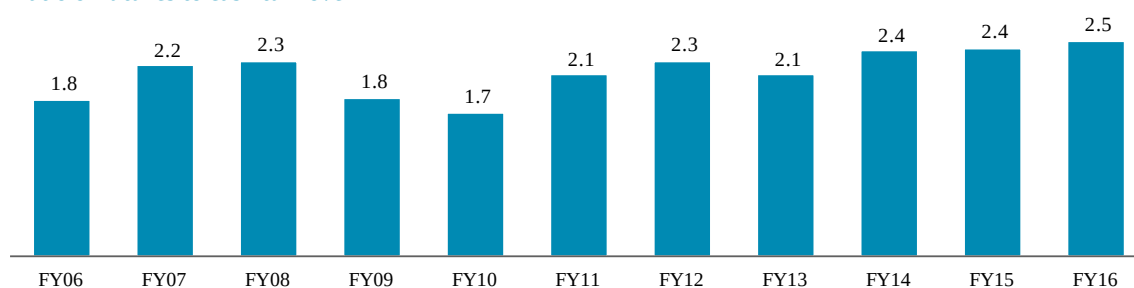
c. **Tightening of FII regulations / investment limits:** FIIs constituted to about 18% of total turnover in cash market in March 2016. At the same time, their share in derivatives was close to 10% of total client turnover. Though unlikely, any tightening of restrictions on foreign investors' participation in Indian capital markets will not only have a direct negative impact on turnover driven by FIIs, but will also have a trickle-down effect on the overall market causing a steep decline in the volumes on Indian exchanges

Equity futures

Historically, ratio of futures turnover to cash turnover has been gradually increasing. However, the ratio has been stable at approximately 2.5 over the past couple of years. As a conservative estimate, it is estimated that the ratio of futures to cash will remain same over the next 5 years. This results in an estimate of annual growth rate of 8-12% for futures over the next 5 years for equity futures turnover.

Figure: Ratio of futures turnover to cash turnover has been stable over recent years

Ratio of futures to cash turnover



Note: The data is for Financial Year (1-Apr to 31-Mar)
Source: SEBI, Oliver Wyman analysis

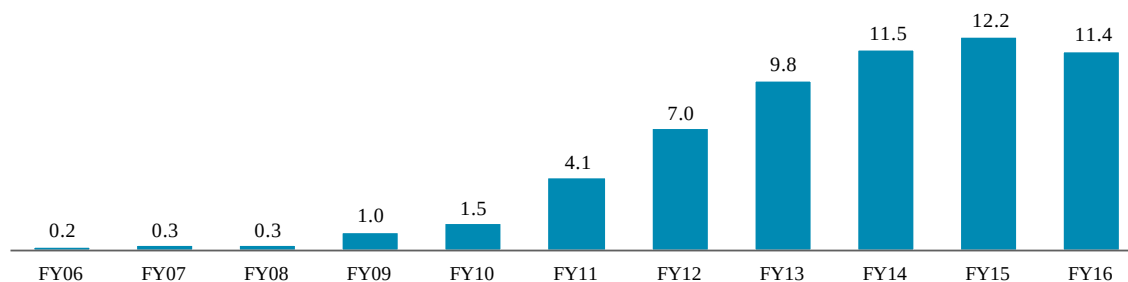
Since the growth of equity futures is tied to growth of cash equity markets, the drivers that will support the growth of cash markets will also help drive the growth of equity futures. In terms of risks, the risks that could impact the growth in futures have been discussed along with risks to growth of options.

Equity options

Similar to futures, estimation of addressable market size for options can be done based on estimation of market size for cash equities. Over the past decade, ratio of options to cash turnover has been steadily increasing.

Figure: Steadily increasing ratio of options turnover to cash turnover

Ratio of options to cash turnover



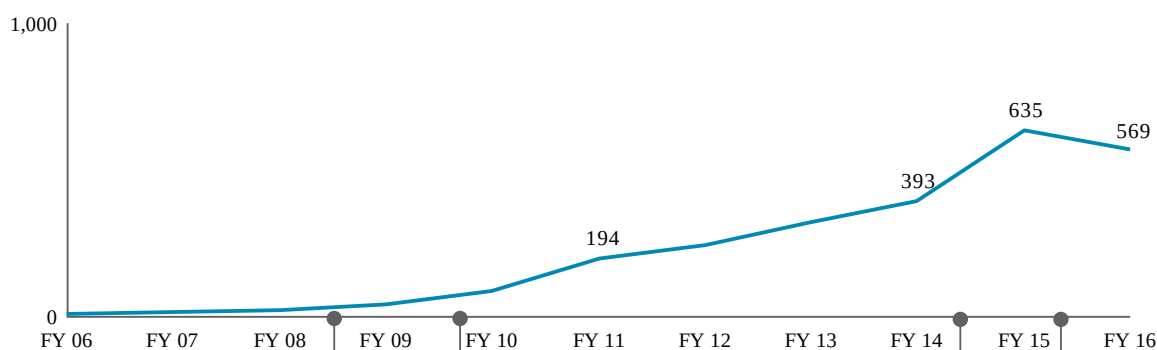
Note: The data is for Financial Year (1-Apr to 31-Mar)
Source: SEBI, Oliver Wyman analysis

This rise has been caused due to sharp spike in options volume which in turn is largely driven by 'one-time' regulatory changes and launch of new initiatives.

Figure: Regulatory changes impacting options volumes

Options turnover

INR TN



• Changes in the STT structure – STT to be charged on option premium instead of notional value

• Launch of Co-location services by NSE

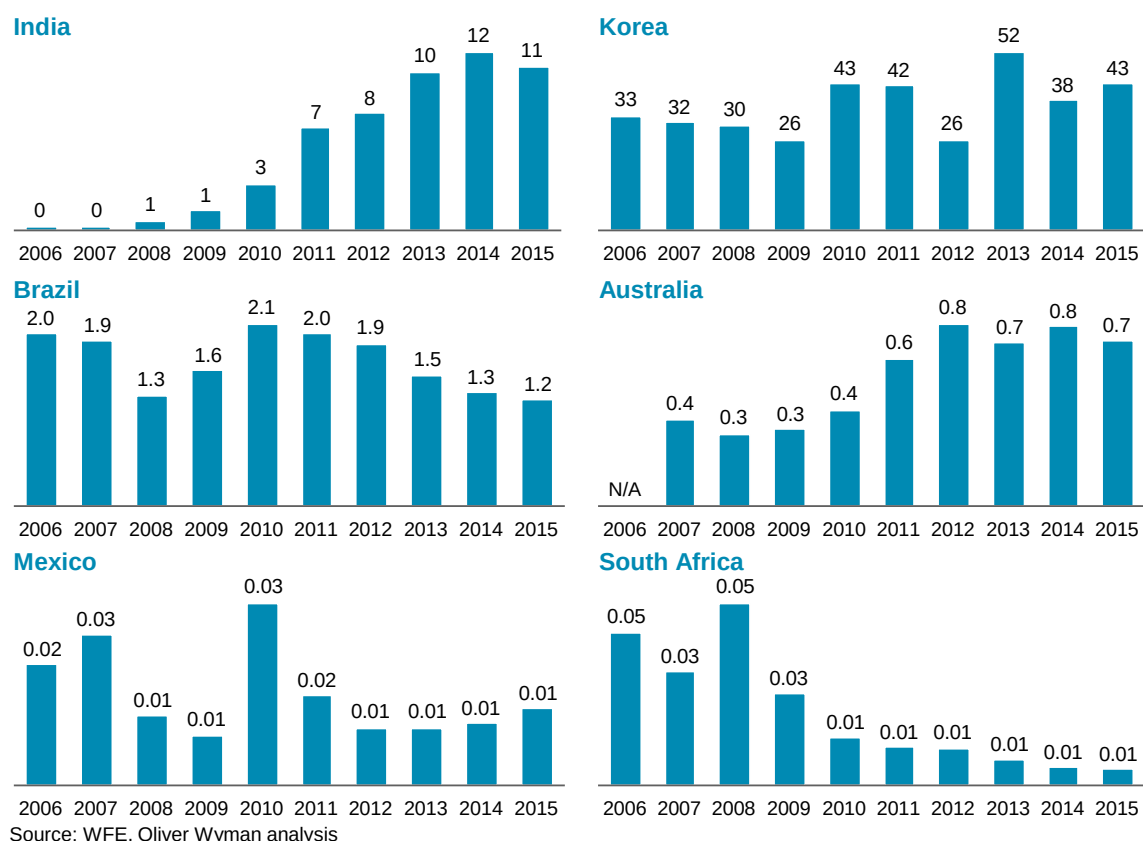
• LEIPS – Stock futures, SENSEX options and futures programme launched driving a huge surge in BSE volumes

• SEBI changed the contract size for equity derivatives from INR 0.2mm to INR 0.5 mm which impacted volumes

Note: The data is for Financial Year (1-Apr to 31-Mar)
Source: SEBI, Oliver Wyman analysis

As a result of these regulatory changes and new initiatives, options to cash turnover ratio for India is an outlier among peer countries.

Figure: Options to cash turnover for India is an outlier



Considering the absence of any further ‘one-time’ changes and the current disproportionate high levels of options as compared to cash turnover, it is expected that the options turnover will see a correction in the near term to stabilise at around FY13 levels. As a result, it is estimated that turnover in equity options has **potential to grow annually by 6-10% over the next 5 years**.

Similar to growth in equity futures market, growth in equity options is tied to the growth in cash markets and thus drivers of growth in cash markets will support the growth in equity options markets as well. In terms of risks, it is observed that in addition to risks affecting growth of cash markets, which may impact the growth of derivative markets, there are additional risks that may impact the growth of derivative markets in India:

- Change in contract size for derivatives:** Indian securities regulator, SEBI, recently increased the minimum investment size for any equity derivative from existing INR 0.2 mm to INR 0.5 mm. This step is estimated to have led to a significant decline in derivative volumes, prompting the exchanges to launch incentives to boost volumes. It is expected that as exchanges withdraw incentives, derivatives turnover can see a sharp correction in the near-medium term. (source: Exchange disclosures, Oliver Wyman research and analysis)
- Changes to taxation regulations:** Earlier this year, central government increased the securities transaction tax (STT) on options three-fold from existing 0.017% to 0.05% which led to an estimated decline of approximately 5% in options volumes. It is observed that increase in STT leads to a wider bid-ask spread reducing the liquidity of the market thus negatively impacting the volumes. Though, this particular change in taxation is small in absolute terms, and markets were able to recover quickly from its impact, increase in taxes decreases the overall attractiveness of derivative markets in India and any further increase in taxes may cause a permanent decline in the derivative volumes in India (source: Exchange disclosures, Oliver Wyman research and analysis)

Other asset classes

While cash equities and equity derivatives will be the key drivers of growth for market infrastructures in coming years, other asset classes including currency, interest rate and commodity derivatives, bonds and ETFs are also expected to witness a strong growth. Developed economies have large portion of their turnover coming from trade of currency and interest rate (IR) derivatives. However, India has small turnover for FX and IR derivatives due to a number of structural reasons such as absence of bond markets, restrictions on participation (includes outright bans (e.g., resident individuals could not participate in currency markets until recently) or regulatory restrictions on some kinds of activities (for example, banks are prohibited from adopting long positions on interest rate futures)).

Table: Outlook for other asset classes

Asset class	FY16 turnover	Growth outlook	Estimated potential CAGR (%)
a. Currency derivatives	INR 66.8 TN		10–15%
b. Interest rate derivatives	INR 6.6 TN		15–20%
c. Commodity derivatives	INR 67 TN		0–10%
d. Corporate Bonds*	INR 10.2 TN		5-10%
e. ETFs	USD 3,192 MM ¹		0–5%

Source: SEBI; 1. Data for CY 2015, source: WFE

* Corporate bond turnover numbers as reported by SEBI – may include trades that are reported to exchanges but executed off-exchange.

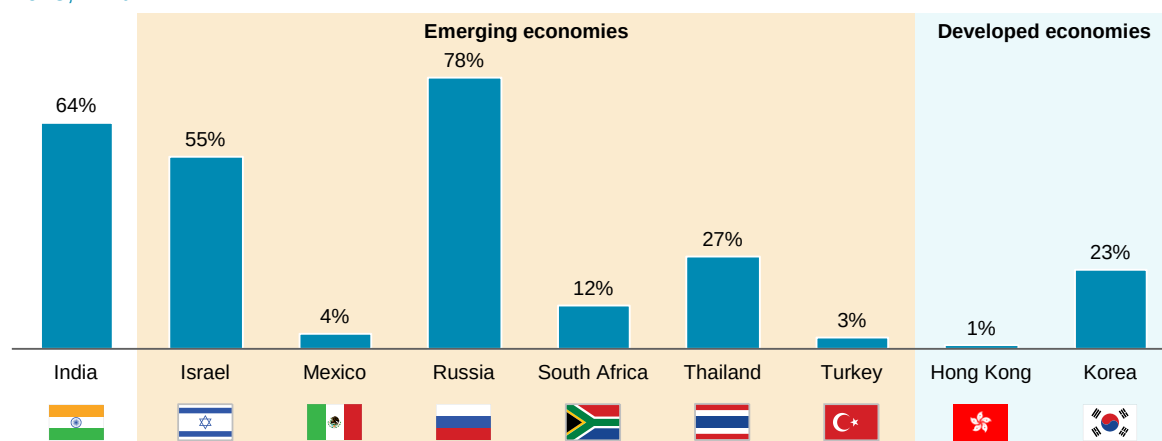
a. Currency derivatives

In FY14, SEBI tightened exposure limits in FX derivatives to check large scale speculation and avoid the fall in rupee value which led to a sharp decline in trade volume in currency derivatives. However, it is expected that going forward, the markets will grow further on the back of growth drivers and achieve a sizeable market in next 5-7 years.

Growth in FX derivative segments will be driven by greater ‘globalisation’ of Indian economy leading to greater need for hedging, greater participation of FIIs, stable rupee levels and reduced capital controls (causing shifting of overseas Non Derivative Fund volumes to onshore).

Figure: FX derivatives turnover on exchanges in India is a significant proportion of imports / exports compared to global peers (OTC trading dominates in FX derivatives)

Average daily fx turnover / annual imports and exports
2015, in %



1. Developed economies (advanced economies) and emerging economies as defined by International Monetary Fund

2. Turnover includes currency options and futures traded on the country's exchanges

3. List of exchanges by country: India – NSE and BSE; China – Shanghai SE, Shenzhen SE; Mexico – Bolsa Mexicana De Valores, MexDer; Russia – Moscow Exchange; Australia – Australia SE, ASX Derivatives Trading, ASX SFE Derivatives Trading; Canada – TMX Group, Bourse De Montreal; Korea – Korea Exchange, Europe – Deutsche Bourse, EUREX

Source: Bank of International Settlements, WFE, The World Bank Group, Trade Map, International Trade Centre

While there is a risk of restrictions on FII participation in FX derivatives markets in India, it is expected that growth drivers will help FX derivatives market in India to potentially grow at an annual rate of 10-15%. It is observed that a number of enablers will be required to support the strong growth in currency derivatives market. These include:

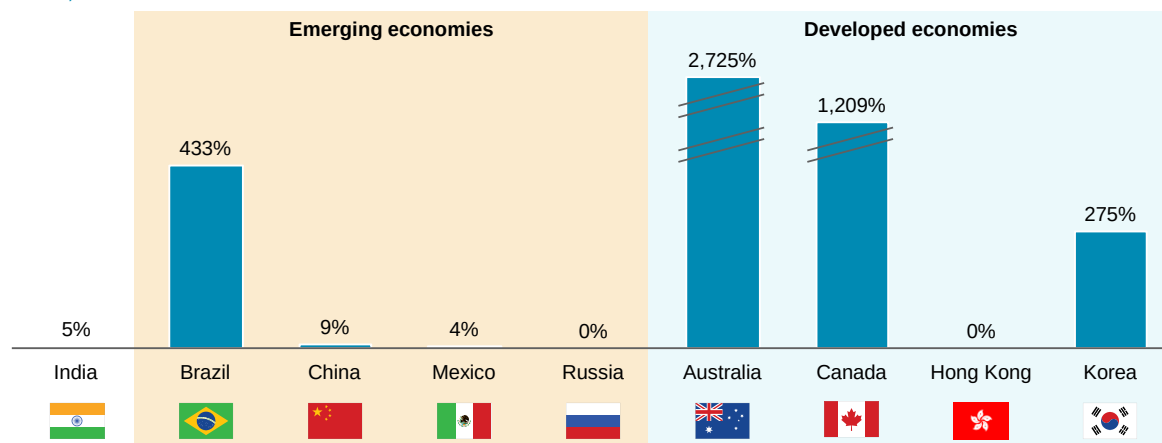
- **Regulatory response strategies:** Due to a perceived rise in speculative trading in currency futures which led to fall in rupee levels, SEBI placed limits on trading of FX derivatives in FY14 which led to a decline in trading volumes. Though the SEBI restrictions were removed once the rupee levels stabilised and the volumes are back to an upward trajectory, continued stability of rupee levels (as compared to a fall driven by speculative trading) will be required to avoid future regulatory intervention and ensure continued growth in volumes
- **Ease in regulations on ECB:** RBI is taking initiatives to relax regulations to develop currency derivative markets in India. Recent example includes relaxation of cap on External Commercial Borrowings from USD 500 mm to USD 750 mm. This allows firms to raise larger amounts in foreign currencies creating a stronger need for currency risk hedging leading to a stronger demand for FX derivatives. These continued initiatives are required to help grow the currency derivative markets in India
- **Ease of foreign investor participation in Indian currency markets:** Foreign investors could only participate in currency markets in India to hedge an underlying exposure. In 2014, RBI changed this regulation to allow foreign investors to participate in currency derivative markets in India to the extent of USD 10 mm without any underlying exposures which was further increased to USD 15 mm in 2015. This gradual relaxation of norms for foreign investor participation in currency markets will be crucial for development of currency markets in India
- **Increase in trading time:** India allows currency trades in four currency pairs: USD-INR, GBP-INR, EUR-INR, and JPY-INR. Due to time zone differences, there are often significant developments that impact the currency markets after trading has closed for the day in India. As a result, investors trading on Indian exchanges lose out on an opportunity to trade based on these developments. Increasing trading time on Indian exchanges to allow investors to make the most of these developments will encourage greater participation leading to higher volumes.
- **Introducing new cross-currency pairs:** RBI introduced three new cross-currency pairs (GBP-INR, EUR-INR, and JPY-INR) last year which led to an increase in volumes in currency markets. Introduction of more cross-currency pairs which are in demand among investors will also help push the volumes further

b. Interest rate derivatives

On the other hand, interest rate derivatives in India have a small base and have a potential to grow strongly in the next five years.

Figure: Compared to global peers, interest rate derivatives turnover in India is very low

Interest rate derivatives turnover / GDP
2015, In %



1. Developed economies (advanced economies) and emerging economies as defined by International Monetary Fund
 2. Turnover includes interest rate options and futures traded on the country's exchanges
 3. List of exchanges by country: India – NSE and BSE; Brazil – BM&F Bovespa; China – China Financial Futures Exchange; Mexico – MexDer; Russia – Moscow Exchange; Australia – ASX SFE Derivatives Trading; Canada – Bourse De Montreal; Hong Kong – Hong Kong Exchange; Korea – Korea Exchange
- Source: WFE, The World Bank Group

Growth in interest rates derivative segments will be driven by lifting of restrictions pertaining to IR derivatives trading and establishment of arbitrage free yield curve. Additionally, it is observed that following enablers will be required support growth of interest rate derivatives market in India:

- **Launch of more tenures in interest rate futures:** currently, IRFs are permitted on 6-, 10- and 13-year government securities and 91-day treasury bills. Introduction of more tenures will provide greater flexibility to participants to choose a product suitable to them increasing volumes
- **Development of bonds market in India:** IRFs are mainly used by holders of government bonds to hedge their interest rate risks. A developed bonds market will help IR derivatives market to grow as well
- **Relaxation of participation in IR derivatives market:** The restrictions on participation in IR derivatives market have been gradually relaxed with participation of FIIs and retail investors now permitted. However, most entities can only participate in the IR derivatives market to hedge interest rate risk. Gradual relaxation of these restrictions will be crucial for development of IR derivatives market in India
- **Focus from regulators to develop the market:** Both RBI and SEBI have taken been taking active measures to develop the IR derivatives market in India. These initiatives need to continue to fuel further growth of IR derivatives market

As a result, it is estimated that IR derivatives market in India has a potential to grow at annual rate of 15-20% over the next 5 years.

c. Commodity derivatives

India commodity derivative market has seen a sharp decline since seeing its peak in FY12 due to imposition of commodities trading tax (CTT) of 0.01% on derivatives trading in non-agricultural commodities in 2013. We expect that a number of initiatives launched by regulators will be key enablers for the growth of commodity derivative markets in India:

- Increased focus of government on price discovery of agricultural produce
- Potential disruptive growth in turnover of agricultural derivatives due to adoption of e-mandi model
- Guidance from RBI to banks to manage commodities risk of borrowers for agricultural commodities

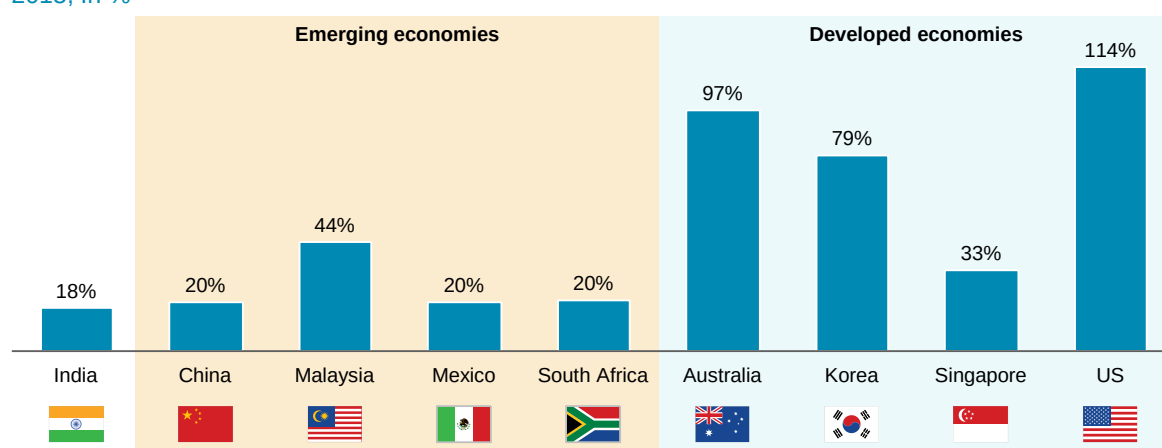
However, there is a risk that primary focus of regulator in the near term may be more on risk management (as opposed to market development). As a result, it is estimated that market for commodities derivatives in India will witness a growth of 0-10% over the next 5 years.

d. Corporate bonds

Compared to emerging markets and developed market peers, corporate bond markets in India are small in terms of outstanding issuances as well as turnover

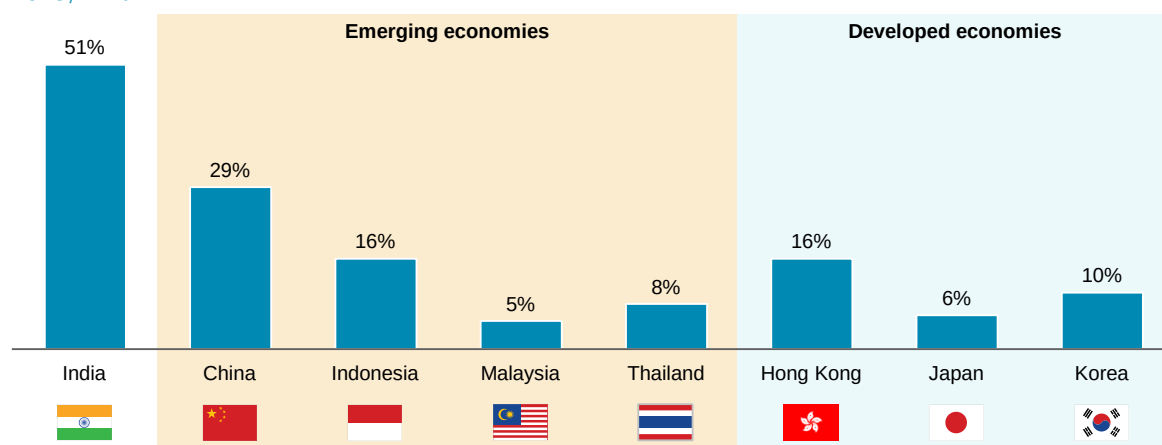
Figure: Corporate bond markets in India are much smaller relative to emerging markets peers

Corporate bonds outstanding / GDP
2015, In %



Note: Developed economies (advanced economies) and emerging economies as defined by International Monetary Fund
Source: Asia Bond Monitor, Bank of International Settlements, RBI, SEBI, The World Bank Group, WFE

Corporate bonds turnover / Corporate bonds outstanding
2015, In %



Note: Developed economies (advanced economies) and emerging economies as defined by International Monetary Fund; Data for India as of Mar 31, 2016
Source: Asia Bond Monitor, SEBI

A number of initiatives launched by the regulators will be the key enablers for growth of corporate bond markets in India:

- Introduction of an electronic auction platform by SEBI for primary debt offers to develop an enabling ecosystem for private placement market for corporate bonds
- RBI has released guidelines to encourage large corporates to access a certain portion of their financing needs through capital markets instead of the banking channel
- Expansion of investment basket of foreign portfolio investors to include debt securities
- Hike in partial credit enhancement - RBI has increased partial credit enhancement for corporate bonds from 20% to 50%
- RBI is in the process of drafting guidelines to accept corporate bonds as collateral for RBI's liquidity adjustment facility operations
- **Set-up** of a dedicated fund by LIC of India to provide credit enhancement to infrastructure projects. The fund will help in raising the credit rating of bonds floated by infrastructure companies and will facilitate investment from long term investors
- Development of a complete repository for corporate bonds, covering both primary and secondary market segments in plans by RBI and SEBI

If implemented well, these initiatives could reduce the reliance on the banking system and establish a robust avenue for corporate funding. However, there is a risk that ongoing emphasis on building exchange traded derivatives (ETD) market for credit and credit derivatives may dilute the focus on debt market. As a result of these drivers and risk factors, it is estimated that the bonds market in India has a potential to grow at an annual growth rate of 5-10% over the next 5 years. For India to witness a stronger growth in corporate bond markets, as explained earlier, regulators will have to push initiatives for development of the debt market in India.

e. ETFs

ETF market in India is still in its nascent stage with most of equity ETFs launched within the past couple of years. While Gold ETFs formed a major part of underlying AUM, they have seen a decline in the recent years causing a decline in ETF volumes. However, driven by pickup of equity ETFs and increasing awareness of ETFs in the market, ETF volumes have grown in 2015 and are expected to grow further driven by regulatory initiatives.

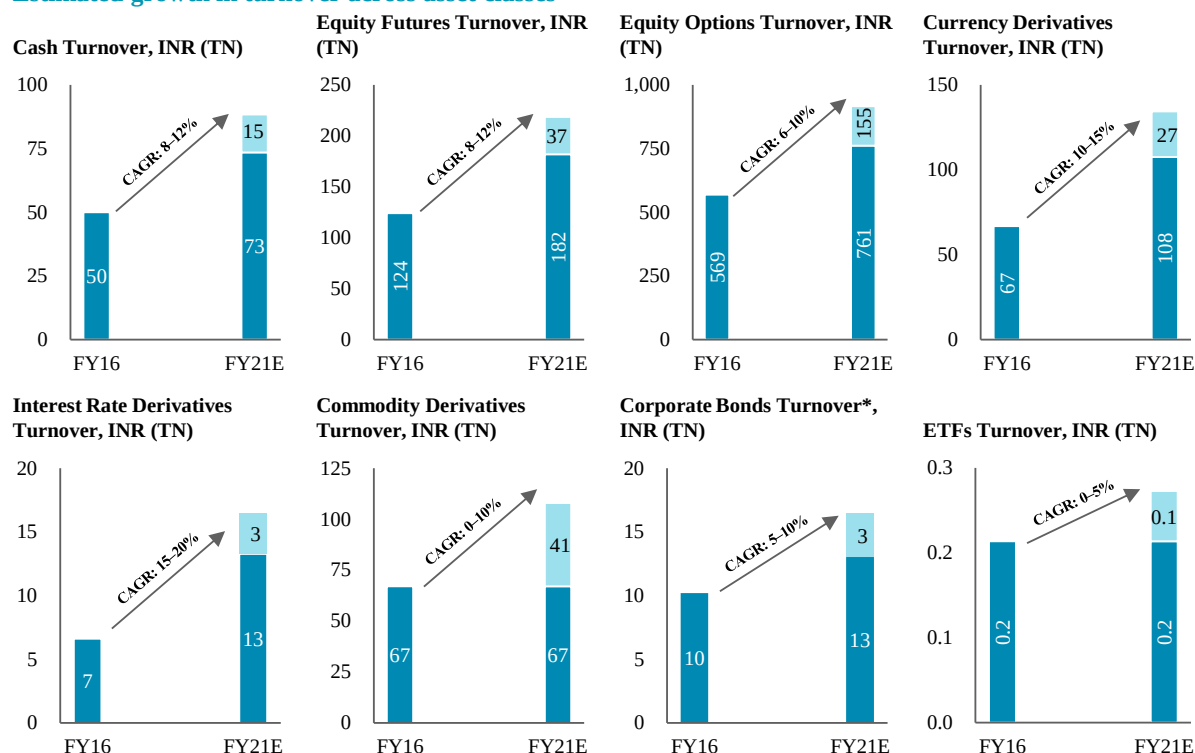
A number of initiatives launched by the regulators will be key enablers for the growth of ETFs market in India:

- Government's plan to use ETFs to operationalise divestment of its stake in state-owned firms and other corporate entities
- SEBI's initiative to clear ETFs quicker than mutual funds
- Lower annual expense ratio for ETFs as compared to mutual funds

However, there is a risk that ETFs market may not see substantial growth due to lack of proactive regulator initiatives to develop the ETF market. With these drivers and risk factors, it is estimated that ETF market in India has a potential to grow at 0-5% over the next 5 years.

Figure: Summary of estimated growth in volumes across asset classes

Estimated growth in turnover across asset classes



Note: the data is for financial year (1-Apr to 31-Mar)

Source: SEBI, WFE, Oliver Wyman analysis

* Corporate bond turnover numbers as reported by SEBI – may include trades that are reported to exchanges but executed off-exchange

Outlook for growth by services

Indian exchanges have a strong presence in services and service offerings which is expected to grow further bolstering total revenue of Indian exchanges.

Table: Outlook for services

Services	FY 16 revenues	Growth outlook	Estimated potential CAGR (%)
a. Listing services	INR 2.4 BN		15–20%
b. Data services	INR 0.86 BN		15–20%
c. Index products and services	INR 0.6 ¹ BN		15–20%

Note: Revenues calculated using revenues of BSE and NSE (the two largest exchanges in India), unless otherwise specified;

1. Based on revenues of NSE as BSE revenues not available in public domain; source: annual reports

a. Listing services

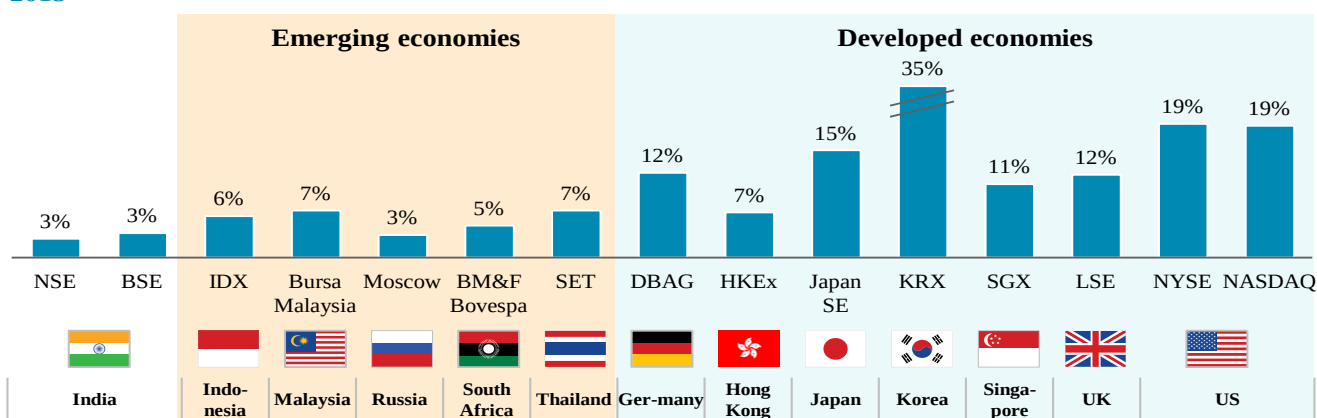
Indian economy looks towards having more IPOs in the future driven by strong economic fundamentals, favourable policy climate and strong investor confidence. This is expected to drive the growth of listing revenues for Indian exchanges. In terms of revision to fee schedule, considering that there has been a revision recently, another revision to fee schedule is not expected in near future. With this, **it is expected that listing fees in India will potentially grow at 15-20% over the next 5 years.**

b. Data services

Data revenues in the Indian market have grown steadily at 14% CAGR over the past 5 years. However, data revenues are still under-leveraged as compared to other global peers indicating potential for strong upside.

Figure: Data revenues in India are still under-leveraged as compared to peers

Data revenues as % of total revenues
2015



1. Developed economies (advanced economies) and emerging economies as defined by International Monetary Fund

2. The data is for the financial reporting cycle for respective exchanges: NSE, BSE – Year ended March; SGX – year ended June for rest of the exchanges year ended December

Source: Annual reports

It is expected that the market for data revenues in India will exhibit a strong growth in the coming years driven by opportunities to launch new product offerings and increased focus on driving data related revenues. However, two specific risks remain which may pose challenges for growth in data services: i) Reluctance to pay fees for data services in the Indian market; ii) Competition from global players (e.g. Bloomberg) as well as domestic exchanges and other data businesses.

Overall, it is estimated that market data revenues will maintain their past growth rate and potential to grow annually by 15-20%.

c. **Index services**

Historically, index products and services in India has been a growing segment with main revenue coming from licensing fee for usage of indices as an underlying for different products like index funds, ETFs and other structured financial products. Though, over the years, index licensing outside India has also been a major driver of revenue growth.

Globally, the market for index products and services is split between a few leading specialist index players and index businesses of banks and exchanges.

It is expected that revenues from index services can further grow for the Indian market by expanding product offering to beyond equities. With this, it is expected that revenues from index services will potentially grow at 15-20% over the next 5 years.

Emerging growth opportunities

Over the past couple of years, different steps of the market infrastructure value chain have seen different revenue pool growth. The different steps of the infrastructure value chain include solutions and services around data, the building of utilities (e.g. around areas of post-trade) and solutions around collateral management. The development of international financial centres and the advent of disruptive trading platforms and technologies are further topics highlighted in this context.

Data related services and solutions

Currently, revenues from data services make up a small proportion of revenues for Indian exchanges (approximately 3%). This is significantly lower than the share of revenues from data services at peer exchanges – ranging from 5-7% for emerging market exchanges (IDX, Bursa Malaysia, BM&F Bovespa, SET) and 10-35% for developed market exchanges (DBAG, SGX, KRX, LSE, NYSE, NASDAQ). On average, data business is a reliable revenue source for international stock exchanges, accounting for approximately 15-20% of total revenues for stock exchanges in developed economies. Similarly, index services have been a key area of focus for global exchanges. These products and offerings are under-developed in India and represent a key area for future growth opportunity.

Regarding market and reference data, most developed exchange groups have introduced sophisticated products to provide value-add to their clients and mitigate the risk of market data commoditization. This includes products that bundle data from multiple exchanges, innovative delivery methods (e.g. portals/apps) and customized solutions.

Exchanges without international reach and/or relatively small market cap are increasingly looking to launch international or specialist indices in cooperation with globally established index providers. This also opens up opportunities for trading of the corresponding ETFs on their platforms.

Most advanced exchange groups have expanded their product portfolio into the analytics/tools part of the market data value chain. This includes portfolio and risk management tools (mostly for the buy-side) as well as charting, pricing and technical analysis tools.

The broadened offering helps these peers to better serve their clients' needs and diversify/stabilize their revenue base. In the Indian market, growth opportunities exist in all areas around data distribution and advanced analysis/data products.

Utility building

Changing market conditions on both supply and demand side in capital markets create a strong rationale for alternative sourcing models. On one hand, market infrastructure industry now has the ability to address the need for simplification and mutualisation. On the other hand, there is a burning platform for change, especially for regional/domestic exchanges and Investment banks that lack scale to reach a competitive cost-per-trade compared to Tier one banks. The European players Clearstream/Eurex Clearing and Euroclear can serve as templates for services to add around the settlement step of securities transactions, as can "securities transactions banks" such as dwpbank in Germany, or similar services now offered by a joint venture partnership of Broadridge and Accenture.

For the Indian exchanges, there may be opportunities for value-added services around corporate action processing both on the corporate and the bank-side.

Collateral management

Globally, structural deepening of rates and FX futures markets is expected to drive listed derivative volumes upwards, nearly doubling by 2018. Bilateral trades experience the largest increase in collateral requirements as regulation bites; futurization will also shift collateral to exchanges. Europe and the US are expected to experience similar degrees of futurization by 2018, while Asia lags in both markets due to a delayed regulatory timeline. The global stock of highly-rated collateral is sufficient

to meet higher demands, but clients will need increased support in accessing it.

Collateral management is one of the areas where opportunities for MI players exist – globally as well as in India. While regulations in India may not yet require sophisticated collateral management services to the same extent as in Europe or the US, Indian exchange groups can initiate capability building efforts for such services.

International Financial Centres

Exchange groups depend on their domestic market environment, but eventually also on their potential to attract international business such as ties to the operations of major banks that set up shop in International Financial Centres (IFCs) and international bonds or funds listings from large corporates that operate globally.

Market infrastructures in emerging economies are therefore showing increased interest in supporting regional or national governments in their efforts to increase the visibility of their main hubs as IFCs.

In India, of all the IFCs being planned, considerations have advanced the furthest for GIFT city initiative in Gujarat. While RBI and SEBI have specified regulations for setting up International Banking Units and market infrastructures, a number of key areas remain to be addressed for GIFT City to be successful – for example, introduction of capital account convertibility, clearance of bankruptcy laws and rationalization of tax structures. If these pre-requisites are addressed, the revenue potential from an IFC like GIFT city can be sizable.

Disruptive trading platforms and technologies

Last but not least, the exchange landscape is undergoing technological change in several aspects. New technologies such as block-chain are poised to overhaul parts of the trading value chain. Markets are becoming more fragmented in developed markets as banks launching their own alternative trading systems (dark pools) and increasing numbers of exchanges and other trading facilities opening for business. Similarly, some exchange groups are developing to become technology providers for others.

All of these trends can play out in the Indian market and can be used by the incumbent exchange groups to their advantage if they act swiftly and decisively.

OUR BUSINESS

In this section, unless otherwise stated, (i) volume or trading volume is the measure of, in respect of equity, equity-linked and fixed income securities, the total number of securities traded and, in respect of derivatives, the total number of derivative contracts traded, during the relevant year or period, and (ii) turnover or trading turnover is the measure of the total value (unless otherwise stated, in Indian rupees) of securities traded, based on the trade price of each security at the time of each trade, during the relevant year or period. In this section, “WFE” means the World Federation of Exchanges, and all data from WFE have been obtained from WFE annual statistics. Unless otherwise stated, all references to years, including in respect of market share data from WFE, are to calendar years. Our fiscal year ends on March 31 of each year and all references to a particular fiscal year are to the twelve-month period ended March 31 of that year unless otherwise stated. Certain data included in this section in relation to operational, financial and other business-related information have been reviewed and verified by Mahajan & Aibara, independent Chartered Accountants and have not been independently verified by the Managers.

Overview

We are the leading stock exchange in India and the fourth largest in the world by equity trading volume in 2015, according to WFE. We own and manage the NIFTY 50 index, a leading benchmark for the Indian capital markets. We offer comprehensive coverage of the Indian capital markets across asset classes, including equity, fixed income and derivative securities. We have a fully-integrated business model comprising our exchange listings, trading services, clearing and settlement services, indices, market data feeds, technology solutions and financial education offerings. We also oversee compliance by our trading and clearing members and listed companies with the rules and regulations of our exchange.

We ranked first among exchanges globally in terms of stock index option and currency option trading volumes in 2015, according to WFE. We also ranked second among exchanges globally in terms of single stock future contracts trading volume and currency future contracts trading volume in 2015, according to WFE.

We began operations in 1994 and have ranked as the largest stock exchange in India in terms of total turnover and average daily turnover, or ADT, for equity shares every year since 1995, based on annual reports of SEBI. We have leading market shares by total turnover of 85% in equity cash trading, 94% in equity derivatives trading, 59% in currency derivatives trading, 79% in interest rate derivatives trading, 77% in ETFs trading, 80% in corporate bonds trading for fiscal 2016, according to the Oliver Wyman Report.

Securities are listed and traded on two markets within our exchange: our cash market and our derivatives market. Our cash market can be categorized into our equity cash market for equities and equity-linked securities and our debt cash market for fixed income securities. There were 1,822 companies with a combined market capitalization of ₹ 108,660,631.3 million listed on our equity cash market as of September 30, 2016. Trading in our cash market represented 5.7% and 5.2% of total trading volume on our exchange in fiscal 2016 and the six months ended September 30, 2016, respectively.

Our derivatives market offers trading in various forms of derivatives, such as futures and options on stocks and domestic and global indices, currency futures and options and interest rate futures. Trading in derivatives represented 94.3% and 94.8% of total trading volume on our exchange in fiscal 2016 and the six months ended September 30, 2016, respectively.

Our vertically-integrated business model includes our post-trade and non-trading businesses, which are intended to serve the investment community’s diverse needs and provide us with complementary sources of revenue. Our clearing corporation and Subsidiary, the National Securities Clearing Corporation Limited, or NSCCL, provides clearing and settlement services for our exchange to support our members throughout the lifecycle of a trade. NSCCL was the first clearing corporation established in India, according to the Oliver Wyman Report.

Our Subsidiary, India Index Services and Products Limited, or IISL, owns and manages a portfolio of 67 indices under our NIFTY brand as of September 30, 2016, including our flagship index, the NIFTY 50. Our NIFTY indices are used as benchmarks for products traded on our exchange and globally and as indicators of the Indian economy and capital markets. NIFTY indices served as the benchmark index for 38 ETFs listed in India and 12 ETFs listed abroad as of September 30, 2016. Derivatives benchmarked to NIFTY indices were also available for trading on four international stock exchanges as of November 30, 2016, pursuant to cross-listing arrangements and license agreements that we have entered into with the Singapore Exchange, the Chicago Mercantile Exchange, the TAIEX and the Osaka Exchange.

Our Subsidiary, DotEx International Limited, or DotEx, operates our data feed business, which distributes real-time and proprietary market information to global data vendors, as well as to financial institutions and individual investors. We offer outsourced IT services and financial education through our wholly-owned Subsidiaries, NSEIT Limited, or NSEIT, and NSE Academy Limited, or NSE Academy, respectively. We also have investments in complementary businesses, including mutual fund registry services, back-end exchange support services for our platforms, depository services, e-corporate governance, mobile trading solutions and commodity, power and receivables exchanges.

We have an “anywhere, any asset” trading platform that supports trading in all products listed on our exchange and offers web-based desktop, mobile and tablet functionality. We have a pan-India, high-speed network, which supported more than 181,524 terminals connecting to our platforms as of September 30, 2016. Our scalable technology platform is capable of handling high trading volumes, including high-frequency trading and trading through co-location facilities, and to readily add capacity to support increased trading volume. We have developed components of our technology platform in house, as well as improvements to certain of our third-party developed or licensed technologies, including the National Exchange for Automated Trading, or NEAT, system, our screen-based trading system.

We were recognized as Indian Exchange of the Year for 2014 by Futures & Options World and received the CII EXIM Bank Excellence Prize for 2014 and 2016, the IMC Ramkrishna Bajaj National Quality Certificate of Merit for 2014 and the Best Derivatives Providers Performance Award for 2014 from Global Finance.

Our total income has grown at a rate of 31.0% to ₹ 23,591.7 million in fiscal 2016 compared to ₹ 18,010.1 million in fiscal 2012. Our net profit after tax attributable to equity shareholders increased 10.2% to ₹ 9,752.1 million in fiscal 2016 compared to ₹ 8,848.7 million in fiscal 2012. Our EBITDA increased to ₹ 16,040.3 million in fiscal 2016 compared to ₹ 13,792.7 million, in fiscal 2012. In the six months ended September 30, 2016, we had total income of ₹ 13,435.1 million, net profit after tax attributable to equity shareholders of ₹ 5,883.2 million and EBITDA of ₹ 9,151.4 million. Reflecting the increased diversification of our business, our revenues from operations (excluding transaction charges from trading on our exchange) increased 16.6% from ₹ 5,967.5 million in fiscal 2012 to ₹ 6,959.7 million in fiscal 2016 and income from investments (excluding operating investment income) increased 18.6% from ₹ 3,914.3 million in fiscal 2012 to ₹ 4,643.9 million in fiscal 2016. For a reconciliation of EBITDA, which is a non-GAAP measure, to our net profit after tax as restated, see “Management’s Discussion and Analysis of Financial Condition and Results of Operations – Results of Operations” beginning on page 439.

Our consolidated net worth attributable to equity shareholders was ₹ 68,676.7 million and ₹ 70,574.7 million as of March 31, 2016 and September 30, 2016, respectively, compared to ₹ 52,660.0 million as of March 31, 2012. We had cash and cash equivalents and bank balances other than cash and cash equivalents (including other non-current bank balances, earmarked deposits and balance in escrow account) aggregating to ₹ 74,383.6 million, ₹ 50,287.5 million and ₹ 89,377.3 million as of March 31, 2012 and 2016 and September 30, 2016, respectively. We had no outstanding loans or borrowings as of March 31, 2016 and September 30, 2016.

Our Competitive Strengths

Market leader in India and a leading stock exchange globally

We ranked as the largest stock exchange in India in terms of total and average daily turnover for equity shares every year since 1995, based on annual reports of SEBI. We began operations in 1994 and have ranked as the largest stock exchange in India in terms of total turnover and average daily turnover, or ADT, for equity shares every year since 1995, based on annual reports of SEBI. We have leading market shares by total turnover of 85% in equity cash trading, 94% in equity derivatives trading, 59% in currency derivatives trading, 79% in interest rate derivatives trading, 77% in ETFs trading, 80% in corporate bonds trading for fiscal 2016, according to the Oliver Wyman Report. We ranked first among exchanges globally in terms of stock index option and currency option trading volume in 2015, according to WFE. We also ranked second among exchanges globally in terms of single stock future contracts trading volume and currency future contracts trading volume in 2015, according to WFE. Our sustained leadership positions across asset classes in the Indian and global exchange sectors demonstrate the robustness and liquidity of our exchange backed by our advanced technology platform and risk management framework.

We believe that the scale and breadth of our products and services, our sustained leadership positions across multiple asset classes in India and globally and our integrated business model enable us to be highly reactive to market demands and changes and deliver innovation in both our trading and non-trading businesses and to provide high-quality data and services to market participants and clients. We also believe that our leadership positions in trading volumes help to attract additional participants to our exchange, which in turn results in more efficient price discovery, attracts additional listings on our exchange, generates trading activity that maintains our trading fee structure and drives demand for our data and index products. We have leveraged high trading volumes in existing products, particularly in our derivatives market, to expand our trading and non-trading product offerings, introducing new derivative and other structured products for trading, new NIFTY indices to track different market sectors and support for algorithmic trading through our co-location facilities in response to the evolving needs and expectations of high volume and high frequency traders.

Strong track record of growth in an Indian economy poised for further growth

Real GDP growth in India was 5.6%, 6.6%, 7.2% and 7.6% in 2012, 2013, 2014 and 2015, respectively, according to the Oliver Wyman Report. India is projected to be among the fastest growing economies in the world between 2016 and 2020 and is expected to become the third largest economy in the world by 2030, with GDP approximately tripling to \$7 trillion by 2030, according to the Oliver Wyman Report. Foreign direct investment into India has steadily increased from approximately

USD 24 billion in calendar year 2012 to approximately USD 44 billion in calendar year 2015 and approximately USD 32 billion in the nine months ended September 30, 2016, according to the Oliver Wyman Report. Per capita savings in India has increased at an annual growth of approximately 10% per year between 2006 and 2015, from ₹ 7,478 per person in 2006 to ₹ 18,063 per person in 2015, according to the Oliver Wyman Report. Financial assets comprise an increasing share of total savings of households in India, rising from 33% of total savings in fiscal 2013 to 40% in fiscal 2015, according to the Oliver Wyman Report. India's workforce is expected to increase to 940 million and account for nearly 67% of the total population of India by 2021, which is expected to drive strong demand and growth across most sectors and industries, according to the Oliver Wyman Report. Mobile and internet penetration in India increased from 150 million users and 33 million users, respectively, in 2006 to 1,010 million users and 340 million users, respectively, in 2015, according to the Oliver Wyman Report.

We anticipate that the growth of the Indian economy, together with continued focus on economic liberalization by the Government of India, or GoI, will lead to an expansion of the Indian capital markets and opportunities for us to further expand our business in the future.

We have a strong track record of growth alongside the Indian economy. Our NIFTY 50 index, a well-recognized and widely-used indicator of market activity in India, increased from 5,295.55 points as of March 31, 2012 to 7,738.40 points and 8,611.15 points as of March 31, 2016 and September 30, 2016, respectively, demonstrating the strong recent growth of the Indian capital markets. Total turnover in our cash market increased from ₹ 28,108,931.9 million in fiscal 2012 to ₹ 42,369,828.4 million and ₹ 24,174,891.6 million in fiscal 2016 and the six months ended September 30, 2016, respectively. Our initiatives to increase trading volumes as the Indian economy expanded have included the introduction of new products for trading, such as futures and options on new currency pairs, new indices and interest rates, trading in mutual fund units and offer for sale bidding, and improvement of our trading technology and platforms.

Comprehensive and innovative product and service offerings delivered through a vertically-integrated business model supported by a robust risk management system

Our integrated business model provides comprehensive pre- and post-trade products and services for our trading members and market participants throughout the entire life cycle of a trade. Our model provides us with revenue sources and innovation opportunities complementary to our listing and trading businesses and is summarized below.

Value Chain	Organization	Products / Services / Functions
Listing	NSE	Issuer listing interface for IPOs, further issuances and private placements. New trading product development and regulatory interfacing. SEBI Listing Regulations compliance monitoring.
Trading	NSE	Cash market: trading in equities (corporate stocks, SME stocks, ETFs, mutual fund units and securities lending and borrowing) and fixed income securities (government and corporate bonds, sovereign gold bonds and other debt securities). Derivatives market: trading in equity (stock, index and volatility), currency and interest rate futures. Risk management for all asset classes. See “– Post-Trade – Risk and Collateral Management” beginning on page 168.
Clearing & Settlement	NSCCL ⁽¹⁾	Traditional clearing and settlement services and collateral management and risk management for all asset classes, provided by NSCCL to our Company.
Indices	IISL ⁽¹⁾	Indices: broad market, sectoral, thematic, strategy and fixed income.
Data Feeds	DotEx ⁽¹⁾	Data vending: real-time, delayed and historical data. KYC Registration Agency and service provider for central KYC. NEAT-On-Web, or NOW: web-based and mobile trading through licensed software.
Technology	NSEIT ⁽¹⁾	Commercial technology: Testing Centre of Excellence, application services, infrastructure management, assessment services, Integrated Security Response Centre and analytics as a service, focused on external clients such as BFSI

Value Chain	Organization	Products / Services / Functions
		clients.
	NSE Infotech ⁽¹⁾	Exchange technology: Trading platforms and infrastructure and IT risk and compliance focused on our own value chain.
Financial Education	NSE Academy ⁽¹⁾	Financial literacy programs.

Note:

(1) Wholly-owned Subsidiary of NSE.

We also have investments in complementary businesses, including mutual fund registry services, back-end exchange support services for our platforms, depository services, e-corporate governance, mobile trading solutions and commodity, power and receivables exchanges.

We continue to expand the range of our asset class coverage as well as the products and services that we offer. In our trading business, we have launched trading in NSE Bond Futures II, India VIX futures, and derivatives on our NIFTY 50 index, additional tenors on interest rate futures and sovereign gold bonds. In our data feed business, we are developing new types of data products to complement our existing data offerings.

We have pursued innovation in our non-trading business to diversify our sources of revenue while strengthening our trading business. Since our joint marketing agreement with Standard and Poor's Financial Services in respect of our NIFTY indices ended in 2013, we have introduced new indices and grown our revenues from indices and data offerings. To encourage trading among domestic retail investors, we offer web-based and mobile internet trading through licensed NOW software and introduced financial education programs to teach foundational principles of investing and money management.

To attract investors to our exchange, we must instill investor confidence in the safety of our markets, which has driven us to strengthen our Investigation and Surveillance Department and our risk and collateral management facilities. Our risk-management system operates continuously online to set and update margin requirements for members and monitor our risk management functions. As part of our risk management framework, we maintain a Core Settlement Guarantee Fund with total assets of ₹ 9,973.0 million and ₹ 15,577.0 million as of March 31, 2016 and September 30, 2016, respectively, compared to ₹ 6,754.7 million as of March 31, 2015.

Advanced technology platform with a track record of innovation

Our advanced electronic systems for trade execution and post-trade services, including clearing, settlement and risk management, provide reliable and consistent transaction execution and settlement, which helps us to maintain our competitive position. We have an experienced team of IT professionals, supported by select third-party IT vendors, to operate and support our infrastructure and software and create and implement new technologies. We have developed components of our technology platform in house, as well as improvements to certain of our third-party developed or licensed technologies, including the National Exchange for Automated Trading, or NEAT, system, our screen-based trading system. We also license the NOW trading software that provides connectivity to our exchange through trading terminals, web-based browsers and mobile devices.

Our electronic systems deploy real-time hardware and software monitoring and analytics with self-correction capability, predictive behavior technology and surveillance of known failure points and unexpected events. To avoid outages or disruptions, we ensure that our systems have built in redundancy and excess capacity at all times, implemented regular testing protocols and adopted continuous obsolescence planning to keep our hardware and systems updated. To minimize cyber security threats, we have implemented a security framework to prevent and detect system intrusions and internal and external security tools. Our systems have processed an average of approximately 743 million messages per day for the six months ended September 30, 2016.

We are a pioneer in technology and ensure the reliability and performance of our systems through our culture of innovation and investment in technology. Our investments in technology (including hardware and software) increased to ₹ 8,400.6 million and ₹ 8,831.0 million in fiscal 2016 and the six months ended September 30, 2016, respectively, from ₹ 6,063.5 million in fiscal 2012. We have adopted real-time risk monitoring for trading on our exchange. Our launches of electronic, screen-based trading in 1994 and derivatives trading (in the form of index futures) were each the first of their kind in India. We launched internet trading in 2000, electronic filing system for listed companies, direct market access, co-location facilities and our mutual fund trading platform in 2009 and mobile trading for investors in 2010.

Strong and diverse financial profile across established and high-growth business lines

We have enjoyed strong financial results in the past. Our total income has grown at a rate of 31.0% to ₹ 23,591.7 million in fiscal 2016 compared to ₹ 18,010.1 million in fiscal 2012. Our net profit after tax attributable to equity shareholders increased 10.2% to ₹ 9,752.1 million in fiscal 2016 compared to ₹ 8,848.7 million in fiscal 2012. Our EBITDA increased to ₹ 16,040.3 million in fiscal 2016 compared to ₹ 13,792.7 million, in fiscal 2012. In the six months ended September 30, 2016, we had total income of ₹ 13,435.1 million, net profit after tax attributable to equity shareholders of ₹ 5,883.2 million and EBITDA of ₹ 9,151.4 million. Reflecting the increased diversification of our business, our revenues from operations (excluding transaction charges from trading on our exchange) increased 16.6% from ₹ 5,967.5 million in fiscal 2012 to ₹ 6,959.7 million in fiscal 2016 and income from investments (excluding operating investment income) increased 18.6% from ₹ 3,914.3 million in fiscal 2012 to ₹ 4,643.9 million in fiscal 2016.

We have a strong balance sheet and have accumulated significant financial resources which provide us with strategic flexibility to grow our business. Our consolidated net worth attributable to equity shareholders was ₹ 68,676.7 million and ₹ 70,574.7 million as of March 31, 2016 and September 30, 2016, respectively, compared to ₹ 52,660.0 million as of March 31, 2012. We had cash and cash equivalents and bank balances other than cash and cash equivalents (including other non-current bank balances, earmarked deposits and balance in escrow account) aggregating to ₹ 74,383.6 million, ₹ 50,287.5 million and ₹ 89,377.3 million as of March 31, 2012 and 2016 and September 30, 2016, respectively. We have a large and diversified long-term investment portfolio that totalled ₹ 39,230.5 million and ₹ 34,804.2 million as of March 31, 2016 and September 30, 2016, respectively. Our investment policy is governed by the SEBI guidelines, which limits our exposure to certain classes of assets that may be exposed to greater degrees of risk. See “Management’s Discussion and Analysis of Financial Condition and Results of Operations – Key Components of Our Restated Consolidated Statement of Profit & Loss – Income – Income from Investments” and “Risk Factors – Internal Risks – Declines in interest rates may adversely affect our results of operations and financial position” on pages 437 and 23, respectively.

Our diversified business model reduces our dependence on our trading business. In fiscal 2016 and the six months ended September 30, 2016, 37.3% and 36.8% of our revenue from operations, respectively, were generated from sources other than our trading services and income from investments of deposits received from trading members, including annual listing fees, revenues from our data feed and index businesses and rack space rental and connectivity charges related to co-location services. These sources have generally provided us with predictable sources of revenue from year to year. Though diversified, our businesses are complementary, allowing us to leverage strong performance in individual products to increase our revenue streams throughout our vertically-integrated value chain.

Experienced and skilled management team

Our management team has extensive experience in financial market operations with a demonstrated ability to innovate and grow our business. Our management has strong sector-specific operational and management expertise and an understanding of the key opportunities and risks associated with our industry and our business. Our management team is supported by our Board of Directors, which has extensive executive leadership experience in the public and private sectors across business, regulation and technology.

We have implemented management training, development and progression plans to support our long-term operations. We periodically rotate members of our management team and non-management employees to different departments or businesses, which we believe contributes to the integration of our model and facilitates innovation.

Our Business Strategies

We seek to maintain the market leadership position of our exchange through the following strategies:

Diversify our product and service offerings and maintain new product innovation and development

We intend to further diversify our product and service offerings in our trading and non-trading businesses through innovation and investment in high-growth areas of our businesses.

Changes in listing and trading regulations by the GoI have in the past created, and may create future opportunities for us to introduce new products for trading on our exchange. For example, we have focused on increasing our listings of ETFs since the GoI eased its regulations in August 2015 to permit greater investment in ETFs by provident funds. The SEBI has promulgated regulations for the listing of real estate investment trusts, or REITs, and infrastructure investment trusts, or InvITs, and may authorize new investment products in the future, creating new opportunities for us to offer trading in new asset classes, particularly in our cash market. We also have numerous new products under development for which we are awaiting the SEBI’s approval to launch, particularly in our derivatives business.

We believe that there is strong growth potential for our debt cash market as the majority of fixed income trading activity in India is still concentrated in the OTC market. The GoI is focused on growing India’s debt capital market and the Working Group on Development of Corporate Bond Market in India issued recommendations to improve the regulatory framework for

India's debt market in its August 2016 report. In anticipation of greater interest in fixed income trading in the future, in June 2016, we launched our NSE Electronic Debt Bidding platform for private placement issuances of fixed income securities.

We are actively evaluating potential new opportunities in our index and data feed businesses to build on our established NIFTY indices and market data offerings. For example, we plan to continue licensing our NIFTY indices for use as benchmarks for derivative and other structured products listed in India and globally. We also plan to explore opportunities to broaden our data product offerings to remain competitive in the market data industry. In addition, our Subsidiary, DotEx, was selected by the Central Registry of Securitization Asset Reconstruction and Security Interest of India, or CERSAI, as the managed service provider for CERSAI's central KYC registry, which was launched in July 2016.

Our vertically-integrated business model also presents opportunities for cross-selling between our business lines and throughout the value chain. We remain focused on encouraging more of our exchange members to trade in multiple categories of assets on our exchange, attracting our financial education clients to our exchange, marketing our index and data products to our more sophisticated traders and pursuing other cross-selling opportunities that our business model creates.

In our commercial technology business, we plan to develop new offerings focused on IT-enabled management services and analytics as a service. We anticipate our products and services will support product excellence, digital transformation, cloud and total outsourcing and cyber security and intelligence, particularly among banking and financial services clients. We may also seek out inorganic growth opportunities, including in the areas of digital transformation and technology security services.

Increase trading volumes by attracting new issuers and investors to our exchange

We are focused on improving liquidity on our exchange by attracting new issuers, strengthening our domestic investor base and making our exchange more accessible to foreign investors. We plan to target new types of issuers looking to access the Indian capital markets to list on our exchange. For example, we launched our EMERGE and EMERGE-ITP platforms to provide tailored listing alternatives for Indian SMEs seeking access to capital. We are reaching out to state governments to recommend the launch of SME-focused investment funds to expand the institutional investor base and attract more SMEs to our platforms. We conduct financial education workshops through NSE Academy to develop a new generation of investors. As the regulatory environment in India changes, we intend to diversify our listing acquisition campaigns to target new categories of issuers that become eligible for public listings in India. By continuously enhancing the quality of our exchange, we will also seek to encourage Indian companies listed or considering listing abroad to instead list on our exchange.

Our strategy to strengthen our investor base is focused on accommodating the evolving trading needs and expectations of institutional and other sophisticated traders and investors. We have rolled out co-location facilities on our premises and provide direct market access connections to our trading systems. We are in the process of further modernizing our trading infrastructure for algorithmic and high-volume trading and expanding our suite of derivative products. In addition, we plan to regularly update our traditional trading terminals and internet and mobile browser-based trading platforms to further improve reliability and trade execution.

We seek to attract additional foreign investors to our exchange and to become the domestic exchange of choice for foreign investors looking to access the Indian capital markets. We offer foreign investors access to Indian corporates, including all companies that comprise our NIFTY 50 index, and we have expanded our index and currency derivatives offerings to provide foreign investors with more opportunities to gain exposure to the Indian capital markets. We expect to continue our international marketing efforts in select markets, which in the past have entailed participation in conferences, trade shows, roadshows and meetings with institutional investors in Singapore, Hong Kong, New York and London. We have also sought approval from the U.S. Commodity Futures Trading Commission in August 2007, which we updated in December 2015, to expand our marketing and customer acquisition efforts in the United States and plan to explore additional opportunities to increase our international footprint and outreach.

Finally, we continuously evaluate and refine our pricing strategy for each class of assets traded on our exchange and offer incentive schemes for individual asset classes from time to time.

Maintain and upgrade infrastructure and technology

We believe that our advanced electronic systems for trade execution and post-trade services are our competitive strength. We are committed to continually improving our core IT capabilities and platform infrastructure in order to maintain our systems' reliability, performance and security and enhance our customers' experience. We have regularly allocated substantial resources towards upgrading our information technology systems and infrastructure, with the over-arching goals of achieving higher capacity and lower latency, improving market efficiency and transparency, enhancing user access and providing flexibility for future business growth and market needs. We continually monitor and add processing capacity to safeguard against system disruptions during periods of high trading activity. We also seek to increase trading volume and turnover by optimizing our trading platforms to improve efficiency and reduce costs.

We plan to develop and implement initiatives to maintain and improve our system infrastructure and technology and our

front- and back-end functions in response to technological developments, customer demand and competitive pressures. We are working toward integrating FinTech innovations into our businesses, including distributed ledger and block chain technology, big data analytics and machine learning. We participated in Hyperledger's Open Source Forum for blockchain technologies, are pursuing FinTech collaborations with third parties and plan to continue investing in technology innovation and working to bring FinTech-driven solutions to market in the future.

Pursue additional partnerships and collaborations in the global exchange ecosystem

We intend to further increase our brand recognition and diversify our product and service offerings by pursuing partnerships and collaborations with other leading global stock exchanges, market participants, technology providers and financial institutions throughout the global exchange ecosystem.

We have entered into cross-listing and licensing arrangements with the Singapore Exchange, the Chicago Mercantile Exchange, the Osaka Exchange and the TAIFEX to provide for trading of derivatives benchmarked to our NIFTY 50 index and other NIFTY indices on foreign exchanges. As a result of these partnerships, derivatives benchmarked to NIFTY indices are traded on four exchanges around the world, including U.S. Dollar denominated futures linked to our NIFTY 50, NIFTY Bank, NIFTY IT, NIFTY CPSE and NIFTY Midcap 50 indices traded on the Singapore Exchange, U.S. Dollar denominated futures linked to our NIFTY 50 futures traded on the Chicago Mercantile Exchange, Yen-denominated NIFTY 50 futures traded on the Osaka Exchange and New Taiwan Dollar denominated NIFTY 50 futures traded on the TAIFEX. Also in 2016, 6 ETFs linked to NIFTY indices were launched in international markets, including Hong Kong, Taiwan and South Korea. As of September 30, 2016, ETFs linked to NIFTY indices were listed on 17 exchanges in 15 countries.

Our arrangements with international stock exchanges also contribute to the liquidity of our markets. For example, our collaboration with the Chicago Mercantile Exchange enables us to offer Rupee-denominated derivatives benchmarked to the S&P 500® and the Dow Jones Industrial Average™ on our exchange. Our non-NIFTY index derivatives turnover were ₹ 77,604,283.4 million and ₹ 111,933,910.1 million in fiscal 2016 and the six months ended September 30, 2016, compared to ₹ 6,980,172.2 million in fiscal 2012.

We have entered into a memorandum of understanding with the LSE to explore opportunities for collaboration, such as the establishment of a research center in GIFT City (defined herein). We also will continue to explore organic and external opportunities to expand into new markets and products in our non-trading businesses, including in the areas of indices, data analytics, digital transformation and technology solutions.

Capture growth in the underpenetrated Indian financial markets

We intend to further strengthen our brand and market leadership position by reaching investors in more geographic locations and from different backgrounds across India. We plan to conduct investor awareness programs, pursue tie-ups with state-level education boards and universities to offer post-graduate and certificate programs and conduct conferences and seminars around our product and service offerings. Our past financial inclusion initiatives include state financial literacy programs that were developed together with the Tamil Nadu and Himachal Pradesh state education boards and are administered outside of India's metropolitan centers.

To introduce more first-time investors to the Indian markets and attract them to our exchange, our outreach, advertising and expansion initiatives seek to transform India's strong culture of saving into an "equity culture". We plan to intensify our outreach and advertising programs directed at younger Indians through our wholly-owned Subsidiary, NSE Academy, which promotes financial literacy as a necessary life skill. NSE Academy's initiatives, including partnerships with state and national school boards and schools, interactive courses on personal finance and certification programs, teach school children, homemakers and other non-finance professionals the value of investing, provide an introduction to the Indian capital markets and help to develop new market professionals.

Amid the recent trend of increasing mobile and internet penetration in India, we license NOW, our web-based and mobile trading platform, which is targeted towards the growing number of mobile phone users in India and positions us to increase our market share among internet and mobile traders. Assuming that mobile and internet penetration increases in India, we anticipate that investment in our trading platforms will enable us to attract more members to our exchange from areas outside of India's major commercial centers.

Indian capital markets are comparatively underpenetrated with significant potential for further growth according to the Oliver Wyman Report:

- financial savings in India totalled approximately \$0.5 trillion as of 2015, comprising 56% of bank deposits and only 7% of investments in direct equities;
- foreign direct investment in India accounted for only approximately 2% of India's GDP in 2015 despite increasing from \$28 billion to \$34 billion to \$44 billion in 2013, 2014 and 2015, respectively; and

- in 2015, India's market capitalization to GDP ratio was 73% compared to 140% in the United States, and India's cash turnover velocity was 53% compared to 268% in the United States.

Establishment of an international exchange in GIFT City

We have incorporated two Subsidiary companies, NSE IFSC Limited and NSE IFSC Clearing Corporation Limited, and applied to the SEBI for in-principle approval to establish international exchange and clearing corporation businesses in Gujarat International Finance Tech City – International Financial Service Centre, or GIFT City, which is a special economic zone under development to become India's first international financial services center.

These proposed new businesses are intended to expand our trading business and to grow our market share by capturing trading volumes that in the past have shifted outside of India in search of lower transaction costs and higher position limits. Stock exchanges operating in the GIFT IFSC will be permitted to offer trading in securities in any currency other than the Indian rupee. Subject to SEBI approval, trading would be permitted in equity shares of companies incorporated outside of India, depository receipts, debt securities of eligible issuers, currency, index, interest rate and non-agriculture commodity derivatives and all categories of exchange traded products that are available for trading in stock exchanges in FATF/IOSCO compliant jurisdictions. NSE IFSC Limited would also be permitted to offer longer trading days than what stock exchanges are currently permitted to do. We will be conducting marketing and familiarization activities to keep prospective investors informed about the framework of operations of NSE IFSC and NSE IFSC Clearing Corporation, as we have in the past for the launch of new businesses, products, and services.

History & Corporate Structure

Our Company was incorporated in 1992. We were recognized as a stock exchange by the SEBI in April 1993 and commenced operations in 1994 with the launch of our wholesale debt market, followed shortly after by the launch of our cash market.

Between 1994 and 2016, we expanded our lines of business and product offerings through the following key milestones:

1994	Commenced electronic or screen-based trading; Launch of the equity and wholesale debt market segments;
1996	Created and administered a settlement fund; Launch of the NIFTY 50 Index, which remains our flagship index today; Trading and settlement in dematerialized securities commenced on our exchange;
1998	Commencement of the NSE Certification for Financial Markets certification program in India;
2000	Launch of index futures based on the NIFTY 50 index (then known as S&P CNX Nifty) for trading; Listed index futures on Nifty 50 on the Singapore Exchange;
2001	Launch of index options based on the NIFTY 50 index (then known as S&P CNX Nifty) for trading; Launch of single stock futures and options on listed securities;
2002	Launch of ETFs listings;
2005	Launch NIFTY Bank index derivatives;
2008	First in India to offer trading in currency futures; Establishment of our securities lending and borrowing scheme ; Launch of NOW platform for web-based trading;
2010	Launch of trading in currency options; Launch of NOW platform for mobile devices;
2011	Commenced trading in Index Futures and Options on global indices, namely the S&P 500, Dow Jones Industrial Average, and the FTSE 100

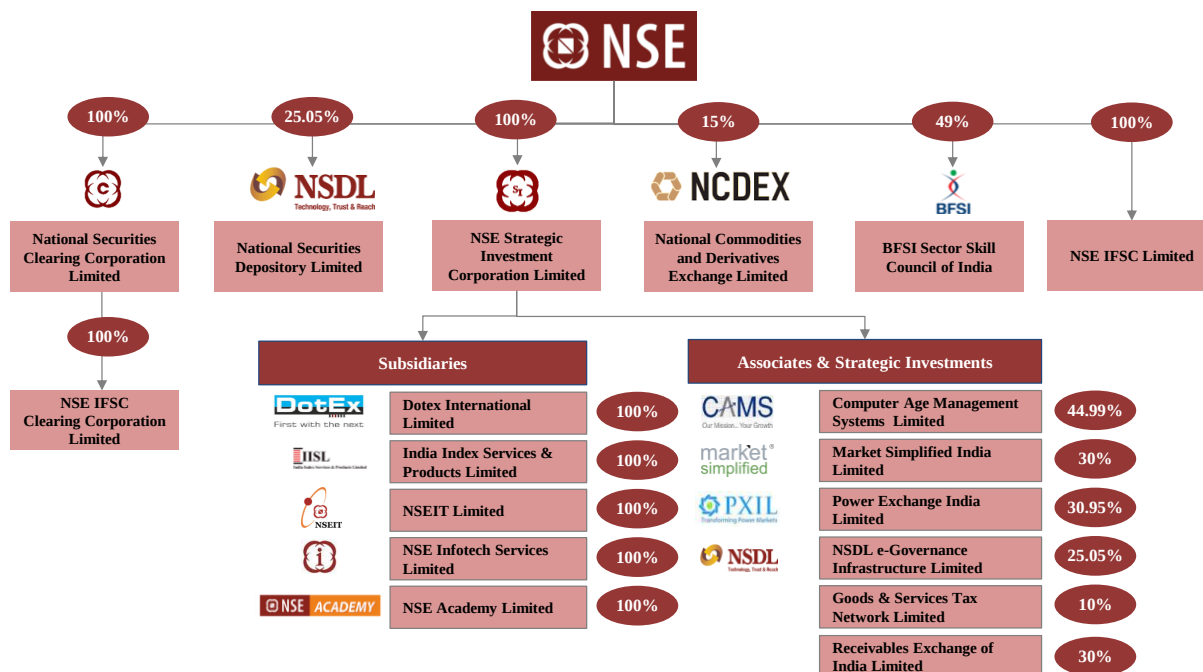
2012	Launch of our SME-specific EMERGE platform for the listing and trading of securities of SMEs;
2014	Launch of NMF II platform for mutual funds; Launch of NBF II Segment for interest rate futures; Launch of trading on India VIX index futures; Commencement of trading on Nifty 50 (then known as CNX Nifty) on the Osaka Exchange
2016	Launch of Nifty 50 index futures trading on TAIFEX; Launch of electronic book-building platform for private placement of debt securities; Launch of platform for sovereign gold bond issuances

We have also grown our business beyond traditional listing and trading services:

- In 1995, our wholly-owned Subsidiary, NSCCL, became the first clearing corporation to be established in India, according to the Oliver Wyman Report. NSCCL commenced clearing and settlement operations in the following year;
- In 1998, we established our Subsidiary, IISL, as a joint venture with CRISIL Limited to operate an indices business. IISL became our wholly-owned Subsidiary in 2013 following our acquisition of CRISIL's 49% stake;
- In 1999, we established NSEIT, our wholly-owned Subsidiary and a global technology firm that provides end-to-end technology solutions, including application services, infrastructure services, analytics as a service and IT enabled services. In 2015 and 2016, respectively, NSEIT launched its Testing Center of Excellence and Integrated Security Response Center;
- In 2000, we incorporated DotEx, our wholly-owned Subsidiary, and consolidated our data and info-vending business under DotEx;
- In 2006, we incorporated NSE Infotech, our wholly-owned Subsidiary for IT research and development; and
- In 2016, we consolidated our education business under NSE Academy, our wholly-owned Subsidiary. Also in 2016, we incorporated two new subsidiaries, NSE IFSC Limited and NSE IFSC Clearing Corporation Limited, in furtherance of our long-term business strategy to establish an international exchange in GIFT City.

We also have investments in complementary businesses, including mutual fund registry services, back-end exchange support services for our platforms, depository services, e-corporate governance, mobile trading solutions and commodity, power and receivables exchanges. See “–Other Businesses –Investments”.

The chart below summarizes our corporate legal structure as on the date of this Draft Red Herring Prospectus.



Our Business

We offer comprehensive coverage of the Indian capital markets across asset classes, including equity, fixed income and derivative securities. We have a fully-integrated business model comprising our exchange listings, trading services, clearing and settlement services, indices, market data feeds, technology solutions and financial education offerings. We have an active treasury management function that invests our own funds and deposits from market participants. We also support the surveillance initiatives undertaken by the Integrated Surveillance Department of the SEBI and oversee compliance by our trading and clearing members and listed companies with the rules and regulations of our exchange.

Key aspects of our integrated business model, revenue and primary lines of business are summarized below.

			Six Months Ended September 30,		Year Ended March 31,									
			2016		2016		2015		2014		2013		2012	
Value Chain	Revenue	Primary Line(s) of Business	Rev	% of Total Income	Rev	% of Total Income	Rev	% of Total Income	Rev	% of Total Income ⁽¹⁾	Rev	% of Total Income	Rev	% of Total Income
(₹ in millions except percentages)														
Listings	Listings fees Book building fees Processing fees	Listings -Equities -Fixed Income	505.0	3.8	803.8	3.4	643.6	2.8	453.9	2.4	434.0	2.4	501.1	2.8
Trading	Transaction Charges	Trading Cash Market -Equity -Fixed Income Derivatives -Non currency -Currency	6,535.3	48.6	11,675.7	49.5	10,752.1	46.9	8,257.2	43.0	7,236.3	39.9	7,646.9	42.5
	Data center charges & connectivity charges	Co-location facilities	378.2	2.8	708.4	3.0	564.5	2.5	431.9	2.2	426.2	2.3	379.5	2.1
Post trade	Clearing services ⁽²⁾	-Clearing -Settlement -Risk management	493.2	-(3)	983.5	-(3)	911.8	-(3)	756.3	-(3)	725.9	-(3)	1,157.7	-(3)
Index, Data & Technology	Data Feed Services	NSE market data	355.6	2.6	592.1	2.5	470.6	2.1	368.6	1.9	278.2	1.5	283.4	1.6
	Licensing Services	Indices	345.3	2.6	640.2	2.7	402.5	1.8	203.9	1.1	134.6	0.7	114.1	0.6

			Six Months Ended September 30,		Year Ended March 31,									
			2016		2016		2015		2014		2013		2012	
Value Chain	Revenue	Primary Line(s) of Business	Rev	% of Total Income	Rev	% of Total Income	Rev	% of Total Income	Rev	% of Total Income ⁽¹⁾	Rev	% of Total Income	Rev	% of Total Income
			(₹ in millions except percentages)											
	Technology Services	-Application development & maintenance -Infrastructure management. -Assessment services -IT processing and support	513.4	3.8	894.6	3.8	766.5	3.3	698.9	3.6	681.1	3.8	843.8	4.7
Other Businesses	Registration & enrollment fees	Financial Education	84.1	0.6	190.1	0.8	223.1	1.0	204.8	1.1	186.9	1.0	216.0	1.2
	Share of net profit of associates and joint ventures accounted by using equity method	-	555.0	_(3)	911.5	_(3)	732.5	_(3)	314.2	_(3)	235.1	_(3)	195.5	_(3)
	Investment, dividend and interest income ⁽⁴⁾	-	4,465.2	33.2	7,401.6	31.4	8,277.8	36.1	7,688.2	40.0	7,600.1	41.9	6,723.9	37.3

Notes:

- (1) Total income for the year ended March 31, 2014 does not include profit on sale of investment in equity instruments of associates/subsidiary of ₹441.8 million.
- (2) Represents inter-segment revenue from our clearing services operating segment. Comprises certain revenue of NSCCL, being the amounts paid by our Company to NSCCL in respect of clearing and settlement charges, which are then included in the transaction charges that our Company assesses on each trade on our exchange. See Note 31 to our audited consolidated Restated Financial Information on page 279.
- (3) Not included in total income.
- (4) Comprises (i) from other operating revenues: income on investments and net fair value gains / (losses) on financial assets mandatorily measured at fair value through profit or loss, or FVPL and (ii) from other income: dividend income from equity investments designated at fair value through other comprehensive income, or FVOCI, and from other investments, interest income from financial assets at amortized cost and from investment designated at FVOCI, net fair value gain / (loss) on financial assets mandatorily measured at FVPL, net gains on sale of financial assets measured at FVOCI, sale of financial assets mandatorily measured at FVPL. See also "Management's Discussion and Analysis of Financial Condition and Results of Operations – Key Components of Our Restated Consolidated Statement of Profit & Loss – Income from investments" on page 437.

Listings

We provide a listing venue for companies and other entities issuing securities in India and generate revenue from fees paid by issuers in connection with those listings. We aim to be the preferred designated stock exchange for issuers looking to use our markets. We offer a marketplace with multiple access points and a deep investor base, where price and liquidity formation can take place in a transparent and regulated framework, subsequent liquidity can develop and further capital can be raised.

Listing on our exchange can take several forms, including initial public offerings, or IPOs, and follow-on offerings, or FPOs. Follow-on offerings are offerings of securities by listed companies and include rights issues, which are issuances of shares to existing shareholders on a pro rata basis, as well as qualified institutional placements, or QIPs, which are issuances of shares to institutional investors. We also enable private placement of securities on our listing platform. Further, we provide facilities to enable book-building for IPOs and private placements of debt securities.

Equity

The Indian corporate entities that comprise our equity cash market issuer base include large corporates, SMEs, financial institutions, government agencies and emerging corporate forms, which in the future are expected to include REITs and InvITs. There were 1,822 companies with equity shares listed for trading in our cash market with a combined market capitalization of ₹ 108,660,631.3 million as of September 30, 2016 compared to 1,646 companies with a combined market capitalization of ₹ 60,965,175.5 million as of March 31, 2012.

SMEs

Our two platforms for the listing and trading of SME stocks are EMERGE and EMERGE's Institutional Trading Platform, or EMERGE-ITP. We have operated EMERGE since 2012 as an alternative listing platform for SMEs that have paid up capital below ₹ 250 million. We launched EMERGE-ITP in 2014 as a specialized platform for SMEs that operate in key high-growth sectors, namely technology, information technology, intellectual property, data analytics, bio-technology or nano-technology, and/or in which sophisticated investors hold substantial ownership interests. These platforms are intended to provide access to early-stage capital for SMEs and new investment opportunities for sophisticated investors. SMEs that list on EMERGE or EMERGE-ITP pay initial and annual listing fees that are similar to, but less than, our fees for main board listings. As of September 30, 2016, 37 companies with a total market capitalization of ₹ 21,017.9 million were listed on EMERGE and EMERGE-ITP and a total of ₹ 2,327.2 million had been raised by SMEs on the two platforms since 2012.

Offers for Sale

We provide a market for substantial shareholders in listed companies to sell their interests through offers for sale. Offers for sale can be made by promoters of the top 200 companies on our exchange by market capitalization and any non-promoter shareholder with at least 10% interest in such eligible companies. We collect book building fees associated with offers for sale. See "– Listing Revenues". We also facilitate share buyback and exit offers to shareholders by delisting companies.

The table below provides a summary of our equity listing business in terms of the number of issues and amounts raised by type for the periods indicated.

	Six Months Ended September 30,	Year Ended March 31,				
	2016	2016	2015	2014	2013	2012
Main Board Equity Issues						
IPOs	16	24	6	2	10	26
FPOs	-	-	-	2	-	1
Qualified Institutions Placement	9	18	40	7	38	14
Amount Raised (₹ in millions)						
IPOs	170,832.9	153,736.2	13,756.5	11,895.3	62,447.6	48,642.7
FPOs	-	-	-	74,559.6	-	45,782.0
Qualified Institutions Placement	28,182.5	139,759.5	280,143.0	95,617.4	139,636.1	16,834.2
Total	199,015.4	293,495.7	293,899.5	182,072.3	202,083.7	111,258.9
SME Listing						
Number of new listings	6	16	9	5	2	-
Amount raised (₹ in millions)	420.1	665.2	378.7	423.2	440.0	-
Offers for Sale⁽¹⁾						
Number of offers	3	8	8	31	15	2
Amount raised (₹ in millions)	18,526.4	118,019.1	162,978.8	34,900.1	118,906.9	87,558.3

Note:

(1) Offers for sale on our exchange commenced in February 2012. Amount raised from offers for sale represents the total value of allotments received toward bids placed on our exchange only.

Issuers on our exchange must meet minimum eligibility criteria for the listing of their securities. The criteria generally include minimum paid up share capital and capitalization levels and having at least three years of operations. Issuers with negative net worth, winding up petitions or referrals to the Board for Industrial and Financial Reconstruction are ineligible to list on our exchange. Our issuers must also adhere to ongoing disclosure and corporate governance requirements, including quarterly and annual financial reporting requirements and reporting of material developments and certain corporate governance matters.

In order to attract issuers to our marketplace and maintain our relationship with existing issuers, we undertake ongoing outreach initiatives to specific classes of issuers, such as large market capitalization companies and SMEs, through direct prospecting and periodic client relationship coverage meetings. We also participate in conferences and hold events to promote our markets as an alternative to bank financing and other types of funding.

Fixed Income

We are also a listing venue for issuances of fixed income securities where we list public and privately placed corporate debt securities. There were 47 fixed income securities with a total size of ₹ 215,000.1 million issued on a public issue basis and 685 fixed income securities with a total size of ₹ 1,860,207.5 million issued on a private placement basis, during the six months ended September 30, 2016.

Furthermore, we are also authorized to act as a receiving agent for sovereign gold bond issuances and have listed 458,154 units with a value of ₹ 1,432.8 million as of September 30, 2016. We are also a venue for trading of government securities.

Listing Revenues

Our listing business generates revenues in the form of listing fees (initial and annual), book building fees and processing fees. Companies that list their securities on our exchange pay one-time initial listing fees, book building fees and processing at the time of listing. The initial listing fee is determined based on the paid-up capital of the issuer, while book building and processing fees are determined based on the size of a company's proposed securities offering. In addition, companies pay an annual listing fee in an amount determined based on total paid up share, bond or debenture capital.

Our revenue from listing services (comprising listing fees and book building fees) was ₹ 376.5 million, ₹ 376.2 million, ₹ 386.9 million, ₹ 512.1 million, ₹ 588.6 million and ₹ 377.8 million for fiscal 2012, 2013, 2014, 2015 and 2016 and the six months ended September 30, 2016, respectively. Our processing fees were ₹ 124.6 million, ₹ 57.8 million, ₹ 67.0 million, ₹ 131.5 million, ₹ 215.2 million and ₹ 127.2 million for fiscal 2012, 2013, 2014, 2015 and 2016 and the six months ended September 30, 2016, respectively.

Mutual Funds

Units in close-ended mutual fund schemes are listed and traded on a separate market within our cash market category.

Members of our exchange access our mutual fund market to subscribe or redeem units of a mutual fund scheme through our Mutual Fund Service System, or MFSS, which was launched in 2009.

Subsequently we launched NMF II, our web-based reporting and trading platform for transactions in mutual fund units, which is accessible by non-member mutual fund distributors and independent financial advisors. NMF II operates using software developed by and licensed from a subsidiary of our associate company, CAMS, which also serves as registrar and transfer agent and provides back-office support for NMF II. As of September 30, 2016, there were 9,579 schemes from 34 mutual funds listed on our NMF II platform. Furthermore, we had 1,876 mutual fund distributors such as independent financial advisers on NMF II, as of September 30, 2016.

Trading

Our exchange is organized into two markets for trading: our cash market for the listing and trading of equities and fixed income securities and our derivatives market.

Cash Market

We are the leading exchange in India and the fourth ranked exchange in the world by equity trading volume in 2015, according to WFE. In fiscal 2012, 2013, 2014, 2015 and 2016 and the six months ended September 30, 2016, the total turnover in our cash market was ₹ 28,108,931.9 million, ₹ 27,082,810.6 million, ₹ 28,084,884.1 million, ₹ 43,296,549.7 million, ₹ 42,369,828.4 million and ₹ 24,174,891.6 million, respectively, and the average daily turnover on our cash market was ₹ 112,887.3 million, ₹ 108,331.2 million, ₹ 111,892.0 million, ₹ 178,175.1 million, ₹ 171,537.8 million and ₹ 194,958.8 million, respectively

Details regarding our total turnover and average daily turnover in our cash markets are set forth below.

	Six Months Ended September 30,		Year Ended March 31,									
	2016		2016		2015		2014		2013		2012	
	Total Turnover	ADTV	Total Turnover	ADTV	Total Turnover	ADTV	Total Turnover	ADTV	Total Turnover	ADTV	Total Turnover	ADTV
	(₹ in millions)											
Cash Market												
Equity and Equity-Linked Securities	24,150,809.0	194,764.6	42,340,755.3	171,420.1	43,274,373.8	178,083.8	28,067,628.1	111,823.2	27,064,064.6	108,256.3	28,064,670.8	112,709.5
Fixed Income	24,082.6	194.2	29,073.1	117.7	22,175.9	91.3	17,256.0	68.7	18,746.0	75.0	44,261.1	177.8
Total	24,174,891.6	194,958.8	42,369,828.4	171,537.8	43,296,549.7	178,175.1	28,084,884.0	111,892.0	27,082,810.6	108,331.2	28,108,931.9	112,887.3

Equities and Equity-Linked Securities

Equity and equity-linked products available for trading in our cash market include stocks, IDRs, ETFs (including those benchmarked to our NIFTY indices) and units of closed-ended mutual fund schemes, all of which are listed on our main board, as well as shares in SMEs listed on EMERGE and Emerge ITP. We had leading market shares by total turnover of 85% in equity cash trading and 77% in ETFs trading among Indian stock exchanges in fiscal 2016, according to the Oliver

Wyman Report. As of September 30, 2016, there were 1,822 stocks and IDRs, 47 ETFs (based on equity, gold, debt, and world indices), and 29 close-ended mutual fund schemes listed for trading on our exchange and 37 companies listed on EMERGE and EMERGE ITP. The market capitalization of the companies whose equity securities traded on our cash market was ₹ 93,104,714.7 million and ₹ 108,660,631.3 million as of March 31, 2016 and September 30, 2016, respectively, compared to ₹ 60,965,175.5 million as of March 31, 2012. Our ETF listings include 2 ETFs that track international markets.

Fixed Income

We were the first exchange in India to offer a formal screen-based trading facility for the debt market in 1994. We have a market share by total turnover of 80% in corporate bonds trading among Indian stock exchanges in fiscal 2016, according to the Oliver Wyman Report. We offer trading in publicly offered and privately placed debt securities and debt securities issued by the GoI.

Securities Lending and Borrowing Services

As a SEBI-approved intermediary, NSCCL offers securities lending and borrowing through an anonymous order matching platform. Liquid securities that are available for trading in our equity derivatives market and qualifying index ETFs are available for lending and borrowing. All of our trading and clearing members are eligible to participate in securities lending and borrowing, subject to the fulfillment of eligibility criteria that NSCCL may specify from time to time.

Derivatives

Our derivatives market is the largest in India by volume and turnover, based on annual reports of SEBI, with 1,016.3 million contracts traded with a total value of ₹ 443,101,911.7 million for the six months ended September 30, 2016. In fiscal 2012, 2013, 2014, 2015 and 2016, the total turnover on our derivatives market was ₹ 360,247,217.4 million, ₹ 368,074,687.4 million, ₹ 422,540,944.8 million, ₹ 590,519,194.0 million and ₹ 698,541,444.3 million, respectively. In fiscal 2016 and the six months ended September 30, 2016, we averaged 11.4 million and 8.3 million contracts daily in our derivatives market, respectively.

Details regarding our total turnover and average daily turnover in our derivatives markets are set forth below.

	Six months ended September 30,		Year ended March 31,									
	2016		2016		2015		2014		2013		2012	
	Total Turnover	ADT	Total Turnover	ADT	Total Turnover	ADT	Total Turnover	ADT	Total Turnover	ADT	Total Turnover	ADT
	(₹ in millions)											
Derivatives												
Equity												
Stock Futures	52,526,550.1	423,601.2	78,286,060.0	316,947.6	82,917,662.5	341,224.9	49,492,817.5	197,182.5	42,238,719.3	169,633.4	40,746,707.2	163,641.4
Stock Options (Notional)	28,034,169.5	226,082.0	34,881,738.4	141,221.6	32,825,520.9	135,084.4	24,094,885.6	95,995.6	20,004,272.5	80,338.4	9,770,311.3	39,238.2
Index Futures	22,200,756.0	179,038.4	45,571,136.1	184,498.5	41,072,152.0	169,021.2	30,831,032.7	122,832.8	25,271,306.7	101,491.2	35,779,983.7	143,694.7
Index Options (Notional)	315,043,840.9	2,540,676.1	489,519,305.8	1,981,859.5	399,226,634.7	1,642,908.0	277,673,413.2	1,106,268.6	227,815,741.9	914,922.7	227,200,316.2	912,451.1
Volatility Futures	*	*	102.5	0.4	22,564.5	92.9	21,932.3	953.6	-	-	-	-
	417,805,316.5	3,369,397.7	648,258,342.8	2,624,527.6	556,064,534.6	2,288,331.4	382,114,081.3	1,523,233.1	315,330,040.4	1,266,385.70	313,497,318.4	1,259,025.4
Currency												
Futures	12,884,419.3	106,482.8	27,493,329.6	113,608.8	22,479,923.4	94,453.5	29,408,859.2	120,528.1	37,651,053.8	154,942.6	33,784,889.2	140,770.4
Options	11,086,928.8	91,627.5	17,525,526.2	72,419.5	7,759,153.2	32,601.5	10,716,275.4	43,919.2	15,093,593.2	62,113.6	12,965,009.8	54,020.9
	23,971,348.1	198,110.3	45,018,855.8	186,028.3	30,239,076.6	127,055.0	40,125,134.6	164,447.3	52,744,647.0	217,056.2	46,749,899.0	194,791.3
Interest Rate												
Interest Rate Futures ⁽¹⁾	1,325,247.1	10,952.5	5,264,245.7	21,753.1	4,215,582.8	17,712.5	301,728.9	6,559.3	-	-	-	-
Total	443,101,911.7	3,578,460.5	698,541,444.3	2,832,309.0	590,519,194.0	2,433,098.9	422,540,944.8	1,694,239.7	368,074,687.4	1,483,441.9	360,247,217.4	1,453,816.7

Notes:

* Amount insignificant.

(1) Amounts relate to NSE Bond Futures II, or NBF II.

Equity Derivatives. We had a leading market share by total turnover of 94% in equity derivatives trading in India for fiscal 2016, according to the Oliver Wyman Report. The following types of equity derivative products are listed for trading on our exchange:

- **Stock future & options.** Stock futures and options account for 17.5% of equity derivative trading turnover in fiscal 2016. In 2015, we ranked second among exchanges globally in terms of single stock future contracts trading volume, according to WFE.

Future contracts were available on 179 securities listed on our exchange as of September 30, 2016. Average daily turnover of stock futures was ₹ 316,947.6 million and ₹ 423,601.2 million for fiscal 2016 and the six months ended September 30, 2016, respectively, compared to ₹ 163,641.4 million in fiscal 2012. Option contracts were available

on 179 securities listed on our exchange as of September 30, 2016. Average daily turnover of stock options was ₹ 141,221.6 million and ₹ 226,082.0 million for fiscal 2016 and the six months ended September 30, 2016, respectively, compared to ₹ 39,238.2 million in fiscal 2012.

Based on existing SEBI guidelines, we select stocks for new future and option contracts from among the top 500 stocks listed on our exchange in terms of average daily market capitalization and average daily turnover in the last six months. We refrain from introducing options on any stock whose price may be affected by trades of relatively small order sizes.

- **Index futures & options.** Index derivatives were available on 10 indices as of September 30, 2016, including six NIFTY indices, namely NIFTY 50, NIFTY IT, NIFTY Bank, NIFTY Mid-Cap 50, NIFTY PSE and NIFTY Infrastructure. Among global exchanges in 2015, we ranked first in stock index options trading volume and sixth in stock index futures trading volume, according to WFE. The average daily turnover for index derivatives was ₹ 2,166,358.1 million and ₹ 2,719,714.5 million in fiscal 2016 and the six months ended September 30, 2016, respectively, compared to ₹ 1,056,145.8 million in fiscal 2012 and accounted for 82.5% of our total equity derivatives turnover in fiscal 2016.

Pursuant to our cross-listing and licensing arrangements with the Chicago Mercantile Exchange and FTSE International Limited, as applicable, Rupee-denominated futures and options benchmarked to the S&P 500®, the Dow Jones Industrial Average™ and the FTSE 100 index are also listed for trading on our exchange. Our non-NIFTY index derivatives trading turnover increased to ₹ 77,604,283.4 million in fiscal 2016 and ₹ 111,933,910.1 million in the six months ended September 30, 2016 from ₹ 6,980,172.2 million in fiscal 2012. Under our various cross listing and license agreements, NIFTY indices also serve as benchmarks for index derivatives listed on international exchanges. See “– Index, Data & Technology – Index Services – Index Licensing”.

- **Volatility futures.** We operate a volatility index, the India VIX, to offer an instrument to hedge against market volatility. This product is targeted at equity investors and mutual funds seeking to hedge and diversify their equity portfolios and options traders seeking to hedge risk or take exposure on volatility.
- **Currency Derivatives.** We introduced trading in exchange-traded currency derivative contracts in 2008 in response to demand for instruments to hedge against foreign exchange risk. We ranked first among exchanges globally in terms of currency option trading volume and second in terms of currency future contracts trading volume, according to WFE. As of September 30, 2016, currency futures were available on our exchange for four currency pairs, USD-INR, EUR-INR, GBP-INR and JPY-INR, and currency options were available on USD-INR. Our most actively traded currency pair in fiscal 2016 was the USD-INR pair, which accounted for 94.5% of all currency derivatives traded on our exchange for the year.

Our average daily turnover in currency futures was ₹ 113,608.8 million and ₹ 106,482.8 million in fiscal 2016 and the six months ended September 30, 2016, respectively, compared to ₹ 140,770.4 million in fiscal 2012. We had market shares of 65.2% and 56.1% for currency options and futures traded in India, respectively, in fiscal 2016 based on turnover, according to the Oliver Wyman Report. Our average daily turnover in currency options was ₹ 72,419.5 million and ₹ 91,627.5 million in fiscal 2016 and the six months ended September 30, 2016, respectively, compared to ₹ 54,020.9 million in fiscal 2012. Currency futures and options represented 6.4% of total derivatives turnover on our exchange in fiscal 2016.

- **Interest rate futures.** We have offered trading in interest rate futures since 2014. Our customers primarily use interest rate futures to hedge against interest rate risk. We offer NSE Bond Futures II, or NBF II, contracts on the 6-year, 10-year and 13-year GoI bonds and 91-Day Treasury Bill, or 91DTB, futures on notional 91-day GoI Treasury bills. Our average daily turnover in interest rate futures was ₹ 21,753.1 million and ₹ 10,952.5 million in fiscal 2016 and the six months ended September 30, 2016, respectively, compared to ₹ 6,559.3 million in fiscal 2014. We had a 79% market share for interest rate derivatives traded in India in fiscal 2016 based on turnover, according to the Oliver Wyman Report.

Transaction Charges

Our members pay fees to trade on our exchange, which we account for as transaction charges. Transaction charges vary by type of product and are set according to a tiered fee structure based on turnover or value. Further details regarding our current fee structure for cash market and derivatives products as of September 30, 2016 are set forth below.

Cash Market	Slab wise charges based on turnover, ranging from ₹ 300-325 per ₹ 10 million of traded value
Non-Currency Derivatives	
Futures	Slab wise charges based on turnover, with base charges of 0.002%
Options	Base charges of ₹ 5,000 per ₹ 10 million of premium value
Currency Derivatives	
Futures	Slab wise charges based on turnover, with base charges of 0.001%

Options	Base charges of ₹ 4,000 per ₹ 10 million of premium value

In fiscal 2012, 2013, 2014, 2015 and 2016 and the six months ended September 30, 2016, our revenue from transaction charges was ₹ 7,646.9 million, ₹ 7,236.3 million, ₹ 8,257.2 million, ₹ 10,752.1 million, ₹ 11,675.6 million and ₹ 6,535.3 million, respectively, representing 56.2%, 56.5%, 60.6%, 62.2%, 62.7% and 63.2% of our revenue from operations, respectively. Further details regarding our revenue from transaction charges are set forth below.

	Six Months Ended September 30,	Year Ended March 31,										
	2016		2016		2015		2014		2013		2012	
	Rev	% of Rev	Rev	% of Rev	Rev	% of Rev	Rev	% of Rev	Rev	% of Rev	Rev	% of Rev
	(₹ in millions)											
Cash Market												
Equity/equity linked	1,517.8	11.3	2,673.9	11.3	2,703.8	11.8	1,753.5	9.1	1,705.3	9.4	1,753.5	9.7
Fixed Income	0.5	0.0	0.6	0.0	0.7	0.0	0.7	0.0	0.4	0.0	-	-
Derivatives												
Non-currency	4,771.3	35.5	8,441.3	35.8	7,530.9	32.9	5,788.1	30.1	4,622.8	25.5	5,463.1	30.3
Currency	245.6	1.8	559.8	2.4	516.7	2.3	714.9	3.7	907.8	5.0	430.3	2.4
Total	6,535.3	48.6	11,675.7	49.5	10,752.1	46.9	8,257.2	43.0	7,236.4	39.9	7,646.9	42.5

Membership

Membership is required in order to trade on our exchange. We refer to our members as “trading members”. We had 1,415 total trading members as of September 30, 2016, most of whom have membership in more than one market of our exchange. Further details regarding our membership are set forth in the table below.

	Six Months Ended September 30,	Year Ended March 31,				
	2016	2016	2015	2014	2013	2012
Total Individual Memberships	1,415	1,416	1,411	1,415	1,408	1,402
Cash Market	1,325	1,327	1,328	1,337	1,352	1,348
Derivatives						
Equity	1,224	1,223	1,225	1,219	1,230	1,228
Currency and Interest Rate	1,021	1,020	985	969	949	905

We offer several types and categories of membership for each of our markets based on whether trading will primarily be on a proprietary basis or for clients and whether the trading member intends to engage in clearing. Trading members that intend to clear their trades, whether on their own account or the accounts of their clients, and/or the trades of other trading members must also become members of our clearing corporation and wholly-owned Subsidiary, NSCCL. We refer to members of NSCCL as “clearing members”.

Prospective members must fulfill the eligibility criteria set by the SEBI and our own requirements, which vary depending on the type of trading membership the prospective member is seeking and the market(s) on which the prospective member intends to trade. These requirements include minimum net worth standards and certain criteria related to the operating history of the prospective member.

Trading Platforms

Our members trade on our exchange through traditional trading terminals and our internet browser-based and mobile platforms. We also offer direct market access terminals, co-location facilities and other more advanced trading technologies for our sophisticated trading members. We generate revenues from leasing rack space for co-located servers and connectivity charges related to high-frequency trading through co-location facilities. We refer to these revenues as data center charges, which totalled ₹ 379.5 million, ₹ 426.2 million, ₹ 431.9 million, ₹ 564.5 million, ₹ 708.4 million and ₹ 378.2 million in fiscal 2012, 2013, 2014, 2015, 2016 and the six months ended September 30, 2016. See “— Our Technology” on page 172 for details about our trading platforms and technology. See also “Risk Factors – Internal Risks – SEBI has initiated an examination and has directed our Company to also conduct an independent forensic examination by an external agency, into the co-location facilities of our Company and has also directed our Company to deposit the revenue generated from co-location in a separate bank account. Any adverse SEBI directive on this matter may materially and adversely affect our co-

location business, results of operations, business and reputation” on pages 21 to 23.

Post-Trade

Our wholly-owned Subsidiary, National Securities Clearing Corporation Limited, or NSCCL, is responsible for clearing and settlement of all trades executed on our exchange and deposit and collateral management and risk management functions. NSCCL was the first clearing corporation to be established in India, according to the Oliver Wyman Report, and we introduced settlement guarantee before it became a regulatory requirement. NSCCL has maintained a credit rating of “AAA” from CRISIL since 2008.

Clearing & Settlement

NSCCL provides clearing and settlement services for all of the cash and derivative products listed on our exchange and derives revenue from clearing and settlement charges paid by our Company. These clearing and settlement charges are included in the transaction charges that our Company assesses on each trade on our exchange. NSCCL’s revenue, being the amounts paid by our Company to NSCCL for rendering clearing and settlement services, amounted to ₹ 1,157.7 million, ₹ 725.9 million, ₹ 756.3 million, ₹ 911.8 million, ₹ 983.5 million, ₹ 493.2 million in fiscal 2012, 2013, 2014, 2015 and 2016 and the six months ended September 30, 2016, respectively.

NSCCL and, through our contributions to the Core Settlement Guarantee Fund, our Company, assumes the credit risk of each party to the trade, which is the risk that a clearing member defaults on its obligations in respect of the trade.

Risk and Collateral Management

We have a multi-tiered risk management system, which is constantly upgraded to pre-empt market failures. Our risk containment measures include capital adequacy requirements for members, monitoring member performance and track record, stringent margin requirements, online monitoring of member positions and automatic disablement from trading when limits are breached.

Our Risk Assessment & Review Committee reviews our risk management policies for consistency with the Principles for Financial Market Infrastructure issued by the Committee on Payments and Market Infrastructure and the IOSCO.

Our primary risk and collateral management tools comprise the following:

Online Position Monitoring and Margining System. Clearing members are required to meet our initial margin and exposure margin requirements. Our risk-management system operates online and on an intra-day basis to set and update margin requirements for members and monitor our risk management functions. Initial margins requirement for our cash market are determined using a value at risk methodology which is computed based on the assessed volatility of individual securities in members’ portfolios. Initial margin requirements for our derivatives market are determined by our risk-management system, which utilizes Standard Portfolio Analysis of Risk, or SPAN®, software that we license from the Chicago Mercantile Exchange. SPAN® computes a margin requirement for each clearing member based on the member’s overall portfolio and the largest loss that the portfolio might reasonably suffer in a single trading day based on probable changes in underlying prices and volatility. The system is capable of recognizing unique exposures that our members may take, such as extremely deep out-of-the-money short positions, inter-month risk and inter-commodity risk. NSCCL also levies premiums and assignment margins for options positions according to the SEBI-specified margining framework.

Collateral Requirements. Clearing members deposit collateral toward margin requirements in the form of liquid assets (cash and cash equivalents and non-cash equivalents) sufficient to cover the clearing member’s mark-to-market losses on outstanding settlement obligations, value at risk margins, extreme loss margins and any special margins imposed by us on a case-by-case basis. Members can manage their collateral on a real-time basis online through our web-based portal called Connect2NSE. We are able to use the collateral submitted by clearing members in situations in which clearing members fail to honor their obligations in a trade.

We impose concentration limits on the types of collateral that members deposit in addition to limits stipulated by the SEBI. In particular, at least 50% of a clearing member’s deposited collateral must be in cash or cash equivalents. Collateral is evaluated daily and haircuts are applied to account for increased exposure. We also prescribe limits on the total amount of a single type of collateral that NSCCL can hold from all members.

Stress Tests. We conduct daily liquidity stress tests to confirm that we are maintaining sufficient liquid resources. NSCCL also has lines of credit with commercial banks in excess of its average daily funds pay-in to as a redundancy measure.

Core Settlement Guarantee Fund. NSCCL maintains a core settlement guarantee fund for each of our markets in accordance with SEBI regulations. The fund’s purpose is to help ensure that NSCCL has sufficient assets to fulfil its settlement obligations in the event of defaults by our clearing members. The value of our Core Settlement Guarantee Fund has increased each year since its establishment in December 2014, as set forth below.

	As of September 30, 2016	As of March 31, 2016	As of March 31, 2015
	(₹ in millions)		
Core Settlement Guarantee Fund balance	15,577.0	9,973.0	6,754.7

Index, Data & Technology

Index Services

We own and manage indices under our NIFTY (formerly CNX NIFTY) brand through our wholly-owned Subsidiary, India Index Services and Products Limited, or IISL. Our equity indices are based on products traded on our exchange and are organized into five categories: broad market indices, sectoral indices, thematic indices, fixed income and strategic indices. We had 57 and 67 NIFTY indices as of March 31, 2016 and September 30, 2016, respectively, compared to 30 indices as of March 31, 2012. NIFTY indices served as the benchmark index for 38 ETFs listed in India and 12 ETFs listed abroad as of September 30, 2016

Our flagship index is the NIFTY 50, a 50-stock index that includes diversified stocks across all major sectors of the Indian economy. The current index represented approximately 63.5% of the free float market capitalization of the stocks listed on our exchange and 44.9% of the total traded value of all stocks on our exchange as of September 30, 2016. The index is computed using a free float market capitalization methodology in real-time daily and rebalanced semi-annually.

Our other key indices include the NIFTY Bank, NIFTY Next 50 and the NIFTY IT. The NIFTY Bank represents the 12 leading banking sector stocks that trade on our exchange using our own free float market capitalization methodology. The NIFTY NEXT 50 is a broad market index that is derived from our NIFTY 100 Index. The NIFTY 100 represents the top 100 companies on our exchange based on market capitalization, and the NIFTY NEXT 50 represents the 50 companies in the NIFTY 100 after excluding companies represented by the NIFTY 50. The NIFTY NEXT 50 index represented approximately 12.6% of the free float market capitalization of the stocks listed on our exchange and 14.7% of the total traded value of all stocks on our exchange as of and for six months ended September 30, 2016. The NIFTY IT represents 10 companies that derive the majority of their revenues from activities in the IT sector. We also maintain the NIFTY Midcap 150 and NIFTY Smallcap 250 indices for financial market participants tracking the performance of mid- and small market capitalization companies on our exchange. Most recently, in May 2016, we introduced NIFTY Bank weekly options, which accounted for 68.2% of our total trading volume for NIFTY Bank options for the six months ended September 30, 2016.

Our total revenue from index offerings was ₹ 114.1 million, ₹ 134.6 million, ₹ 203.9 million, ₹ 402.5 million, ₹ 640.2 million and ₹ 345.3 million for fiscal 2012, 2013, 2014, 2015 and 2016 and the six months ended September 30, 2016.

Index Licensing

We license our NIFTY indices to stock exchanges, financial institutions, asset managers, brokers, investors, foreign stock exchanges and other enterprises that monitor the equity capital markets. Our index licensing customers use our indices for purposes such as benchmarking of fund portfolios and developing Index funds, ETFs, structured products, annuities and other insurance products and guaranteed funds. Our equity and fixed income indices have been recognized as compliant with the principles of the IOSCO for financial benchmarks.

Products benchmarked to NIFTY indices were available for trading on four international stock exchanges pursuant to cross-listing arrangements and license agreements as of September 30, 2016. As of September 30, 2016, U.S. dollar-denominated index futures linked to our NIFTY 50, NIFTY Bank, NIFTY IT, NIFTY CPSE and NIFTY Midcap 50 indices and options on the NIFTY 50 were listed on the Singapore Exchange, which was our largest index licensing customer in fiscal 2014, 2015 and 2016 and the six months ended September 30, 2016. Index futures linked to our NIFTY 50 denominated in U.S. dollars, New Taiwan dollars and Japanese yen are listed on the Chicago Mercantile Exchange, the TAIFEX and the Osaka Exchange, respectively. We have also entered into an arrangement with the LSE for future cross-listing opportunities.

Our revenue from index license fees outside India contributed 71.8%, 69.5%, 75.3%, 85.6%, 89.1% and 89.0% of our consolidated revenues from licensing services for fiscal 2012, 2013, 2014, 2015 and 2016 and the six months ended September 30, 2016, respectively. In fiscal 2016, 82.5% of our index license fees outside India were from exchange customers, of which 98.7% was from our top index licensing customer.

Index Data Subscription

We sell data products based on our NIFTY indices on a subscription basis. Our index data is used in asset allocation strategies and portfolio construction as well as for performance analysis, risk monitoring and quantitative research. Our index constituent data includes company names, identifiers, market capitalization, weights, prices and style scores.

Customized Indices & Other Index Services

We develop and maintain customized indices based on specifications provided by our customers. Customized indices can be freshly constructed according to a customer's requirements or based on our existing NIFTY indices can be modified to suit a customer's needs. We also assist international stock exchanges to create and maintain indices and offer index research products.

The Association of Mutual Funds in India has authorized IISL to establish and maintain the official list of industry classifications for Indian listed companies, which is used in disclosure requirements followed by the Indian mutual fund industry. IISL's industry classifications are organized into four tiers, ranging from macroeconomic to industry-specific levels.

Data Feed Services

Data Feed

DotEx distributes trading data sourced from our exchange through our online data feed service and data subscription packages. Data feed products are available for our cash market and derivatives market. Our data products comprise real-time, snapshot, historical (end-of-day) and corporate data. In fiscal 2016, real-time data sales accounted for 87.4% of our revenue from online data feed services. Real-time data is available in four levels of granularity: best bid-ask, top five and top 20 bid-asks and tick-by-tick. Data products are available through NOW, a licensed web-based and mobile trading platform, and through data subscription packages. Our customers include data aggregators and redistributors, researchers, asset management companies, algorithmic trading developers and media and software companies. Our revenue from data feed services was ₹ 283.4 million, ₹ 278.2 million, ₹ 368.6 million, ₹ 470.6 million, ₹ 592.1 million and ₹ 355.6 million for fiscal 2012, 2013, 2014, 2015 and 2016 and the six months ended September 30, 2016, respectively.

KRA

DotEx is a registered Know-Your-Client (KYC) Registration Agency, or KRA, under SEBI regulations. The SEBI requires SEBI-registered financial intermediaries in India to comply its uniform KYC requirements for the securities market. As a KRA, DotEx provides centralized storage and digitization services for these intermediaries. As of September 30, 2016, 1.4 million records were stored with DotEx.

DotEx was also selected by CERSAI as the managed service provider for CERSAI's central KYC registry, which was launched in July 2016 and provides centralized storage and digitization of "know-your-client", or KYC, records in the securities market. The online registry will allow financial institutions in India to access KYC records from other institutions, which is intended to reduce the need for investors and consumers to repeat the KYC process.

Commercial Technology

We offer technology consultancy and development services for the financial services industry through our wholly-owned Subsidiary, NSEIT. The business focuses primarily on the Indian market. NSEIT's offerings comprise assessment services, application services, infrastructure management, Integrated Security Response Centre, or ISRC, Testing Centre of Excellence, or Testing CoE, and data analytics. Our revenue from our commercial technology business, reflected in our consolidated Restated Financial Information as revenue from technology services, was ₹ 843.8 million, ₹ 681.1 million, ₹ 698.9 million, ₹ 766.5 million, ₹ 894.6 million and ₹ 513.4 million for fiscal 2012, 2013, 2014, 2015 and 2016 and the six months ended September 30, 2016, respectively.

Our assessment services business provides online examination services used in governmental, corporate and educational testing performance evaluations such as entrance, recruitment and certification exams and employee performance assessments. Our in-house built online assessment software platform includes our cloud-based, customizable registration portal, test engine, candidate helpdesk, scheduling tool and results processing, reporting and analytics. We administer examinations through our own test centers located across India and on-site on client premises.

Application services focus on digital transformation, mobile, analytics, cloud and user experience solutions focused on the exchange, banking and financial services and insurance sectors. Infrastructure management includes cloud core infrastructure solutions, disaster recovery, business process monitoring, cloud transformation, outsourcing and performance engineering monitoring and management. ISRC is an end-to-end integrated security services platform comprising of individual cyber security offerings. Testing CoE provides a range of testing and training services for the corporate environment. Our data analytics service provides insight into business performance through analytics-, software- and platform-as-a-service models.

Other Businesses

Financial Education

Our educational programs business is administered by our wholly-owned Subsidiary, NSE Academy Limited, or NSE

Academy, and offers programs in various aspects of banking, financial services, financial markets and financial literacy.

Our NSE Academy Certification in Financial Markets, or NCFM, program is an online testing and certification program that tests the practical knowledge and skills required to operate in the financial markets. The NCFM program operates on our intranet and is administered through our designated test centers located in various locations across India.

NSE Academy also offers two short-term courses: the NSE Academy's Certified Capital Market Professional (NCCMP) Program and the online NCCMP Program (E-NCCMP). NCCMP is a partnership program with colleges and institutes across India that offers 100-hour programs across 3 to 4 months covering theoretical and practical training in subjects related to capital markets. Successful candidates receive joint certificates from NSE Academy and their educational institutions. The E-NCCMP offers a similar course through an e-learning platform developed by our program partner.

Investments

National Commodity & Derivatives Exchange Limited (NCDEX)

We own a 15.0% outstanding equity interest in the NCDEX, a professionally-managed online commodity exchange, together with the Life Insurance Corporation of India, the National Bank for Agriculture and Rural Development and 10 other Indian and foreign partners. NCDEX offers trading in agricultural commodities, bullion commodities and metals.

Power Exchange India Limited (PXIL)

We own a 31.0% outstanding equity interest in PXIL, an exclusive exchange focused on India's power market, together with NCDEX, Gujarat Urja Vikas Nigam Limited, Power Finance Corporation Limited, GMR Energy Limited, JSW Energy Limited, WB State Electricity Distribution Company Limited, MP Power Management Company Limited and Tata Power Trading Company Limited. PXIL provides an electronic trading platform for India-focused electricity futures. Participants in PXIL include electricity traders, inter-state generating stations, power distribution licensees and independent power producers. We have recently advised PXIL to consider taking immediate steps to close down its business as early as possible and in any event not later than February 28, 2017, since PXIL has been incurring heavy cash losses. For further details, see "Our Group Companies – Group Companies with negative net worth" and "Our Group Companies - Loss making Group Companies" beginning on page 208 and 211, respectively.

Receivables Exchange of India Limited (RXIL)

We own a 30.0% outstanding equity interest in Receivables Exchange of India Limited, or RXIL, a proposed trade receivables exchange, together with the Small Industries Development Bank of India. In December 2016, RXIL received approval from the RBI to launch its operations.

Computer Age Management Services Private Limited (CAMS)

We own a 45.0% outstanding equity interest in Computer Age or CAMS, a back-end services provider that specializes in servicing alternative investment funds and private equity firms. CAMS provides two categories of services focusing on investors and fund accounting.

Investor services include pre- and post-sale services such as data processing and validation, KYC processing, unit issuances, draw downs and transfers, (corporate services such as computation of yield, distribution, interest and maturity, web-based support services, information collection and reporting and online and call center interaction management.

Fund accounting services include fund account processing, such as computation of fees, expenses and distributions, deal and contact management, portfolio investment management, fund performance analysis, book keeping and management information system services, including report generation.

Market Simplified India Limited (Market Simplified)

We own a 30.0% outstanding equity interest in Market Simplified India Limited, or Market Simplified, a mobile solutions provider for the financial services industry. Market Simplified offers mobile platforms for trading, banking, wealth management and insurance.

National Securities Depository Limited (NSDL)

We own a 25.1% outstanding equity interest in the National Securities Depository Limited, or NSDL, which we established in 1996 together with the Industrial Development Bank of India and the Unit Trust of India. NSDL is a depository for securities listed on Indian exchanges that are held and settled in dematerialized form.

NSDL E-Governance Infrastructure Limited (NSDL e-Governance)

We own a 25.1% outstanding equity interest in NSDL e-Governance Infrastructure Limited. Our partners include the Industrial Development Bank of India, the Unit Trust of India and 10 domestic and international financial institutions. NSDL e-Governance designs, manages and implements technology solutions for governance and administration. In addition to e-governance solutions, NSDL e-Governance provides system integration services, business process re-engineering, solution architecture, data center co-location, managed services and IT consulting services.

Goods and Services Tax Network (GSTN)

We own a 10.0% outstanding equity interest in GSTN. In August 2016, the Indian Parliament created a comprehensive national goods and services tax, or GST, regime. GSTN was subsequently established by our Company, the GoI, the states of the Indian Union, LIC Housing Financing Limited, ICICI Bank Limited, HDFC Limited and HDFC Bank Limited to provide IT infrastructure and services to the Central and State Governments, tax payers and other stakeholders concerning implementation of the GST.

BFSI Sector Skill Council of India (BFSI Sector)

We own a 49.0% outstanding equity interest in the BFSI Sector Skill Council of India, together with BSE Limited. BFSI Sector was registered in 2011 and promotes careers and skills development in the banking and financial services sector.

Our Technology

Trading Technology

We have a pan-India, high-speed network, which supported more than 181,524 terminals, as of September 30, 2016.

Our trading platforms comprise the following:

- *National Exchange for Automated Trading (NEAT)*. NEAT is our screen-based trading system. We also offer our NEAT Plus package that provides members trading in multiple markets on our exchange with a unified trading interface. We are able to maintain a high uptime record and low latency levels for trade orders from terminals due to NEAT's scalability, which allows us to add additional hardware on-demand to support higher trading volume. We also conduct periodic testing and capacity enhancements as the number of NEAT users and trading loads increase. Trading data on NEAT is released almost instantaneously to all trading members on NEAT.
- *NEAT-on-Web (NOW)*. NOW is licensed trading software that offers direct connectivity to our exchange for trade execution and data feeds through trading terminals, web-based browsers and mobile devices. NOW supports trading in all of the products on our cash and derivatives markets, as well as mutual fund units on our exchange and trading on other exchanges. Our members are able to access smart order routing, historical and real-time intra-day charting and other user friendly tools. In addition to its trading desk features, NOW has a built-in risk management system and allows access to our suite of data feed products. Trading on NOW accounted for 8.3% of cash market trading volume, 7.8% of equity derivative trading volume and 32.3% of currency derivative trading volume for the six months ended September 30, 2016.
- *Non-NEAT Front End Platform*. We offer customizable trading platforms that are customizable to the requirements of our individual trading members. Non-NEAT front-ends are through our computer-to-computer link, or CTCL, scheme. CTCL permits members to use their own trading software and hardware for trading on our exchange. Examples of customizable features that are available through Non-NEAT front-ends include online trade analysis, additional risk management tools and integrated back-office operations. Non-NEAT front-ends also facilitate non-NOW internet-based trading, direct market access, algorithmic trading, security trading through wireless technology and smart order routing.
- *EMERGE and EMERGE-ITP*. Our two platforms for the listing and trading of SME stocks. See “– Listings – SMEs”.
- *MFSS and NMF II*. MFSS is our mutual fund order collection system and NMF-II is our web-based mutual fund trading platform. See “– Listings – Mutual Funds”.

We developed our own connectivity software, Trading Access Point, to support messaging and data services on our platforms.

For our institutional clients and other sophisticated traders, we provide support for algorithmic trading through our co-location facilities, consisting of rented rack space for servers inside our exchange premises. Our real time tick-by-tick, or TBT, data feed was disseminated only in TCP-IP format until April 2014, when the alternative Multicast TBT, or MTBT,

system was introduced and both systems of data feeds were provided to members in parallel. With effect from November 30, 2016, TCP-IP based TBT data broadcast has been discontinued and only MTBT data broadcast is provided. Our IT service management system that provides co-location hosting services for high-frequency trading conforms to the IT Service Management System Standard ISO/IEC 20000-1:2011. We also offer our institutional clients direct market access through trading terminals with direct connectivity to our exchange. Direct market access utilizes computer-to-computer link technology and offers faster and automated execution of orders, which contributes to reduced impact costs for large trade orders, fewer errors associated with manual order entry and improved record keeping.

Risk Management & Security Technology

Our electronic systems deploy real-time hardware and software monitoring and analytics with self-correction capability, predictive behavior technology and to detect known failure points and unexpected events. Our systems have processed an average of approximately 743 million messages per day for the six months ended September 30, 2016.

We have an experienced team of IT professionals, supported by select third-party IT vendors, to operate and support our infrastructure and software and create and implement new technologies. Our security operations center in Mumbai monitors, responds to and logs suspicious security events on a real-time basis.

To avoid system outages or disruptions, we ensure that our systems have built in redundancy and excess capacity at all times, implemented regular testing protocols and adopted continuous obsolescence planning to keep our hardware and systems updated. For example, our current systems utilize in-memory databases, ultra-fast messaging technology and field-programmable gate array integrated circuits. We maintain a disaster recovery framework comprising automated response processes and personnel training programs. We have a primary disaster recovery data center in south India and supplemental near-site data recovery center in Mumbai, which coordinate their operations with our Mumbai command center in our headquarters to provide redundancy protection.

To minimize cyber security threats, we have implemented a security framework to prevent and detect system intrusions and implemented internal and external security tools. Access to our servers is regulated by our privilege access management solution. We have also implemented a database encryption solution platform to prevent unauthorized access to the sensitive information that we store and transmit regarding our exchange and our trading and clearing members. We rely on tools licensed from third parties for data leakage prevention, database encryption and information rights management. Our security framework also includes, among other things, intrusion prevention systems, email gateways, two-tier firewalls, distributed denial of service and web application firewall technologies and malware and virus containment systems.

Regulatory, Surveillance and Investigation

Regulatory

We discharge regulatory functions to the extent permitted by SEBI. These functions include implementing rules governing our exchange related to surveillance, member registration, listing, compliance, inspection, enforcement, arbitration and investor protection, as required under the SECC Regulations. We also implement our own rules to support our regulatory functions. To encourage good corporate governance, our NSE MORE program rewards our trading members for maintaining strong governance standards on a continuous basis.

Our regulatory obligations are managed by our regulatory team, which comprised 73 employees as of September 30, 2016. Our oversight committee and operational committee oversee matters relating to member regulation, inspection, listing and delisting. We keep detailed records of all our customer and internal complaints lodged against trading members and resulting sanctions. In order to ensure transparency, we follow a segregation policy in accordance with SEBI requirements, which includes maintenance of a Chinese wall between our regulatory functions and our other businesses.

Surveillance and Investigation

Our investigation and surveillance department supports the SEBI's investigation and enforcement functions by monitoring and reporting trading activity on our exchange for compliance with SEBI regulations. We also enforce our own bye-laws and rules by conducting our own investigations and enforcement actions.

Our surveillance system provides real-time monitoring, automated alerts of abnormal trading activity and analysis of surveillance data. As part of our preventive surveillance operations, we also monitor social media traffic and investigate and verify suspicious content.

We have an anonymous portal and a toll free number to receive tips regarding improper market behavior, such as insider trading and violations of fair disclosure.

We also support the surveillance initiatives undertaken by the Integrated Surveillance Department of the SEBI by tracking and reporting unusual and suspicious market movements and maintaining an open information sharing policy.

Dispute Resolution

We facilitate dispute resolution between investors, members and listed companies through our complaint and dispute resolution process. Our Investor Services and Arbitration department facilitates complaint registration, related data processing, arbitration proceedings and implementation of arbitral awards. In fiscal 2016, we resolved 5,132 investor complaints.

We maintain an Investor Protection Fund to compensate investors in the event of defaults by our members. Our Defaulters' Committee generally makes investor compensation recommendations when deposits from the defaulting member are less than the amount of an investor's claim. The fund is administered through a registered trust and managed by the trustees of the trust.

Customers

In our listing business, our customers are issuers of securities across industries.

In our trading business, our customers are our members, who we classify as proprietary traders, corporate clients, foreign institutional investors and retail investors. The table below provides a breakdown of our turnover in each market by member category for the six months ended September 30, 2016.

	Proprietary		DIIs		FIIs		Retail		Total
	(₹ in million)	(Percentage of Total)	(₹ in million)	(Percentage of Total)	(₹ in million)	(Percentage of Total)	(₹ in million)	(Percentage of Total)	
Cash Market	4,374,585.9	18.1	2,184,940.8	9.0	5,062,830.6	20.9	12,552,534.4	51.9	24,174,891.6
Derivatives									
Equity	179,357,163.0	42.9	1,626,639.5	0.4	60,146,886.9	14.4	176,674,627.1	42.3	417,805,316.5
Currency	16,482,171.5	68.8	14,514.3	0.1	569,058.6	2.4	6,905,603.7	28.8	23,971,348.1
Interest Rate Futures ⁽¹⁾	756,524.6	57.1	55,455.8	4.2	30,631.7	2.3	482,635.0	36.4	1,325,247.1

Note:

(1) Amounts relate to NBF II.

Our index customers are primarily international stock exchanges, financial institutions, asset managers, brokers and other enterprises that monitor India's equity capital market. Our data feed business customers include data aggregators and redistributors, researchers, asset management companies, and media and software companies. Our customers in our commercial technology business include the Insurance Regulatory and Development Authority of India, universities, state governments and companies in the financial services sector. See "Risk Factors – Internal Risks – We may not be able to increase our revenues from our non-trading businesses, which are subject to numerous operational risks".

Marketing & Business Development

Our marketing strategy is designed to attract new issuers and investors to our exchange. We aim to improve product awareness, promote Indian capital markets, build our brand image and enhance investor confidence and promote investor education through our marketing initiatives. In support of these aims, we have a dedicated marketing and business development team of 27 employees as of September 30, 2016, who undertake promotion and outreach activities. Our marketing efforts include organizing events and seminars and engaging in radio, internet and television advertising. Our business development efforts are focused on cross-selling, upselling and developing product offerings in our trading and non-trading business through directed outreach efforts at our existing and prospective trading members and customers in our non-trading businesses. We have also implemented initiatives targeted at specific groups of issuers and investors. In addition, our initiatives such as Financial Quest, Nivesh India, Get Started in the Market and NSE FinWiz are aimed at promoting investor education and outreach to develop a new generation of investors and issuers.

Competition

Our listing and trading businesses face competition from traditional trading venues in and outside of India. In India, our primary competitor is BSE, which is a regulated market like ours. We also compete with BSE in respect of trading in mutual fund units. Our derivatives market primarily competes with international trading venues such as the Singapore Exchange and the Dubai Gold & Commodities Exchange, which have higher trading volumes, investor participation and open position limits than Indian stock exchanges. Our derivatives market also competes with non-traditional trading venues, such as multilateral trading facilities and a wide range of OTC services provided by market makers, banks, brokers, electronic communications networks and other financial market participants. See "Risk Factors – Internal Risks – We operate in a competitive industry, and we may not be able to compete successfully".

Primary sources of competition in our non-trading businesses are as follows:

- our index business competes with global index providers that maintain indices that track the Indian capital markets and domestic index providers who have entered alliances with global players. We compete on the basis of brand recognition and value and bundled product offerings;
- our data feed business competes primarily with BSE for capital market data in India and globally from market information providers; and
- our commercial technology business faces competition primarily in India from other IT companies such as TCS, Polaris, Cognizant Technology Solutions India Private Limited and Mastek Limited.

Employees

As of September 30, 2016, we had 1,755 employees, including employees of our wholly-owned Subsidiaries. The following table provides a breakdown of our employees by department as of September 30, 2016.

Department	As of September 30, 2016
Listing and trading	55
Legal and Secretarial	13
Finance and Accounts	23
Marketing and Trade Business Development	27
Member Services and Business Development	28
Regulatory	73
Regional Offices	150
Other	75
Clearing and settlement (NSCCL)	68
Market infrastructure (DotEx)	11
Technology (NSE Infotech)	288
Technology (NSEIT)	928
Financial education (NSE Academy)	16
Total	1,755

We believe that our employees are our most valuable asset and that our success largely depends on our ability to attract, train, motivate, retain and effectively utilize our skilled professionals. Our attrition rate for full-time employees, which we calculate based on the number of employees who voluntarily cease working, was 13.7% for the fiscal 2016. We believe that we maintain a good working relationship with our employees and have not experienced any major labor disputes.

We make contributions to a provident fund and provide a superannuation benefit for our employees. We also offer our employees defined-benefit plans in the form of a gratuity scheme. Benefits under the defined benefit plans are typically based on years of service and the employee's level of compensation before retirement. The gratuity scheme covers substantially all of our full-time employees.

We conduct ongoing training and development for our employees. We offer training in business development areas, such as, team building, customer relationship management and business presentation skills. Our training programs encourage and reward employees for innovative proposals that are adopted in our business. For example, we award individuals and teams on a quarterly basis for innovations in process and technology.

We organize internal campaigns from time to time to encourage innovation and creativity among our employees. We held an Idea Lab competition to collect ideas for innovations in external or internal products, services and processes from our employees. The competition provided employees with opportunities for interdepartmental cooperation and employee development as winning ideas were implemented. We also implemented Project Bijli, a similar competition for ideas focused on efficiency and waste mitigation instead of product innovation.

In addition to our own employees, we engage additional workers on a contractual basis through registered contractors for ancillary activities such as security, housekeeping and other backend services.

Other Key Support Functions

We maintain whistleblower policy for reporting instances of unethical conduct, actual or suspected fraud or violation of our code of conduct or ethics policies. We also have internal litigation, intellectual property and contract management protocols, as well as policies for managing dividend disbursements, investor grievances and human resources. Our corporate governance standards are in line with the corporate governance standards required for listed companies.

Intellectual Property

We own or have licensed rights to trade names, trademarks, domain names and service marks that we use in conjunction with our operations and services. In order to better manage our IP assets, we have implemented an IP policy, which sets forth the procedure for creating, maintaining, acquiring, transferring and protecting our IP rights.

As of September 30, 2016 we own 82 trademarks, domain names and service marks in India and are in the process of registering 13 additional marks in India and abroad. As part of a rebranding exercise to bring all of our indices under the NIFTY brand, we are in the process of registering 48 marks in India. Our key trademarks, domain names and trade names are registered in 42 foreign jurisdictions. We are in the process of registering our marks, including significant marks such as NIFTY, NIFTY 50 and NIFTY Bank, in six other countries, including Brazil, Mauritius, UAE and Canada.

We own the copyright to a variety of material software, including back office applications such as Parallel Risk Management System, Online Position Monitoring System, Focass and NIBIS. We also own the copyrights for all software developed by NSE Infotech. We also own intellectual property rights over the indices developed, managed and licensed by our Subsidiary, IISL.

We have registered the following domain names: ‘nseindia.com’, ‘nseroot.com’, ‘ncfm-india.com’, ‘neatonweb.com’, ‘nseemerge.com’ and ‘nseinfobase.com.’

We license key software from third parties for the operation of our platforms and systems and certain of our product offerings. In particular, we rely on licensed software for our web-based and mobile trading platform, trade matching, messaging and other components of our trading system, risk assessment functions within our online risk and collateral management system, components of our NMF II mutual fund reporting and trading platform, and perimeter and end-point security tools and technologies within our security framework. We rely on outsourced employees for support and maintenance of our licensed software. We also utilize open source software in our operating systems and databases. We license the VIX trademark which we use for our India VIX index.

See also “Risk Factors – Internal Risks – We rely on third parties for the provision of certain services and products, including certain aspects of our critical system infrastructure and software and – We may be unable to keep up with rapid technological change” on pages 36 and 28.

Corporate Social Responsibility

Our CSR policy focuses on promoting primary education, elder care, environmental issues such as sanitation and safe drinking water and social entrepreneurship. We partner on CSR initiatives with third-party NGOs, foundations and trusts that are committed towards our community engagement goals. Our partners on CSR initiatives include the Magic Bus India Foundation, the Dignity Foundation, Teach to Lead and All India Institute of Local Self Governance.

Our internal division, the NSE Group CSR Focus Group, coordinates our CSR initiatives on a periodic basis. We have also commissioned third-party agencies for the monitoring and evaluation of our CSR initiatives.

Properties

The Registered Office is located at Exchange Plaza, Bandra Kurla Complex, Bandra (East) Mumbai- 400 051 and is situated on land that we occupy on a leasehold basis. For further details, see “Risk Factors — Internal Risks – We do not own the land on which our Registered Office and Corporate Office are situated” on page 40. Further, in addition to our own properties, we have leased or licensed properties for our branch offices at various locations in India.

Insurance

Our Company has insurance coverage which we consider reasonably sufficient to cover general risks associated with our business operations. We have insurance policies to cover our assets against losses from fire, burglary, machine failure, natural calamities, transit and other risks to our properties. We also maintain insurance policies against third party liabilities, including a commercial general liability policy, director and officer liability, professional indemnity and system failure, each with worldwide coverage. In addition, we have insurance policies related to computer network security and computer crime, and policies for the benefit of our employees, employee health insurance and such other insurance policies as required by applicable law.

Legal Proceedings

For a description of legal proceedings to which we are a party, see “Outstanding Litigation and Material Developments” beginning on page 450.

REGULATIONS AND POLICIES

The following description is an indicative summary of certain sector specific key laws and regulations in India, which are applicable to our Company and its business. The information detailed in this section has been obtained from publications available in the public domain. The regulations, as amended, set out below may not be exhaustive, and are only intended to provide general information to the investors and are neither designed as nor intended to be a substitute for professional legal advice.

Securities and Exchange Board of India Act, 1992 (the “SEBI Act”)

The SEBI Act, amongst other things, provides for powers, functions and duties of SEBI. The duties of SEBI include (a) protection of the interests of investors investing in securities, and (b) promotion of the development and regulation of the securities market, by such measures as it thinks fit. Further, SEBI may, with respect to the stock exchanges (a) regulate the business in stock exchanges and any other securities market, (b) call for information from, undertake inspection, conduct inquiries and audits of, the stock exchanges, and (c) suspend any office-bearer of any stock exchange from holding such position in accordance with the SEBI Act.

Securities Contracts (Regulation) Act, 1956 (the “SCRA”)

The SCRA, amongst other things, provides for the procedure for recognition, corporatisation and demutualisation of stock exchanges, power of recognised stock exchanges to make or amend rules and bye-laws, and conditions for listing and delisting of securities listed on recognised stock exchanges in India.

SEBI is authorised to exercise powers under the SCRA pursuant to the notification S.O. 573(E) dated July 30, 1992 (the “**1992 Notification**”) and notification S.O. 672 (E) dated September 13, 1994 (the “**1994 Notification**”). Pursuant to the SCRA and the 1994 Notification, (i) a stock exchange seeking recognition may make an application to the Central Government as prescribed under the SCRA, (ii) SEBI may grant recognition to the stock exchange subject to the satisfaction of the conditions prescribed in the SCRA, and (iii) SEBI may withdraw the recognition granted to a stock exchange in the interest of the trade or public interest as prescribed under the SCRA. All recognised stock exchanges are required to be corporatized and demutualised in accordance with the SCRA.

Further, all recognised stock exchanges are required to submit to SEBI periodical returns in relation to its affairs, and maintain and preserve books of account and such other documents as prescribed. Additionally, pursuant to the SCRA and the 1992 Notification, a recognised stock exchange is also required to submit an annual report to SEBI, containing the prescribed details.

Pursuant to the SCRA, a recognised stock exchange may make or amend rules in relation to following matters (i) the restriction of voting rights to members only in respect of any matter placed before the stock exchange at any meeting, (ii) the regulation of voting rights of the members such that each member is entitled to one vote only, irrespective of his share in the paid-up equity capital of the stock exchange, (iii) restriction on the right of a member to appoint another person as his proxy to attend and vote at a meeting, or (iv) any other incidental, consequential and supplementary matters required to give effect to any of the above matters, in the manner prescribed under the SCRA. Any rules made or amended, in respect to the foregoing matters are required to be approved by SEBI and published in the official gazette.

Bye-laws of a recognised stock exchange

The SCRA also empowers a recognised stock exchange to make bye-laws for the regulation and control of contracts subject to the prior approval of SEBI and upon obtaining such approvals, publication of such bye-laws in the gazette of India and also in the official gazette of the state in which the principal office of the recognised stock exchange is situated. Such bye-laws may provide for, amongst others, (i) opening and closing of markets and the regulation of the hours of trade, (ii) a clearing house for the periodical settlement of contracts and differences thereunder, the delivery of and payment for securities, the passing on of delivery orders and the regulation and maintenance of such clearing house, (iii) the number and classes of contracts in respect of which settlements shall be made or differences paid through the clearing house, (iv) the determination and declaration of market rates, including the opening, closing highest and lowest rates for securities, (v) the fixing, altering or postponing of days for settlements; (vi) the terms, conditions and incidents of contracts, including the prescription of margin requirements, if any, and conditions relating thereto, and the forms of contracts in writing, (vii) the listing of securities on the stock exchange, the inclusion of any security for the purpose of dealings and the suspension or withdrawal of any such securities, and the suspension and prohibition of trading in any specified securities, (viii) the method and procedure for the settlement of claims or disputes, including settlement by arbitration, and (ix) the levy and recovery of fees, fines and penalties. Additionally, SEBI may on its own motion or on request received in writing from the governing body of a recognised stock exchange, make or amend bye-laws made by a recognised stock exchange.

The SCRA permits a recognised stock exchange, with the prior approval of SEBI, to transfer the duties and functions of a clearing house to a clearing corporation for the purpose of (i) the periodical settlement of contracts and differences

thereunder, (ii) the delivery of, and payment for, securities, and (iii) any other matter incidental to, or connected with, such transfer. Further, certain provisions of the SCRA including the provisions in relation to recognition, corporatisation and demutualisation, withdrawal of recognition, submission of annual report and periodical returns, apply, as far as may be, to a clearing corporation as they apply to a recognised stock exchange.

Under the SCRA, SEBI may issue appropriate directions in the interests of the investors in securities and the securities market to, amongst others, stock exchanges and clearing corporations, if SEBI is satisfied that it is necessary (i) in the interest of investors, or orderly development of securities market, (ii) to prevent the affairs of any recognised stock exchange or clearing corporation being conducted in a manner detrimental to the interests of investors or securities market, or (iii) to secure the proper management of any stock exchange or clearing corporation. Further, SEBI may supersede the governing body of a stock exchange and appoint any person(s) to exercise and perform all the powers and duties of the governing body subject to compliance with the provisions of SCRA including the procedures prescribed therein.

The SCRA also prescribes various penalties for the contravention of its provisions. If a recognised stock exchange fails to comply with the provisions of the SCRA such as failure to furnish periodical returns to SEBI or failure to make or amend its rules or bye-laws as directed by SEBI or failure to comply with the directions issued by SEBI, such a stock exchange shall be liable to a penalty, which can vary from a minimum of ₹ 0.5 million to maximum of ₹ 250 million.

Securities Contracts (Regulation) Rules, 1957 (the “SCRR”)

The SCRR, amongst other things, prescribes the manner for making a fresh or renewal application for recognition by a stock exchange and the fees associated with such applications. Recognition, unless granted on a permanent basis, is for a minimum period of one year and the recognised stock exchange is required to make an application for renewal of such recognition three months before the expiry of the period of recognition. Under the SCRR, SEBI is empowered to nominate a maximum of three members of the governing body of a recognised stock exchange and such members will have the same status and powers as other members of the governing body. Additionally, the SCRR specifies (i) the list of books of accounts and documents to be maintained and preserved by a recognised stock exchange; (ii) the content of the annual report to be submitted to SEBI; and (iii) items in relation to which the recognised stock exchange is required to furnish periodical returns to SEBI.

Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2012 (the “SECC Regulations”)

The SECC Regulations prescribe requirements, including in relation to recognition, regulation, ownership and governance of recognised stock exchanges and clearing corporations. The key requirements of the SECC Regulations include:

Obligation to seek recognition: The SECC Regulations provide that no person can conduct, organise or assist in organizing any stock exchange or clearing corporation unless it has obtained recognition from SEBI in accordance with the SCRA, the SCRR and the SECC Regulations. The SECC Regulations also prescribe the conditions and the procedure for obtaining such recognition.

Net-worth of stock exchanges and clearing corporations: The SECC Regulations provide that every recognised stock exchange is required to maintain a minimum net-worth of ₹ 1,000 million at all times. An applicant seeking recognition as a clearing corporation is required to have a minimum net worth of ₹ 1,000 million and is required to achieve a minimum net-worth of ₹ 3,000 million within three years from the date of grant of recognition. Additionally, a recognised stock exchange or a recognised clearing corporation is not permitted to distribute profits in any manner to its shareholders until the minimum net-worth requirement is achieved.

Shareholding in a recognised stock exchange and a recognised clearing corporation: Pursuant to the SECC Regulations, at least 51% of the paid up equity share capital of a recognised stock exchange is required to be held by the public. ‘Public’ has been defined under the SECC Regulations to include any member or section of the public but excludes any trading or clearing member or their associates and agents. Further, a public sector bank, public financial institution, an insurance company, mutual fund or alternative investment fund in the public sector, that have associates as trading members or clearing members are deemed as public for the purposes of the SECC Regulations.

Pursuant to the SECC Regulations, at least 51% of the paid up equity share capital of a recognised clearing corporation is required to be held by one or more recognised stock exchanges. However, a recognised stock exchange is not permitted to, directly or indirectly, either individually or together with persons in concert, acquire or hold more than 15% of the paid up equity share capital in more than one clearing corporation.

A person resident in India (other than a recognised stock exchange in the case of a clearing corporation), directly or indirectly, either individually or together with persons acting in concert, is not permitted to acquire or hold more than 5% of the paid up equity share capital in a recognised stock exchange or a recognised clearing corporation. However, the SECC Regulations permit stock exchanges, depositories, banking companies, insurance companies and public financial institutions, to hold, directly or indirectly, either individually or together with persons acting in concert, up to 15% of the paid up equity

share capital of a recognised stock exchange. However, such persons require the prior approval of SEBI to acquire or hold more than 5% of the paid up equity share capital of a recognised stock exchange or a recognised clearing corporation.

A person resident outside India, directly or indirectly, either individually or together with persons acting in concert, is not permitted to acquire or hold more than 5% of the paid up equity share capital in a stock exchange or a clearing corporation.

Further, if any person, directly or indirectly, either individually or together with persons acting in concert, acquires equity shares such that its shareholding exceeds 2% of the paid up equity share capital of the recognised stock exchange or recognised clearing corporation, such person is required to seek the approval of SEBI within 15 days of the acquisition, in the manner prescribed in the SEBI circular no. CIR/MRD/DSA/33/2012, dated December 13, 2012. If SEBI does not grant the aforementioned approval, such person is required to forthwith divest his excess shareholding.

The SECC Regulations also provide that subject to the limits as otherwise prescribed by the Central Government from time to time, the combined holding of all persons resident outside India in the paid up equity share capital of a recognised stock exchange shall not exceed, at any time, 49% of its total paid up equity share capital. Further, an FPI is not permitted to acquire shares of a recognised stock exchange otherwise than through the secondary market. As regards investment by FIIs / FPIs in stock exchanges, the union cabinet, pursuant to the press release dated July 27, 2016 (the “**Press Release**”) has given its approval for increasing the foreign shareholding limit from 5% to 15% in Indian stock exchanges for a stock exchange, a depository, a banking company, an insurance company and a commodity derivative exchange. The Press Release states that the Union cabinet has also approved the proposal to allow FPI to acquire shares through initial allotment, besides the secondary market, in the stock exchanges. In addition, SEBI, in its board meeting dated September 23, 2016, has approved amendment to Regulation 17 of the SECC Regulations to increase the limit of shareholding of individual FIIs / FPIs in stock exchanges from 5% to 15% as well as acquisition of shares through initial allotment, besides the secondary market. The SECC Regulations and the FDI Policy are yet to be amended in this regard. Further, no clearing corporation is permitted to hold any right, stake or interest, of whatsoever nature, in any recognised stock exchange.

Fit and Proper Criteria: Pursuant to the SECC Regulations no person is permitted to, directly or indirectly, acquire or hold equity shares of a recognised stock exchange or a recognised clearing corporation unless such person is fit and proper. The SECC Regulations set out the conditions for a person to be deemed to be a fit and proper person. Further, any person holding more than two per cent of the paid up equity share capital in a recognised stock exchange or a recognised clearing corporation is required to file a declaration within 15 days from the end of every financial year to the recognised stock exchange or the recognised clearing corporation, as the case may be, that such person complies with the fit and proper criteria set out in the SECC Regulations.

For further details relating to the fit and proper criteria, see “Offer Procedure” beginning on page 506.

Governance of Stock Exchanges: The governing board of a recognised stock exchange and a recognised clearing corporation is required to include (i) shareholder directors, (ii) public interest directors, and (iii) managing director. Subject to the prior approval of SEBI, the governing board shall elect the chairperson from amongst the public interest directors. The SECC Regulations further provide, *inter alia*, the requirements in relation to minimum number of directors, conditions for appointment of shareholder directors, public interest directors and managing director, quorum for meetings of the governing board, code of conduct for directors and key management personnel, compensation and tenure of key management personnel of a recognised stock exchange and a recognised clearing corporation. Further, the SECC Regulations prohibit trading members, clearing members, their associates and agents to be on the governing board of any recognised stock exchange or recognised clearing corporation.

Fund to Guarantee Settlement of Trades: A recognised clearing corporation is required to establish and maintain a fund for each segment to guarantee the settlement of trades executed in the respective segment of a recognised stock exchange. The contribution to such fund by the recognised stock exchange, the recognised clearing corporation and the clearing members is specified by SEBI from time to time. Further, the utilisation of profits and investments by recognised clearing corporations is required to be in accordance with the norms specified by SEBI. SEBI has also issued circulars dated August 27, 2014 and May 4, 2016 prescribing norms for the core settlement guarantee funds required to be established under the SECC Regulations. Pursuant to the amendment dated August 29, 2016 to the SECC Regulations, contribution to the settlement guarantee fund is required to be made as specified by SEBI from time to time. By way of the aforesaid amendment, the requirement of an annual credit of 25% of profits by a recognised stock exchange to the settlement guarantee fund has been done away with.

Listing of Securities: Subject to provisions of applicable law in force, a recognised stock exchange may apply for listing of its securities on any recognised stock exchange, other than itself and its associated stock exchange, if (i) it is compliant with the provisions of the SECC Regulations, particularly those relating to ownership and governance; (ii) it has completed three years of continuous trading operations immediately preceding the date of application of listing; and (iii) it has obtained approval of SEBI. Further, a recognised stock exchange is not permitted to list any securities of its associates, and the securities of a recognised clearing corporation are not permitted to be listed on any stock exchange.

SEBI Circular dated December 13, 2012

SEBI has issued circular no. CIR/MRD/DSA/33/2012 for the effective implementation of the SECC Regulations. The circular, *inter alia*, prescribes (i) procedure for appointment of directors, (ii) process of seeking approval from SEBI for shareholding beyond 2% and 5%, monitoring of shareholding limits and obligation of the recognised stock exchange to ensure that all its shareholders are fit and proper persons, (iii) the list of mandatory committees for stock exchanges and clearing corporations, (iv) norms for compensation for key management personnel of the stock exchanges and the clearing corporations, and (v) the procedure for submitting amendments to articles, rules, bye-laws and regulations for SEBI's approval.

SEBI Circular dated January 1, 2016

Pursuant to SEBI circular no. CIR/MRD/DSA/ 01/2016 dated January 1, 2016, SEBI has notified certain directions to listed stock exchanges to ensure compliance with the SECC Regulations including the following:

Minimum public shareholding: (i) a listed stock exchange shall display its shareholding pattern, in the format prescribed by SEBI, on a continuous basis on its website and the stock exchange where its shares are listed is also required to display such information. The depositories are required to establish necessary systems to ensure that the aggregate shareholding of trading members or their associates and agents in the listed stock exchange does not exceed 49% of the paid-up share capital of the stock exchange; (ii) the trading members or their associates and agents are required to obtain prior approval of the listed stock exchange for further acquisition of shares once the aggregate shareholding of the trading members or their associates and agents crosses the limit of 45% of the paid-up share capital of the stock exchange. If such prior approval is not obtained, the depositories are authorized to initiate actions such as freezing of voting rights and other corporate benefits in respect of such shareholding until such shares are divested by the relevant shareholder or acquirer; and (iii) the divestment of any excess shareholding beyond the specified limit would be through a special window provided by the stock exchange where the shares are listed.

Fit and Proper: (i) an exchange proposing an initial public offering its equity shares, is required to include a declaration in the application form stating that the applicant is fit and proper in terms of the relevant provisions of the SECC Regulations; (ii) upon listing of the stock exchange, the text of the applicable regulation in relation to the fit and proper criteria is required to be a part of the contract note; (iii) the listed stock exchange is required to undertake all measures to make investors aware of the requirement of fit and proper criteria; (iv) the listed stock exchange and the stock exchange where the shares are listed are required to notify on their websites that the shares of a listed stock exchange can only be dealt with by fit and proper persons; (v) in case of acquisition of shares by the person who is found not to be fit and proper, the voting rights and all corporate benefits with respect to such shareholding are required to be frozen by depositories until such shares are divested through a special window; and (vi) the listed stock exchange is required to submit to SEBI on a quarterly basis an exceptional report regarding the shareholders who are not fit and proper and action taken thereof.

Ensuring shareholding of 5% and 15%: (i) the depositories are required to establish a mechanism to ensure that no shareholder gets credit of shares beyond 5% or 15%, as applicable; (ii) the depositories are also required to generate an alert when such shareholding exceeds 2% and monitor such shareholding under intimation to SEBI; (iii) the depositories are required to inform the listed stock exchange as and when the threshold is breached and take consequential action such as freezing of voting rights and all corporate actions in respect of such excess holding until such excess holding is divested through the special window.

SEBI Circular dated January 22, 2016

Pursuant to SEBI circular no. SEBI/HO/MRD/DSA/CIR/P/2016/30 dated January 22, 2016, SEBI amended the provisions of the SEBI circular dated December 13, 2012 relating to composition of governing board of a recognized stock exchange or clearing corporation. SEBI has clarified that a trading or clearing member, or their associates or agents shall not be on the governing board of any recognized stock exchange and clearing corporation. Further, a person who is a director in an entity which itself is a trading member or clearing member, or has an associate as a trading or clearing member, shall be deemed to be trading member or clearing member himself. However, the circular exempts a director on the board of a public financial institution or a public sector bank from being deemed a trading or clearing member subject to conditions specified under the circular. The recognised stock exchanges and clearing corporations are required to monitor and verify the aforesaid compliance to verify that directors appointed, on their governing board, do not get associated with trading member or clearing member after approval and appointment.

SEBI Circular dated December 1, 2016

Pursuant to SEBI circular no. SEBI/HO/MRD/DP/CIR/P/2016/129 dated December 1, 2016, SEBI advised the stock exchanges to provide direct connectivity between co-location facilities of different recognized stock exchanges while also providing for such connectivity between the servers of the same broker at co-location facilities of different stock exchanges. SEBI has clarified that co-location services provided by a third party or outsourced from a third party are deemed to be

provided by stock exchanges and accordingly, stock exchanges shall remain responsible and accountable for actions of the outsourced entity. Stock exchanges are also required to submit a quarterly compliance report with SEBI regarding the outsourcing services upon approval of the governing board of the respective stock exchange.

SEBI Circular dated November 28, 2016

Pursuant to the SEBI circular no. SEBI/HO/MRD/DSA/CIR/P/2016/125 dated November 28, 2016, SEBI has prescribed a broad framework for functioning of stock exchanges and clearing corporations in IFSC. The circular *inter alia*, prescribes a single market structure to achieve synergies in terms of various operations. The stock exchanges are empowered to decide the trading hours for different commodities with the maximum limit fixed at 23 hours and 30 minutes in a day and settlement shall be required for atleast twice a day. The stock exchanges and clearing corporations in IFSC are required to ensure that their risk management system and infrastructure are commensurate with the trading hours. Further, clearing corporations are required to have a robust risk management framework and are required to conduct certain tests, such as stress test, liquidity stress tests to ensure robustness of the risk management framework. SEBI has permitted trading of all categories of exchange traded products as available for trading in stock exchanges in FATF/IOSCO compliant jurisdictions (except in case of commodity derivatives in which only non-agri commodity derivatives are eligible), subject to receipt of prior approval of SEBI. Further, clearing corporations in IFSC are required to establish and maintain a fund to guarantee the settlement of trades executed in the stock exchanges in IFSC.

Other Regulations

In addition to the above, our Company is required to comply with the provisions of the Companies Act, FEMA, labour laws, various tax related legislations, various other securities market related regulations, notifications and guidelines, and other applicable statutes and policies along with the rules formulated thereunder for its day-to-day operation.

HISTORY AND CERTAIN CORPORATE MATTERS

Brief history of our Company

Our Company was incorporated at Mumbai on November 27, 1992 as National Stock Exchange of India Limited, a public limited company under the Companies Act, 1956. Our Company obtained the certificate of commencement of business on March 2, 1993. Our Company was granted recognition as a stock exchange on April 26, 1993, which was subsequently renewed with effect from April 26, 1998 and April 26, 2003, each time for a period of five years. Subsequently, renewal of recognition was granted to our Company on a permanent basis through a notification dated April 17, 2008, with effect from April 26, 2008. For information of our Company's profile, activities, services, products, market, growth, technology, managerial competence, capacity built-up and standing with reference to prominent competitors, see "Our Management", "Our Business" and "Industry Overview" beginning on pages 191, 152 and 111, respectively.

As on the date of this Draft Red Herring Prospectus, our Company has 79 Shareholders.

Changes in Registered Office

Except as disclosed below, there has been no change in our Registered Office since the date of incorporation.

Date of change	Details of change in the address of the Registered Office	Reasons for change in the address of the Registered Office
September 15, 1993	The registered office of our Company was shifted from Nariman Bhavan, 227 Vinay K Shah Marg, Mumbai 400 021 to Mahindra Tower, 'A' wing, 1 st floor, RBC, Pandurang Budhkar Marg, Worli, Mumbai 400 018	Administrative convenience
July 1, 2001	The registered office of our Company was shifted from Mahindra Tower, 'A' wing, 1 st floor, RBC, Pandurang Budhkar Marg, Worli, Mumbai 400 018 to "Exchange Plaza", C-1, Block G, Bandra Kurla Complex, Bandra (East), Mumbai 400 051.	To move from premises on rent to premises on land taken on long-term lease.

Main Objects of our Company

The main objects contained in our Memorandum of Association are as follows:

- To facilitate, promote, assist, regulate and manage in the public interest, dealings in securities of all kinds (which shall include all securities defined as such under the Securities Contracts (Regulations) Act, 1956 and all other instruments of any kind including money market instruments) and to provide specialised, advanced, automated and modern facilities for trading, clearing and settlement of securities with a high standard of integrity and honour, and to ensure trading in a transparent fair and open manner with access to investors from areas in or outside India.*
- To initiate facilitate and undertake all steps of all such activities in relation to Stock Exchange, Money Markets, Financial Markets, Securities Markets, Capital Markets, as are required for better investor service and protection, including but not limited to: taking measures for ensuring greater liquidity (both in terms of breadth and depth of securities) for the investor providing easier access to the Exchange, facilitating inter-market dealings and generally to facilitate transactions in securities in a cost effective, expeditious and efficient manner.*
- To support, develop, promote and maintain a healthy market in the best interest of the investor and the general public and the economy and to introduce high standards of professionalism among themselves and with investors and the financial securities, money and capital markets in general.*

The main objects contained in our Memorandum of Association enable our Company to carry on the business presently being carried out.

Amendments to our Memorandum of Association

Date of Shareholder's resolution / effective date	Particulars
March 9, 1999	Clause V of our Memorandum of Association was amended to reflect increase in the authorised share capital of our Company from ₹ 250,000,000 comprising 25,000,000 equity shares of ₹10 each to ₹ 500,000,000 comprising 50,000,000 equity shares of ₹ 10 each.
November 10, 2016	Clause V of our Memorandum of Association was amended to reflect sub-division of 50,000,000 equity shares of ₹ 10 each into 500,000,000 Equity Shares of ₹ 1 each.

Date of Shareholder's resolution / effective date	Particulars

Our Promoters and Promoter Group

Our Company is a professionally managed company and does not have an identifiable promoter in terms of SEBI ICDR Regulations and the Companies Act, 2013. Consequently, it does not have a 'promoter group' in terms of the SEBI ICDR Regulations.

Major events and milestones of our Company

Calendar year	Particulars
1993	Our Company was recognised as a stock exchange
1994	Our Company commenced electronic or screen-based trading
1994	Our Company launched the equity and wholesale debt market segments
1995	Our Company established an investor protection fund trust
1996	Our Company created and administered a settlement fund
1996	Our Company launched NIFTY 50 Index, which remains our flagship index today
1996	Our Company commenced trading and settlement in dematerialised securities on our exchange
1998	Our Company commenced NSE certification for Financial Markets certification program in India
2000	Our Company commenced internet trading
2000	Our Company launched index futures based on the NIFTY 50 index (then known as S&P CNX Nifty) for trading
2000	Our Company listed index futures on Nifty 50 on the Singapore Exchange
2001	Our Company launched index options based on the NIFTY 50 index (then known as S&P CNX Nifty) for trading
2001	Our Company launched single stock futures and options on listed securities
2002	Our Company launched ETFs listings
2005	Our Company launched NIFTY Bank index derivatives
2008	Our Company was the first in India to offer trading in currency futures
2008	Our Company established securities lending and borrowing scheme
2008	Our Company launched NOW platform for web-based trading
2009	Our Company launched mutual fund service system
2010	Our Company launched trading in currency options
2010	Our Company launched NOW platform for mobile devices
2011	Our Company commenced trading in index futures and options on global indices, namely the S&P 500 and Dow Jones Industrial Average
2012	Our Company launched SME-specific EMERGE platform for the listing and trading of securities of SMEs
2012	Our Company commenced trading in index futures and Options contracts on the FTSE 100 index
2013	Our Company launched the debt segment
2014	Our Company launched NMF-II platform for mutual funds
2014	Our Company launched NBF II segment for interest rate futures
2014	Our Company launched trading on India VIX index futures
2014	Our Company commenced on Nifty 50 (then known as CNX Nifty) on the Osaka Exchange
2015	Our Company renamed CNX Nifty to Nifty 50
2015	Our Company entered into a memorandum of understanding to enhance the level of cooperation with the London Stock Exchange Group
2016	Our Company launched Nifty 50 index futures trading on TAIFEX
2016	Our Company launched electronic book-building platform for private placement of debt securities
2016	Our Company launched platform for sovereign gold bond issuances

Awards and Accreditations

Calendar year	Award/Certification/Recognition
2016	CII- Exim Bank Prize for Business Excellence
2016	Global Architecture Excellence Awards 2016 – New Service Offering Initiative
2015	Golden Peacock Innovative Product / Service Award
2015	The Asian Banker Achievement Awards 2015 - Stock Exchange of the Year
2015	FOW Awards for Asia – Best New Technology Product – Market Surveillance
2014	Futures and Options World Award for Indian Exchange of the Year

Calendar year	Award/Certification/Recognition
2014	Global Finance – Best Derivatives Providers Award 2014 for exchange performance
2014	CII- Exim Bank Prize for Business Excellence
2013	Capital Finance International - Best Stock Exchange Award, India
2010	The Asian Banker Achievement Awards for Markets and Exchanges - Financial Derivative Exchange of the Year Award

Capital raising activities through equity or debt

For details regarding our capital raising activities through equity or debt, see “Capital Structure” and “Financial Statements” beginning on pages 93 and 214, respectively.

Injunctions or restraining order against our Company

As of the date of this Draft Red Herring Prospectus, there are no injunctions or restraining orders against our Company.

Financial and Strategic Partners

Our Company does not have any financial or strategic partners.

Our Holding Company

Our Company does not have a holding company.

OUR SUBSIDIARIES

As of the date of this Draft Red Herring Prospectus, our Company has 10 Subsidiaries.

Details of our Subsidiaries

1. National Securities Clearing Corporation Limited (“NSCCL”)

NSCCL was incorporated as a public company on August 31, 1995 at Mumbai under the Companies Act, 1956. The memorandum of association authorizes NSCCL to carry on the business of, *inter alia*, clearing and settlement of shares, other securities of all kinds including securities defined under the SCRA, commodity and commodity derivatives defined under the Forward Contracts (Regulation) Act, 1952, and all other instruments of any kind traded and to regulate and manage dealings in securities and instruments.

Capital Structure:

	Number of equity shares of face value ₹ 10 each
Authorised capital	45,000,000
Issued, subscribed and paid-up capital	45,000,000

Shareholding pattern:

The following table sets forth details of the shareholding pattern of NSCCL:

Sr. No.	Name of the shareholder	Number of equity shares of face value ₹ 10 each	Percentage of total equity holding (%)
1.	National Stock Exchange of India Limited	44,999,952	99.9
2.	J Ravichandran*	8	Negligible
3.	Yatrik Vin*	8	Negligible
4.	Mayur Sindhwad*	8	Negligible
5.	Muralidaran N*	8	Negligible
6.	Ravi Varanasi*	8	Negligible
7.	M. Vasudev Rao*	8	Negligible
Total		45,000,000	100.0

* Equity shares held by these individuals as nominees and jointly with our Company, our Company being the first holder of equity shares.

2. NSE Strategic Investment Corporation Limited (“NSE Strategic Investment”)

NSE Strategic Investment was incorporated as a public company on January 31, 2013 at Mumbai under the Companies Act, 1956. The memorandum of association authorizes NSE Strategic Investment to carry on the business of, *inter alia*, being a holding and investment company in India or outside India and dealing in shares or debentures or securities issued by any mutual fund, promissory notes, warrants, other money market or capital market instruments issued or guaranteed by any company or body corporate carrying on any business or activity to collect and receive all consideration in any form or manner, commission, dividends, interests, monies in respect of the business.

Capital Structure:

	Number of shares of face value ₹ 10 each
Authorised capital	
	450,000,000 equity shares
	450,000,000 6% non-cumulative compulsorily convertible preference shares
Total	900,000,000
Issued, subscribed and paid-up capital	
	413,021,703 equity shares
	412,971,703 6% non-cumulative compulsorily convertible preference shares
Total	825,993,406

Shareholding pattern:

The following table sets forth details of the shareholding pattern of NSE Strategic Investment:

Equity shares

Sr. No.	Name of the shareholder	Number of equity shares of face value ₹ 10 each	Percentage of total equity holding (%)
1.	National Stock Exchange of India Limited	413,021,653	99.9
2.	J Ravichandran*	10	Negligible
3.	Yatrik Vin*	10	Negligible
4.	M. Vasudev Rao*	10	Negligible
5.	Muralidaran N*	5	Negligible
6.	Ravi Varanasi*	10	Negligible
7.	Tarun Aiyar*	5	Negligible
Total		413,021,703	100.0

* Equity shares held jointly with our Company, our Company being the first holder of equity shares.

Compulsorily convertible preference shares

Sr. No.	Name of the shareholder	Number of preference shares of face value ₹ 10 each	Percentage of total preference holding (%)
1.	National Stock Exchange of India Limited	412,971,703	100.0
Total		412,971,703	100.0

3. India Index Services and Products Limited (“IISL”)

IISL was incorporated as a public company on May 18, 1998 at Mumbai under the Companies Act, 1956. IISL is a step-down Subsidiary of our Company. The memorandum of association authorizes IISL to carry on the business of, *inter alia*, development, construction, computation and maintenance of indices in relation to the capital, financial and commodity markets.

Capital Structure:

	Number of equity shares of face value ₹ 10 each
Authorised capital	1,500,000
Issued, subscribed and paid-up capital	1,300,000

Shareholding pattern:

The following table sets forth details of the shareholding pattern of IISL:

Sr. No.	Name of the shareholder	Number of equity shares of face value ₹ 10 each	Percentage of total equity holding (%)
1.	NSE Strategic Investment	1,299,994	99.9
2.	J Ravichandran*	1	Negligible
3.	Yatrik Vin*	1	Negligible
4.	Mayur Sindhwa*	1	Negligible
5.	M. Vasudev Rao*	1	Negligible
6.	Muralidaran N*	1	Negligible
7.	Ravi Varanasi*	1	Negligible
Total		1,300,000	100.0

* Equity share held jointly with NSE Strategic Investment, NSE Strategic Investment being the first holder of equity shares.

4. DotEx International Limited (“DotEx”)

DotEx was incorporated as a public company on June 2, 2000 at Mumbai under the Companies Act, 1956. DotEx is a step-down Subsidiary of our Company. The memorandum of association authorizes DotEx to carry on the business of, *inter alia*, owning, operating and maintaining web sites and portals that will enable participants at large, including stock brokers and all direct and indirect intermediaries of different markets and community at large to have a common virtual place to know, transact and fulfill their transactions in a secured manner.

Capital Structure:

	Number of equity shares of face value ₹ 10 each
Authorised capital	13,000,000
Issued, subscribed and paid-up capital	9,000,000

Shareholding pattern:

The following table sets forth details of the shareholding pattern of DotEx:

Sr. No.	Name of the shareholder	Number of equity shares of face value ₹ 10 each	Percentage of total equity holding (%)
1.	NSE Strategic Investment	8,999,940	99.9
2.	J Ravichandran*	10	Negligible
3.	Yatrik Vin*	10	Negligible
4.	M. Vasudev Rao*	10	Negligible
5.	Muralidaran N*	10	Negligible
6.	Ravi Varanasi*	10	Negligible
7.	R. Jayakumar*	10	Negligible
Total		9,000,000	100.0

* Equity shares held jointly with NSE Strategic Investment, NSE Strategic Investment being the first holder of equity shares.

5. NSE Academy Limited (“NSE Academy”)

NSE Academy was incorporated as a public company on March 12, 2016 as NSE Educational Facilities Limited at Mumbai under the Companies Act, 2013. Pursuant to a fresh certificate of incorporation dated May 17, 2016, the name was changed from NSE Educational Facilities Limited to NSE Academy Limited. NSE Academy is a step-down Subsidiary of our Company. The memorandum of association authorizes NSE Academy to carry on the business of, *inter alia*, conducting tests and certification programs in India and abroad in various areas including financial markets, conducting professional education programs and providing professional training to individuals in collaboration with various educational and financial institutions.

Capital Structure:

	Number of equity shares of face value ₹ 10 each
Authorised capital	3,000,000
Issued, subscribed and paid-up capital	250,000

Shareholding pattern:

The following table sets forth details of the shareholding pattern of NSE Academy:

Sr. No.	Name of the shareholder	Number of equity shares of face value ₹ 10 each	Percentage of total equity holding (%)
1.	NSE Strategic Investment	249,940	99.9
2.	Yatrik Vin*	10	Negligible
3.	Ravi Varanasi*	10	Negligible
4.	Ritu Sajani*	10	Negligible
5.	R. Jayakumar*	10	Negligible
6.	Sankarson Banerjee*	10	Negligible
7.	Tarun Aiyar*	10	Negligible
Total		250,000	100.0

* Equity shares held jointly with NSE Strategic Investment, NSE Strategic Investment being the first holder of equity shares.

6. NSEIT Limited (“NSEIT”)

NSEIT was incorporated as a public company on October 29, 1999 at Mumbai under the Companies Act, 1956 as NSE.IT Limited. Pursuant to a fresh certificate of incorporation dated March 10, 2016, the name was changed from NSE.IT Limited to NSEIT Limited. NSEIT is a step-down Subsidiary of our Company. The memorandum of association authorizes NSEIT to carry on the business of, *inter alia*, designing, developing, maintaining, marketing, buying, importing and exporting, licensing and implementing computer software and hardware in India or elsewhere; carrying on or engaging in the business of Information Technology in the area of digital technology and testing services (TCOE) and information technology enables services (ITeS) in the area of online assessments, infrastructure services, cyber security response centre and analytics services.

Capital Structure:

	Number of equity shares of face value ₹ 10 each
Authorised capital	15,000,000
Issued, subscribed and paid-up capital	10,000,010

Shareholding pattern:

The following table sets forth details of the shareholding pattern of NSEIT:

Sr. No.	Name of the shareholder	Number of equity shares of face value ₹ 10 each	Percentage of total equity holding (%)
1.	NSE Strategic Investment	10,000,004	99.9
2.	J Ravichandran*	1	Negligible
3.	Yatrik Vin*	1	Negligible
4.	M. Vasudev Rao*	1	Negligible
5.	Muralidaran N*	1	Negligible
6.	Ravi Varanasi*	1	Negligible
7.	Tarun Aiyar*	1	Negligible
Total		10,000,010	100.0

* Equity share held jointly with NSE Strategic Investment, NSE Strategic Investment being the first holder of equity shares.

7. NSEIT (US) Inc. ("NSEIT US")

NSEIT US was incorporated as a domestic for-profit corporation on December 4, 2006 under the laws of Texas, USA as NSE.IT (US) Inc. Pursuant to the certificate of filing dated April 29, 2016, the name was changed from NSE.IT (US) Inc. to NSEIT (US) Inc. NSEIT US is a step-down subsidiary of our Company. NSEIT US is involved in the business of, *inter alia*, providing information technology and information technology enabled services.

Capital Structure:

	Number of equity shares of face value USD 1 each
Authorised capital	1,000,000
Issued, subscribed and paid-up capital	1,000,000

Shareholding pattern:

The following table sets forth details of the shareholding pattern of NSEIT US:

Sr. No.	Name of the shareholder	Number of equity shares of face value USD 1 each	Percentage of total equity holding (%)
1.	NSEIT	1,000,000	100.0
Total		1,000,000	100.0

8. NSE Infotech Services Limited ("NSE Infotech")

NSE Infotech was incorporated as a public company on August 2, 2006 at Mumbai under the Companies Act, 1956. NSE Infotech is a step-down Subsidiary of our Company. The memorandum of association authorizes NSE Infotech to carry on the business of, *inter alia*, advising, providing services, developing, carrying out research and development, implementing, maintaining products and solutions for the customers on all matters involving computer software and hardware systems and management of data processing and information and data communication systems.

Capital Structure:

	Number of equity shares of face value ₹ 10 each
Authorised capital	10,000,000
Issued, subscribed and paid-up capital	50,000

Shareholding pattern:

The following table sets forth details of the shareholding pattern of NSE Infotech:

Sr. No.	Name of the shareholder	Number of equity shares of face value ₹ 10 each	Percentage of total equity holding (%)
1.	NSE Strategic Investment	49,994	99.9
2.	J Ravichandran*	1	Negligible
3.	Yatrik Vin*	1	Negligible
4.	G.M. Shenoy*	1	Negligible
5.	M. Vasudev Rao*	1	Negligible
6.	Muralidaran N*	1	Negligible
7.	Ravi Varanasi*	1	Negligible
Total		50,000	100.0

* Equity share held jointly with NSE Strategic Investment, NSE Strategic Investment being the first holder of equity shares.

9. NSE IFSC Limited (“NSE IFSC”)

NSE IFSC was incorporated as a public company on November 29, 2016 at Ahmedabad under the Companies Act, 2013. The memorandum of association authorizes NSE IFSC to *inter alia*, set up and operate an exchange as a unit in an International Financial Service Centre in any SEZ as approved by the GoI or anywhere globally to provide such services as may be permitted by the regulatory authorities, in order to facilitate, promote, assist, regulate and manage in the public interest, dealings in securities, depository receipts, commodity, currency, derivatives and products of all kinds as specified and permitted by the regulatory authorities for trading by an exchange in an International Financial Service Centre or globally, with access to global investors from all over the world including India. NSE IFSC has not yet commenced its operations and is awaiting approval from SEBI. For further details, see “Government and other Approvals - Pending approvals of our Company” on pages 466 to 467.

Capital Structure:

	Number of equity shares of face value ₹ 10 each
Authorised capital	50,000
Issued, subscribed and paid-up capital	50,000

Shareholding pattern:

The following table sets forth details of the shareholding pattern of NSE IFSC:

Sr. No.	Name of the shareholder	Number of equity shares of face value ₹ 10 each	Percentage of total equity holding (%)
1.	National Stock Exchange of India Limited	49,994	99.9
2.	Arindam Saha*	1	Negligible
3.	M. Vasudev Rao*	1	Negligible
4.	Mukesh Agarwal*	1	Negligible
5.	Ravindra Bathula*	1	Negligible
6.	Sandip Mehta*	1	Negligible
7.	Vitthal More*	1	Negligible
Total		50,000	100.0

* Holding equity share as a nominee on behalf of our Company.

10. NSE IFSC Clearing Corporation Limited (“NSE IFSC Clearing Corporation”)

NSE IFSC Clearing Corporation was incorporated as a public company on December 2, 2016 at Ahmedabad under the Companies Act, 2013. NSE IFSC Clearing Corporation is the step-down subsidiary of our Company. The memorandum of association authorizes NSE IFSC Clearing Corporation to *inter alia* set up and operate a clearing corporation as a unit in an International Financial Service Centre in any SEZ as approved by the GoI or anywhere globally to provide such services as may be permitted by the regulatory authorities, in order to facilitate, promote, assist, set up and carry on the business of clearing and settlement of any kinds including physical settlement and cash settlement in securities, shares, stock, debentures, bonds, units, deposit certificates, notes, warrants and other securities of all kinds, depository receipts, currency, derivatives of all kinds, commodity and commodity derivatives and other commodities of all kinds and all other instruments and products of all kinds as specified and permitted by the regulatory authorities in International Financial Service Centre or globally and to ensure completion and guarantee of all kinds of settlements. NSE IFSC Clearing Corporation has not yet commenced its operations and is awaiting approval from SEBI. For further details, see “Government and other Approvals - Pending approvals of NSCCL” on page 467.

Capital Structure:

	Number of equity shares of face value ₹ 10 each
Authorised capital	50,000
Issued, subscribed and paid-up capital	50,000

Shareholding pattern:

The following table sets forth details of the shareholding pattern of NSE IFSC Clearing Corporation:

Sr. No.	Name of the shareholder	Number of equity shares of face value ₹ 10 each	Percentage of total equity holding (%)
1.	NSCCL	49,994	99.9
2.	Amit Amlani*	1	Negligible
3.	Huzefa Mahuvawala*	1	Negligible
4.	Natarajan Ramasamy*	1	Negligible
5.	Nilesh Tinaikar*	1	Negligible
6.	Ravindra Bathula*	1	Negligible
7.	R. Jayakumar*	1	Negligible
Total		50,000	100.0

* Holding equity share as a nominee on behalf of NSCCL.

Significant sales / purchase with our Subsidiaries

Except as stated in “Related Party Transactions” on page 212, our Company is not involved in any sales or purchases with any of our Subsidiaries where such sales or purchases exceed in value in the aggregate of 10% of the total sales or purchases of our Company.

Common Pursuits

There are no common pursuits between our Company and our Subsidiaries.

Other Confirmations

1. There are no accumulated profits or losses of our Subsidiaries which are not accounted for by our Company.
2. Except as disclosed in “Our Business” and “Related Party Transactions” on pages 152 and 212, respectively, our Subsidiaries do not have any business interests in our Company.
3. None of our Subsidiaries are listed in India or abroad.
4. None of our Subsidiaries have made any public or rights issue in the last three years.

OUR MANAGEMENT

In terms of our Articles of Association, our Company is required to have not less than three and not more than 22 directors. Under the SECC Regulations, our Board is required to include public interest directors, shareholder directors and a managing director. Our Board currently does not have a Managing Director. For further details, see “Risk Factors- We may be unable to retain or replace our management team, highly-skilled employees or key personnel” on pages 29 and 30. Further, SECC Regulations require that the number of public interest directors shall not be less than the number of shareholder directors. Our Board currently comprises 10 Directors, which includes five Public Interest Directors and five Shareholder Directors. The Public Interest Directors are independent directors under the Companies Act.

The following table sets forth details of our Board:

Name, Designation, Address, Occupation, Nationality, Term and DIN	Age (in years)	Other Directorships
Ashok Chawla <i>Designation:</i> Chairman and Public Interest Director <i>Address:</i> E-11, (Mehrauli – Badarpur Road), Saket, Delhi 110 017 <i>Occupation:</i> IAS (Retired) <i>Nationality:</i> Indian <i>Term:</i> Appointed for a period of three years with effect from March 28, 2016 until March 27, 2019 <i>DIN:</i> 00056133	65	• Yes Bank Limited.
Ravi Narain <i>Designation:</i> Vice-Chairman and Shareholder Director <i>Address:</i> B-3, Diwan Shree Apartments 30, Ferozeshah Road, New Delhi 110 001 <i>Occupation:</i> Professional <i>Nationality:</i> Indian <i>Term:</i> Appointed for a period of five years with effect from April 1, 2013 until March 31, 2018 <i>DIN:</i> 00062596	61	• Crompton Greaves Consumer Electricals Limited; • HDFC Standard Life Insurance Company Limited; • Indostar Capital Finance Limited; • National Commodity and Derivatives Exchange Limited; • National Securities Clearing Corporation Limited; • National Securities Depository Limited; • NSDL e-Governance Infrastructure Limited; and • PI Industries Limited.
Abhay Havaladar <i>Designation:</i> Shareholder Director <i>Address:</i> Sea Mist, B Wing, Flat 1301, 13 th floor, Manuel Gonsalves Road, Off Turner Road, Bandra (West), Mumbai 400 050 <i>Occupation:</i> Professional <i>Nationality:</i> Indian <i>Term:</i> Liable to retire by rotation <i>DIN:</i> 00118280	55	• IBS Software Pte. Ltd., Singapore; and • United Tele Shopping and Marketing Company Limited.

Name, Designation, Address, Occupation, Nationality, Term and DIN	Age (in years)	Other Directorships
Dinesh Kanabar <i>Designation:</i> Public Interest Director <i>Address:</i> 14A Sett Minar, Dr. Gopalrao Deshmukh road, opposite Jaslok Hospital, Mumbai 400 026 <i>Occupation:</i> Professional <i>Nationality:</i> Indian <i>Term:</i> Appointed for a period of three years with effect from July 13, 2016 until July 12, 2019 <i>DIN:</i> 00003252	58	- Capital First Limited; and - Shri Ram Spices Private Limited.
Anshula Kant <i>Designation:</i> Shareholder Director <i>Address:</i> 11-C, Kinellan Tower, 100-A, Napean Sea Road, Malbar Hill, Mumbai 400 006 <i>Occupation:</i> Service <i>Nationality:</i> Indian <i>Term:</i> Liable to retire by rotation <i>DIN:</i> 06998644	56	- The Clearing Corporation of India Limited; and - SBI-SG Global Securities Services Private Limited.
Naved Masood <i>Designation:</i> Public Interest Director <i>Address:</i> T 12, No. 802, Commonwealth Games Village, Near Akshardham, New Delhi 110 092 <i>Occupation:</i> Professional <i>Nationality:</i> Indian <i>Term:</i> Appointed for a period of three years with effect from July 13, 2016 until July 12, 2019 <i>DIN:</i> 02126497	61	Nil
T.V. Mohandas Pai <i>Designation:</i> Public Interest Director <i>Address:</i> 521, The Embassy, Ali Asker Road, Bengaluru 560 052 <i>Occupation:</i> Professional <i>Nationality:</i> Indian <i>Term:</i> Appointed for a period of three years with effect from July 13, 2016 until July 12, 2019	58	- Ascendas Property Fund Trustee Pte Ltd; - Havells India Limited; - International Tax Research And Analysis Foundation - Invest Karnataka Forum; - Manipal Global Education Services Private Limited; - Manipal Health Enterprises Private Limited; and - MEMG International India Private Limited.

Name, Designation, Address, Occupation, Nationality, Term and DIN	Age (in years)	Other Directorships
<i>DIN: 00042167</i>		
Prakash Parthasarathy <i>Designation:</i> Shareholder Director <i>Address:</i> #5B, EPIP Zone, behind Sap Labs, Whitefield, Bengaluru 560 048 <i>Occupation:</i> Professional <i>Nationality:</i> American <i>Term:</i> Liable to retire by rotation <i>DIN:</i> 02011709	45	• FabIndia Overseas Private Limited; • Napean Singapore; • Sanctum Management PTE; and • PI International Holdings LLC.
Dharmishta Raval <i>Designation:</i> Public Interest Director <i>Address:</i> 25, Saurabh Society, Drive In Road, Ahmedabad 380 009 <i>Occupation:</i> Professional <i>Nationality:</i> Indian <i>Term:</i> Appointed for a period of three years with effect from February 5, 2016 until February 4, 2019 <i>DIN:</i> 02792246	60	• Cadila Healthcare Limited; • NOCIL Limited; • NSDL e-Governance Infrastructure Limited; and • Torrent Power Limited.
Sunita Sharma <i>Designation:</i> Shareholder Director <i>Address:</i> D-5, Jeevan Jyot, Setalwad Lane, Napean Sea Road, Mumbai 400 006 <i>Occupation:</i> Service <i>Nationality:</i> Indian <i>Term:</i> Liable to retire by rotation <i>DIN:</i> 02949529	57	• Larsen and Toubro Limited; • LICHFL Asset Management Company Limited; • LICHFL Care Homes Limited; • LICHFL Financial Services Limited; • LIC Housing Finance Limited; and • LIC Mutual Fund Asset Management Limited.

Our Company has obtained the approvals for appointment and re-appointment of all the Directors in accordance with the SECC Regulations.

Relationship between our Directors

None of our Directors are related to each other.

Arrangements or understandings with major Shareholders, customers, suppliers or others

None of our Directors have been appointed pursuant to any arrangement or understanding with major Shareholders, customers, suppliers or others.

Brief Biographies of Directors

Ashok Chawla, is the Chairman and Public Interest Director of our Company. He holds a master's degree in economics from Delhi School of Economics. He has 43 years of experience in public service. He was an Indian Administrative Service Officer and has held various posts in GoI, including as the secretary, Ministry of Civil Aviation, finance secretary, Ministry of Finance and chairman of the FIPB. He served as the economic counsellor in the Indian Embassy in Washington. He was also an alternate Governor for India at the World Bank and International Monetary Fund. Mr. Chawla has served as a member on the board of the RBI, State Bank of India, Life Insurance Corporation of India and India Infrastructure Finance Company Limited. In January 2011, he was appointed by the GoI as the chairman of a committee to examine the allocation and pricing issues relating to scarce natural resources. Subsequently, he was appointed as chairman of the CCI and retired in January 2016. He has been associated with our Company since March 28, 2016.

Ravi Narain, is the Vice-Chairman and Shareholder Director of our Company. He holds a master in business administration degree from the Wharton School, University of Pennsylvania, USA. He was the deputy managing director of our Company since April, 1994 until November, 2000. Thereafter, from November, 2000 until March, 2013, he was the managing director and chief executive officer of our Company. Mr. Narain has experience in stock exchange operations. He has been associated with our Company since incorporation.

Abhay Havaladar, is a Shareholder Director of our Company. He holds a bachelor's degree in electrical engineering from the Mumbai University and a master's degree in management from the London Business School. Previously, he was associated with General Atlantic, a global growth equity firm as an Advisory Director. He was instrumental in establishing General Atlantic's India Office. He has experience of investing in the Indian markets including as a venture capitalist and a growth investor. He is also a board member of the Society for Innovation and Entrepreneurship ("SINE"). He has been associated with our Company since June 13, 2012.

Dinesh Kanabar, is a Public Interest Director of our Company. He is a qualified Chartered Accountant and a member of the Institute of Chartered Accountants of India. Mr. Kanabar is the chief executive officer of Dhruva Advisors LLP. He has experience in taxation matters. Previously, he was the deputy chief executive officer of KPMG in India. He has been associated with our Company since July 13, 2016.

Anshula Kant, is a Shareholder Director of our Company. She holds a master's degree in economics from the University of Delhi. Previously, she has worked with the State Bank of India ("SBI") for 33 years. She has experience in retail banking, corporate credit, cross-border trade and banking in developed markets. She has also headed the Bombay circle of SBI as the chief general manager covering the states of Maharashtra and Goa. At SBI, she has served as the general manager, performance planning and review, corporate centre, Mumbai; chief executive officer, Singapore. She was also responsible for launching retail operations for SBI in Singapore. She has been associated with our Company since October 19, 2016.

Naved Masood, is a Public Interest Director of our Company. He holds an honours degree in law from Aligarh Muslim University. He has 38 years of experience in public service and diverse fields, including company law, finance and disaster management. He was an Indian Administrative Service Officer and has held various posts in the GoI, including as, special secretary and financial advisor in the Ministry of Health and Family Welfare, the Secretary in the Ministry of Corporate Affairs and member on the board of SEBI. He has been associated with our Company since July 13, 2016.

T.V. Mohandas Pai, is a Public Interest Director of our Company. He is a qualified chartered accountant and a fellow member of the Institute of Chartered Accountants of India. Mr. Pai is the chairman of Manipal Global Education Services Private Limited. He co-founded AARIN Capital. He has served on the board of SEBI and is currently the Chairman of SEBI Primary Markets Advisory Committee. Previously, he was associated with Infosys Limited and was its chief financial officer and a member of its board of directors. He is on the board of trustees of the Akshaya Patra Foundation, Bangalore - a mid-day meal program. He was awarded the Padma Shri in 2015. He has been associated with our Company since July 13, 2016.

Prakash Parthasarathy, is a Shareholder Director of our Company. He holds a bachelor's degree in computer science from the Birla Institute of Technology and Science, Pilani and a post-graduate diploma in management from the Indian Institute of Management, Bangalore. Mr. Parthasarathy is the Managing Partner and Chief Investment Officer of Premji Invest, since October 2006. He is also working with Prazim Trading and Investment Company Private Limited, one of the companies within the Premji Invest umbrella and is controlled by Mr. Azim Premji, chairman Wipro Limited. He has been associated with our Company since May 30, 2012.

Dharmishta Raval, is a Public Interest Director of our Company. She holds a degree in law and is enrolled as an Advocate of the Gujarat Bar Association since 1980. Previously, Ms. Raval was a director of Ace Derivates and Commodity Exchange Limited and she is presently a member of the Advisory Committee of SEBI-Mutual Funds. Previously, she has also served on the board of SEBI as an executive director. She is a practicing advocate at the Gujarat High Court. She has been involved in matters relating to service law, banking laws, financial institutions, company law, labour laws and income tax. She has been

associated with our Company since February 5, 2016.

Sunita Sharma, is a Shareholder Director of our Company. She holds a master's degree in science from Delhi University. Previously, she worked with Life Insurance Corporation of India. Besides her present role as a managing director and chief executive officer of LIC Housing Finance Limited, she is also the managing director of LIC HFL Care Homes Limited. The Institute of Economic Studies conferred her with the Udyog Rattan Award. In February 2015, ABP Real Estate Awards presented her with Women Super Achiever in real estate sector. She received a certificate of achievement in the Outstanding Category of the Asia Pacific Entrepreneurship Awards, 2016. She has been associated with our Company since October 19, 2016.

Confirmations

Except as disclosed below, none of our Directors is or was a director of any listed company during the last five years preceding the date of this Draft Red Herring Prospectus, whose shares have been or were suspended from being traded on any stock exchanges or our Company.

Dharmishta Raval:

Sr. No.	Particulars	Details
1.	Name of the company	Gujarat Themis Biosyn Limited ("Gujarat Themis")*
2.	Name of the stock exchange(s) on which Gujarat Themis was listed	BSE
3.	Date of suspension on stock exchange(s)	June 7, 2012
4.	Whether suspended for more than three months	No
5.	Reasons for suspension and period of suspension, if the suspension has been for more than three months	Not applicable
6.	Whether the suspension has been revoked	Yes
7.	Date of revocation of suspension, if the suspension has been revoked	August 21, 2012
8.	Term of directorship in Gujarat Themis	October 30, 2009 and resigned with effect from December 22, 2016

* Suspended due to scheme of capital reduction.

Except as disclosed below, none of our Directors is or was a director of any listed company which has been or was delisted from any stock exchanges during the term of their directorship in such companies.

Dharmishta Raval:

Sr. No.	Particulars	Details
1.	Name of the company	Gujarat Themis
2.	Name of the stock exchange(s) on which Gujarat Themis was listed	Ahmedabad Stock Exchange Limited
3.	Date of delisting on stock exchanges	January 22, 2014
4.	Whether the delisting was compulsory or voluntary delisting	Voluntary delisting
5.	Reasons for delisting	Voluntarily delisted
6.	Whether Gujarat Themis has been relisted	No
7.	Date of relisting, in the event Gujarat Themis is relisting	Not applicable
8.	Name of the stock exchange on which Gujarat Themis was relisted	Not applicable
9.	Term of directorship in Gujarat Themis	October 30, 2009 and resigned with effect from December 22, 2016

None of our Directors have been identified as Wilful Defaulters.

Neither our Directors nor their relatives hold any securities that are convertible into or exchangeable for Equity Shares, including any options, warrants or other convertibles.

Remuneration of Public Interest Directors and Shareholder Directors of our Company

The Public Interest Directors and Shareholder Directors are being paid sitting fees for attending the meeting of our Board or a committee thereof. The sitting fees for attending the meetings of our Board or Committees of our Board paid to our current Public Interest Directors and Shareholder Directors in the Financial Year 2016 are as follows:

Sr. No.	Name of the Director	Remuneration (In ₹ million)
1.	Ashok Chawla	Nil

Sr. No.	Name of the Director	Remuneration (In ₹ million)
2.	Ravi Narain	2.7
3.	Abhay Havaladar	0.7
4.	Prakash Parthasarathy	0.7
5.	Dharmishta Raval	0.1

Except as disclosed below, no remuneration has been paid, or is payable, by our Subsidiaries and associate companies to the Directors of our Company in the fiscal year 2016.

Sr. No.	Name of the Director	Name of the Subsidiary/ Associate company	Remuneration paid (₹ million)	Other remuneration payable, if any (in ₹)
1.	Ravi Narain	NSCCL	1.7	Nil
		NSDL	0.8	Nil
		NSDL e-Governance	1.8	Nil
		NSE Strategic Investment*	0.6	Nil
		NSE Infotech**	0.4	Nil
		PXIL***	0.04	Nil
2.	Dharmishta Raval	NSDL e-Governance	1.6	Nil
		NSDL	0.1	Nil

* Resigned from the directorship of NSE Strategic Investment with effect from July 29, 2016.

** Resigned from the directorship of NSE Infotech with effect from April 23, 2016.

*** Resigned from the directorship of PXIL with effect from November 21, 2016.

None of the Directors are a party to any bonus or profit sharing plan of our Company.

Shareholding of Directors in our Company

None of our Directors hold any Equity Shares in our Company as of the date of this Draft Red Herring Prospectus.

Our Articles of Association do not require our Directors to hold any qualification shares.

Shareholding of Directors in our Subsidiaries and associate companies

None of our Directors hold any equity shares in our Subsidiaries and associate companies as of the date of this Draft Red Herring Prospectus.

Appointment of relatives of Directors to any office or place of profit

None of the relatives of our Directors currently hold any office or place of profit in our Company.

Interest of Directors

All our Public Interest Directors and Shareholder Directors, may be deemed to be interested to the extent of sitting fees payable to them for attending meetings of our Board and committees thereof.

Our Directors may also be regarded as interested in the Equity Shares that may be Allotted, pursuant to the Offer, to the companies, firms and trusts, in which they are interested as directors, members, partners, trustees and promoters. Ravi Narain is associated with Oliver Wyman as an advisor. Ashok Chawla is associated with Cyril Amarchand Mangaldas, Indian Legal Counsel to our Company, in an advisory capacity and as a member of its strategic advisory board. Dharmishta Raval is a trustee of Indian School of Microfinance for Women, to which our Company is granting funds aggregating to approximately ₹4.2 million for Financial Year 2017 to promote financial literacy. None of our Directors will be deemed to be interested to the extent of any dividends payable to them and other distributions in respect of the Equity Shares as they do not hold any Equity Shares in our Company.

Our Directors have no interest in the promotion of our Company other than in the ordinary course of business.

Our Company has not entered into any service contracts with our Directors which provide for benefits upon termination of employment of our Directors.

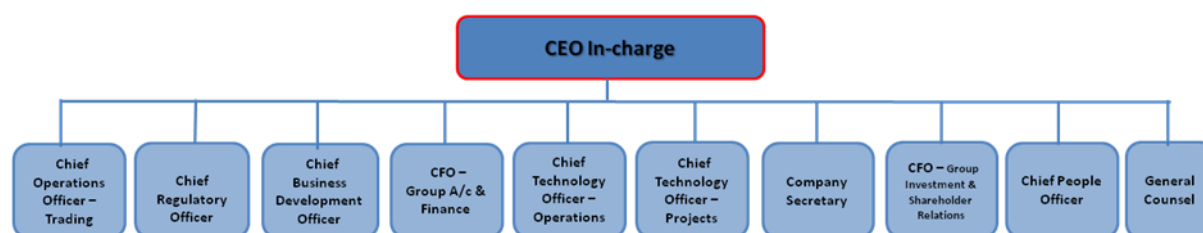
Further, our Directors have no interest in any property acquired within two years preceding the date of this Draft Red Herring Prospectus or proposed to be acquired by our Company.

No loans have been availed by our Directors from our Company.

Changes in our Board in the last three years preceding the date of the draft red herring prospectus

Name	Date of appointment/ cessation	Reason
Chitra Ramkrishna	December 2, 2016	Ceased to be Managing Director and Chief Executive Officer
Anshula Kant	October 19, 2016	Appointed as Shareholder Director
Sunita Sharma	October 19, 2016	Appointed as Shareholder Director
Prakash Parthasarathy	September 16, 2016	Re-appointed as Shareholder Director
Justice B. N. Srikrishna (Retd.)	August 2, 2016	Ceased to be Public Interest Director
Dinesh Kanabar	July 13, 2016	Appointed as Public Interest Director
T.V. Mohandas Pai	July 13, 2016	Appointed as Public Interest Director
Naved Masood	July 13, 2016	Appointed as Public Interest Director
S.B. Mathur	March 28, 2016	Ceased to be Public Interest Director
Y.H. Malegam	March 28, 2016	Ceased to be Public Interest Director
Srinivasa Murthy	March 28, 2016	Ceased to be Public Interest Director
S. Sadagopan	March 28, 2016	Ceased to be Public Interest Director
Ashok Chawla	March 28, 2016	Appointed as Public Interest Director
Dharmishta Raval	February 5, 2016	Appointed as Public Interest Director
Abhay Havaladar	September 18, 2015	Re-appointed as Shareholder Director
S.B. Mainak	August 25, 2015	Ceased to be Shareholder Director
Pratima Umarji	August 11, 2015	Ceased to be Public Interest Director
Prakash Parthasarathy	August 8, 2014	Re-appointed as Shareholder Director
Shyamala Gopinath	February 20, 2014	Ceased to be Public Interest Director

Management Organisation Chart



Borrowing powers of our Board

Our Board is empowered to borrow money in accordance with Sections 179 and 180 of the Companies Act, 2013. Further, in accordance with the Articles of Association, our Board has been empowered to borrow funds subject to certain conditions as required to be met in accordance with applicable laws.

Key Management Personnel

J Ravichandran, aged 55, is the Chief Executive Officer In-charge of our Company. He holds a degree in commerce and a degree in law. He is a qualified company secretary and a fellow member of the Institute of Company Secretaries of India. He has headed finance, accounts, treasury, taxation, regulatory, legal, secretarial, strategic investments, shareholder relations and corporate social responsibility functions from time to time, prior to being designated as the Chief Executive Officer In-charge of our Company. He has been employed with our Company since August 12, 1994. He was paid a remuneration of ₹49.9 million (including deferred compensation of ₹ 5.8 million, if payable, for Financial Year 2016 after three years subject to certain conditions and encashment of accrued leave of ₹ 5.0 million pertaining to earlier period) in the Financial Year 2016.

Ravi Varanasi, aged 54, is the Chief - Business Development Officer of our Company. He holds a bachelor's degree in science from the Andhra University. He is also a certified associate of the Indian Institute of Bankers and a certified anti-money laundering specialist recognized by the Association of Certified Anti-Money Laundering Specialists. He has experience in exchange operations, market regulation, business development and financial education. Previously, he has worked with The Vysya Bank Limited as Officer (FX) and Senior Deputy Manager and has also worked with SBI. He has been employed with our Company since July 3, 1995. He was paid a remuneration of ₹23.2 million in the Financial Year 2016.

Dr. V.R. Narsimhan, aged 59, is the Chief Regulatory Officer of our Company. He holds a master's degree in commerce and a master's degree in business administration from the Osmania University. He holds a degree of doctor of philosophy in business management from the Osmania University. He is a qualified company secretary and is a member of the Institute of Company Secretaries of India. He has experience in capital markets, finance and academia. Previously, he worked with Kotak

Mahindra Asset-Management Company Limited and with Kotak Mahindra Bank Limited, prior to which he worked at National Securities Depository Limited as a Senior Vice President and as a Vice-President. He has worked with SEBI as the Division Chief Grade 'D' and with Karvy Consultants Limited as the Vice-President. Prior to this, he worked at the Andhra Pradesh State Financial Corporation as the Manager - Finance. He has also worked as a lecturer in Satavahana Institute of Post- Graduate Studies, Karimnagar, Andhra Pradesh. He has been employed with our Company since May 30, 2013. He was paid a remuneration of ₹20.9 million (including deferred compensation of ₹ 2.8 million, if payable, for Financial Year 2016 after three years subject to certain conditions) in the Financial Year 2016.

Yatrik Vin, aged 50, is the Chief Financial Officer of our Company. He holds a master's degree in commerce from the Mumbai University. He is also a qualified cost and works accountant and a member of the Institute of Cost Accountants of India. He has experience in corporate strategy, taxation and finance, commercial, treasury, auditing and assurance, risk management and corporate performance management systems. Previously, he worked with Godrej & Boyce MFG. Company Limited, prior to which he worked at Raymond Synthetics Limited. He has been employed with our Company since February, 2000. He was paid a remuneration of ₹20.1 million in the Financial Year 2016.

G. M. Shenoy, aged 55, is the Chief Technology Officer – Operations of our Company. He holds a bachelor's degree in engineering from the Pune University, and a master's degree in financial management from the Mumbai University. He has experience in information technology relating to financial markets. Previously, he has worked at Indira Gandhi Institute of Development Research as systems analyst cum programmer and with Mazagaon Dock Limited as a junior engineer 5. He has also worked at The State Industrial and Investment Corporation of Maharashtra Limited as a Development Officer – I. He was associated with our Company from October 16, 1993 to March 31, 2000. He was paid a remuneration of ₹10.9 million (including encashment of accrued leave of ₹ 0.1 million pertaining to earlier period) in the Financial Year 2016.

Chandrashekar Mukherjee, aged 52, is the Chief People Officer of our Company. He holds a bachelor's degree in commerce from the Allahabad University and a post graduate diploma in personnel management and industrial relations from the Institute of Engineering and Rural Technology, Allahabad. He has experience in human resources, business excellence, administration and premises functions. Previously, he worked with Bennett, Coleman and Company Limited – The Times of India Group as the Associate-Vice President of Human Resources and branch head of Mumbai, prior to which he served at Cabot India Limited where he was in-charge of human resources. Prior to this, he worked at Colgate-Palmolive (India) Limited as a Manager, Employee Relations and Development. He has also worked at Malvika Steel Limited as a Manager, Human Resources Development. He has been employed with our Company since April 9, 2010. He was paid a remuneration of ₹16.7 million in the Financial Year 2016.

S. Madhavan, aged 56, is the Company Secretary of our Company. He holds a bachelor's degree in commerce from the Mumbai University and a bachelor's degree in law from the Mumbai University. He is a qualified company secretary and an associate member of the Institute of Company Secretaries of India. He is also a qualified cost and works accountant. He has experience in secretarial functions. Previously, he worked with JSW Energy Limited as a company secretary and at Thirumalai Chemicals Limited as a company secretary. He has been employed with our Company since August 2, 2016. Since he joined in August 2016 he was not paid any remuneration in the Financial Year 2016.

Sankarson Banerjee, aged 46, is the Chief Technology Officer - Projects of our Company. He holds a bachelor's degree in mathematics and a master's degree in mathematics from the Indian Institute of Technology, Kharagpur. He also holds a post-graduate diploma in management from the Indian Institute of Management, Calcutta. He has experience in information technology. Previously, he worked with Accenture Services Private Limited, prior to which he worked at India Infoline Limited as its Chief Information Officer. He has also worked at Pantaloon Retail (India) Limited as the Chief Executive Officer – Future Bazaar and at Mphasis BFL Limited as an Architect. He has also served at TDA Capital Partners, Inc as Venture Partner and at INDBAZAAR.com Limited as a Chief Operating Officer. He has also worked with IBM India Limited as an Associate Technical Support Marketing Specialist. He has been employed with our Company since April 15, 2015. He was paid a remuneration of ₹13.5 million in the Financial Year 2016.

Mayur Sindhwad, aged 41, is the Chief Operations Officer - Trading of our Company. He holds a bachelor's degree in commerce from the Mumbai University. He is a qualified cost and works accountant and is a member of the Institute of Cost Accountants of India. He is also a qualified company secretary and an associate member of the Institute of Company Secretaries of India. He has experience in trade operations and related development areas of our Company. Previously, he worked with Edelweiss Securities Limited as the Assistant Vice-President, prior to which he served at Tata Consultancy Services Limited ("TCS") as an Associate Consultant. Prior to TCS, he worked as a Consultant at I-flex Solutions Limited. Prior to this, he worked at Clearing Corporation of India Limited as a Manager and at Internet ExchangeNext.com Limited as a Project Manager. He was employed with our Company as an Assistant Manager from December, 1995 to April, 2000 thereafter as a consultant from March, 2008 to May, 2009 and was promoted as a Vice President from April, 2014. He was re-designated as the Head – Exchange Operations since June, 2014. He was paid a remuneration of ₹11.1 million (including deferred compensation of ₹ 1.6 million, if payable, for Financial Year 2016 after three years subject to certain conditions) in the Financial Year 2016.

Tarun Aiyar, aged 48, is the Chief Financial Officer – Group Investments and Shareholder Relations of our Company. He

holds a bachelor's degree in commerce from the Mumbai University and a post-graduate diploma in management from the Indian Institute of Management, Lucknow. He is a qualified chartered accountant and is an associate member of the Institute of Chartered Accountants of India. He has experience in capital markets, strategy, finance, treasury, investor relations and mergers and acquisitions. Previously, he worked with Raymond Limited as Director – Finance, prior to which he served at Aditya Birla Management Corporation Limited as Senior Vice-President. He has also worked at PricewaterhouseCoopers Securities Private Limited as Associate Director. Prior to this, he worked at Kotak Mahindra Capital Company Limited as Manager. Prior to this, he worked at Arthur Andersen & Co. He has been employed with our Company since September 15, 2015. He was paid a remuneration of ₹7.7 million in the Financial Year 2016.

M. Vasudev Rao, aged 48, is the General Counsel of our Company. He holds a bachelor's degree in commerce and bachelor's degree in law from the Guru Ghasidas University, Bilaspur M.P. He is a qualified Company Secretary and a fellow member of the Institute of Company Secretaries of India. He has experience in legal department. Previously, he worked with Bennett, Coleman and Company Limited as an Assistant, Vice President in Legal and Secretarial Department, prior to which he served at NSEIT Limited as a Senior Manager. He has also worked with Vans Information and Investor Services Limited as a Company Secretary. He was employed with our Company as a Manager from April, 2000 to September, 2003 and as a Vice-President since November, 2012. He was paid a remuneration of ₹10.5 million (including encashment of accrued leave of ₹ 0.3 million pertaining to earlier period) in the Financial Year 2016.

Significant employees of our Subsidiaries

T. Venkata Rao, aged 59, is the managing director of our Subsidiary, NSCCL. He holds a bachelor's degree in commerce from the Andhra University and a bachelor's degree in law from the Nagarjuna University. He has experience in clearing and settlement, risk management and banking. He has been associated with us since December 21, 2000. He was paid a remuneration of ₹16.5 million (including deferred compensation of ₹ 2.4 million, if payable, for Financial Year 2016 after three years subject to certain conditions) in the Financial Year 2016.

Mukesh Agarwal, aged 49, is the managing director of IISL and DotEx. He holds a bachelor's degree in electrical and electronics engineering and a master's degree in biological science from the Birla Institute of Technology and Science, Pilani, Rajasthan. He also holds a degree in the master of management studies from the Mumbai University. He has more than 20 years of experience in financial services industry including Credit Rating, Mutual funds Research, Equity Research and Indices. Previously, he worked with CRISIL Limited for 20 years from January, 1995 to January, 2015 with his last role being as the President Research. He has been associated with us from January 16, 2015 to March 31, 2015 and was appointed as the managing director of IISL and DotEx on April 1, 2015. He was paid a remuneration of ₹22.0 million in the Financial Year 2016.

Muralidaran N, aged 56, is the managing director and chief executive officer of our Subsidiary, NSEIT Limited. He holds a bachelor's degree in science from the Annamalai University. He holds a master of science degree in mathematics from the Annamalai University and a diploma in computer management from the Mumbai University. He holds masters in business administration from the Indira Gandhi National Open University. He is responsible for planning the overall information technology strategy, software development, information technology services of the exchange, information technology operations eco-system and vendor management. Previously, he worked with IL&FS Education and Technology Services Limited as the chief executive officer, prior to which he served at Bhabha Atomic Research Centre, The Hindustan Construction Company Limited, The National Radio and Electronics Company Limited and Vidyut Metallics Limited. He has been employed with our Company as Chief – Special Projects from April 1, 2013 to March 31, 2015. He was paid a remuneration of ₹19.6 million (including encashment of accrued leave of ₹ 2.3 million pertaining to earlier period) in the Financial Year 2016.

In accordance with the SEBI ICDR Regulations, the remuneration of our Key Management Personnel disclosed above includes deferred compensation, if any, accrued for the year even if the compensation is payable at a later date. Further, in addition to the remuneration disclosed above, our Key Management Personnel are entitled to gratuity and leave encashment on a payment basis.

The above list of Key Management Personnel includes key management personnel of our Company under the Companies Act and the SECC Regulations.

None of our Key Management Personnel are related to each other.

Other than the significant employees of our Subsidiaries and G.M. Shenoy, who is an employee of NSE Infotech, all our Key Management Personnel are permanent employees of our Company.

There are no arrangements or understanding with major Shareholders, customers, suppliers or others, pursuant to which any of our Key Management Personnel were selected as members of our senior management.

Shareholding of Key Management Personnel

None of our Key Management Personnel hold any Equity Shares in our Company as of the date of this Draft Red Herring Prospectus.

Bonus or profit sharing plan of the Key Management Personnel

Except for the annual performance bonus applicable to the Key Management Personnel, our Company does not have any bonus or profit sharing plan for the Key Management Personnel.

Interests of Key Management Personnel

The significant employees of our Subsidiaries do not have any interest in our Company. The Key Management Personnel do not have any interests in our Company other than to the extent of the remuneration or benefits, including health insurance and post retirement / superannuation benefits available to certain Key Management Personnel and any other benefits which they are entitled to as per their terms of appointment, reimbursement of expenses incurred by them during the ordinary course of business.

Other than the contract of employment, our Company has not entered into any service contracts with our Key Management Personnel which provide for benefits upon termination of employment of our Key Management Personnel.

Changes in Key Management Personnel of our Company

The changes in Key Management Personnel of our Company in the last three years are as follows:

Name	Date of change	Nature of Change
Ravi Varanasi	December 5, 2016	Appointed as Chief Business Development Officer
J Ravichandran	December 2, 2016	Appointed as Chief Executive Officer In-charge under Section 203 of the Companies Act, 2013
Chitra Ramkrishna	December 2, 2016	Ceased to be Managing Director and Chief Executive Officer under Section 203 of the Companies Act, 2013
S. Madhavan	October 21, 2016	Appointed as Company Secretary under Section 203 of the Companies Act, 2013 and Compliance Officer
J Ravichandran	October 21, 2016	Ceased to be Company Secretary under Section 203 of the Companies Act, 2013
Tarun Aiyar	April 1, 2016	Appointed as Chief Financial Officer - Group Investments & Shareholder Relations
G.M. Shenoy	April 1, 2016	Appointed as Chief Technology Officer-Operations
Sankarson Banerjee	April 1, 2016	Appointed as Chief Technology Officer - Projects
Tarun Aiyar	September 15, 2015	Appointed as Head- Finance
Umesh Jain	June 30, 2015	Ceased to be Chief Technology Officer
Sankarson Banerjee	April 15, 2015	Appointed as Deputy Chief Technology Officer
J. Ravichandran	April 1, 2015	Appointed as Group President (Finance & Legal)
M. Vasudev Rao	April 1, 2015	Appointed as General Counsel
G. M. Shenoy	April 1, 2015	Appointed as Senior Vice-President
Yatrik Vin	April 1, 2015	Appointed as Financial Controller and Treasury Head and continues as the Chief Financial Officer under Section 203 of the Companies Act, 2013
Chandrashekhar Mukherjee	April 1, 2015	Appointed as Chief People Officer
Kamala K.	December 31, 2014	Ceased to be Vice President - Regulations
Mayur Sindhwad	June 1, 2014	Appointed as Chief Operations Officer - Trading
R. Nanda Kumar	May 31, 2014	Ceased to be Chief Operations Officer - Trading
Yatrik Vin	May 6, 2014	Appointed as Chief Financial Officer under Section 203 of the Companies Act, 2013
Chitra Ramkrishna	May 6, 2014	Designated as Managing Director and Chief Executive Officer under Section 203 of the Companies Act, 2013
J Ravichandran	May 6, 2014	Designated as Company Secretary under Section 203 of the Companies Act, 2013

Following persons have been identified as significant employees of our Subsidiaries for the purposes of this Draft Red Herring Prospectus and the dates of appointment of such employees in their current designations are as follows:

Name	Date of appointment	Designation
T. Venkata Rao	August 7, 2014	Appointed as managing director of our Subsidiary, NSCCL
Mukesh Agarwal	April 1, 2015	Appointed as managing director of IISL and DotEx
Muralidaran N	April 1, 2015	Appointed as managing director and chief executive officer of our Subsidiary, NSEIT Limited

Payment or Benefit to officers of our Company

Except for the payment of remuneration or commission for services rendered by our officers, no amount or benefit has been paid or given to any officer of our Company within the two preceding years or is intended to be paid or given.

Our Company has not issued any employee stock options in the past.

Corporate Governance

In terms of the SECC Regulations, the disclosure requirements and corporate governance norms as specified for listed companies shall *mutatis mutandis* apply to a recognised stock exchange. Our Company is in compliance with the requirements of the Listing Regulations, the SECC Regulations, the Companies Act and the SEBI ICDR Regulations in respect of corporate governance requirements including constitution of our Board and committees thereof. Under the SECC Regulations, our Board is required to include public interest directors, shareholder directors and a managing director. Our Board currently does not have a Managing Director. For further details, our corporate governance framework is based on an effective independent Board, separation of our Board's supervisory role from the executive management team and constitution of our Board committees, as required under law.

Our Board has been constituted in compliance with the Companies Act, the SECC Regulations and the Listing Regulations. Our Board functions either as a full board or through various committees constituted to oversee specific functions. Our executive management provides our Board or its committees detailed reports on its performance periodically.

In terms of Regulations 24(1) of the Listing Regulations, at least one independent director on the Board of our Company is required to be appointed as a director on the board of directors of an unlisted material subsidiary of our Company i.e. NSCCL. However, in terms of the SECC Regulations and the circular dated December 13, 2012 issued by SEBI, a public interest director being an independent director of our Company is not permitted to be simultaneously appointed on the board of any other recognised stock exchange or our Subsidiary. Accordingly, there are no independent directors on the board of directors of NSCCL.

Currently, our Board has 10 Directors comprising five Shareholder Directors and five Public Interest Directors. Further, in compliance with the Listing Regulations and the Companies Act, our Company has atleast one woman director on our Board. The composition of our Board is in accordance with the SECC Regulations. Our Board and our executive management are committed to constantly improve systems and procedures, governance, investor protection and disclosures.

Committees of our Board in accordance with Listing Regulations

In addition to the committees of our Board detailed below, our Board of Directors may, from time to time, constitute committees for various functions.

Audit Committee

The members of the Audit Committee are:

1. Dinesh Kanabar, Public Interest Director (Chairman);
2. Ashok Chawla, Public Interest Director;
3. Naved Masood, Public Interest Director; and
4. Ravi Narain, Shareholder Director.

The Audit Committee was last re-constituted by a meeting of our Board held on November 9, 2016. Our Audit Committee met four times during the immediately preceding Financial Year. The scope and functions of the Audit Committee are in accordance with Section 177 of the Companies Act, 2013 and Regulation 18(3) of the Listing Regulations, its terms of reference include the following:

1. Recommendation for appointment, remuneration and terms of appointment of auditors of our Company;
2. Review and monitor the auditor's independence and performance, and effectiveness of audit process;

3. Examination of the financial statement and the auditor's report thereon;
4. Approval or any subsequent modification of transactions of our Company with related parties;
5. Scrutiny of inter-corporate loans and investments;
6. Valuation of undertakings or assets of our Company, wherever it is necessary;
7. Evaluation of internal financial controls and risk management systems;
8. Monitoring the end use of funds raised through public offers and related matters.
9. Call for comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of the financial statement before their submission to our Board and may also discuss any related issues with the internal and statutory auditors and the management of our Company.
10. Oversight of our Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
11. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
12. Reviewing with the management, the annual financial statements and auditor's report thereon before submission to our Board for approval, with particular reference to:
 - a. Matters required to be included in the director's responsibility statement to be included in our Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013.
 - b. Changes, if any, in accounting policies and practices and reasons for the same.
 - c. Major accounting entries involving estimates based on the exercise of judgment by management.
 - d. Significant adjustments made in the financial statements arising out of audit findings.
 - e. Compliance with listing and other legal requirements relating to financial statements.
 - f. Disclosure of any related party transactions.
 - g. Qualifications in the draft audit report.
13. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
14. Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue etc.) the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of the public or rights issue, and making appropriate recommendations to our Board to take steps in this matter;
15. Reviewing with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
16. Reviewing the adequacy of internal audit function, if any, including structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
17. Discussion with internal auditors of any significant findings and follow up there on;
18. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to our Board;
19. Discussion with statutory auditors before the audit commences, about nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
20. To look into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

21. To review the functioning of the whistle blower mechanism;
22. Approval of appointment of the CFO (i.e, the whole-time finance director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
23. The Audit Committee shall mandatorily review the following information:
 - a. management discussion and analysis of financial condition and results of operations;
 - b. statements of significant related party transactions submitted by management;
 - c. management letters / letters of internal control weaknesses issued by the statutory auditors;
 - d. internal audit reports relating to internal control weaknesses; and
 - e. the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
24. Carrying out any other function as the Audit Committee may deem fit with the approval of our Board.

Nomination and Remuneration Committee

The members of the Nomination and Remuneration Committee are:

1. Dinesh Kanabar, Public Interest Director (Chairman);
2. Ashok Chawla, Public Interest Director;
3. Ravi Narain, Shareholder Director; and
4. T.V. Mohandas Pai, Public Interest Director.

The Nomination and Remuneration Committee was last re-constituted by our Board on November 9, 2016. The scope and functions of the Nomination and Remuneration Committee are in accordance with Section 178 of the Companies Act, 2013, Regulation 19(4) of the Listing Regulations and Regulation 27 of the SECC Regulations. The terms of reference of the Nomination and Remuneration Committee include the following:

1. formulate the criteria for determining qualifications, positive attributes and independence of a director;
2. recommend our Board a policy relating to the remuneration of our Directors, Key Managerial Personnel and other employees;
3. determine the composition of our Board and the sub-committees of our Board and addressing issues of our Board diversity;
4. ensure that appropriate procedures are in place to assess our Board membership needs and our Board effectiveness;
5. identifying persons who are qualified to become directors;
6. recommend to our Board appointment and removal of our Directors in accordance with policy and criteria laid down;
7. carry out evaluation of every director's performance;
8. recommend on the extension or continuation of the term of appointment of independent director on the basis of performance evaluation of independent directors;
9. recommend compensation/sitting fee payable to our Non Whole-time Directors; decide on the annual performance linked pay (variable pay) payable to managing director and chief executive officer and to approve annual increase in the total pay payable to managing director and chief executive officer;
10. assist our Board's overall responsibility relating executive compensation and recommend to our Board appropriate compensation packages for Whole-time Directors and senior management personnel in such a manner so as to attract and retain best available personnel for position of substantial responsibility with our Company;

11. lay down criteria for personnel who may be appointed in senior management;
12. identify persons who may be appointed in senior management in accordance with the policy and criteria laid down;
13. recommend to our Board appointment and removal of personnel in senior management accordance with policy and criteria laid down;
14. approve release of variable pay of Key Management Personnel under SEBI regulations withheld earlier;
15. to take note of decisions of the managing director and chief executive officer with regard to variable pay and fixed pay of the Key Management Personnel under SEBI regulations;
16. review, approve and aid the Board in succession and emergency preparedness plan for key executives; and
17. determine the tenure of Key Management Personnel under SEBI regulations appointed in regulatory departments.

The Nomination and Remuneration Committee shall, while formulating the policy, ensure that,

1. the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate our Directors of the quality required to run our Company successfully;
2. relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
3. Remuneration to our Directors, Key Managerial Personnel and other Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of our Company and its goals.

Stakeholders' Relationship Committee

The members of the Stakeholders' Relationship Committee are:

1. Ashok Chawla, Public Interest Director (Chairman);
2. Ravi Narain, Shareholder Director; and
3. T.V. Mohandas Pai, Public Interest Director.

The Stakeholders' Relationship Committee was last re-constituted by our Board on November 9, 2016. This committee is responsible for the redressal of shareholder grievances.

The scope and functions of the Stakeholders' Relationship Committee are in accordance with Section 178 of the Companies Act, 2013 and Regulation 20(4) of the Listing Regulations.

The terms of reference of the Stakeholders' Relationship Committee of our Company under the Listing Regulations and the Companies Act, 2013 include the following:

1. To consider and resolve the grievances of the security holders of the listed entity including complaints related to transfer of shares, non-receipt of annual report and non-receipt of declared dividends.

Corporate Social Responsibility Committee

The members of the Corporate Social Responsibility Committee are:

1. Ravi Narain, Shareholder Director (Chairman);
2. Prakash Parthasarathy, Shareholder Director; and
3. T.V. Mohandas Pai, Public Interest Director.

The Corporate Social Responsibility Committee was last reconstituted by our Board on November 9, 2016. The scope and functions of the Corporate Social Responsibility Committee are in accordance with Section 135 of the Companies Act.

The terms of reference of Corporate Social Responsibility Committee include:

1. To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by our Company;

2. To recommend the amount of expenditure to be incurred on the Corporate Social Responsibility activities; and
3. To monitor the Corporate Social Responsibility Policy of our Company from time to time.

Other Committees

Our Company has constituted the following committees mandated under the relevant regulations prescribed by SEBI from time to time:

1. Arbitration Committee;
2. Advisory Committee;
3. Committee to decide on Compulsory Delisting;
4. Defaulters' Committee;
5. Disciplinary Action Committee;
6. Ethics Committee;
7. Independent Oversight Committee- Listing Function;
8. Independent Oversight Committee- Member Regulation;
9. Independent Oversight Committee- Trading and Surveillance;
10. Investor Services Committee;
11. Membership Selection Committee;
12. Public Interest Directors' Committee;
13. Standing Committee on Technology; and
14. Sub-Committee for Monitoring Compliance of suggestions given in SEBI Inspection Report.

In addition to the above committees, our Company has constituted the following committees:

1. Business Development Committee;
2. Committee for Approval of Acquisition of Premises;
3. Investment Approval Committee;
4. Listing Committee;
5. Membership Recommendation Committee;
6. Negotiation Committee;
7. Premises Advisory Committee;
8. Pricing Committee;
9. Risk Assessment and Review Committee;
10. Sub-Broker Recognition Committee; and
11. Technology Budget Committee.

OUR GROUP COMPANIES

Pursuant to resolution dated November 29, 2016, our Board has noted that in accordance with the SEBI ICDR Regulations, Group Companies shall include companies covered under applicable accounting standards and such other companies as considered material by our Board. Our Board has approved that for the purpose of disclosure in connection with the Offer, a company shall be considered material and disclosed as a Group Company if a material adverse change in such company, can lead to a material adverse effect on our Company, our revenues and profitability. Pursuant to the aforesaid resolution, our Board has approved that other than companies which constitute part of the related parties of our Company in accordance with the applicable accounting standards (IND AS 24) as per the consolidated Restated Financial Information of our Company as of and for the Financial Years 2012, 2013, 2014, 2015 and 2016 and for the six months ended September 30, 2016 (except such companies that are consolidated in accordance with IND AS 110), there are no material group companies of our Company. Accordingly, we have set out below the details of our Group Companies which have also been disclosed in this Draft Red Herring Prospectus in “Financial Statements” beginning on page 215.

1. BFSI Sector Skill Council of India;
2. CAMS Investor Services Private Limited;
3. Computer Age Management Services Private Limited;
4. Market Simplified India Limited;
5. National Securities Depository Limited;
6. NSDL Database Management Limited;
7. NSDL e-Governance Infrastructure Limited;
8. Power Exchange India Limited; and
9. Receivables Exchange of India Limited.

Details of the top five Group Companies:

The top five Group Companies on the basis of turnover as of the last audited financial statements are as follows:

1. **NSDL e-Governance Infrastructure Limited (“NSDL e-Governance”)**

Corporate Information

NSDL e-Governance was incorporated on December 27, 1995 as National Securities Depository Limited, a public company in India under the Companies Act, 1956 at Mumbai, Maharashtra. Pursuant to a demerger, the name of the company was subsequently changed to NSDL e-Governance Infrastructure Limited and a fresh certificate of incorporation was issued on December 19, 2012. NSDL e-Governance is engaged in the business of providing information technology enabled e-governance services.

Financial Performance

The following table sets forth details of the audited financial results of NSDL e-Governance for the Financial Years 2016, 2015 and 2014:

	<i>(in ₹ million, except per share data)</i>		
	Financial Year 2016	Financial Year 2015	Financial Year 2014
Equity Capital	400.0	400.0	400.0
Reserves (excluding revaluation reserves) and Surplus	2,962.0	2413.0	1,989.0
Revenue from operations and other income	4,543.0	4,076.0	3,785.0
Profit/(Loss) after Tax	861.0	713.0	646.0
Basic EPS (in ₹) (face value ₹ 10 each)	21.5	17.8	16.2
Diluted EPS (in ₹) (face value ₹ 10 each)	21.5	17.8	16.2
Net asset value per share (in ₹)	84.1	70.3	59.7

There are no significant notes of the auditors in relation to the aforementioned financial statements for the last three years.

2. Computer Age Management Services Private Limited (“Computer Age”)

Corporate Information

Computer Age was incorporated on May 25, 1988 as a private company under the Companies Act, 1956 at Chennai, Tamil Nadu. Computer Age is engaged in the business of registrar and transfer agent.

Financial Performance

The following table sets forth details of the standalone audited financial results of Computer Age for the Financial Years 2016, 2015 and 2014:

	<i>(in ₹ million, except per share data)</i>		
	Financial Year 2016	Financial Year 2015	Financial Year 2014
Equity Capital	487.6	487.6	487.6
Reserves (excluding revaluation reserves) and Surplus	2,501.9	2,321.0	2,150.6
Revenue from operations and other income	4,428.7	3,721.5	3,197.1
Profit/(Loss) after Tax	813.5	696.4	619.4
Basic EPS (in ₹) (face value ₹ 10 each)	16.7	14.3	12.7
Diluted EPS (in ₹) (face value ₹ 10 each)	16.7	14.3	12.7
Net asset value per share (in ₹)	61.0	56.0	51.0

There are no significant notes of the auditors in relation to the aforementioned financial statements for the last three years.

3. National Securities Depository Limited (“NSDL”)

Corporate Information

NSDL was incorporated on April 27, 2012 as NSDL Depository Limited, a public company under the Companies Act, 1956 at Mumbai, Maharashtra and the name of the company was subsequently changed to National Securities Depository Limited and a fresh certificate of incorporation was issued on January 3, 2013. NSDL is engaged in the business of depository operations and other allied activities. SEBI has advised our Company to complete divestment of 1.045% of the equity share capital of NSDL by March 31, 2017 in accordance with the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996.

Financial Performance

The following table sets forth details of the audited financial results of NSDL for the Financial Years 2016, 2015 and 2014:

	<i>(in ₹ million, except per share data)</i>		
	Financial Year 2016	Financial Year 2015	Financial Year 2014
Equity Capital	400.0	400.0	400.0
Reserves (excluding revaluation reserves) and Surplus	3,770.7	3,071.1	2,751.6
Revenue from operations and other income	1,680.6	1,524.9	1,297.7
Profit/(Loss) after Tax	819.9	439.8	399.6
Basic EPS (in ₹) (face value ₹ 10 each)	20.5	11.0	10.0
Diluted EPS (in ₹) (face value ₹ 10 each)	20.5	11.0	10.0
Net asset value per share (in ₹)	104.3	86.8	78.8

There are no significant notes of the auditors in relation to the aforementioned financial statements for the last three years.

4. NSDL Database Management Limited (“NSDL Database”)

Corporate Information

NSDL Database Management Limited was incorporated on June 22, 2004 as a public company under the Companies Act, 1956 at Mumbai, Maharashtra. NSDL Database is engaged in the business of data processing, hosting and related activities and web portals.

Financial Performance

The following table sets forth details of the audited financial results of NSDL Database for the Financial Years 2016, 2015 and 2014:

	<i>(in ₹ million, except per share data)</i>		
	Financial Year 2016	Financial Year 2015	Financial Year 2014
Equity Capital	610.5	610.5	610.5
Reserves (excluding revaluation reserves) and Surplus	245.0	117.3	40.5
Revenue from operations and other income	526.0	414.4	336.8
Profit/(Loss) after Tax	127.7	76.8	34.8
Basic EPS (in ₹) (face value ₹ 10 each)	10.0	10.0	10.0
Diluted EPS (in ₹) (face value ₹ 10 each)	2.1	1.3	0.6
Net asset value per share (in ₹)	14.0	11.9	10.7

There are no significant notes of the auditors in relation to the aforementioned financial statements for the last three years.

5. Market Simplified India Limited (“Market Simplified”)

Corporate Information

Market Simplified was incorporated on October 9, 2000 as INXS Technologies Private Limited, a private company under the Companies Act, 1956 at Chennai, Tamil Nadu and was converted into public company on August 13, 2006. Subsequently, the name of the company was changed to Market Simplified India Limited on August 28, 2012. Market Simplified is engaged in the business of conceiving, evolving, designing, developing, acquiring, selling, dealing in, distributing, marketing and trading, on its own or in association with others, all kinds of system and application software and software products, customized software solutions, internet and e-commerce products and web enabled solutions and dot.com portals.

Financial Performance

The following table sets forth details of the audited financial results of Market Simplified for the Financial Years 2016, 2015 and 2014:

	<i>(in ₹ million, except per share data)</i>		
	Financial Year 2016	Financial Year 2015	Financial Year 2014
Equity Capital	150.2	150.2	150.2
Reserves (excluding revaluation reserves) and Surplus	(61.5)	(64.2)	(86.7)
Revenue from operations and other income	178.9	154.0	82.8
Profit/(Loss) after Tax	2.7	23.4	(77.4)
Basic EPS (in ₹) (face value ₹ 10 each)	0.2	1.6	(6.7)
Diluted EPS (in ₹) (face value ₹ 10 each)	0.2	1.6	-
Net asset value per share (in ₹)	1.4	2.0	2.9

Except as stated below, there are no significant notes of the auditors in relation to the aforementioned financial statements for the last three years.

“We draw attention to Note 20(1) to the financial statements of the Financial Year 2014 regarding preparation of these accounts on a going concern basis, although a substantial part of the Companies’ Net Worth stands eroded. We were informed that the management of the company has taken various measures to make the operations of the company viable. The appropriateness of the assumption of going concern is dependent on the company’s ability to achieve the operating performance projections and/or infuse additional capital. Our opinion is not qualified in respect of the said matter.”

Details of Group Companies with negative net worth

1. Power Exchange India Limited (“PXIL”)

Corporate Information

PXIL was incorporated on February 20, 2008 as a public company in India under the Companies Act, 1956 at

Mumbai, Maharashtra. PXIL is engaged in the business of providing electronic, nationwide platform for trading in electricity. We have advised PXIL through our letter dated December 14, 2016, to consider taking immediate steps to close down its business as early as possible and in any event not later than February 28, 2017, since PXIL has been incurring heavy cash losses.

Financial Performance

The following table sets forth details of the audited financial results of PXIL for the Financial Years 2016, 2015 and 2014:

	<i>(in ₹ million, except per share data)</i>		
	Financial Year 2016	Financial Year 2015	Financial Year 2014
Equity Capital	584.7	584.7	564.7
Reserves (excluding revaluation reserves) and surplus	(616.0)	(591.5)	(573.4)
Revenue from operations and other income	121.9	132.6	146.8
Profit/(Loss) after Tax	(24.5)	(18.1)	(15.3)
Basic EPS (in ₹) (face value ₹ 10 each)	(0.5)	(0.4)	(0.3)
Diluted EPS (in ₹) (face value ₹ 10 each)	(0.5)	(0.4)	(0.3)
Net asset value per share (in ₹) (including 10% optionally convertible redeemable preference shares)	(0.5)	(0.1)	(0.2)

Except as stated below, there are no significant notes of the auditors in relation to the aforementioned financial statements for the last three years.

“For Financial Year 2016:

- (a) *Note 30 and 31 of the financial statements which indicate that the Company has accumulated losses and its net worth has been fully eroded and has sought extension of time to comply with the minimum net worth requirement of ₹ 25 Crores. However, for the reasons stated in the Note 31, the financial statements of the Company have been prepared on a going concern basis.*
- (b) *Note 2(e) of the financial statements regarding the Shareholding Pattern of the Company not being in conformity with Regulation 19 and 20 of the Central Electricity Regulatory Commission (Power Market) Regulations, 2010.*

For Financial Year 2015

- (a) *Note 30 and 31 of the financial statements which indicate that the Company has accumulated losses and its net worth has been fully eroded; the Company has incurred a net loss during the current and previous year(s) and the Company is required to comply with the minimum networth requirement of ₹ 25 Crores on or before September 30, 2015. However, the financial statements of the Company have been prepared by the Company on a going concern basis for the reason stated in Note 31.*
- (b) *Note 2(e) of the financial statements regarding the Shareholding Pattern of the Company not being in conformity with Regulation 19 and 20 as specified in the Central Electricity Regulatory Commission (Power Market) Regulations, 2010.*

For Financial Year 2014

- (a) *We draw attention to Note 30(a) regarding seeking of extension of time to comply with the networth requirement as specified in the Central Electricity Regulatory Commission (Power Market) Regulations, 2010 and preparation of Financial Statements on going concern basis though the networth of the Company is fully eroded.*
- (b) *We draw attention to Note 2(e) and 30(b) regarding seeking of extension of time to comply with the Shareholding Pattern Regulation as specified in the Central Electricity Regulatory Commission (Power Market) Regulations, 2010.”*

Other Group Companies

The details of the other Group Companies are provided below:

1. **CAMS Investor Services Private Limited (“CAMS Investor”)**

Corporate Information

CAMS Investor was incorporated on February 13, 2012 as a private company under the Companies Act, 1956 at Chennai, Tamil Nadu. CAMS Investor carries on the business as a know your client (“KYC”) registration agency.

2. **BFSI Sector Skill Council of India (“BFSI Sector”)**

Corporate Information

BFSI Sector was incorporated on September 16, 2011 as a Section 25 company under the Companies Act, 1956 at Mumbai, Maharashtra. BFSI Sector is engaged in the business of setting up of sectoral skill council to identify measures and build a framework for enhancing professionalism and talent in the banking, financial services and insurance sector in the country. BFSI Sector will act as a link between industry, government and education to build the industry and help the nation to become a major player in this sector.

3. **Receivables Exchange of India Limited (“Receivables Exchange”)**

Corporate Information

Receivables Exchange was incorporated on February 25, 2016 as a public company under the Companies Act, 2013 at Mumbai, Maharashtra. Receivables Exchange is authorised to undertake the business of managing and operating websites, portals, mobile applications and to create a virtual space and platform electronic platform(s). Receivables Exchange has not yet commenced its operations.

Nature and Extent of Interest of Group Companies

• ***In the promotion of our Company***

None of our Group Companies have any interest in the promotion of our Company.

• ***In the properties acquired or proposed to be acquired by our Company in the past two years before filing of this Draft Red Herring Prospectus***

None of our Group Companies is interested in the properties acquired by our Company in the two years preceding the date of filing of this Draft Red Herring Prospectus, or proposed to be acquired.

• ***In transactions for acquisition of land, construction of building and supply of machinery***

None of our Group Companies is interested in any transactions for the acquisition of land, construction of building or supply of machinery.

Interest of the Promoters

Our Company is a professionally managed company and does not have any identifiable promoter in terms of the SEBI ICDR Regulations.

Common Pursuits between our Group Companies and our Company

There are no common pursuits among any of our Group Companies and our Company.

Related Business Transactions within our Group Companies and significance on the financial performance of our Company

For details in relation to related business transactions, see “Related Party Transactions” beginning on page 212.

Significant Sale / Purchase with our Group Companies

Our Company is not involved in any sales or purchases with any of our Group Companies where such sales or purchases exceed in value in the aggregate of 10% of the total sales or purchases of our Company.

Business Interest of Group Companies

Except as disclosed in “Related Party Transactions” on page 212, our Group Companies do not have any business or other interest in our Company:

Defunct Group Companies

None of our Group Companies remain defunct and no application has been made to the relevant registrar of companies for striking off the name of any of our Group Companies, during the five years preceding the date of this Draft Red Herring Prospectus.

However, we have advised PXIL through our letter dated December 14, 2016, to consider taking immediate steps to close down its business as early as possible and in any event not later than February 28, 2017, since PXIL has been incurring heavy cash losses.

Loss making Group Companies

The details of loss making group companies are set out below:

Name of Group Company	Profit / (loss)		
	Financial Year 2016	Financial Year 2015	Financial Year 2014
PXIL	(24.5)	(18.1)	(15.3)

Other Confirmations

No equity shares of our Group Companies are listed on any stock exchange and none of our Group Companies have made any public or rights issue of securities in the preceding three years. None of our Group Companies have issued debt securities which are listed on the Stock Exchanges.

None of our Group Companies fall under the definition of sick companies under SICA and none of them is under winding up.

None of our Group Companies have been debarred or prohibited from accessing the capital market for any reasons by SEBI or any other authorities.

None of our Group Companies have been identified as Wilful Defaulters.

RELATED PARTY TRANSACTIONS

For details of the related party transactions during the last five Financial Years and six months ended September 30, 2016, as per the requirements under IND AS 24 “Related Party Disclosures”, see “Financial Statements – Annexure VI – Note 32” of the consolidated Restated Financial Information and “Financial Statements – Annexure VI – Note 32” of the standalone Restated Financial Information beginning on pages 283 and 384, respectively.

DIVIDEND POLICY

The declaration and payment of dividends will be recommended by our Board and approved by our Shareholders (as applicable), at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act, the Listing Regulations and SECC Regulations. The dividend, if any, will depend on a number of internal as well as external factors, including but not limited to capital requirements, earnings, contractual restrictions, applicable legal restrictions, volatility in the capital markets, overall financial position of our Company, uncertainty in the economic conditions and changes in the rate of dividend distribution tax.

Subject to the statutory provisions, as applicable and in order to reward our Shareholders to retain their confidence in our Company, our Company intends to have a total dividend payout (including dividend distribution and other taxes, cess, levies, if any relating to the dividend) of around 60% of the consolidated profit, net of tax, of our Company for the relevant financial year, subject to the aforementioned factors and such other factors as may be decided by our Board from time to time.

The amounts paid as dividends in the past are not necessarily indicative of our Company's dividend policy or dividend amounts, if any, in the future. For details of risks in relation to our capability to pay dividend, see "Risk Factors – Our Subsidiaries may not pay dividends on shares that we hold in them. Consequently, our Company may not receive any return on investments in our Subsidiaries" on page 40.

The details of dividend paid by our Company in the last five Financial Years are given below:

	Six months ended September 30, 2016	2016 ⁽³⁾	2015	2014	2013	2012
No. of equity shares of face value of ₹ 10 each (in million)	45.0	45.0	45.0	45.0	45.0	45.0
Dividend per equity share (in ₹)	73.0	79.5	68.0	50.0	40.0	21.0
Face value (in ₹) ⁽¹⁾	10.0	10.0	10.0	10.0	10.0	10.0
Rate of dividend	730%	795%	680%	500%	400%	210%
Total dividend paid (in ₹ million) ⁽²⁾	3,285.0	3,577.5	3,060.0	2,250.0	1,800.0	945.0

⁽¹⁾ During Financial Year 2017, our Company has subdivided each equity share of face value of ₹ 10 each fully paid up into 10 Equity Shares of ₹ 1 each fully paid up.

⁽²⁾ During Financial Year 2017, our Company made bonus issue in the ratio of 1:10.

⁽³⁾ Includes one time special dividend of ₹7.50 per equity share.

SECTION V: FINANCIAL INFORMATION

FINANCIAL STATEMENTS

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Khandelwal Jain & Co.
Chartered Accountants
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Maharshi Karve Road, Churchgate,
Mumbai – 400 020

Price Waterhouse & Co Chartered Accountants LLP
252, Veer Savarkaar Marg,
Shivaji Park Dadar,
Mumbai – 400 028

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

Auditors' Report on Restated Consolidated Financial Information in connection with the Initial Public Offering of National Stock Exchange of India Limited

Dear Sirs,

1. This report is issued in accordance with the terms of Price Waterhouse & Co Chartered Accountants LLP agreement dated December 1, 2016 and Khandelwal Jain & Co., Chartered Accountants agreement dated December 1, 2016 in connection with the proposed Initial Public Offering (IPO) of the National Stock Exchange of India Limited (hereinafter referred to as the "Company").
2. The accompanying restated consolidated financial information, expressed in Indian Rupees, in millions, of the Company and its subsidiaries, associates and joint ventures (the Company and its subsidiaries, associates and joint ventures together referred to as the "Group") (refer Note 39 of Annexure VI to the attached Restated Consolidated Financial Information) comprising Restated Consolidated Financial Information in paragraph 8 below and Restated Other Consolidated Financial Information in paragraph 11 below (hereinafter together referred to as "Restated Consolidated Financial Information"), has been prepared by the Management of the Company in accordance with the requirements of section 26 of part I of chapter III of the Companies Act 2013 (hereinafter referred to as the "Act") read with Rule 4 to Rule 6 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 (the "Rules"), item (IX) of Part A of Schedule VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended to date in pursuance of provisions of Securities and Exchange Board of India Act, 1992 read along with the SEBI circular No. SEBI/HO/CFD/DIL/CIR/P/2016/47 dated March 31, 2016 on Clarification regarding applicability of Indian Accounting Standards to disclosures in offer documents under the SEBI Regulations (the "SEBI Regulations") issued by the Securities and Exchange Board of India (the "SEBI") in connection with the Proposed Initial Public Offering of Equity Shares of the Company (the "Issue") by way of an offer for sale by the selling shareholders and has been approved by the Board of Directors and initialed by us for identification purposes only.
3. The Restated Consolidated Financial Information, expressed in Indian Rupees, in millions, has been prepared under Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013 and have been compiled by the management of the Company from the audited consolidated financial statements for the years ended March 31, 2016, 2015, 2014, 2013 and 2012 (all of which were expressed in Indian Rupees in crores) prepared under the previous generally accepted accounting principles followed in India ('Previous GAAP or Indian GAAP') and from the audited condensed consolidated financial statements for the half year ended September 30, 2016 (all of which were expressed in Indian Rupees in crores) prepared under Ind AS which have been approved by Board of Directors at their meetings held on May 12, 2016, May 26, 2015, May 6, 2014, May 27, 2013, May 14, 2012 and December 19, 2016, respectively. Audit of the consolidated financial statements of the Group prepared under the Indian GAAP for financial years ended March 31, 2016, 2015, 2014, 2013 and 2012 was conducted solely by M/s Khandelwal Jain & Co., Chartered Accountants. Accordingly, for the purpose of examination of the above mentioned Restated Consolidated Financial Information, we have placed reliance on the consolidated financial statements prepared under the Indian GAAP. M/s Price Waterhouse & Co Chartered Accountants LLP have placed reliance on the audit reports issued thereon by M/s Khandelwal Jain & Co., Chartered Accountants on respective dates mentioned above for these years. We

Auditors' Report on Restated Consolidated Financial Information in connection with the Initial Public Offering of National Stock Exchange of India Limited

have jointly examined the restatement adjustments, regrouping/reclassifications and adjustments between the Indian GAAP and Ind AS.

4. The condensed consolidated financial statements of the Group for the half year ended September 30, 2016 prepared under Ind AS has been audited jointly by M/s Price Waterhouse & Co Chartered Accountants LLP and M/s Khandelwal Jain & Co., Chartered Accountants.

Management's Responsibility for the Restated Consolidated Financial Information

5. The preparation of the Restated Consolidated Financial Information, which is to be included in the Draft Red Herring Prospectus ("DRHP"), is the responsibility of the Management of the Company and has been approved by the Board of Directors, at its meeting held on December 19, 2016, for the purpose set out in paragraph 23 below. The Management's responsibility includes designing, implementing and maintaining internal control relevant to the preparation and presentation of the Restated Consolidated Financial Information. The Management is also responsible for identifying and ensuring that the Company complies with the laws and regulations applicable to its activities and with the Rules and SEBI Regulations.

Auditors' Responsibilities

6. Our work has been carried out in accordance with the Standards on Auditing under section 143(10) of the Act, Guidance Note on Reports in Company Prospectuses (Revised 2016) and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India and pursuant to the requirements of section 26 of the Act read with applicable provisions within Rule 4 to Rule 6 of the Rules and the SEBI Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act and the SEBI Regulations in connection with the Issue.
7. Our examination of the Restated Consolidated Financial Information has not been carried out in accordance with the auditing standards generally accepted in the United States of America ("U.S."), standards of the US Public Company Accounting Oversight Board and accordingly should not be relied upon by any one as if it had been carried out in accordance with those standards or any other standards besides the standards referred to in this report.

Opinion

8. In accordance with the requirements of section 26 of Part I of the Chapter III of the Act read with Rules 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014, the SEBI regulations and the Guidance Note, we report that we have examined the following summarised financial statements of the Group contained in Restated Consolidated Financial Information of the Group which as stated in the Annexure V to this report have been arrived after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in Annexure VII read with paragraph 12 below:
 - i. the "Restated Consolidated Statement of Assets and Liabilities " as at September 30, 2016, March 31, 2016, 2015, 2014, 2013 and 2012 (enclosed as Annexure I);
 - ii. the "Restated Consolidated Statement of Profit and Loss" for the half year ended September 30, 2016 and for the years ended March 31, 2016, 2015, 2014, 2013 and 2012 (enclosed as Annexure II);
 - iii. the "Restated Consolidated Statement of Changes in Equity" for the half year ended September 30, 2016 and for the years ended March 31, 2016, 2015, 2014, 2013 and 2012 (enclosed as Annexure III); and
 - iv. the "Restated Consolidated Statement of Cash Flows" for the half year ended September 30, 2016 and for the years ended March 31, 2016, 2015, 2014, 2013 and 2012 (enclosed as Annexure IV)

Auditors' Report on Restated Consolidated Financial Information in connection with the Initial Public Offering of National Stock Exchange of India Limited

9. The Restated Consolidated Financial Information, expressed in Indian Rupees, in millions, has been derived from the audited consolidated financial statements of the Group (all of which were expressed in Indian Rupees in crores) read with paragraphs 3 and 4 above and paragraphs 11, 12, 17, 18, 19, 20, 21 and 22 below, for the years ended March 31, 2016, 2015, 2014, 2013 and 2012 prepared under the Indian GAAP and audited condensed consolidated financial statements for the half year ended September 30, 2016 prepared under Ind AS (all of which expressed in Indian Rupees in crores).
10. Based on the above and according to the information and explanation given to us, we further report that the Restated Consolidated Financial Information of the Group, as attached to this report and as mentioned in paragraphs 8 above, read with basis of preparation and respective significant accounting policies given in Annexure V as described in paragraph 11(i) have been prepared in accordance with the Rules, and the SEBI Regulations and ;
 - (i) there have been no changes in accounting policies of the Group (as disclosed in Annexure VII to this report);
 - (ii) have been made after incorporating adjustments for material amounts in the respective financial years/ period to which they relate;
 - (iii) there are no qualifications in the Auditors' Report which require any adjustments; and
 - (iv) as per requirements of Indian Accounting Standards, there are no extra-ordinary items which need to be disclosed separately.
11. At the Company's request, we have also examined the following Restated Other Consolidated Financial Information relating to the Group as at September 30, 2016 and March 31, 2016, 2015, 2014, 2013 and 2012, and for the half year ended September 30, 2016 and for the years ended March 31, 2016, 2015, 2014, 2013 and 2012, proposed to be included in the DRHP, prepared by the Management of the Company and as approved by the Board of Directors of the Company and annexed to this report:
 - (i) Basis of preparation and significant accounting policies as enclosed in Annexure V;
 - (ii) Notes to the Restated Consolidated financial information as enclosed in Annexure VI;
 - (iii) Statement of adjustments to audited consolidated financial statements as enclosed in Annexure VII;
 - (iv) Restated Consolidated statement of current investments as enclosed in Note 9 of Annexure VI;
 - (v) Restated Consolidated statement of trade receivables as enclosed in Note 10 of Annexure VI;
 - (vi) Restated Consolidated statement of other financial assets (current) as enclosed in Note 6 of Annexure VI;
 - (vii) Restated Consolidated statement of other financial assets (non-current) as enclosed in Note 5 of Annexure VI;
 - (viii) Restated Consolidated statement of other current assets as enclosed in Note 8 of Annexure VI;
 - (ix) Restated Consolidated statement of other non-current assets as enclosed in Note 7 of Annexure VI;
 - (x) Restated Consolidated statement of non-current investments as enclosed in Note 4 of Annexure VI;
 - (xi) Restated Consolidated Statement of other non-current liabilities as enclosed in Note 22 of Annexure VI;
 - (xii) Restated Consolidated Statement of other financial liabilities (non-current) as enclosed in Note 15 of Annexure VI;
 - (xiii) Restated Consolidated statement of other income as enclosed in Note 26 of Annexure VI;
 - (xiv) Restated Consolidated statement of related party as enclosed in Note 32 of Annexure VI;

Auditors' Report on Restated Consolidated Financial Information in connection with the Initial Public Offering of National Stock Exchange of India Limited

- (xv) Restated Consolidated statement of accounting ratios for the Company as enclosed in Annexure VIII;
- (xvi) Restated Consolidated statement of capitalization for the Company as enclosed in Annexure IX;
- (xvii) Statement of Reconciliation between the Indian GAAP and Ind AS enclosed in Note 41 of Annexure VI;
- (xviii) Restated Statement of Dividend paid as enclosed in Annexure X.

According to the information and explanations given to us, in our opinion, the Restated Consolidated Financial Information and the above Restated Other Financial Information contained in Annexures VI to X accompanying this report, read with Summary of Significant Accounting Policies disclosed in Annexure V, are prepared after making adjustments and regroupings as considered appropriate and have been prepared in accordance with Section 26 of Part I of Chapter III of the Companies Act, 2013 read with Rules 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014, SEBI Regulations and the Guidance Note.

- 12. According to information and explanation given to us in our opinion, the Proforma Ind AS Restated Consolidated Financial Information of the Group as at March 31, 2015, 2014, 2013 and 2012 and for the years ended March 31, 2015, 2014, 2013 and 2012, read with Significant Accounting Policies disclosed in Annexure V, are prepared after making proforma adjustments as mentioned in Note 41 of Annexure VI and have been prepared in accordance Rules, SEBI Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2016).
- 13. We have not audited any financial statements of the Group as of any date or for any period subsequent to September 30, 2016. Accordingly, we do not express any opinion on the financial position, results or cash flows of the Group as of any date or for any period subsequent to September 30, 2016.
- 14. This report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by us on the consolidated financial statements of the Company, nor should this report be construed as a new opinion on any of the consolidated financial statements referred to herein.
- 15. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

Emphasis of Matter

- 16. We draw attention to Note 38 in Annexure VI to the Restated Consolidated Financial Information, which describes the accounting treatment adopted by the Company in its Restated Consolidated Financial Information in relation to the recording of expense on account of contributions made to Core Settlement Guarantee Fund maintained by the subsidiary National Securities Clearing Corporation Limited as per SEBI Regulations and for the reasons stated therein. Our opinion is not modified in respect of this matter.

Auditors' Report on Restated Consolidated Financial Information in connection with the Initial Public Offering of National Stock Exchange of India Limited

Other matters

17. The audit of the restated financial information of five subsidiaries included in the Restated Consolidated Financial Information of the Group for the years ended March 31, 2016, 2015, 2014, 2013 and 2012 and six subsidiaries for the half year ended September 30, 2016, was conducted by other auditors. The financial information of these subsidiaries after making restatement adjustments, regrouping/reclassifications and adjustments between the Indian GAAP and Ind AS are included in the Restated Consolidated Financial Information of the Group and examined by other auditors is tabulated below:

(Amount in Rs. millions)

Particulars	September 30, 2016	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Total Assets	101,513.5	55,744.6	47,266.8	65,189.6	42,066.1	46,475.5
Total Revenue from operations	3,179.8	6,163.9	5,797.0	4,784.7	4,643.5	5,223.6
Net cash inflows/(outflows)	40,092.7	6,260.0	(20,601.5)	19,695.3	(3,291.3)	(133.7)

Accordingly, our opinion on examination of the Restated Consolidated Financial Information of the Group, in so far as it relates to the amounts included in these Restated Consolidated Financial Information relating to these subsidiaries, is based solely on the reports furnished to us by other auditors.

18. The audit of the restated financial information of one subsidiary included in the Restated Consolidated Financial Information of the Group for the years ended March 31, 2016, 2015, 2014, and 2013 and two subsidiaries included in the Restated Consolidated Financial Information of the Group for the half year ended September 30, 2016 was conducted solely by M/s Khandelwal Jain & Co., Chartered Accountants. The financial information of these subsidiaries after making restatement adjustments, regrouping/reclassifications and adjustments between the Indian GAAP and Ind AS are included in the Restated Consolidated Financial Information of the Group and examined by M/s Khandelwal Jain & Co., Chartered Accountants is tabulated below:

(Amount in Rs. millions)

	September 30, 2016	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Total Assets	9,759.6	9,673.0	9,008.3	8,249.8	434.1
Total Revenue from operations	288.3	702.8	759.7	25.0	0.2
Net cash inflows/(outflows)	31.0	2.1	0.04	(8.0)	8.0

Accordingly, for the purpose of examination of Restated Consolidated Financial Information, M/s Price Waterhouse & Co Chartered Accountants LLP have placed reliance on the restated financial information examined by M/s Khandelwal Jain & Co., Chartered Accountants and the reports issued thereon by them.

Auditors' Report on Restated Consolidated Financial Information in connection with the Initial Public Offering of National Stock Exchange of India Limited

19. The audit of the restated financial information of one associate included in the Restated Consolidated Financial Information of the Group for the year ended March 31, 2012, two associates included in the Restated Consolidated Financial Information of the Group for the year ended March 31, 2013 and three associates included in the Restated Consolidated Financial Information of the Group for the years ended March 31, 2016, 2015 and 2014 and for the half year ended September 30, 2016 was conducted by other auditors. The Group's share of net profit/(loss) of these associates after making restatement adjustments, regrouping/reclassifications and adjustments between the Indian GAAP and Ind AS are included in the Restated Consolidated Financial Information of the Group and examined by other auditors is tabulated below:

(Amount in Rs. millions)

Particulars	September 30, 2016	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Group's share of net profit/(loss)	552.9	909.1	729.0	335.4	240.5	234.2

Accordingly, our opinion on examination of the Restated Financial Information of the Group, in so far as it relates to the amounts included in these Restated Consolidated Financial Information relating to these associates, is based solely on the reports furnished to us by other auditors.

20. The restated standalone financial information of three subsidiaries included in the Restated Consolidated Financial Information of the Group for the years ended March 31, 2012, two subsidiaries included for the years ended March 31, 2013 and one subsidiary included for the year ended March 31, 2016, 2015, 2014 are unaudited and have been furnished to us by the Management. The restated financial information of these subsidiaries included in the Restated Consolidated Financial Information of the Group is tabulated below:

(Amount in Rs. millions)

Particulars	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Total Assets	49.5	48.6	52.6	159.6	129.3
Total Revenue from operations	89.9	103.8	96.2	116.2	71.6
Net cash inflows/(outflows)	(2.5)	(5.8)	(7.5)	12.1	22.8

Accordingly, our opinion on examination of the Restated Consolidated Financial Information of the Group, in so far as it relates to the amounts included in these Restated Consolidated Financial Information relating to these subsidiaries, is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these restated financial information are not material to the Group.

Auditors' Report on Restated Consolidated Financial Information in connection with the Initial Public Offering of National Stock Exchange of India Limited

21. The restated standalone financial information of two associates and a joint venture included in the Restated Consolidated Financial Information of the Group for the years ended March 31, 2012, 2013 and March 31, 2014, one associate and a joint venture included in the Restated Consolidated Financial Information of the Group for the year ended March 31, 2015, one associate and two joint ventures included in the Restated Consolidated Financial Information of the Group for the year ended March 31, 2016 and two associates and a joint venture included in the Restated Consolidated Financial Information of the Group for the half year ended September 30, 2016 are unaudited and have been furnished to us by the Management. The Group's share of net profit/(loss) of these associates and joint ventures included in the Restated Consolidated Financial Information of the Group is tabulated below:

(Amount in Rs. millions)

Particulars	September 30, 2016	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Group's share of net profit/(loss)	2.1	2.4	3.5	(21.1)	(5.4)	(38.7)

Accordingly, our opinion on examination of the Restated Consolidated Financial Information of the Group, in so far as it relates to the amounts included in these Restated Consolidated Financial Information relating to these associates and joint ventures, is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these restated financial information are not material to the Group.

22. Our opinion on the Restated Consolidated Financial Information is not modified in respect of the matters stated in paragraphs 17, 18, 19, 20 and 21.

Restriction on Use

23. This report is addressed to and is provided to enable the Board of Directors of the Company to include this report in the DRHP prepared in connection with the proposed Initial Public Offering of Equity Shares of the Company by way of an offer for sale by the selling shareholders, to be filed by the Company with the SEBI, Registrar of Companies, Mumbai and the concerned Stock Exchanges. Our report should not be used, referred to or distributed for any other purpose except with our prior consent in writing.

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

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

Narendra Jain
Partner
Membership Number 048725

Sumit Seth
Partner
Membership Number 105869

Place: Mumbai
Date : December 20, 2016

Place: Mumbai
Date : December 20, 2016

NATIONAL STOCK EXCHANGE OF INDIA LIMITED

ANNEXURE I : RESTATED CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES

(Rs.in Millions)

	Notes / No. of Annexure VI	As at 30.09.2016	As at 31.03.2016	As at 31.03.2015 Proforma	As at 31.03.2014 Proforma	As at 31.03.2013 Proforma	As at 31.03.2012 Proforma
ASSETS							
Non-current assets							
Property, plant and equipment	2	4,958.9	5,071.8	4,958.1	4,523.8	4,490.3	3,956.5
Capital work-in-progress	2	200.2	150.6	56.3	103.8	159.4	74.2
Goodwill	3	673.5	673.5	673.5	673.5	17.6	17.6
Other intangible assets	3	506.3	458.8	332.0	351.7	394.7	444.1
Intangible assets under development	3	233.8	233.1	113.9	57.4	109.7	81.5
Investment in associates/ joint venture accounted for using the equity method	39	7,501.2	7,082.9	6,529.8	6,136.5	1,922.4	1,747.2
Financial assets							
- Investments	4	27,303.0	32,147.6	15,358.5	10,221.7	4,075.6	5,535.5
- Other financial assets							
Non-current bank balances	5	6,411.7	5,215.9	8,658.8	8,899.2	10,689.7	10,337.2
Others	5	341.1	638.5	341.5	756.5	331.4	440.8
Income tax assets (net)	21	3,103.8	2,841.2	989.2	1,114.8	1,006.4	994.4
Deferred tax assets (net)	19 (d)	27.4	18.6	1,587.3	1,408.5	822.2	290.9
Other non-current assets	7	182.8	142.4	240.8	199.9	158.3	166.7
Total non-current assets		51,443.7	54,674.9	39,839.7	34,447.3	24,177.7	24,086.6
Current assets							
Inventories		0.2	0.3	0.4	0.1	0.1	0.4
Financial assets							
- Investments	9	47,790.4	31,810.7	31,870.4	13,949.9	16,803.9	10,306.7
- Trade receivables	10	3,041.4	2,785.1	2,287.0	2,157.6	1,559.8	1,817.4
- Cash and cash equivalents	11	70,025.6	29,447.4	22,945.7	42,975.5	25,701.0	27,071.4
- Bank balances other than cash and cash equivalents	12	12,940.0	15,624.2	19,438.8	35,614.0	32,767.4	36,975.0
- Other financial assets	6	1,361.7	1,567.3	3,782.2	3,410.7	2,950.4	1,856.6
Other current assets	8	669.2	499.7	368.0	632.9	551.9	290.0
Total current assets		1,35,828.5	81,734.7	80,692.5	98,740.7	80,334.5	78,317.5
TOTAL ASSETS		1,87,272.2	1,36,409.6	1,20,532.2	1,33,188.0	1,04,512.2	1,02,404.1
EQUITY AND LIABILITIES							
EQUITY							
Equity share capital	13 a	450.0	450.0	450.0	450.0	450.0	450.0
Other equity	Annexure III & 13 b	70,124.7	68,226.7	63,777.7	60,981.8	56,811.3	52,210.0
Equity attributable to owners of National Stock Exchange of India Limited		70,574.7	68,676.7	64,227.7	61,431.8	57,261.3	52,660.0
Non Controlling Interest	13 b	-	-	-	-	345.6	269.4
TOTAL EQUITY		70,574.7	68,676.7	64,227.7	61,431.8	57,606.9	52,929.4
CORE SETTLEMENT GUARANTEE FUND							
- Core Settlement Guarantee Fund paid	37	15,577.0	9,973.0	6,754.7	-	-	-
- Core Settlement Guarantee Fund payable	37	3,036.3	6,858.1	5,227.7	4,501.2	2,194.0	-
		18,613.3	16,831.1	11,982.4	4,501.2	2,194.0	-
LIABILITIES							
Non-current liabilities							
Other financial liabilities	15	88.6	85.7	80.3	75.7	71.8	68.5
Provisions	17	155.2	112.6	98.7	84.2	31.1	14.1
Deferred tax liabilities (net)	19 (d)	1,267.8	905.0	356.3	252.9	160.1	115.4
Other non-current liabilities	22	53.9	53.9	53.9	53.9	53.9	53.9
Total non-current liabilities		1,565.5	1,157.2	589.2	466.7	316.9	251.9
Current liabilities							
Financial liabilities							
- Deposits	24	17,873.0	16,751.5	16,635.7	16,790.4	16,928.9	16,990.7
- Trade payables	14	793.1	664.3	562.7	737.7	563.3	650.2
- Other financial liabilities	16	68,124.2	28,659.1	23,026.3	46,034.9	24,615.7	28,395.5
		86,790.3	46,074.9	40,224.7	63,563.0	42,107.9	46,036.4
Provisions	18	578.0	486.0	386.5	334.2	213.7	410.1
Income tax liabilities (net)	20	357.5	182.6	517.3	490.4	607.6	592.7
Other current liabilities	23	8,792.9	3,001.1	2,604.4	2,400.7	1,465.2	2,183.6
Total current liabilities		96,518.7	49,744.6	43,732.9	66,788.3	44,394.4	49,222.8
TOTAL LIABILITIES		98,084.2	50,901.8	44,322.1	67,255.0	44,711.3	49,474.7
TOTAL EQUITY AND LIABILITIES		1,87,272.2	1,36,409.6	1,20,532.2	1,33,188.0	1,04,512.2	1,02,404.1

The above statement should be read with the Basis of preparation and Significant Accounting policies appearing in Annexure V, Notes to the Restated Consolidated Financial information appearing in Annexure VI and Statement of adjustments to Audited Consolidated Financial Statement appearing in Annexure VII.

As per our report attached

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

For and on behalf of the Board of Directors

Narendra Jain
Partner
Membership No.: 048725

Ashok Chawla
Chairman
Dinesh Kanabar
Director

For Price Waterhouse & Co Chartered Accountants LLP
Chartered Accountants
Firm's Registration no : 304026E / E-300009

Sumit Seth
Partner
Membership No.: 105869

J Ravichandran
CEO Incharge
Yatrik Vin
Chief Financial Officer

S. Madhavan
Company Secretary

Place : Mumbai
Date : December 20, 2016

NATIONAL STOCK EXCHANGE OF INDIA LIMITED

ANNEXURE II : RESTATED CONSOLIDATED STATEMENT OF PROFIT & LOSS

(Rs.in Millions)

Particulars	Notes / No. of Annexure VI	For the half year ended 30.09.2016	For the year ended 31.03.2016	For the year ended 31.03.2015 Proforma	For the year ended 31.03.2014 Proforma	For the year ended 31.03.2013 Proforma	For the year ended 31.03.2012 Proforma
Income							
Revenue from operations	25	10,337.2	18,635.4	17,296.0	13,630.9	12,801.9	13,614.4
Other income	26	3,097.9	4,956.3	5,614.4	5,575.4	5,334.3	4,395.7
Total income		13,435.1	23,591.7	22,910.4	19,206.3	18,136.2	18,010.1
Expenses							
Employee benefits expense	27	1,222.1	2,179.8	1,891.4	1,744.5	1,745.2	1,648.6
Depreciation and amortisation expense	2 & 3	598.6	1,089.2	932.9	840.0	855.0	981.9
Other expenses	28	2,275.9	3,939.8	3,752.3	3,352.1	3,156.8	2,764.3
Total expenses		4,096.6	7,208.8	6,576.6	5,936.6	5,757.0	5,394.8
Profit before exceptional item, share of net profits of investments accounted for using equity method and tax		9,338.5	16,382.9	16,333.8	13,269.7	12,379.2	12,615.3
Share of net profit of associates and joint ventures accounted by using equity method	39	555.0	911.5	732.5	314.2	235.1	195.5
Profit before exceptional item and tax		9,893.5	17,294.4	17,066.3	13,583.9	12,614.3	12,810.8
Add : Profit on sale of investment in equity instruments of associates / subsidiary	42	-	-	-	441.8	-	-
Profit before contribution to Core Settlement Guarantee Fund and tax		9,893.5	17,294.4	17,066.3	14,025.7	12,614.3	12,810.8
Less : Contribution to Core Settlement guarantee fund (Core SGF)	37 & 38	(1,340.7)	(2,343.3)	(2,229.7)	(2,548.2)	(2,194.0)	-
Profit before tax		8,552.8	14,951.1	14,836.6	11,477.5	10,420.3	12,810.8
Less : Tax expense							
Current tax	19 (a)	2,363.5	3,020.3	4,878.6	4,452.4	3,814.2	3,935.5
Deferred tax expense	19 (a)	306.1	2,178.7	19.9	(496.1)	(531.0)	(44.1)
Total tax expenses		2,669.6	5,199.0	4,898.5	3,956.3	3,283.2	3,891.4
Net Profit after tax as restated (A)		5,883.2	9,752.1	9,938.1	7,521.2	7,137.1	8,919.4
Other comprehensive income							
<i>Items that will be reclassified to profit or loss</i>							
Changes in fair value of FVOCI debt instruments	Annexure III	348.0	(79.7)	(25.6)	(15.0)	(1.6)	-
Income tax relating to items that will be reclassified to profit or loss							
Changes in fair value of FVOCI debt instruments	Annexure III	(120.4)	27.6	8.9	5.1	0.5	-
<i>Items that will not be reclassified to profit or loss</i>							
Remeasurements of post-employment benefit obligations	Annexure III	(103.6)	(27.9)	(42.3)	7.9	(28.4)	(9.9)
Share of other comprehensive income of associates and Joint Ventures accounted for using the equity method		(5.6)	(2.7)	(13.0)	3.1	0.2	-
Changes in fair value of FVOCI equity instruments	Annexure III	50.7	215.7	43.2	(995.0)	(285.0)	728.6
Income tax relating to items that will not be reclassified to profit or loss							
Remeasurements of post-employment benefit obligations	Annexure III	41.4	9.2	11.5	(2.5)	8.9	3.3
Share of other comprehensive income of associates and Joint Ventures accounted for using the equity method		1.9	0.9	4.4	(1.1)	(0.1)	-
Changes in fair value of FVOCI equity instruments	Annexure III	(4.3)	(41.3)	(7.4)	(9.2)	(53.8)	196.8
Total other comprehensive income for the period / year, net of taxes (B)		208.1	101.8	(20.3)	(1,006.7)	(359.3)	918.8
Total comprehensive income for the period / year as restated (A+B)		6,091.3	9,853.9	9,917.8	6,514.5	6,777.8	9,838.2
Material restatement adjustments	Annexure VII and 37	-	3,443.9	(313.6)	(1,647.9)	(1,482.3)	-
Profit is attributable to :							
Owners of National Stock Exchange of India Limited		5,883.2	9,752.1	9,938.1	7,486.7	7,052.1	8,848.7
Non Controlling Interest		-	-	-	34.5	85.0	70.7
Other comprehensive income is attributable to :							
Owners of National Stock Exchange of India Limited		208.1	101.8	(20.3)	(1,006.7)	(359.3)	918.8
Non Controlling Interest		-	-	-	-	-	-
Total comprehensive income is attributable to :							
Owners of National Stock Exchange of India Limited		6,091.3	9,853.9	9,917.8	6,480.0	6,692.8	9,767.5
Non Controlling Interest		-	-	-	34.5	85.0	70.7
Earnings per equity share from profit attributable to owners of the Company (Face value of Rs.1 each)	29						
After contribution to Core Settlement Guarantee Fund							
- Basic and Diluted (Rs.)		11.9	19.7	20.1	15.1	14.2	17.9
Before contribution to Core Settlement Guarantee Fund							
- Basic and Diluted (Rs.)		13.7	22.8	23.0	18.5	17.2	17.9

The above statement should be read with the Basis of preparation and Significant Accounting policies appearing in Annexure V, Notes to the Restated Consolidated Financial Information appearing in Annexure VI and Statement of adjustments to Audited Consolidated Financial Statement appearing in Annexure VII.

As per our report attached

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

For and on behalf of the Board of Directors

Narendra Jain
Partner
Membership No.: 048725

Ashok Chawla
Chairman

Dinesh Kanabar
Director

For Price Waterhouse & Co Chartered Accountants LLP
Chartered Accountants
Firm's Registration no : 304026E / E-300009

Sumit Seth
Partner
Membership No.: 105869

J Ravichandran
CEO Incharge

Yatrik Vin
Chief Financial Officer

S. Madhavan
Company Secretary

Place : Mumbai
Date : December 20, 2016

Date : December 19, 2016

ANNEXURE III : RESTATED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(A) Equity share capital						(Rs.in Millions)	
	30.09.2016	31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012	
Balance as at (Rs. In Millions)	450.0	450.0	450.0	450.0	450.0	450.0	

(B) Other Equity

(Rs.in Millions)											
	Reserves and Surplus				Other Reserves						
Particulars	Securities premium reserve	Retained earnings *	Other reserves (Refer Note 13b)	Total Reserves and Surplus	FVOCI equity instruments	FVOCI debt instruments	Foreign Currency Translation Reserve	Total other reserves	Total other Equity	Non Controlling Interests	Total
Balance as at 01.04.2016	400.0	66,215.2	601.3	67,216.5	1,090.9	(79.7)	(1.0)	1,010.2	68,226.7	-	68,226.7
Profit for the period	-	5,883.2	-	5,883.2	-	-	-	-	5,883.2	-	5,883.2
Other Comprehensive Income	-	(65.9)	-	(65.9)	46.4	227.6	-	273.9	208.1	-	208.1
Appropriation to Core Settlement Guarantee Fund (net of tax) (Refer note 37)	-	(242.7)	-	(242.7)	-	-	-	-	(242.7)	-	(242.7)
Transaction with owners in their capacity as owners											
Dividend paid (including dividend distribution tax)	-	(3,950.6)	-	(3,950.6)	-	-	-	-	(3,950.6)	-	(3,950.6)
Balance as at 30.09.2016	400.0	67,839.3	601.3	68,840.6	1,137.3	147.9	(1.0)	1,284.1	70,124.7	-	70,124.7
Balance as at 01.04.2015	400.0	61,892.1	598.3	62,890.4	916.5	(27.6)	(1.6)	887.3	63,777.7	-	63,777.7
Transfer to Other Reserves	-	(3.0)	3.0	-	-	-	-	-	-	-	-
Profit for the year	-	9,752.1	-	9,752.1	-	-	-	-	9,752.1	-	9,752.1
Other Comprehensive Income	-	(20.6)	-	(20.6)	174.4	(52.1)	-	122.3	101.8	-	101.8
Appropriation to Core Settlement Guarantee Fund (net of tax) (Refer note 37)	-	(1,098.7)	-	(1,098.7)	-	-	-	-	(1,098.7)	-	(1,098.7)
Changes in foreign currency translation reserve	-	-	-	-	-	-	0.6	0.6	0.6	-	0.6
Transaction with owners in their capacity as owners											
Dividend paid (including dividend distribution tax)	-	(4,306.6)	-	(4,306.6)	-	-	-	-	(4,306.7)	-	(4,306.7)
Balance as at 31.03.2016	400.0	66,215.2	601.3	67,216.5	1,090.9	(79.7)	(1.0)	1,010.2	68,226.7	-	68,226.7
Balance as at 01.04.2014 - Proforma	400.0	59,115.8	598.3	60,114.1	880.7	(10.9)	(2.1)	867.7	60,981.8	-	60,981.8
Profit for the year	-	9,938.1	-	9,938.1	-	-	-	-	9,938.1	-	9,938.1
Other Comprehensive Income	-	(39.4)	-	(39.4)	35.8	(16.7)	-	19.1	(20.2)	-	(20.2)
Depreciation due to revised Companies Act, 2013 (net of tax) (Refer note 2)	-	(93.4)	-	(93.4)	-	-	-	-	(93.4)	-	(93.4)
Appropriation towards Settlement Guarantee Fund (Refer note 37)	-	(3,448.9)	-	(3,448.9)	-	-	-	-	(3,448.9)	-	(3,448.9)
Changes in foreign currency translation reserve	-	-	-	-	-	-	0.5	0.5	0.5	-	0.5
Transaction with owners in their capacity as owners											
Dividend paid (including dividend distribution tax)	-	(3,580.2)	-	(3,580.2)	-	-	-	-	(3,580.2)	-	(3,580.2)
Balance as at 31.03.2015	400.0	61,892.1	598.3	62,890.4	916.5	(27.6)	(1.6)	887.3	63,777.7	-	63,777.7
Balance as at 01.04.2013 - Proforma	400.0	53,927.4	598.3	54,925.7	1,884.9	(1.0)	1.7	1,885.6	56,811.3	345.6	57,156.8
Profit for the year	-	7,486.7	-	7,486.7	-	-	-	-	7,486.7	34.5	7,521.2
Transfer to retained earnings of FVOCI equity investments, net of tax	-	326.8	-	326.8	-	-	-	-	326.8	-	326.8
Other Comprehensive Income	-	7.4	-	7.4	(1,004.2)	(9.9)	-	(1,014.1)	(1,006.7)	-	(1,006.7)
Changes in foreign currency translation reserve	-	-	-	-	-	-	(3.8)	(3.8)	(3.8)	-	(3.8)
Transaction with owners in their capacity as owners											
Dividend paid (including dividend distribution tax)	-	(2,632.5)	-	(2,632.5)	-	-	-	-	(2,632.5)	-	(2,632.5)
Transactions with Non Controlling Interests (Acquisition - Refer note 39)	-	-	-	-	-	-	-	-	-	(380.1)	(380.1)
Balance as at 31.03.2014	400.0	59,115.8	598.3	60,114.1	880.7	(10.9)	(2.1)	867.7	60,981.8	-	60,981.8
Balance as at 01.04.2012 - Proforma	400.0	48,986.9	598.3	49,985.2	2,223.8	-	1.0	2,224.8	52,210.0	269.4	52,479.4
Profit for the year	-	7,052.1	-	7,052.1	-	-	-	-	7,052.1	85.0	7,137.2
Other Comprehensive Income	-	(19.5)	-	(19.5)	(338.8)	(1.0)	-	(339.9)	(359.3)	-	(359.3)
Changes in foreign currency translation reserve	-	-	-	-	-	-	0.7	0.7	0.7	-	0.7
Transaction with owners in their capacity as owners											
Dividend paid (including dividend distribution tax)	-	(2,092.1)	-	(2,092.1)	-	-	-	-	(2,092.1)	-	(2,092.1)
Transactions with Non Controlling Interests	-	-	-	-	-	-	-	-	-	(8.9)	(8.9)
Balance as at 31.03.2013	400.0	53,927.4	598.3	54,925.7	1,884.9	(1.0)	1.7	1,885.6	56,811.3	345.6	57,157.0

Balance as at 01.04.2011 - Proforma	400.0	38,987.2	2,803.9	42,191.1	1,298.4	-	1.0	1,299.4	43,490.5	198.7	43,689.2
Transferred to Retained Earnings (General Reserve)		2,200.0	(2,200.0)	-	-	-	-	-	-	-	-
Utilisation of other reserves	-	-	(5.6)	(5.6)	-	-	-	-	(5.6)	-	(5.6)
Profit for the year	-	8,848.7	-	8,848.7	-	-	-	-	8,848.7	70.7	8,919.4
Other Comprehensive Income	-	(6.6)	-	(6.6)	925.4	-	-	925.4	918.8	-	918.8
Transfer to retained earnings of FVOCI equity investments	-	51.8	-	51.8	-	-	-	-	51.8	-	51.8
Transaction with owners in their capacity as owners											
Dividend paid (including dividend distribution tax)	-	(1,094.2)	-	(1,094.2)	-	-	-	-	(1,094.2)	-	(1,094.2)
Balance as at 31.03.2012	400.0	48,986.9	598.3	49,985.2	2,223.8	-	1.0	2,224.8	52,210.0	269.4	52,479.4
	30.09.2016	31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012					
* Includes General Reserves	44,410.4	44,410.4	44,435.3	47,695.6	46,371.6	41,785.1					

The above statement should be read with the Basis of preparation and Significant Accounting policies appearing in Annexure V, Notes to the Restated Financial Information appearing in Annexure VI and Statement of adjustments to Audited Consolidated Financial Statement appearing in Annexure VII.

As per our report attached

For Khandelwal Jain & Co.

Chartered Accountants
Firm's Registration no : 105049W

For and on behalf of the Board of Directors

Narendra Jain	Ashok Chawla	Dinesh Kanabar
Partner	Chairman	Director
Membership No.: 048725		

For Price Waterhouse & Co Chartered Accountants LLP

Chartered Accountants
Firm's Registration no : 304026E / E-300009

Sumit Seth	J Ravichandran	Yatrik Vin	S. Madhavan
Partner	CEO Incharge	Chief Financial Officer	Company Secretary
Membership No.: 105869			

Place : Mumbai	Date : December 19, 2016
Date : December 20, 2016	

NATIONAL STOCK EXCHANGE OF INDIA LIMITED
ANNEXURE IV : RESTATED CONSOLIDATED STATEMENT OF CASH FLOWS

		(Rs.in Millions)					
	Notes	For the half year ended 30.09.2016	For the year ended 31.03.2016	For the year ended 31.03.2015 Proforma	For the year ended 31.03.2014 Proforma	For the year ended 31.03.2013 Proforma	For the year ended 31.03.2012 Proforma
A) CASH FLOWS FROM OPERATING ACTIVITIES							
PROFIT BEFORE INCOME TAX		8,552.8	14,951.1	14,836.6	11,477.5	10,420.3	12,810.8
Adjustments for							
Depreciation and amortisation expense	2, 3	598.6	1,089.2	932.9	840.0	855.0	981.9
Interest income from financial assets at amortised cost	26	(770.0)	(2,444.4)	(2,894.7)	(4,352.5)	(4,452.5)	(3,267.7)
Interest income from investment at designated at fair value through other comprehensive income	26	(325.8)	(810.5)	(148.2)	(24.5)	(0.8)	-
Dividend income	26	(26.5)	(15.0)	(13.7)	(155.3)	(314.7)	(373.0)
Net gain on financial assets mandatorily measured at fair value through profit or loss	26	(1,191.6)	(30.8)	(87.4)	(135.0)	34.6	(57.1)
Net gain on sale of investments	26	(727.2)	(1,343.2)	(1,962.9)	(312.8)	(117.3)	(219.5)
Net (gain) / loss on disposal of property, plant and equipment	26, 28	(1.4)	(60.5)	2.5	6.0	7.9	4.8
Doubtful debts written off	28	0.7	0.6	0.4	0.1	-	1.0
Provision for Doubtful Debts	28	-	2.1	1.0	0.4	-	-
Profit on sale of investment in equity instruments of associates / subsidiary	42	-	-	-	(441.8)	-	-
Impairment in value of Investments	28	50.1	-	-	-	-	-
Share of net profit of associates and joint ventures accounted by using equity method		(555.0)	(911.5)	(732.5)	(314.2)	(235.1)	(195.5)
Change in operating assets and liabilities							
(Increase)/Decrease in trade receivables	10	(257.0)	(500.8)	(130.8)	(598.3)	257.6	140.6
(Increase)/Decrease inventories		0.1	0.1	(0.3)	-	0.3	(0.1)
Increase/(Decrease) in trade payables	14	128.8	101.6	(175.0)	174.4	(86.9)	17.4
(Increase)/Decrease in other financial assets	5, 6	454.9	1,774.4	(246.8)	(240.5)	(340.2)	24.4
(Increase)/Decrease in other assets	7, 8	(200.0)	(113.7)	267.2	(100.8)	(281.2)	22.8
Increase/(Decrease) in other financial liabilities	15, 16	39,476.0	5,568.7	(23,013.3)	21,520.1	(3,907.3)	(4,185.6)
Increase/(Decrease) in provisions	17, 18	31.1	85.4	24.5	181.5	(207.7)	65.3
Increase/(Decrease) in other liabilities	22, 23	5,793.0	391.9	208.5	926.8	(718.0)	166.2
Refund / proceed of deposit	24	1,121.4	115.7	(154.6)	(138.5)	(61.8)	0.4
Change in Core Settlement Guarantee Fund balance		1,539.5	3,750.0	4,032.3	2,307.2	2,194.0	-
CASH GENERATED / (USED) FROM OPERATIONS		53,692.4	21,600.4	(9,254.3)	30,619.8	3,046.2	5,937.1
Income taxes paid	19, 20, 21	(2,451.2)	(5,207.0)	(4,726.1)	(4,678.0)	(3,811.3)	(3,844.5)
NET CASH INFLOW / OUTFLOW FROM OPERATING ACTIVITIES - TOTAL (A)		51,241.3	16,393.4	(13,980.4)	25,941.8	(765.1)	2,092.6
B) CASH FLOWS FROM INVESTING ACTIVITIES							
Payment for property, plant and equipment	2, 3	(601.6)	(1,405.1)	(1,521.0)	(1,514.7)	(1,319.5)	(855.6)
Proceeds from property, plant and equipment	2, 3	1.6	72.3	0.3	11.5	17.3	5.8
Payment / proceeds from investments	4, 9	(8,914.1)	(15,037.3)	(20,064.4)	(5,799.6)	(4,963.5)	(83.4)
Payment for acquisition of subsidiary	39	-	-	-	(1,000.6)	-	-
Payment / proceeds from fixed deposits	5, 12	1,488.4	7,257.5	16,415.6	(1,056.1)	3,855.1	(3,126.2)
Interest received	5, 26	1,286.7	3,512.6	2,686.6	3,549.5	3,591.6	2,587.4
Dividend received	26	26.5	15.0	13.7	155.3	314.7	373.0
NET CASH INFLOW / (OUTFLOW) FROM INVESTING ACTIVITIES - TOTAL (B)		(6,712.5)	(5,585.0)	(2,469.2)	(5,654.7)	1,495.7	(1,099.0)
C) CASH FLOWS FROM FINANCING ACTIVITIES							
Transactions with Non Controlling Interest		-	-	-	(380.1)	(8.9)	-
Dividend paid (including dividend distribution tax)	13b	(3,950.6)	(4,306.7)	(3,580.2)	(2,632.5)	(2,092.1)	(1,094.3)
NET CASH OUTFLOW FROM FINANCING ACTIVITIES - TOTAL		(3,950.6)	(4,306.7)	(3,580.2)	(3,012.6)	(2,101.0)	(1,094.3)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A)+(B)+(C)		40,578.2	6,501.7	(20,029.8)	17,274.5	(1,370.4)	(100.7)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	11	29,447.4	22,945.7	42,975.5	25,701.0	27,071.4	27,172.1
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD *	11	70,025.6	29,447.4	22,945.7	42,975.5	25,701.0	27,071.4
* Includes amount received from members towards settlement obligation and margin money. (Refer Note 11 & 16)							
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENT		40,578.2	6,501.7	(20,029.8)	17,274.5	(1,370.4)	(100.7)
Reconciliation of cash and cash equivalents as per the cash flow statement							
Cash and cash equivalents as per above comprise of the following							
Cash and cash equivalents	11	70,025.6	29,447.4	22,945.7	42,975.5	25,701.0	27,071.4
Bank overdrafts	11	-	-	-	-	-	-
Balances per statement of cash flows		70,025.6	29,447.4	22,945.7	42,975.5	25,701.0	27,071.4

The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Ind AS - 7 on Statement of Cash Flow as notified under Companies (Accounts) Rules, 2015.

The above statement should be read with the Basis of preparation and Significant Accounting policies appearing in Annexure V, Notes to the restated financial information appearing in Annexure VI and Statement of adjustments to Audited Consolidation Financial Statement appearing in Annexure VII.

The above condensed statement of cash flows should be read in conjunction with the accompanying notes.

As per our report attached

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

For and on behalf of the Board of Directors

Narendra Jain
Partner
Membership No.: 048725

Ashok Chawla
Chairman

Dinesh Kanabar
Director

For Price Waterhouse & Co Chartered Accountants LLP
Chartered Accountants
Firm's Registration no : 304026E / E-300009

Sumit Seth
Partner
Membership No.: 105869

J Ravichandran
CEO Incharge

Yatrik Vin
Chief Financial Officer

S. Madhavan
Company Secretary

Place : Mumbai
Date : December 20, 2016

Date : December 19, 2016

National Stock Exchange of India Limited

Annexure V - Basis of Preparation and Significant Accounting Policies

Background

The National Stock Exchange of India Limited ("NSE" or "the Company" or "the Group") established in 1992 is the first demutualized electronic exchange in India. NSE was the first exchange in the country to provide a modern, fully automated screen-based electronic trading system which offered easy trading facility to the investors spread across the country. NSE offers trading in equity, equity derivatives, debt and currency derivatives segments.

Note 1: Basis of preparation and significant accounting policies

I. Basis of preparation

The Restated Consolidated Statement of Assets and Liabilities of NSE as at September 30, 2016, March 31, 2016, 2015, 2014, 2013 and 2012, the Restated Consolidated Statement of Profit and Loss, the Restated Consolidated Statement of Changes in Equity and the Restated Consolidated Statement of Cash flows for the half years ended September 30, 2016 and for the years ended March 31, 2016, 2015, 2014, 2013 and 2012 and Restated Other Consolidated Financial Information (together referred as 'Restated Consolidated Financial Information') has been prepared under Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013 to the extent applicable. The Restated Consolidated Financial Information have been compiled by the Company from the Audited Consolidated Financial Statements of the Group for the respective years ("Audited Consolidated Financial Statements") prepared under the previous generally accepted accounting principles followed in India ('Previous GAAP or Indian GAAP') and from the audited condensed Consolidated financial statements for the half year ended September 30, 2016 prepared under Ind AS.

The Restated Consolidated Financial Information relates to the Company, its subsidiary companies, joint venture and associates (collectively referred to as "the Group").

In accordance with Ind AS 101 First-time Adoption of Indian Accounting Standard, the Group has presented a reconciliation from the presentation of Restated Consolidated Financial Information under Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 ("Previous GAAP or Indian GAAP") to Ind AS of Restated Consolidated Shareholders' equity as at March 31, 2016, 2015, 2014, 2013, 2012 and April 1, 2011 and of the Restated Consolidated Statement of profit and loss for the year ended March 31, 2016, 2015, 2014, 2013 and 2012.

The Restated Consolidated Financial Information have been prepared by the management in connection with the proposed listing of equity shares of the Company by way of an offer for sale by the selling shareholders, to be filed by the Company with the Securities and Exchange Board of India, Registrar of Companies, Mumbai and the concerned Stock Exchange in accordance with the requirements of:

- a) Section 26 read with applicable provisions within Rules 4 to 6 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 to the Companies Act, 2013; and
- b) The SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 issued by the Securities and Exchange Board of India ("SEBI") on August 26, 2009, as amended to date in pursuance of provisions of Securities and Exchange Board of India Act, 1992 read along with SEBI circular No. SEBI/HO/CFD/DIL/CIR/P/2016/47 dated March 2016 (together referred to as the "SEBI regulations").

These Restated Consolidated Financial Information have been compiled by the Company from the Audited Consolidated Financial Statements and:

- there were no audit qualifications on these Restated consolidated financial statements,
- there were no changes in accounting policies under Previous GAAP during the years of these financial statements,

National Stock Exchange of India Limited

Annexure V - Basis of Preparation and Significant Accounting Policies

- material amounts relating to adjustments for previous years in arriving at profit/loss of the years to which they relate, have been appropriately adjusted,
- adjustments for reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per the condensed audited consolidated financial statements of the Group as at and for the half year ended September 30, 2016 prepared under Ind AS and the requirements of the SEBI Regulations, and
- the resultant tax impact on above adjustments has been appropriately adjusted in deferred taxes in the respective years to which they relate.

These Restated Consolidated Financial Information and Other Consolidated Financial Information were reviewed by the Audit Committee and subsequently approved by the Board of Directors of the Company on December 19, 2016.

II. Principles of consolidation and equity accounting

i) *Subsidiaries*

Subsidiaries are all entities over which the group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting under Ind AS is used to account for business combinations by the Group from the date of transition to Ind AS i.e. April 1, 2015. Prior to the date of transition to Ind AS, business acquisition has been accounted based on previous GAAP.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the Restated Consolidated Statement of Profit and Loss, Restated Consolidated Statement of Changes in Equity and Restated Consolidated Statement of Assets and Liabilities, respectively.

ii) *Associates*

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting (see (iv) below), after initially being recognised at cost.

iii) *Joint Arrangements*

Under Ind AS 111 Joint Arrangements, investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. The Group has only joint ventures.

Interests in joint ventures are accounted for using the equity method (see (iv) below), after initially being recognised at cost in the Restated Consolidated Statement of Assets and Liabilities.

National Stock Exchange of India Limited

Annexure V - Basis of Preparation and Significant Accounting Policies

Transition to Ind AS

Upon first-time adoption of Ind AS, the Group has elected to measure its investments in 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. The Group has followed the same accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 101) as initially adopted on transition date i.e. April 1, 2015 while preparing Proforma Restated Consolidated Financial Information for the years ended March 31, 2015, 2014, 2013 and 2012. Accordingly, suitable restatement adjustments in the accounting heads are made to the financial statements as of and for the years ended March 31, 2015, 2014, 2013, 2012 and April 1, 2011.

iv) Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post - acquisition profits or losses of the investee in profit and loss, and the Group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

The carrying amount of equity accounted investments are tested for impairment in accordance with the policy described in note (g) below.

v) Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in statement of profit and loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to statement of profit and loss.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to statement of profit and loss where appropriate.

The Group has recorded changes in ownership interests before April 1, 2015 i.e. date of transition to Ind AS as per the Previous GAAP. The Group has selected to measure its investments in joint ventures, associates and subsidiaries at the Previous GAAP carrying amount as its deemed cost on the date of transition to Ind AS i.e., April 1, 2015.

National Stock Exchange of India Limited

Annexure V - Basis of Preparation and Significant Accounting Policies

III. Significant accounting policies

The Restated Consolidated Financial Information have been prepared in accordance with the historical cost basis, except as disclosed in the accounting policies below, and are drawn up in accordance with the provisions of the Companies Act, 2013 and Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act, to the extent applicable. The consolidated 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 ("Previous GAAP or Indian GAAP").

(i) Historical cost convention

The Restated Consolidated Financial Information have been prepared on a historical cost basis, except for the following:

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

(a) Foreign currency translation and transactions

(i) Functional and presentation currency

Items included in the Restated Consolidated Financial Information of the Group are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Restated Consolidated Financial Information are presented in Indian currency (INR), which is the parent company functional and presentation currency.

(ii) Transactions and balances

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

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

(iii) Group Companies

The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities are translated at the closing rate at the date of that balance sheet
- income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and

National Stock Exchange of India Limited

Annexure V - Basis of Preparation and Significant Accounting Policies

- all resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities are recognised in other comprehensive income. When a foreign operation is sold, the associated exchange differences are reclassified to statement of profit and loss, as part of the gain or loss on sale.

(b) 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 Group recognises revenue when the amount of revenue can be reliably measured and it is probable that future economic benefits will flow to the entity. Revenue is recognised in the period when the service is provided as per arrangements/agreements with the customers. The sources of revenue are:

- Transaction charges – revenue is recognised on transactions in accordance with the Group's fee scales as and when the transaction occurs.
- Subscription/ Datafeed Service and other fees – revenue is recognised on a straight-line basis over the period to which the fee relates.
- Book building fees – revenue is recognised at the time of completion of book building process.
- Revenue from the sale of products (software product licenses, digital certificates and resale of hardware and software) is recognised when the group transfers to buyer the significant risks and rewards of ownership of the goods.
- Revenue from online examination services are recognised basis dates when exams are conducted and revenue from e-learning activity is recognized on the basis of enrollment.
- Revenue from consulting services (software development) is recognised in the accounting period in which the services are rendered. For fixed-price contracts, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided (percentage of completion method). Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in statement of profit and loss in the period in which the circumstances that give rise to the revision become known by management.
- Revenues from Information Technology and Process support charges, including maintenance are recognised on time and material basis based on the terms agreed with the customers.
- Others – all other revenue is recognised in the period in which the service is provided.

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

Penal charges in respect of shortages due from the respective member is recognised in profit and loss as part of other revenue to the extent such charges are recoverable in the period of declaration of default.

Insurance claims are accounted on accrual basis when the claims become due and payable.

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(c) Inventory

The Inventory is valued at cost or net realisable value whichever is lower. Cost of inventories include all other costs incurred in bringing the inventories to their present location and condition. Cost of purchased inventory are determined after deducting rebates and discounts. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

(d) Income taxes

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

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

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Restated Consolidated Financial Information. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

The carrying amount of deferred tax assets are reviewed at the end of each reporting period and are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where the group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

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

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

Current and deferred tax is recognised in Restated Consolidated Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Dividend distribution tax paid on the dividends is recognised consistently with the presentation of the transaction that creates the income tax consequence. Dividend distribution tax is charged to Restated

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Consolidated Statement of Profit and Loss if the dividend itself is charged to statement of profit and loss. If the dividend is recognised in equity, the presentation of dividend distribution tax is recognised in equity.

(e) Leases

As a lessee

Leases of property, plant and equipment and land where the Group, as lessee, has substantially transferred all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in other financial liabilities. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the statement of profit and loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Group as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to statement of profit and loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

As a lessor

Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the Restated Consolidated Statement of Assets and Liabilities based on their nature.

(f) Business Combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises:

- the fair values of the assets transferred;
- liabilities incurred to the former owners of the acquired business;
- equity interests issued by the group; and
- fair value of any asset or liability resulting from a contingent consideration arrangement.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The group recognizes any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

The excess of the

- consideration transferred;
- amount of any non-controlling interest in the acquired entity, and
- acquisition-date fair value of any previous equity interest in the acquired entity

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over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognised directly in equity as capital reserve.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in statement of profit and loss.

If the business consideration is achieved in stages, the acquisition date carrying value of the acquirers previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in statement of profit and loss or other comprehensive income, as appropriate.

Transition to Ind AS

Upon first-time adoption of Ind AS, the Group has elected not to restate business combinations which occurred prior to the transition date i.e. April 1, 2015. Accordingly, the Group has continued with its business combination accounting under Previous GAAP up to the period ended March 31, 2015 i.e. the excess of the cost of its investment in subsidiary over the Group's portion of equity of the subsidiary entity as at the date on which investment in subsidiary entity is made, is recognized in the financial statement as Goodwill. The excess of Group's share of equity and reserve of the subsidiary company over the cost of acquisition is treated as Capital Reserve.

The Group has followed the same accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 101) as initially adopted on transition date i.e. April 1, 2015 while preparing Proforma Restated Consolidated Financial Information for the years ended March 31, 2015, 2014, 2013 and 2012.

(g) Impairment of assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

(h) Cash and cash equivalents

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

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(i) Trade receivables

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

(j) Investments and other financial assets

(i) Classification

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

- those to be measured subsequently at fair value (either through other comprehensive income, or through statement of profit and 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 statement of profit and loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. The Group reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through statement of profit and loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through statement of profit and loss are expensed in Restated Consolidated Statement of Profit and Loss.

Debt instruments

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

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in 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 other income using the effective interest rate method.

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- **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 and presented net in the Restated Consolidated Statement of Profit and loss within other gains/(losses) in the period in which it arises (except gains or loss on SGF investments which are attributed directly to the fund balance). Interest income from these financial assets is included in other income.

Equity investments (other than investments in associates and joint venture)

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

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

(iii) Impairment of financial assets

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

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

De-recognition of financial assets

A financial asset is de-recognised only when

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

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

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

(iv) Income recognition

Interest income

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial assets to the gross carrying amount of a financial asset. When calculating

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the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

Dividends

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

(k) Financial liabilities

(i) Classification as debt or equity

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

(ii) Initial recognition and measurement

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

(iii) Subsequent measurement

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

(iv) Derecognition

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

(l) Derivatives

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

(m) Offsetting financial instruments

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

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

Freehold land is carried at historical cost of acquisition. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component

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accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to statement of profit and loss during the reporting period in which they are incurred.

Transition to Ind AS

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 1, 2015 measured as per the Previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment. The Group has followed the same accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 101) as initially adopted on transition date i.e. April 1, 2015 while preparing Proforma Restated Consolidated Financial Information for the years ended March 31, 2015, 2014, 2013 and 2012. Accordingly, suitable restatement adjustments in the accounting heads are made to the financial statements as of and for the years ended March 31, 2015, 2014, 2013, 2012 and April 1, 2011.

Depreciation methods, estimated useful lives and residual value

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

Building	60 years
Furniture and fixture	5 to 10 years
Office equipment	4 to 5 years
Electrical equipment	10 years
Computer systems office automation	3 years
Computer systems – others	4 years
Computer software	4 years
Telecommunication systems	4 years
Trading and Clearing systems	4 years

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

The useful lives have been determined based on technical evaluation done by the management's expert which are not higher than those specified by Schedule II to the Companies Act, 2013, in order to reflect the actual usage of the assets, except in case of subsidiary NSEIT Limited. In case of furniture and fixtures, office equipment's, computer system-others, telecommunication systems and trading & clearing systems, the management estimate of the useful life is lower than that prescribed in Schedule II of the Companies Act, 2013. This is based on the consistent practices followed, past experience, internal assessment and duly supported by technical advice.

In case of subsidiary company NSEIT Limited, fixed assets are depreciated as per the useful life specified under schedule II to Companies Act 2013 except the furniture and fixtures, electrical

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installation and office equipment including civil improvements at lease hold premises which are depreciated over the lease period.

The residual values are not more than 5% of the original cost of the asset. The asset's residual values and useful lives are reviewed, and adjusted on a prospective basis if appropriate, at the end of each reporting period.

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

Gains and losses on disposals are determined by comparing proceeds with carrying amount and are included in statement of profit and loss.

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

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

(o) Investment properties

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Group, is accounted as investment property. Investment property is measured initially at its cost, including related transaction costs.

Investment properties are depreciated using the straight-line method over their estimated useful lives. Investment properties generally have a useful life of 60 years. The useful life has been determined based on technical evaluation performed by the management's expert.

Transition to Ind AS

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its investment properties recognised as at April 1, 2015 measured as per the previous Indian GAAP and use that carrying value as the deemed cost of investment properties. The Group has followed the same accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 101) as initially adopted on transition date i.e. April 1, 2015 while preparing Proforma Restated Consolidated Financial Information for the years ended March 31, 2015, 2014, 2013 and 2012. Accordingly, suitable restatement adjustments in the accounting heads are made to the financial statements as of and for the years ended March 31, 2015, 2014, 2013, 2012 and April 1, 2011.

(p) Intangible assets

(i) Goodwill:

Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, which in our case are the operating segments.

(ii) Other intangible assets:

Costs associated with maintaining software programmes are recognised as an expense as incurred.

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Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognised as intangible assets when the following criteria are met:

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

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

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

Computer software is amortised over a period of 4 years. In case of subsidiary Company NSEIT Limited, software products/ licenses purchased/ acquired for internal use of the Company which are capitalised and depreciated over a period of 3 years on Straight Line Method.

Transition to Ind AS

On transition to Ind AS, the Group has elected to continue with the carrying value of all of intangible assets recognised as at April 1, 2015 measured as per the previous GAAP and use that carrying value the deemed cost of intangible assets. The Group has followed the same accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 101) as initially adopted on transition date i.e. April 1, 2015 while preparing Proforma Restated Consolidated Financial Information for the years ended March 31, 2015, 2014, 2013 and 2012. Accordingly, suitable restatement adjustments in the accounting heads are made to the financial statements as of and for the years ended March 31, 2015, 2014, 2013, 2012 and April 1, 2011.

(q) Trade and other payables

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

(r) Provisions

Provisions for legal claims and discounts/incentives are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

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

(s) 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

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uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

(t) Employee benefits

(i) Short-term obligations

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

(ii) Other long-term employee benefit obligations

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

The obligations are presented as current liabilities in the Restated Consolidated Statement of Assets and Liabilities since the Group does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment obligations

The Group operates the following post-employment schemes:

- (a) defined benefit plans such as gratuity, and
- (b) defined contribution plans such as provident fund and superannuation.

Gratuity obligations

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

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

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

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Restated Consolidated Statement of Assets and Liabilities.

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

(iv) Defined contribution plans

Provident fund

The Company has established 'National Stock Exchange of India Limited Employee Provident Fund Trust' and one of the subsidiary, NSE Infotech Services Limited has established 'NSE Infotech Services Limited Employee Provident Fund Trust' to which both the employee and the employer make monthly contribution equal to 12% of the employee's basic salary, respectively. Such contribution to the provident fund for all employees, are charged to the profit and loss. In case of any liability arising due to shortfall between the return from its investments and the administered interest rate, the same is provided for by the Group.

One of the subsidiary, NSEIT Limited contributes to the Government administered fund and the same is charged to statement of profit and loss.

Superannuation

Superannuation benefits for employees designated as chief managers and above are covered by Group policies with the Life Insurance Corporation of India. Group's contribution payable for the year is charged to profit and loss. There are no other obligations other than the annual contribution payable.

(v) Bonus plans

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

(u) Contributed equity

Equity shares are classified as equity.

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

(v) 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.

(w) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Group
- by the weighted average number of equity shares outstanding during the financial year/ period, adjusted for bonus elements and share split in equity shares issued during the year/ period.

(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

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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.

(x) Core Settlement Guarantee Fund

The Group contributes to Settlement Guarantee Fund/ Core Settlement Guarantee Fund in accordance with Securities Exchange Board of India ('SEBI') regulations. National Stock Exchange of India Limited (the parent company) contributes 25% of its annual profits and also alongwith its clearing corporation subsidiary, National Securities Clearing Corporation Limited contributes amounts pertaining to Minimum Required Corpus to the Core Settlement Guarantee Fund, which is determined as per SEBI guidelines. The contribution to Settlement Guarantee Fund/ Core Settlement Guarantee Fund by the parent Company is recorded as an expense in the Consolidated Statement of Profit and Loss and contribution by the clearing corporation is recorded as an appropriation from Group's retained earnings and such amounts are separately disclosed as Core Settlement Guarantee Fund in Restated Consolidated Statement of Assets and Liabilities.

As per SEBI guidelines, the Group invests balances in Core Settlement Guarantee Fund in prescribed category of securities which are earmarked/restricted and income earned on such investments are attributed directly and credited to the fund balance. Fines and penalties recovered by the Group from members are also directly attributed to the fund balance.

The Group records a loss in its Restated Statement Profit and Loss in case of a default event, as per the default waterfall defined under the SEBI regulations, including by utilization of the Core Settlement Guarantee Fund balance.

(y) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest millions, unless otherwise stated.

(z) Reclassification

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

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Annexure V - Basis of Preparation and Significant Accounting Policies

IV. Critical accounting estimates and judgements

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

The areas involving critical estimates or judgements are:

Estimation of fair value of unlisted securities Note 40 of Annexure VI

Estimation of useful life of intangible asset Note 3 of Annexure VI

Estimation of defined benefit obligation Note 30 of Annexure VI

Estimation of contingent liabilities refer Note 34 of Annexure VI

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

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Annexure VI - Notes to Restated Consolidated Financial Information

Note 2 : Property, plant and equipment

	(Rs. in Millions)												
	Freehold land	Leasehold land	Owned building*	Office equipments	Electrical equipment & installations	Furniture & Fixtures	Trading Systems	Computer systems office automation	Computer systems others	Tele-communication systems	Clearing and settlement system	Total	Capital work in progress
Half Year ended 30.09.2016													
Gross carrying amount													
Cost as at 01.04.2016	355.1	1,076.2	1,745.1	744.6	1,028.6	459.4	1,907.0	270.8	1,997.8	1,748.1	313.2	11,645.9	150.6
Additions	-	-	-	23.1	9.7	53.2	59.7	40.0	75.9	109.6	4.8	376.0	391.2
Disposals	-	-	-	(0.8)	-	(1.3)	-	(7.5)	(2.2)	(3.7)	-	(15.5)	-
Transfers	-	-	-	-	-	-	-	-	-	-	-	-	(341.6)
Closing gross carrying amount	355.1	1,076.2	1,745.1	766.9	1,038.3	511.3	1,966.7	303.3	2,071.5	1,854.0	318.0	12,006.4	200.2
Accumulated depreciation													
Accumulated depreciation as at 01.04.2016	-	264.3	351.7	547.3	342.4	273.7	1,718.6	210.4	1,249.6	1,351.2	264.9	6,574.1	-
Depreciation charge during the period	-	6.5	15.2	41.4	40.8	21.1	53.9	15.2	178.5	104.5	11.6	488.7	-
Disposals	-	-	-	(0.6)	-	(1.2)	-	(7.5)	(2.3)	(3.7)	-	(15.3)	-
Closing Accumulated depreciation	-	270.8	366.9	588.1	383.2	293.6	1,772.5	218.1	1,425.8	1,452.0	276.5	7,047.5	-
Net carrying amount as at 30.09.2016	355.1	805.4	1,378.2	178.8	655.1	217.7	194.2	85.2	645.7	402.0	41.5	4,958.9	200.2
Year ended 31.03.2016													
Deemed cost as at 01.04.2015	355.1	824.9	1,433.1	175.2	601.6	188.6	273.5	66.3	629.8	382.0	28.0	4,958.1	56.3
Gross carrying amount	355.1	1,076.2	1,758.3	637.3	875.6	432.7	1,885.5	261.1	1,563.5	1,563.2	276.1	10,684.6	56.3
Additions	-	-	-	111.1	153.4	39.5	21.5	9.7	436.2	184.9	37.1	993.4	265.2
Disposals	-	-	(13.2)	(3.8)	(0.4)	(12.8)	-	-	(1.9)	-	-	(32.1)	-
Transfers	-	-	-	-	-	-	-	-	-	-	-	-	(170.9)
Closing gross carrying amount	355.1	1,076.2	1,745.1	744.6	1,028.6	459.4	1,907.0	270.8	1,997.8	1,748.1	313.2	11,645.9	150.6
Accumulated depreciation													
Accumulated depreciation as at 01.04.2015	-	251.3	325.2	462.1	274.0	244.1	1,612.0	194.8	933.7	1,181.2	248.1	5,726.5	-
Depreciation charge during the year	-	13.0	30.3	88.7	68.7	41.6	106.6	15.6	316.5	170.0	16.9	867.9	-
Disposals	-	-	(3.9)	(3.5)	(0.3)	(12.0)	-	-	(0.6)	-	-	(20.3)	-
Closing Accumulated depreciation	-	264.3	351.6	547.3	342.4	273.7	1,718.6	210.4	1,249.6	1,351.2	265.0	6,574.1	-
Net carrying amount as at 31.03.2016	355.1	811.9	1,393.5	197.3	686.2	185.7	188.4	60.4	748.2	396.9	48.2	5,071.8	150.6
Year ended 31.03.2015 - Proforma													
Gross carrying amount													
Cost as at 01.04.2014	343.8	1,076.2	1,757.0	601.1	530.6	407.8	1,710.0	245.0	1,174.3	1,301.5	266.1	9,413.4	103.8
Additions	11.3	-	1.3	49.0	348.0	34.7	175.5	16.9	398.5	262.4	10.6	1,308.2	83.7
Disposals	-	-	-	(12.8)	(3.0)	(9.8)	-	(0.8)	(9.3)	(0.7)	(0.6)	(37.0)	-
Transfers	-	-	-	-	-	-	-	-	-	-	-	-	(131.2)
Closing gross carrying amount	355.1	1,076.2	1,758.3	637.3	875.6	432.7	1,885.5	261.1	1,563.5	1,563.2	276.1	10,684.6	56.3
Accumulated depreciation													
Accumulated depreciation as at 01.04.2014	-	238.3	294.7	314.0	168.7	207.1	1,511.2	179.1	683.9	1,057.1	235.3	4,889.4	-
Depreciation charge during the year	-	13.0	30.5	160.3	108.0	44.7	100.8	16.5	259.1	124.7	13.5	871.1	-
Disposals	-	-	-	(12.2)	(2.7)	(7.7)	-	(0.8)	(9.3)	(0.7)	(0.6)	(34.0)	-
Closing Accumulated depreciation	-	251.3	325.2	462.1	274.0	244.1	1,612.0	194.8	933.7	1,181.1	248.2	5,726.5	-
Net carrying amount as at 31.03.2015	355.1	824.9	1,433.1	175.2	601.6	188.6	273.5	66.3	629.8	382.1	27.9	4,958.1	56.3
Year ended 31.03.2014 - Proforma													
Gross carrying amount													
Cost as at 01.04.2013	343.8	1,076.2	1,757.0	565.6	530.7	353.4	1,627.4	250.4	881.8	1,317.0	265.1	8,968.4	159.4
Additions	-	-	-	70.0	19.4	65.2	119.1	25.5	338.7	54.9	2.1	694.9	59.3
Disposals	-	-	-	(34.5)	(19.5)	(10.8)	(36.5)	(30.9)	(46.2)	(70.3)	(1.1)	(249.8)	-
Transfers	-	-	-	-	-	-	-	-	-	-	-	-	(114.9)
Closing gross carrying amount	343.8	1,076.2	1,757.0	601.1	530.6	407.8	1,710.0	245.0	1,174.3	1,301.6	266.1	9,413.5	103.8
Accumulated depreciation													
Accumulated depreciation as at 01.04.2013	-	225.3	265.3	292.5	155.4	195.3	1,431.3	179.9	551.6	964.4	217.1	4,478.1	-
Depreciation charge during the year	-	13.0	29.4	50.7	26.8	21.4	116.4	30.0	175.9	161.6	19.1	644.3	-
Disposals	-	-	-	(29.2)	(13.4)	(9.5)	(36.5)	(30.8)	(43.6)	(68.8)	(1.0)	(232.8)	-
Closing Accumulated depreciation	-	238.3	294.7	314.0	168.8	207.2	1,511.2	179.1	683.9	1,057.2	235.2	4,889.6	-
Net carrying amount as at 31.03.2014	343.8	837.9	1,462.3	287.1	361.8	200.6	198.8	65.9	490.4	244.4	30.9	4,523.8	103.8

NATIONAL STOCK EXCHANGE OF INDIA LIMITED
Annexure VI - Notes to Restated Consolidated Financial Information

Note 2 : Property, plant and equipment

(Rs. in Millions)													
	Freehold land	Leasehold land	Owned building*	Office equipments	Electrical equipment & installations	Furniture & Fixtures	Trading Systems	Computer systems office automation	Computer systems others	Tele-communication systems	Clearing and settlement system	Total	Capital work in progress
Year ended 31.03.2013 - Proforma													
Gross carrying amount													
Cost as at 01.04.2012	33.1	1,076.1	1,723.7	501.0	407.2	326.3	1,539.5	257.2	674.7	1,992.3	228.1	8,759.2	74.2
Additions	310.7	0.1	33.5	86.1	133.8	47.2	87.9	21.7	211.8	262.7	38.9	1,234.4	542.2
Disposals	-	-	(0.2)	(21.5)	(10.3)	(20.1)	-	(28.5)	(4.7)	(938.0)	(1.9)	(1,025.2)	-
Transfers	-	-	-	-	-	-	-	-	-	-	-	-	(457.0)
Closing gross carrying amount	343.8	1,076.2	1,757.0	565.6	530.7	353.4	1,627.4	250.4	881.8	1,317.0	265.1	8,968.4	159.4
Accumulated depreciation													
Accumulated depreciation as at 01.04.2012	-	212.3	236.0	262.0	134.4	183.2	1,258.8	175.1	424.6	1,716.4	199.9	4,802.7	-
Depreciation charge during the year	-	13.0	29.4	46.6	26.1	21.6	172.5	33.1	131.4	182.6	19.1	675.4	-
Disposals	-	-	(0.1)	(16.1)	(5.1)	(9.5)	-	(28.3)	(4.4)	(934.6)	(1.9)	(1,000.0)	-
Closing Accumulated depreciation	-	225.3	265.3	292.5	155.4	195.3	1,431.3	179.9	551.6	964.4	217.1	4,478.1	-
Net carrying amount as at 31.03.2013	343.8	850.9	1,491.7	273.1	375.3	158.1	196.1	70.5	330.2	352.6	48.0	4,490.3	159.4
Deemed cost as at 01.04.2011 - Proforma													
Year ended 31.03.2012 - Proforma	33.1	876.8	1,514.6	189.5	254.1	126.3	434.8	88.8	257.9	485.0	47.0	4,307.9	66.1
Gross carrying amount													
Cost as at 01.04.2011	33.1	1,076.1	1,721.8	416.8	368.3	295.3	1,838.3	257.0	600.4	1,970.0	232.9	8,810.0	66.1
Additions	-	-	1.9	89.6	42.9	48.7	107.7	23.9	121.8	64.2	0.5	501.2	320.0
Disposals	-	-	-	(5.4)	(4.0)	(17.7)	(406.5)	(23.7)	(47.5)	(41.9)	(5.3)	(552.0)	-
Transfers	-	-	-	-	-	-	-	-	-	-	-	-	(311.9)
Closing gross carrying amount	33.1	1,076.1	1,723.7	501.0	407.2	326.3	1,539.5	257.2	674.7	1,992.3	228.1	8,759.2	74.2
Accumulated depreciation as at 01.04.2011													
Opening accumulated depreciation	-	199.3	207.2	227.3	114.2	169.0	1,403.5	168.2	342.5	1,485.0	185.9	4,502.1	-
Depreciation charge during the year	-	13.0	28.8	38.7	21.3	27.1	261.8	30.5	128.8	272.2	19.3	841.5	-
Disposals	-	-	-	(4.0)	(1.1)	(12.9)	(406.5)	(23.6)	(46.7)	(40.8)	(5.3)	(540.9)	-
Closing amortization & impairment	-	212.3	236.0	262.0	134.4	183.2	1,258.8	175.1	424.6	1,716.4	199.9	4,802.7	-
Net carrying amount as at 31.03.2012	33.1	863.8	1,487.7	239.0	272.8	143.1	280.7	82.1	250.1	275.9	28.2	3,956.5	74.2

During the year ended March 31, 2015 in accordance with the Companies Act, 2013, the Group has revised the useful lives of certain assets namely Building from 61.35 Years to 60 Years, Furniture and Fixture from 15 years to 10 Years, Office Equipments from 15 Years and 21 Years to 5 Years, Electrical Installations and Equipments from 15 years and 21 Years to 10 Years. As a result of the same, the provision for depreciation for the year ended March 31, 2015 is higher by Rs.167.4 millions, of which depreciation pertaining to earlier years amounting to Rs.127.4 Millions has been adjusted after netting of Rs.34 Millions towards deferred tax from the opening Retained Earnings in respect of asset where the remaining useful life is Nil as on April 01, 2014 .

* Includes investment property for which cost and fair value details are as follows:

Particulars	Rs. In Millions					
	30.09.2016	31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012
Net carrying amount of investment property	49.8	82.1	230.9	250.4	253.0	261.4
Fair value of investment property	762.2	739.7	3,118.2	2,917.0	3,180.2	2,953.3
Depreciation	0.6	1.8	4.9	5.1	5.1	5.1
Rental income	34.9	139.0	430.6	420.4	402.2	425.2

Estimation of fair value

The group obtains independent valuations / quotations for its investment property. The best evidence of fair value is current prices in an active market for similar property.

NATIONAL STOCK EXCHANGE OF INDIA LIMITED
Annexure VI - Notes to Restated Consolidated Financial Information

Note 3 : Intangible assets

(Rs. in Millions)

(Rs. in millions)					
	Goodwill	Other intangible assets			Intangible under development
		Computer software	Software copyrights	Total	
Half year ended 30.09.2016					
Gross carrying amount					
Cost as at 01.04.2016	673.5	2,137.8	25.9	2,163.7	233.1
Additions	-	157.4	-	157.4	128.1
Disposals	-	(3.6)	-	(3.6)	-
Transfers	-	-	-	-	(127.4)
Closing gross carrying amount	673.5	2,291.6	25.9	2,317.5	233.8
Accumulated amortisation					
Accumulated amortisation as at 01.04.2016	-	1,679.0	25.9	1,704.9	-
Amortisation charge during the period	-	109.9	-	109.9	-
Disposals	-	(3.6)	-	(3.6)	-
Closing Accumulated amortisation	-	1,785.3	25.9	1,811.2	-
Net carrying amount as at 30.09.2016	673.5	506.3	-	506.3	233.8
Year ended 31.03.2016					
Deemed cost as at 01.04.2015	673.5	332.0	-	332.0	113.9
Gross carrying amount					
Cost as at 01.04.2015	673.5	1,789.7	25.9	1,815.6	113.9
Additions	-	348.1	-	348.1	359.7
Transfers	-	-	-	-	(240.5)
Closing gross carrying amount	673.5	2,137.8	25.9	2,163.7	233.1
Accumulated amortisation					
Accumulated amortisation as at 01.04. 2015	-	1,457.7	25.9	1,483.6	-
Amortisation charge during the year	-	221.3	-	221.3	-
Closing Accumulated amortisation	-	1,679.0	25.9	1,704.9	-
Net carrying amount as at 31.03.2016	673.5	458.8	-	458.8	233.1
Year ended 31.03.2015 - Proforma					
Gross carrying amount					
Cost as at 01.04.2014	673.5	1,620.1	25.9	1,646.0	57.4
Additions	-	169.6	-	169.6	199.1
Transfers	-	-	-	-	(142.6)
Closing gross carrying amount	673.5	1,789.7	25.9	1,815.6	113.9
Accumulated amortisation					
Accumulated amortisation as at 01.04. 2014	-	1,268.5	25.9	1,294.4	-
Amortisation charge during the year	-	189.2	-	189.2	-
Closing Accumulated amortisation	-	1,457.7	25.9	1,483.6	-
Net carrying amount as at 31.03.2015	673.5	332.0	-	332.0	113.9
Year ended 31.03. 2014 - Proforma					
Gross carrying amount					
Cost as at 01.04.2013	17.6	1,476.1	25.9	1,502.0	109.7
Additions	-	153.0	-	153.0	92.9
Acquisition of subsidiary (India Index Servcies & Products Limited)*	655.9	-	-	-	-
Disposals	-	(9.0)	-	(9.0)	-
Transfers	-	-	-	-	(145.2)
Closing gross carrying amount	673.5	1,620.1	25.9	1,646.1	57.4
Accumulated amortisation					
Accumulated amortisation as at 01.04.2013	-	1,081.4	25.9	1,107.3	-
Amortisation charge during the year	-	195.7	-	195.7	-
Disposals	-	(8.6)	-	(8.6)	-
Closing Accumulated amortisation	-	1,268.5	25.9	1,294.4	-
Net carrying amount as at 31.03.2014	673.5	351.6	-	351.7	57.4
Year ended 31.03.2013 - Proforma					
Gross carrying amount					
Cost as at 01.04.2012	17.6	1,345.8	25.9	1,371.7	81.5
Additions	-	130.3	-	130.3	110.7
Transfers	-	-	-	-	(82.5)
Closing gross carrying amount	17.6	1,476.1	25.9	1,502.0	109.7
Accumulated amortisation					

NATIONAL STOCK EXCHANGE OF INDIA LIMITED
Annexure VI - Notes to Restated Consolidated Financial Information

Note 3 : Intangible assets

(Rs. in Millions)

	Goodwill	Other intangible assets			Intangible under development
		Computer software	Software copyrights	Total	
Accumulated amortisation as at 01.04.2012	-	901.7	25.9	927.6	-
Amortisation charge during the year	-	179.6	-	179.6	-
Closing Accumulated amortisation	-	1,081.3	25.9	1,107.3	-
Net carrying amount as at 31.03.2013	17.6	394.8	-	394.7	109.7
Year ended 31.03.2012 - Proforma					
Deemed cost as at 01.04.2011	17.6	273.4	-	273.4	54.8
Gross carrying amount					
Cost as at 01.04.2011	17.6	1,034.7	25.9	1,060.6	54.8
Additions	-	311.1	-	311.1	129.2
Disposals	-	-	-	-	(102.5)
Closing gross carrying amount	17.6	1,345.8	25.9	1,371.7	81.5
Accumulated amortisation as at 01.04.2011	-	761.3	25.9	787.2	-
Amortisation charge during the year	-	140.4	-	140.4	-
Closing gross carrying amount	-	901.7	25.9	927.6	-
Net carrying amount as at 31.03.2012	17.6	444.1	-	444.1	81.5

* On August 27, 2013, the Group has acquired additional stake of 49% in India Index Services & Products Limited, a subsidiary, for a cash consideration of Rs.1,000.6 Millions resulting in goodwill of Rs.655.9 Millions. (Refer Note 39)

Significant estimate: Useful life of intangible assets under development

The Group has completed the development of software that is used to in its various business processes. The Group estimates the useful life of the software to be 4 years based on the expected technical obsolescence of such assets. However, the actual useful life may be shorter or longer than 4 years, depending on technical innovations and competitor actions.

Impairment of goodwill

For the purpose of impairment testing, goodwill is allocated to a cash generating unit, representing the lowest level within the Group at which goodwill is monitored for internal management purposes and which is not higher than the Group's operating segment. The goodwill of Rs.655.9 Millions relates to the index licensing services activity of the Group and Rs.17.6 Millions relates to datafeed services. The recoverable amount of the cash generating unit has been determined based on value in use. Value in use has been determined based on future cash flows, after considering current economic conditions and trends, estimated future operating results, growth rates and anticipated future economic conditions.

As at April 1, 2015 i.e. transition date to Ind AS, the Group carried goodwill impairment test and estimated cash flows for a period of 5 years using internal forecasts. The management believes that any reasonably possible change in the key assumptions would not cause the carrying amount to exceed the recoverable amount of the cash generating units.

The Group has carried out annual goodwill impairment assesment as at March 31, 2016 and the carrying amount does not exceed the recoverable amount of the cash generating units. Accordingly there was no impairment recorded for the period.

NATIONAL STOCK EXCHANGE OF INDIA LIMITED
Annexure VI - Notes to Restated consolidated financial information

NOTE 4 : Non-Current Investments

		30.09.2016		31.03.2016		31.03.2015		31.03.2014		31.03.2013		31.03.2012	
		Proforma		Proforma		Proforma		Proforma		Proforma		Proforma	
		Number of Units	(Rs. in Millions)	Number of Units	(Rs. in Millions)	Number of Units	(Rs. in Millions)	Number of Units	(Rs. in Millions)	Number of Units	(Rs. in Millions)	Number of Units	(Rs. in Millions)
(A)	Investment in equity instruments												
(i)	Quoted equity instruments at FVOCI												
	In other companies												
	Metropolitan Stock Exchange of India Limited (erstwhile known as MCX Limited)	5,000	6.8	5,000	4.2	5,000	5.6	5,000	2.5	12,50,000	1,038.3	12,50,000	1,587.8
	Total quoted equity instruments		6.8		4.2		5.6		2.5		1,038.3		1,587.8
(ii)	Unquoted equity instruments at FVOCI												
	In other companies												
	National Commodity & Derivative Exchange Limited	76,01,377	1,646.8	76,01,377	1,598.6	76,01,377	1,381.5	50,67,577	898.1	50,67,577	867.3	50,67,577	602.8
	Goods And Service Tax Network (Under Section 8 of the Act)	10,00,000	10.0	10,00,000	10.0	10,00,000	10.0	6,13,061	6.1	-	-	-	-
	Total in other companies		1,656.8		1,608.6		1,391.5		904.2		867.3		602.8
	Total equity instruments		1,663.6		1,612.8		1,397.1		906.7		1,905.6		2,190.6
(B)	Investments in preference shares												
	Unquoted preference shares												
	In associate company at FVPL												
	10% Optionally Convertible Redeemable Preference Shares of Power Exchange of India Limited #	50,00,000	-	50,00,000	50.1	50,00,000	50.1	50,00,000	50.1	50,00,000	50.1	50,00,000	50.1
	Total preference shares		-		50.1		50.1		50.1		50.1		50.1
(C)	Investment in exchange traded funds (ETF)												
	Quoted exchange traded funds at FVPL												
	Goldman Sachs Mutual Fund - CPSE ETF - Growth Option	4,05,20,000	968.0	4,05,20,000	797.0	65,00,000	157.4	-	-	-	-	-	-
	SBI - ETF Nifty 50	48,50,000	424.8	48,50,000	380.2	-	-	-	-	-	-	-	-
	ICICI Prudential Nifty ETF	33,90,000	296.9	33,90,000	269.9	-	-	-	-	-	-	-	-
	Kotak Mahindra MF - Kotak Banking ETF	16,12,450	316.0	16,12,450	262.7	-	-	-	-	-	-	-	-
	Goldman Sachs Nifty ETF - Nifty Bees	10,26,000	901.4	10,26,000	811.8	2,80,000	238.2	-	-	-	-	-	-
	Goldman Sachs MF Bank Bees	4,98,000	975.1	4,98,000	809.4	1,60,000	290.2	-	-	-	-	-	-
	Goldman Sachs Nifty ETF-Nifty Bees	1,14,310	100.4	1,14,310	90.5	-	-	-	-	-	-	-	-
	R Shares Reliance MF Banking ETF	74,500	156.7	74,500	130.9	-	-	-	-	-	-	-	-
	Goldman Sachs Nifty ETF	67,633	59.4	3,34,737	264.9	1,47,555	125.5	-	-	-	-	-	-
	Total exchange traded funds		4,198.7		3,817.3		811.3		-		-		-
(D)	Investment in bonds												
	Quoted bonds												
(i)	Tax free bonds at amortised cost												
	7.35% NABARD 23-Mar-2031	5,00,000	539.9	2,50,000	259.5	-	-	-	-	-	-	-	-
	7.64% NABARD 23-Mar-2031	4,00,000	437.8	-	-	-	-	-	-	-	-	-	-
	7.51% HUDCO Taxfree Bonds - 16-Feb-2028	3,50,000	377.6	3,50,000	364.7	-	-	-	-	-	-	-	-
	8.67 National Hydroelectric Power Corporation Limited - 02-Nov-2033	3,00,000	380.3	-	-	-	-	-	-	-	-	-	-
	6.86% India Infrastructure Finance Company Limited - 26 Mar 2023	2,50,000	254.0	2,50,000	245.1	-	-	-	-	-	-	-	-
	8.46% Rural Electrification Corporation Limited - 24-Sep-2028	2,50,000	290.1	2,50,000	280.1	-	-	-	-	-	-	-	-
	8.67% PFC Limited - 16-Nov-2033	2,50,000	325.7	-	-	-	-	-	-	-	-	-	-
	7.39% Housing & Urban Development Corporation Limited15-Mar-2031	2,00,000	224.4	-	-	-	-	-	-	-	-	-	-
	8.20 HUDCO 2027	2,00,000	237.0	-	-	-	-	-	-	-	-	-	-
	7.18 % Indian Railway Finance Corporation Limited - Tranche 1 - Series 1 - 19 Feb 2023	1,50,000	160.4	1,50,000	155.0	1,50,000	155.0	-	-	-	-	-	-
	7.18 % Indian Railway Finance Corporation Limited - Tranche 1 - Series 1	1,50,000	160.4	1,50,000	155.0	1,50,000	155.0	-	-	-	-	-	-
	7.19% India Infrastructure Finance Company Limited - 22-Jan-2023	1,45,000	155.1	1,00,000	101.7	-	-	-	-	-	-	-	-
	8.20% Power Finance Corporation Limited - Tranche 1 - Series 1 - 01-Feb-2022	1,35,436	146.5	1,35,436	141.0	1,35,436	141.1	1,35,436	141.1	1,35,436	141.1	1,35,436	139.0
	7.19% Housing & Urban Development Corporation Limited 28-March-2028	1,00,000	104.5	1,00,000	101.0	-	-	-	-	-	-	-	-
	7.34% Indian Railway Finance Corporation Limited 19-Feb-2028	1,00,000	108.7	1,00,000	105.1	-	-	-	-	-	-	-	-
	7.35% National Highways Authority of India 11-Jan-2031	1,00,000	104.2	1,00,000	101.7	-	-	-	-	-	-	-	-
	7.36% India Infrastructure Finance Company Limited - 22-Jan-2028	1,00,000	107.0	1,00,000	103.4	-	-	-	-	-	-	-	-
	7.43% Rural Electrification Corporation Limited 05-Nov-2035	1,00,000	110.6	-	-	-	-	-	-	-	-	-	-
	8.40% Indian Railway Finance Corporation Limited - 18-Feb-2029	1,00,000	114.3	1,00,000	118.7	-	-	-	-	-	-	-	-
	8.66% India Infrastructure Finance Company Limited 2034	1,00,000	123.6	-	-	-	-	-	-	-	-	-	-
	8.41% NTPC Limited - 04-Dec-2023	79,162	84.4	79,162	81.1	79,162	81.1	79,162	81.1	-	-	-	-
	8.00 % Indian Railway Finance corporationLimited - Tranche 1 - Series 1 - 23-Feb-2022	65,252	70.3	65,252	67.7	65,252	67.7	65,252	67.7	65,252	67.7	65,252	66.7

NATIONAL STOCK EXCHANGE OF INDIA LIMITED
Annexure VI - Notes to Restated consolidated financial information

NOTE 4 : Non-Current Investments

		30.09.2016		31.03.2016		31.03.2015		31.03.2014		31.03.2013		31.03.2012	
						Proforma		Proforma		Proforma		Proforma	
		Number of Units	(Rs. in Millions)	Number of Units	(Rs. in Millions)	Number of Units	(Rs. in Millions)	Number of Units	(Rs. in Millions)	Number of Units	(Rs. in Millions)	Number of Units	(Rs. in Millions)
	7.93 % Rural Electrification corporation Limited - Tranche 1 - Series 1 - 27-Mar-2022	61,238	62.4	61,238	64.9	61,238	64.9	61,238	64.9	61,238	64.9	61,238	61.3
	7.19% India Infrastructure Finance Company Limited 22-Jan-2023	50,000	52.2	-	-	-	-	-	-	-	-	-	-
	7.40% India Infrastructure Finance Co. Limited. 22-Jan-2033	50,000	56.9	-	-	-	-	-	-	-	-	-	-
	8.54% Power Finance Corp Limited - 16-Nov-2028	50,000	62.2	-	-	-	-	-	-	-	-	-	-
	8.66% NTPC Limited - 16-Dec-2033	50,000	64.8	-	-	-	-	-	-	-	-	-	-
	8.63% National Housing Bank - 13-Jan-2029	40,000	248.6	-	-	-	-	-	-	-	-	-	-
	8.20% National Highways Authority of India - Tranche 1 - Series 1 - 25-Jan-2022	37,172	44.0	37,172	38.7	37,172	38.7	37,172	38.7	37,172	38.7	74,172	75.3
	7.28% National Highways Authority of India Sep-2030	1,250	1,297.4	1,250	1,294.7	-	-	-	-	-	-	-	-
	7.19% Indian Railway Finance Corporation Limited - 31-Jul-2025	500	517.7	500	525.2	-	-	-	-	-	-	-	-
	8.09% Power Finance Corporation - Series 80 A - 25-Nov-2021	500	53.4	500	51.4	500	51.4	500	51.4	500	51.4	2,000	205.6
	8.46% National Housing Bank - Series V - 2028	300	329.3	250	281.2	50	52.5	50	52.5	-	-	-	-
	7.15% NTPC Limited - 21-Aug-2025	200	204.6	150	156.8	-	-	-	-	-	-	-	-
	8.46% India Infrastructure Finance Company Limited - 30-Aug-2028	200	221.9	200	230.9	-	-	-	-	-	-	-	-
	8.35% Indian Railway Finance Corporation Limited 21-Nov-2023	150	155.8	150	162.1	150	167.1	150	154.5	-	-	-	-
	8.48% India Infrastructure Finance Company Limited 05-Sep-2028	150	165.3	150	172.1	-	-	-	-	-	-	-	-
	8.63% NTPC Limited - 04-Mar-2029	150	186.3	-	-	-	-	-	-	-	-	-	-
	6.89% National Housing Bank 2023	100	105.5	-	-	-	-	-	-	-	-	-	-
	7.00% HUDCO Bond Oct-25	100	106.9	100	103.4	-	-	-	-	-	-	-	-
	7.07% HUDCO Bonds 01-Oct-25	100	107.1	100	103.5	-	-	-	-	-	-	-	-
	7.21% Rural Electrification Corporation Limited -21-Nov-2022	100	108.5	-	-	-	-	-	-	-	-	-	-
	8.46% Rural Electrification Corporation Limited - 2028	100	105.1	100	105.1	100	105.1	50	52.5	-	-	-	-
	7.18 % Indian Railway Finance corporation Limited - Tranche 1 - Series 1 - 19-Feb-2013	-	-	-	-	-	-	1,50,000	155.0	1,50,000	151.2	-	-
	7.18% Indian Railway Finance Corporation Limited 19-Feb-23	-	-	-	-	-	-	1,50,000	155.0	1,50,000	151.2	-	-
	6.05% Indian Railway Finance Corporation Limited - Series 73 - 20 Dec 2015	-	-	-	-	-	-	1,000	102.8	1,000	102.8	1,000	102.8
	8.46% Rural Electrification Corporation Limited - 29-Aug-28	-	-	-	-	-	-	50	52.5	-	-	-	-
	6.85% India Infrastructure Finance Company Limited - Series I - 22 Jan 2014	-	-	-	-	-	-	-	-	-	-	13,346	1,358.9
	6.85% India Infrastructure Finance Company Limited - Series li - 20 Mar 2014	-	-	-	-	-	-	-	-	-	-	6,125	616.4
	6.00% Indian Railway Finance Corporation Limited Series 68Th-08 March 2015	-	-	-	-	-	-	-	-	1,000	102.8	1,000	102.8
	9% Indian Railway Finance Corporation - 28 Feb 2015	-	-	-	-	-	-	-	-	190	203.3	190	205.7
	5.25% Nuclear Power Corporation of India Limited 23-Mar-14	-	-	-	-	-	-	-	-	-	-	100	100.0
	9%-Indian Railway Finance Corporation-2015	-	-	-	-	-	-	-	-	10	11.0	10	10.9
	5.5% Nuclear Power Corporation of India Limited - 14-Aug-2013	-	-	-	-	-	-	-	-	-	-	200	20.7
	5.50% Nuclear Power Corporation of India Limited. 14-Aug-13	-	-	-	-	-	-	-	-	-	-	200	20.7
	5.25% Nuclear Power Corporation of India Limited - 23-Mar-14	-	-	-	-	-	-	-	-	-	-	100	100.0
	6.85 % India Infrastructure Finance Company Limited - 22-Jan-14	-	-	-	-	-	-	-	-	-	-	100	10.2
	6.85% India Infrastructure Finance Company Limited - 2014	-	-	-	-	-	-	-	-	-	-	100	10.5
	Total tax free bonds		8,872.7		5,670.6		1,079.3		1,169.7		1,086.0		3,207.6
(ii)	Taxable bonds at amortised cost												
	8.95% Nabard 01 Jan 2018	2,500	45.1	2,500	42.9	2,500	39.1	2,500	36.0	-	-	-	-
	8.80% Power Grid Corporation of India Limited - 13 Mar 2023	600	629.1	1,000	602.6	500	500.8	850	852.3	-	-	-	-
	8.39% Power Finance Corporation Limited - 19-April-2025	250	259.2	250	248.6	-	-	-	-	-	-	-	-
	8.82% Rural Electrification Corporation Limited - Sr 114 - 12-Apr-2023	250	259.4	250	270.3	250	270.2	750	800.8	-	-	-	-
	11.25% Power Finance Corporation Limited - 28-Nov-2018	100	113.5	100	108.8	100	110.6	100	112.2	100	113.7	-	-
	8.40% Power Grid Corporation of India Limited - 27-May-2024	50	51.0	50	53.0	-	-	-	-	-	-	-	-
	8.70% Power Grid Corporation of India Limited 15-Jul-2018	50	54.6	50	52.3	50	51.9	50	51.6	-	-	-	-
	8.70% Power Grid Corporation of India Limited 15-Jul-2023	50	53.1	86	51.0	50	50.7	50	50.6	-	-	-	-
	6% National Highways Authority of India Limited - 31-Mar-17	-	-	-	-	500	5.3	500	5.0	-	-	-	-
	7.87% Export Import Bank of India - 16-May-2016	-	-	-	-	250	265.7	250	264.4	-	-	-	-
	8.33% Union Bank 19-May-2016	-	-	-	-	100	103.0	100	103.0	-	-	-	-
	8.78% Power Finance Corporation Limited - 11-Dec-2016	-	-	-	-	5	5.1	-	-	-	-	-	-
	8.5 % Export Import Bank of India Sr Q07 - 08-Jul-2023	-	-	-	-	-	-	100	101.4	-	-	-	-
	8.56% Nuclear Power Corporation of India - 15-Mar-2023	-	-	-	-	-	-	150	144.5	-	-	-	-
	8.76% Export Import Bank of India - 10-Jan-2018	-	-	-	-	-	-	50	49.4	-	-	-	-
	8.84% Power Finance Corporation Limited - 04-Mar-2023	-	-	-	-	-	-	100	101.0	-	-	-	-
	8.88% National Bank For Agricultural Rural Developent Sr-XIII O 25-Sep-2015	-	-	-	-	-	-	100	104.4	-	-	-	-
	8.95% Power Finance Corporation Limited - 11-Mar-2018	-	-	-	-	-	-	50	49.3	-	-	-	-
	9.14% Infrastructure Development Finance Company Limited - 27-Jan-2016	-	-	-	-	-	-	100	101.5	-	-	-	-
	9.25% Rural Electrification Corporation Limited - Sr 109 - 27-Aug-2017	-	-	-	-	-	-	100	107.1	-	-	-	-
	9.33% Export Import Bank of India 24-Oct-2018	-	-	-	-	-	-	100	102.9	-	-	-	-
	9.35% Indian Oil Corporation Limited - 30-Apr-2017	-	-	-	-	-	-	150	159.8	-	-	-	-
	9.38% Rural Electrification Corporation Limited 06-Nov-2018	-	-	-	-	-	-	100	103.8	-	-	-	-

NATIONAL STOCK EXCHANGE OF INDIA LIMITED
Annexure VI - Notes to Restated consolidated financial information

NOTE 4 : Non-Current Investments

		30.09.2016		31.03.2016		31.03.2015		31.03.2014		31.03.2013		31.03.2012	
						Proforma		Proforma		Proforma		Proforma	
		Number of Units	(Rs. in Millions)	Number of Units	(Rs. in Millions)	Number of Units	(Rs. in Millions)	Number of Units	(Rs. in Millions)	Number of Units	(Rs. in Millions)	Number of Units	(Rs. in Millions)
	9.43% Indian Railway Finance Corporation Limited - 23 May 2018	-	-	-	-	-	-	150	157.4	-	-	-	-
	9.50% Export Import Bank of India Sr-Q-16 Bond 09-Oct-18	-	-	-	-	-	-	150	155.9	-	-	-	-
	9.61% Rural Electrification Corporation Limited - 03 Jan 2019	-	-	-	-	-	-	150	154.0	-	-	-	-
	9.63% Rural Electrification Corporation Limited 05-Feb-2019	-	-	-	-	-	-	100	100.9	-	-	-	-
	9.70% Export Import Bank of India 21-Nov-2018	-	-	-	-	-	-	800	832.4	-	-	-	-
	9.81% Power Finance Corporation Limited. Sr-109 - 07-Oct-2018	-	-	-	-	-	-	250	265.9	-	-	-	-
	9.81% Power Finance Corporation Limited. -07-Oct-2018	-	-	-	-	-	-	300	315.6	-	-	-	-
	9.81% Power Finance Corporation Limited. - Bonds-07-Oct-2018	-	-	-	-	-	-	250	264.5	-	-	-	-
	9.70% Power Finance Corporation Limited - 15 Dec 2018	-	-	-	-	-	-	-	-	50	53.0	-	-
	9.66% Power Finance Corporation Limited - 15 Apr 2017	-	-	-	-	-	-	-	-	100	111.1	-	-
	Total taxable bonds		1,464.9		1,429.5		1,402.6		5,647.7		277.8		-
	Unquoted bonds												
(iii)	Taxable bonds at amortised cost												
	6 % National Highways Authority of India - 2017	-	-	-	-	500	5.3	500	5.0	-	-	-	-
	Total taxable bonds		-		-		5.3		5.0		-		-
	Total bonds		10,337.7		7,100.1		2,487.2		6,822.4		1,363.8		3,207.6
(E)	Investment in debentures												
	Quoted at amortised cost												
	8.58% Infrastructure Leasing & Financial Services Limited - 01 Dec 2018	2,50,000	267.9	2,50,000	257.2	-	-	-	-	-	-	-	-
	8.70% IL&FS Financial Services Limited- 30-Sep-2018	2,50,000	250.1	2,50,000	260.9	-	-	-	-	-	-	-	-
	8.74% Infrastructure Leasing & Financial Services Limited - 10-Aug-2018	2,50,000	253.1	2,50,000	264.0	-	-	-	-	-	-	-	-
	8.90% IL&FS Financial Services Limited- 21-Mar-2019	2,50,000	261.8	2,50,000	250.7	-	-	-	-	-	-	-	-
	0% Infrastructure Leasing & Financial Services Limited - 10-Apr-2018	1,50,000	169.4	1,50,000	162.2	-	-	-	-	-	-	-	-
	8.77% ICICI Home Finance Company Limited - 21-Dec-2018	500	261.5	500	250.5	-	-	-	-	-	-	-	-
	8.80% ICICI Home Finance Company Limited - 15-Nov-2017	500	270.3	-	-	-	-	-	-	-	-	-	-
	8.80% Kotak Mahindra Prime Limited - 26 Jun 2018	450	453.9	200	462.6	-	-	-	-	-	-	-	-
	8.71% Can Fin Homes Limited - 07 Aug 2018	350	354.6	350	369.8	-	-	-	-	-	-	-	-
	8.48% HDB Financial Services Limited - 13-May-2019	250	256.9	-	-	-	-	-	-	-	-	-	-
	8.80% Kotak Mahindra Prime Limited - 15 Mar 2018	150	152.6	150	159.1	-	-	-	-	-	-	-	-
	8.80% Kotak Mahindra Prime Limited 10 Jul 2018	150	157.9	400	175.6	-	-	-	-	-	-	-	-
	9.10% HDB Financial Services Limited - 29 Dec 2017	150	160.2	150	153.4	150	153.4	-	-	-	-	-	-
	8.71% HDB Financial Services Limited - 20 Oct 2018	100	101.2	100	105.6	-	-	-	-	-	-	-	-
	8.80% Can Fin Homes Limited - 02 Jul 2018	100	102.2	100	106.6	-	-	-	-	-	-	-	-
	10.25% Mahindra & Mahindra Financial Services Limited- -08-Oct-2018	50	56.4	50	54.2	-	-	-	-	-	-	-	-
	9.05% Fullerton India Credit Comapny Limited - 30 April 2018 - Series 33-A	50	51.9	50	54.2	-	-	-	-	-	-	-	-
	8.74% Infrastructure Leasing & Financial Services Limited - 10 Aug 2017	-	-	1,00,000	105.9	-	-	-	-	-	-	-	-
	9.65% IL&FS Financial Services Limited - 18 Sep 2017	-	-	30,250	294.4	2,80,000	294.4	-	-	-	-	-	-
	8.75% Mahindra & Mahindra Financial Services Limited - 31 Jul 2017	-	-	400	423.5	-	-	-	-	-	-	-	-
	8.70% Kotak Mahindra Investment Limited 11 Aug 2017	-	-	250	263.8	-	-	-	-	-	-	-	-
	8.8075% Mahindra & Mahindra Financial Services Limited - 15 May 2017	-	-	250	268.2	-	-	-	-	-	-	-	-
	8.90% Kotak Mahindra Investment Limited - 11 Sep 2017	-	-	250	262.3	-	-	-	-	-	-	-	-
	9.00% Reliance Capital Limited 28 July 2017	-	-	250	265.1	-	-	-	-	-	-	-	-
	8.75% Mahindra & Mahindra Financial Services Limited - Aug 2017	-	-	50	52.8	-	-	-	-	-	-	-	-
	10.60% LIC Housing Finance - 06-Sept-2016	-	-	-	-	800	858.5	-	-	-	-	-	-
	10.17% HDB Financial Services Limited - 11 Nov 2016	-	-	-	-	350	363.6	-	-	-	-	-	-
	0% Housing Development Finance Corporation Limited - 16-Jan-2017	-	-	-	-	250	335.7	-	-	-	-	-	-
	8.54% HDB Financial Services Limited - 03 Jun 2016	-	-	-	-	250	265.4	-	-	-	-	-	-
	9.71% Tata Sons Limited - 13 Dec 2016	-	-	-	-	250	258.1	-	-	-	-	-	-
	10.18% Lic Housing Finance - 19-Sep-2016	-	-	-	-	200	212.5	-	-	-	-	-	-
	10.05% Hdb Financial Services Limited - 10-Feb-2017	-	-	-	-	150	152.2	250	253.4	-	-	-	-
	9.06% Hdb Financial Services Limited - 20 Jun 2016	-	-	-	-	150	153.5	-	-	-	-	-	-
	9.15% Housing Development Finance Corporation Limited - Sr K028 - 03 Apr 2016	-	-	-	-	50	54.2	50	53.8	-	-	-	-
	9.68% Tata Sons Limited - 10-Jan-2017	-	-	-	-	50	51.1	-	-	-	-	-	-
	9.75% Housing Development Finance Corporation Limited - 10-Oct-2016	-	-	-	-	50	52.5	-	-	-	-	-	-
	9.78% Tata Sons Limited - 23-Jul-2015	-	-	-	-	-	-	250	268.8	-	-	-	-
	9.58% Housing Development Finance Corporation Limited - Sr J 026 - 29 Aug 2015	-	-	-	-	-	-	250	263.6	-	-	-	-
	8.85% Infrastructure Development Finance Company Limited - 27 Jan 2016	-	-	-	-	-	-	200	204.0	-	-	-	-
	9.60% Housing Development Finance Corporation Limited - 18-Jul-15	-	-	-	-	-	-	200	214.2	200	214.7	-	-

NATIONAL STOCK EXCHANGE OF INDIA LIMITED
Annexure VI - Notes to Restated consolidated financial information

NOTE 4 : Non-Current Investments

		30.09.2016		31.03.2016		31.03.2015		31.03.2014		31.03.2013		31.03.2012	
		Proforma		Proforma		Proforma		Proforma		Proforma		Proforma	
		Number of Units	(Rs. in Millions)	Number of Units	(Rs. in Millions)	Number of Units	(Rs. in Millions)	Number of Units	(Rs. in Millions)	Number of Units	(Rs. in Millions)	Number of Units	(Rs. in Millions)
	9.70% Housing Development Finance Corporation Limited - 16 Apr 2015	-	-	-	-	-	-	150	165.3	250	277.6	-	-
	9.90 % Tata Sons Limited 2016	-	-	-	-	-	-	150	152.2	-	-	-	-
	9.5553% Hdb Financial Services Limited - 25 Sep 2015	-	-	-	-	-	-	100	110.6	-	-	-	-
	9.60% Housing Development Finance Corporation Limited - Sr J 021 - 07 Aug 2015	-	-	-	-	-	-	100	106.8	-	-	-	-
	9.55% Housing Development Finance Corporation Limited - 07 Sep 2015	-	-	-	-	-	-	50	52.9	50	53.0	-	-
	9.85% Housing Development Finance Corporation Limited - Sr J005 - 05 Jun 2015	-	-	-	-	-	-	50	54.4	-	-	-	-
	Total debentures		3,582.0		5,022.7		3,205.2		1,900.1		545.3	-	-
(F)	Investment in government securities												
	Quoted investment in government securities at FVOCI												
	8.60% Government of India - 02 Jun 2028	1,70,000	1,944.9	2,20,000	2,394.6	1,70,000	1,866.6	-	-	-	-	-	-
	9.20% Government of India - 30 Sep 2030	1,30,000	1,529.8	1,30,000	1,437.9	1,30,000	1,454.0	-	-	-	-	-	-
	8.40% Government of India - 28 Jul 2024	80,000	876.1	80,000	844.0	80,000	846.8	-	-	-	-	-	-
	7.72% Government of India 25 May 2025	50,000	536.4	5,25,000	5,406.8	-	-	-	-	-	-	-	-
	8.72% Andhra Pradesh SDL 06 Feb 2023	25,000	275.5	25,000	264.8	25,000	263.2	25,000	247.0	-	-	-	-
	8.15% Government of India - 24 Nov 2026	15,000	165.8	15,000	158.4	15,000	159.1	-	-	-	-	-	-
	8.67% Maharashtra SDL 24 Feb 2026	5,000	55.8	5,000	52.4	-	-	-	-	-	-	-	-
	9.23% Government of India - 23 Dec 2043	-	-	1,60,000	1,860.4	1,60,000	1,886.0	-	-	-	-	-	-
	7.88% Government of India - 19-Mar-2030	-	-	25,000	251.8	-	-	-	-	-	-	-	-
	8.83% Government of India - 25 Nov 2023	-	-	-	-	-	-	10,000	103.2	-	-	-	-
	8.33% Government Stock 09 Jul 2026	-	-	-	-	-	-	-	-	10,000	103.9	-	-
	8.20% Government Security 2025 - 24-Sep-25	-	-	-	-	-	-	-	-	5,000	50.6	-	-
	Total government securities		5,384.3		12,671.2		6,475.6		350.2		154.5		-
(G)	Mutual Funds												
	Quoted Mutual funds at FVPL												
	HDFC Fixed Maturity Plan 453D February, 2014	-	-	-	-	-	-	20,00,000	20.4	-	-	-	-
	IDFC Fixed Term Plan Series - 75 - 406 Days - 08-Apr-15	-	-	-	-	-	-	2,50,000	2.5	-	-	-	-
	Sundaram Fixed Term Plan - Di - 375 Days Growth - 04-Apr-14	-	-	-	-	-	-	-	-	10,00,000	10.0	-	-
	Sundaram Fixed Term Plan Di 396 Days Direct Growth	-	-	-	-	-	-	-	-	6,28,500	6.3	-	-
	Sundaram Fixed Term Plan Cq 370 Days Growth - 04-Apr-13	-	-	-	-	-	-	-	-	-	-	40,00,000	40.2
	Reliance Fixed Horizon Fund - Xxi - Series 18-Growth Plan	-	-	-	-	-	-	-	-	-	-	5,90,000	5.9
	Jpmorgan India Fixed Maturity Plan 400D Series 6 - Growth Plan	-	-	-	-	-	-	-	-	-	-	4,32,700	4.4
	Total quoted mutual funds		-		-		-		22.9		16.3		50.5
	Unquoted Mutual funds at FVPL												
	Icici Prudential Ultra Short Term Plan - Direct - Growth	1,10,52,393	187.0	-	-	-	-	-	-	-	-	-	-
	Kotak Treasury Advantage Fund – Direct - Growth	68,38,294	173.8	-	-	-	-	-	-	-	-	-	-
	Idfc Money Manager - Treasury Plan - Direct - Growth	64,58,675	163.0	-	-	-	-	-	-	-	-	-	-
	Hdfc Floating Rate Income Fund - Stp - Direct - Growth	60,98,830	166.5	-	-	-	-	-	-	-	-	-	-
	Reliance Medium Term Fund - Direct - Growth	49,25,558	164.3	-	-	-	-	-	-	-	-	-	-
	Jm High Liquidity Fund - Direct Growth	27,09,787	116.6	-	-	-	-	-	-	-	-	-	-
	Dsp Blackrock Ultra Short Term Fund Direct Growth	13,13,474	15.1	-	-	-	-	-	-	-	-	-	-
	Birla Sun Life Savings Fund - Direct - Growth	5,35,518	165.0	-	-	-	-	-	-	-	-	-	-
	Birla Sun Life Floating Rate Fund - Ltp - Direct - Growth	3,22,246	62.3	-	-	-	-	-	-	-	-	-	-
	Axis Treasury Advantage Fund - Growth - Direct Plan	1,02,211	181.9	-	-	-	-	-	-	-	-	-	-
	Baroda Pioneer Treasury Advantage Fund - Plan B - Direct - Growth	97,087	178.9	-	-	-	-	-	-	-	-	-	-
	Icici Prudential Money Market Fund -Dir-Growth	92,337	20.1	-	-	-	-	-	-	-	-	-	-
	Canara Robeco Savings Plus Fund Direct Growth	81,234	2.0	-	-	-	-	-	-	-	-	-	-
	Uti Floating Rate Fund - Stp - Direct – Growth	62,902	164.2	-	-	-	-	-	-	-	-	-	-
	Principal Cash Management - Direct Plan - Growth	60,733	72.7	-	-	-	-	-	-	-	-	-	-
	Reliance Liquid Fund - Cash Plan - Direct - Growth	48,451	123.1	-	-	-	-	-	-	-	-	-	-
	Uti Treasury Advantage Fund - Direct - Growth	18,891	61.5	-	-	-	-	-	-	-	-	-	-
	Uti Money Market Direct Growth	8,552	15.1	-	-	-	-	-	-	-	-	-	-
	Sbo Premier Liquid Fund -Direct-Growth	8,122	20.1	-	-	-	-	-	-	-	-	-	-
	Kotak Liquid Scheme Plan A Direct Growth	6,290	20.1	-	-	-	-	-	-	-	-	-	-
	Hdfc Cash Management Saving Plan Growth	5,795	19.0	-	-	-	-	-	-	-	-	-	-
	Cannara Robeco Liquid- Direct Growth	5,266	10.0	-	-	-	-	-	-	-	-	-	-
	Uti Treasury Advantage Fund Growth - Direct Plan	4,748	10.3	-	-	-	-	-	-	-	-	-	-
	Cannara Robeco Liquid- Fund Institutional Growth Plan	4,279	12.0	-	-	-	-	-	-	-	-	-	-
	Hdfc Cash Management Saving Plan Dp Growth	3,679	12.1	-	-	-	-	-	-	-	-	-	-

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NOTE 4 : Non-Current Investments

		30.09.2016		31.03.2016		31.03.2015		31.03.2014		31.03.2013		31.03.2012	
						Proforma		Proforma		Proforma		Proforma	
		Number of Units	(Rs. in Millions)	Number of Units	(Rs. in Millions)	Number of Units	(Rs. in Millions)	Number of Units	(Rs. in Millions)	Number of Units	(Rs. in Millions)	Number of Units	(Rs. in Millions)
	Hdfc Cash Management Saving Plan Growth	-	-	5,79,494	18.3	5,79,494	16.9	5,79,494	15.5	5,79,494	14.2	5,79,494	13.0
	Dsp Merrill Lynch Liquidity Fund - Growth	-	-	3,02,847	10.8	3,02,847	10.0	3,02,847	9.1	3,02,847	8.4	3,02,847	7.7
	Uti Liquid Cash Plan Regular - Growth	-	-	4,522	10.7	4,522	9.9	4,522	9.2	4,522	8.4	4,522	7.8
	Canara Liquid Fund Institutional Growth Plan	-	-	4,279	11.5	4,279	10.7	4,279	9.8	4,279	9.0	4,279	8.3
	Icici Prudential Ultra Short Term Plan - Direct - Growth	-	-	-	-	1,86,28,284	266.7	-	-	-	-	-	-
	Principal Cash Management - Direct Plan - Growth	-	-	-	-	96,389	131.2	97,327	121.4	-	-	-	-
	Jp Morgan India Liquid Fund - Direct - Growth	-	-	-	-	2,58,039	4.7	2,58,039	4.3	-	-	-	-
	Jp Morgan India Treasury Fund - Direct - Growth	-	-	-	-	2,61,57,816	481.9	-	-	-	-	-	-
	Axis Treasury Advantage Fund - Growth - Direct Plan	-	-	79,235	135.1	-	-	-	-	-	-	-	-
	Icici Prudential Ultra Short Term Plan - Direct - Growth	-	-	1,10,52,393	172.5	-	-	-	-	-	-	-	-
	Baroda Pioneer Treasury Advantage Fund - Plan B - Direct - Growth	-	-	97,087	170.3	-	-	-	-	-	-	-	-
	Kotak Treasury Advantage Fund - Direct - Growth	-	-	68,38,294	166.6	-	-	-	-	-	-	-	-
	Hdfc Floating Rate Income Fund - Stp - Direct - Growth	-	-	60,98,830	159.2	-	-	-	-	-	-	-	-
	Uti Floating Rate Fund - Stp - Direct - Growth	-	-	62,902	156.7	-	-	-	-	-	-	-	-
	Birla Sun Life Savings Fund - Direct - Growth	-	-	5,35,518	157.3	-	-	-	-	-	-	-	-
	Jm High Liquidity Fund - Direct Growth	-	-	27,09,787	112.3	-	-	-	-	-	-	-	-
	Principal Cash Management - Direct Plan - Growth	-	-	1,09,353	161.3	-	-	-	-	-	-	-	-
	Reliance Liquid Fund - Cash Plan - Direct - Growth	-	-	48,451	118.5	-	-	-	-	-	-	-	-
	Idfc Money Manager - Treasury Plan - Direct - Growth	-	-	64,58,675	156.1	-	-	-	-	-	-	-	-
	Reliance Medium Term Fund - Direct - Growth	-	-	49,25,558	156.3	-	-	-	-	-	-	-	-
	Total unquoted mutual funds		2,136.7		1,873.4		931.9		169.3		40.1		36.7
	Total non-current investments		27,303.0		32,147.6		15,358.5		10,221.7		4,075.6		5,535.5
	Total non-current investments												
	Aggregate amount of unquoted investments		3,793.5		3,532.2		2,378.8		1,128.7		957.5		689.6
	Aggregate amount of quoted investments and market value thereof		24,038.2		28,696.4		13,189.6		9,127.6		3,143.0		4,845.0

- (i) # During the half year ended September 30, 2016, the Group has recorded an impairment of Rs. 50.1 millions on 10% Optionally Convertible Redeemable Preference Shares of Power Exchange India Limited and the impairment charge has been debited to the Restated Statement of Consolidated Profit and Loss.
- (ii) During the half year ended September 30, 2016, one of the subsidiary 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 of the subsidiary intends to hold the same for more than twelve months. Accordingly, previous years / period figures have been restated. (Refer Equity Reconciliations in Note 41)

5 Other financial assets (non-current)

	(Rs.in Millions)					
	30.09.2016	31.03.2016	31.03.2015 Proforma	31.03.2014 Proforma	31.03.2013 Proforma	31.03.2012 Proforma
Non-current bank balances						
Fixed deposits with maturity for more than 12 months	2,868.7	4,490.9	7,499.9	7,719.7	8,869.7	9,229.2
Earmarked fixed deposits with maturity for more than 12 months *	3,543.0	725.0	1,158.9	1,179.5	1,820.0	1,108.0
Total	6,411.7	5,215.9	8,658.8	8,899.2	10,689.7	10,337.2
Others						
Security deposit for utilities and premises	70.8	64.7	64.0	67.1	74.3	69.9
Interest accrued on bank deposits	270.3	573.8	277.5	689.4	257.1	370.9
Total	341.1	638.5	341.5	756.5	331.4	440.8

* Earmarked deposits are restricted and includes deposits towards Core Settlement Guarantee Fund (Refer Note 37), listing entities, defaulter members , investor services fund and other restricted deposits.

6 Other financial assets (current)

	(Rs.in Millions)					
	30.09.2016	31.03.2016	31.03.2015 Proforma	31.03.2014 Proforma	31.03.2013 Proforma	31.03.2012 Proforma
Interest accrued on bank deposits and certificate of deposits*	1,034.2	1,229.6	1,976.2	2,812.7	2,807.1	1,765.1
Unbilled revenue	126.7	26.5	77.9	18.9	-	4.8
Advances to related parties (refer note no.32)	-	2.2	-	-	-	-
Receivable from member towards contribution Core Settlement Guarantee Fund	-	164.2	1,131.1	-	-	-
Settlement obligation receivable from member (refer note 37 (b))	61.0	61.9	482.8	482.8	-	-
Other receivables	139.8	82.9	114.2	96.3	143.3	86.7
Total	1,361.7	1,567.3	3,782.2	3,410.7	2,950.4	1,856.6

* Interest accrued on bank deposits and certificate of deposits includes Rs.197.7 millions, Rs. 168.9 millions, Rs.66.6 millions, Rs.80.3 millions, Rs. 37.0 millions and Rs. 42.2 millions for the period ended 30.09.2016, for the year ended 31.03.2016, 31.03.2015, 31.03.2014, 31.03.2013 and 31.03.2012, respectively relates to Interest accrued on Earmarked deposits towards Core Settlement Guarantee Fund (Refer Note 37), listing entities, defaulter members , investor services fund and other restricted deposits.

7 Other non-current assets

	(Rs.in Millions)					
	30.09.2016	31.03.2016	31.03.2015 Proforma	31.03.2014 Proforma	31.03.2013 Proforma	31.03.2012 Proforma
Capital advances	23.4	13.6	94.0	50.8	29.0	56.7
Prepaid expenses	53.5	20.9	38.9	38.1	12.2	4.0
Securities Transaction Tax paid *	105.9	105.9	105.9	105.9	105.9	105.9
Other receivables	-	2.0	2.0	5.1	11.2	0.1
Total	182.8	142.4	240.8	199.9	158.3	166.7

*Securities Transaction Tax ("STT") paid represents amounts recovered by tax authorities towards STT, interest and penalty thereon recoverable from few members and ad-hoc STT, interest and penalty thereon which is disputed by the Company. The Company has recovered an amount of Rs.53.9 millions against the STT paid to tax authorities from the respective members and which is held as deposit and disclosed under other non current liabilities (Refer note: 22). The contingent liability of Rs. 67.6 million net of recoveries from members amounting to Rs. 53.9 million disclosed under contingent liability (Refer note: 34 (d))

8 Other current assets

	(Rs.in Millions)					
	30.09.2016	31.03.2016	31.03.2015 Proforma	31.03.2014 Proforma	31.03.2013 Proforma	31.03.2012 Proforma
Advance recoverable in cash or kind	72.7	41.5	66.5	79.8	53.9	45.7
Balances with service tax authorities	181.4	180.2	159.8	214.6	160.7	120.2
Prepaid expenses	401.4	278.0	141.7	114.4	110.7	123.8
Other receivables	13.7	-	-	224.1	226.6	0.3
Total	669.2	499.7	368.0	632.9	551.9	290.0

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NOTE 9 : Current Investments

	30.09.2016		31.03.2016		31.03.2015		31.03.2014		31.03.2013		31.03.2012	
	Proforma		Proforma		Proforma		Proforma		Proforma		Proforma	
	Number of Units	(Rs. in Millions)	Number of Units	(Rs. in Millions)	Number of Units	(Rs. in Millions)	Number of Units	(Rs. in Millions)	Number of Units	(Rs. in Millions)	Number of Units	(Rs. in Millions)
A) Investment in bonds												
Quoted bonds												
(i) Taxable bonds at amortised cost												
6 % National Highways Authority of India - 2017	500	5.5	500	5.3	-	-	-	-	-	-	-	-
6% National Highways Authority of India Limited - 31-Mar-17	500	5.2	500	5.6	-	-	-	-	-	-	-	-
8.78% Power Finance Corporation Limited - 11 Dec 2016	5	5.3	5	5.1	-	-	-	-	-	-	-	-
7.87% Export Import Bank of India - 16 May 2016	-	-	250	267.1	-	-	-	-	-	-	-	-
8.33% Union Bank 19 May 2016	-	-	100	103.0	-	-	-	-	-	-	-	-
9% Mahindra & Mahindra Financial Services Limited - 04 May 2015	-	-	-	-	150	175.7	-	-	-	-	-	-
8.88% National Bank For Agricultural Rural Development Sr-Xiii O 25 Sep 2015	-	-	-	-	100	104.5	-	-	-	-	-	-
9.14% Infrastructure Development Finance Company Limited - 15 Jan 2016	-	-	-	-	100	101.1	-	-	-	-	-	-
9.35% Indian Oil Corporation Limited - 30 Apr 2017	-	-	-	-	50	160.6	-	-	-	-	-	-
9.63% Power Finance Corporation Limited - 15 Dec 2014	-	-	-	-	-	-	100	102.7	-	-	-	-
6.85% Indian Railway Finance Corporation Limited 14-September-2014	-	-	-	-	-	-	7	7.1	-	-	-	-
7.22% Rural Electrification Corporation Limited 31-Dec-2014	-	-	-	-	-	-	6	6.0	-	-	-	-
8.85% Power Finance Corporation Limited - Sr 93A - 15 Oct 2014	-	-	-	-	-	-	5	51.8	-	-	-	-
9.48% Infrastructure Development Finance Company Limited - 14 Oct 2013	-	-	-	-	-	-	-	-	250	257.1	-	-
5.5% Nuclear Power Corporation of India Limited - 14-Aug-2013	-	-	-	-	-	-	-	-	200	20.8	-	-
5.50% Nuclear Power Corporation of India Limited.2013	-	-	-	-	-	-	-	-	200	20.8	-	-
9.45% Rural Electrification Corporation Limited - 04 Apr 2013	-	-	-	-	-	-	-	-	184	189.8	-	-
6.35% Export Import Bank of India - Sr G6 - 16 Jul 13	-	-	-	-	-	-	-	-	1	10.4	-	-
7.10% Power Finance Corporation 2012 Taxable Series 67 Bonds	-	-	-	-	-	-	-	-	-	-	30	31.5
Total taxable bonds		16.0		386.1		541.9		167.6		498.8		31.5
(ii) Taxfree bonds at amortised cost												
6.05% Indian Railway Finance Corporation Limited - Series 73 - 20 Dec 2015	-	-	-	-	1,000	102.8	-	-	-	-	-	-
6.00% Indian Railway Finance Corporation Limited Series 68Th - 08 March 2015	-	-	-	-	-	-	1,000	102.8	-	-	-	-
9% Indian Railway Finance Corporation - 28 Feb 2015	-	-	-	-	-	-	190	200.7	-	-	-	-
9%-Indian Railway Finance Corporation-2015	-	-	-	-	-	-	10	10.7	-	-	-	-
6.85% India Infrastructure Finance Company Limited - Series I - 22 Jan 2014	-	-	-	-	-	-	-	-	13,346	1,354.5	-	-
6.85% India Infrastructure Finance Company Limited - Series II - 20 Mar 2014	-	-	-	-	-	-	-	-	6,050	607.6	-	-
5.25% Nuclear Power Corporation of India Limited - 23-Mar-2014	-	-	-	-	-	-	-	-	100	104.3	-	-
5.25% Nuclear Power Corporation of India Limited 23-Mar-14	-	-	-	-	-	-	-	-	100	105.3	-	-
6.85 % India Infrastructure Finance Company Limited - 22-Jan-14	-	-	-	-	-	-	-	-	100	10.2	-	-
6.85% India Infrastructure Finance Company Limited - 2014	-	-	-	-	-	-	-	-	100	10.7	-	-
6.85% India Infrastructure Finance Company Limited	-	-	-	-	-	-	-	-	75	7.5	-	-
Total taxfree bonds		-		-		102.8		314.2		2,200.0		-
Total bonds		16.0		386.1		644.7		481.8		2,698.8		31.5
(B) Investment in debentures												
(i) Quoted debentures at amortised cost												
9.65% IL&FS Financial Services Limited - 18 Sep 2017	2,80,000	283.8	-	-	-	-	-	-	-	-	-	-
8.74% Infrastructure Leasing & Financial Services Limited - 10 Aug 2017	1,00,000	101.4	-	-	-	-	-	-	-	-	-	-
10.95% Fullerton India Credit Comapny Limited - 07-Oct-2016	1,200	663.7	1,200	636.5	-	-	-	-	-	-	-	-
10.25% Tata Motors Finance Limited - 20-Mar-2017	750	906.8	-	-	-	-	-	-	-	-	-	-
8.33% ICICI Home Finance -09-June-2017	500	268.6	-	-	-	-	-	-	-	-	-	-
9.35 Piramal Enterprises Limited - 24 July 2017	500	511.8	-	-	-	-	-	-	-	-	-	-
9.80% Bajaj Finance Limited - 17 Oct 2016	500	546.3	300	314.7	-	-	-	-	-	-	-	-
9.68% Tata Sons Limited - 10-Jan-2017	450	481.8	450	461.2	-	-	-	-	-	-	-	-
8.75% Mahindra & Mahindra Financial Services Limited - 31 Jul 2017	400	405.9	-	-	-	-	-	-	-	-	-	-
10.17% HDB Financial Services Limited - 11 Nov 2016	350	379.4	350	362.3	-	-	-	-	-	-	-	-
9% Tata Capital Financial Services Limited - 24-May-2017	350	361.9	-	-	-	-	-	-	-	-	-	-
0% Tata Capital Financial Services Limited March 17	300	344.0	-	-	-	-	-	-	-	-	-	-
9.75% Housing Development Finance Corporation Limited - 10-Oct-2016	300	328.1	300	314.3	-	-	-	-	-	-	-	-
0% Housing Development Finance Corporation Limited - 16-Jan-2017	250	386.2	250	368.6	-	-	-	-	-	-	-	-
8.70% Kotak Mahindra Investment Limited 11 Aug 2017	250	252.8	-	-	-	-	-	-	-	-	-	-
8.80% Kotak Mahindra Investment Limited - 28 Feb 2017	250	251.9	250	262.9	-	-	-	-	-	-	-	-
8.8075% Mahindra & Mahindra Financial Services Limited - 15 May 2017	250	257.5	-	-	-	-	-	-	-	-	-	-
8.90% Kotak Mahindra Investment Limited 11 Sep 2017	250	251.2	-	-	-	-	-	-	-	-	-	-
9.00% Reliance Capital Limited 28 July 2017	250	253.8	-	-	-	-	-	-	-	-	-	-
9.15 Piramal Enterprises Limited 10-Apr-2017	250	260.1	-	-	-	-	-	-	-	-	-	-
9.25% Dewan Housing Finance Limited - 7-Dec-2016	250	268.7	-	-	-	-	-	-	-	-	-	-
9.25% Housing Development Finance Corporation Limited - 21Oct2016	250	271.4	250	260.1	-	-	-	-	-	-	-	-
9.40% Dewan Hsg Finance Corp.- 30/03/2017	250	262.5	-	-	-	-	-	-	-	-	-	-
9.71% Tata Sons Limited - 13 Dec 2016	250	269.5	250	257.6	-	-	-	-	-	-	-	-

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NOTE 9 : Current Investments

	30.09.2016		31.03.2016		31.03.2015		31.03.2014		31.03.2013		31.03.2012	
					Proforma		Proforma		Proforma		Proforma	
	Number of Units	(Rs. in Millions)	Number of Units	(Rs. in Millions)	Number of Units	(Rs. in Millions)	Number of Units	(Rs. in Millions)	Number of Units	(Rs. in Millions)	Number of Units	(Rs. in Millions)
10.18% Lic Housing Finance - 19-Sep-2016	-	-	200	211.4	-	-	-	-	-	-	-	-
10.95% Dewan Housing Finance Limited	200	208.4	-	-	-	-	-	-	-	-	-	-
9.16 Bajaj Finance Limited - 11 Nov 2016	200	216.1	-	-	-	-	-	-	-	-	-	-
10.05% HDB Financial Services Limited - 10-Feb-2017	150	159.6	150	152.1	-	-	-	-	-	-	-	-
9.06% HDB Financial Services Limited - 20 Dec2016	150	160.3	150	153.5	-	-	-	-	-	-	-	-
10% Fullerton India Credit Company Limited - 16-Jan-2017	100	107.3	-	-	-	-	-	-	-	-	-	-
10.23% Shriram Transport Finance Company Limited - 03 Jul 2016	-	-	100	102.8	-	-	-	-	-	-	-	-
9% Shriram Transport Finance Company Limited - 17 Jun 2016	-	-	350	358.7	-	-	-	-	-	-	-	-
9.20% L&T Finance - 15-Feb-2017	100	266.4	-	-	-	-	-	-	-	-	-	-
9.40% Tata Motors Finance Limited - 10 Jun 2016	-	-	500	537.5	-	-	-	-	-	-	-	-
10.60% Lic Housing Finance - 06-Sept-2016	-	-	800	851.4	-	-	-	-	-	-	-	-
8.75% Mahindra & Mahindra Financial Services Limited - Aug 2017	50	50.7	-	-	-	-	-	-	-	-	-	-
9.15% Housing Development Finance Corporation Limited - Sr K028 - 03 Apr 2016	-	-	50	54.6	-	-	-	-	-	-	-	-
9.58% Sundaram Bnp Paribas Home Finance Limited 10 Oct 2016	50	54.6	50	52.3	-	-	-	-	-	-	-	-
0% Dewan Housing Finance Corp. Limited - 26/04/2017	40	51.7	-	-	-	-	-	-	-	-	-	-
9.95% L&T Finance Company Limited - 28 Oct 2016	40	109.1	40	104.7	-	-	-	-	-	-	-	-
9.65% Shriram Transport Finance Company Limited - 31 Jul 2016	-	-	2,50,000	250.5	-	-	-	-	-	-	-	-
11.60% Shriram Transport Finance Company Limited - 11 July 2016	-	-	1,50,000	151.0	-	-	-	-	-	-	-	-
9.45% Ashok Leyland Limited - 2016	-	-	750	802.0	-	-	-	-	-	-	-	-
5% Dewan Housing Finance Corporation Limited - 06 May 2016	-	-	600	695.2	-	-	-	-	-	-	-	-
9.40% Tata Motors Finance Limited - 05 Jun 2016	-	-	300	322.9	-	-	-	-	-	-	-	-
8.54% HDB Financial Services Limited - 03 Jun 2016	-	-	250	267.6	-	-	-	-	-	-	-	-
9.65% Tata Capital Financial Services Limited - 26 May 2016	-	-	250	295.2	-	-	-	-	-	-	-	-
9.4623% Tata Capital Financial Services Limited - 08 Jul 2016	-	-	200	233.5	-	-	-	-	-	-	-	-
8.90% L&T Finance Company Limited - 20 May 2016	-	-	150	190.6	-	-	-	-	-	-	-	-
9.90% Dewan Housing - Debenture - 06May2016	-	-	150	150.0	-	-	-	-	-	-	-	-
9.3450% L&T Finance Company Limited - 13 May 2016	-	-	100	268.4	-	-	-	-	-	-	-	-
0% Shriram Transport Finance Co Limited - 24 May 2016	-	-	50	63.4	-	-	-	-	-	-	-	-
8.80% Sundaram Finance Limited - 03 Jun 2016	-	-	50	53.6	-	-	-	-	-	-	-	-
9.15% Shriram Transport Finance Company Limited - 02 Jun 2016	-	-	50	53.8	-	-	-	-	-	-	-	-
9.55% Bajaj Finance Limited - 10 Aug 2016	-	-	50	53.1	-	-	-	-	-	-	-	-
9.60% Sundaram Finance Limited - 23 Sep 2016	-	-	50	52.6	-	-	-	-	-	-	-	-
10.80 Dewan Housing Finance Corporation Limited - 05 Dec 2015	-	-	-	-	850	884.3	-	-	-	-	-	-
9.15% Tata Motors Limited - 03 Jun 2015	-	-	-	-	750	751.2	-	-	-	-	-	-
10.59% Aditya Birla Finance Limited - 18 May 2015	-	-	-	-	600	792.2	-	-	-	-	-	-
9.85% Housing Development Finance Corporation Limited - Sr J005 - 05 Jun 2015	-	-	-	-	500	54.1	-	-	-	-	-	-
9.99% Sundaram Finance Limited - 04 May 2015	-	-	-	-	450	489.9	-	-	-	-	-	-
10.40% Tata Motors Finance Limited - 22 May 2015	-	-	-	-	400	435.5	-	-	-	-	-	-
10.52% Sundaram Bnp Paribas Home Finance Limited - 03 Apr 2015	-	-	-	-	400	420.6	-	-	-	-	-	-
8.95% L&T Infrastructure Finance Company Limited - 15 Jun 2015	-	-	-	-	400	430.4	-	-	-	-	-	-
10.50% Fullerton India Credit Comapny Limited - 11 Dec 2015	-	-	-	-	350	364.0	-	-	-	-	-	-
9.93% Tata Capital Financial Services Limited 31 Jul 2015	-	-	-	-	300	320.0	-	-	-	-	-	-
10.40% Tata Motors Finance Limited - 12 Jun 2015	-	-	-	-	250	270.7	-	-	-	-	-	-
11.50% Fullerton India Credit Comapny Limited - 21-Aug-2015	-	-	-	-	250	269.0	-	-	-	-	-	-
8.95% L&T Infrastructure Finance Company Limited - 04 May 2015	-	-	-	-	250	270.3	-	-	-	-	-	-
9.60% Tata Motors Finance Limited - 13 May 2015	-	-	-	-	250	271.1	-	-	-	-	-	-
9.78% Tata Sons Limited - 23 Jul 2015	-	-	-	-	250	267.3	-	-	-	-	-	-
9.85% Tata Capital Financial Services Limited - 15 Apr 2015	-	-	-	-	250	261.3	-	-	-	-	-	-
9.89% Tata Motors Finance Limited - 26-Jun-2015	-	-	-	-	250	256.7	-	-	-	-	-	-
9.90% Dewan Housing Finance Corporation Limited - 17 Jun 2015	-	-	-	-	250	250.2	-	-	-	-	-	-
0% Sundaram Bnp Paribas Home Finance Limited - 28 May 2015	-	-	-	-	200	228.1	-	-	-	-	-	-
8.85% Infrastructure Development Finance Company Limited --27Jan16	-	-	-	-	200	203.9	-	-	-	-	-	-
9.20% Mahindra & Mahindra Financial Services Limited - 22 Apr 2015	-	-	-	-	200	236.6	-	-	-	-	-	-
9.60% Housing Development Finance Corporation Limited - 26 Jun 2015	-	-	-	-	200	200.6	-	-	-	-	-	-
9.60% Housing Development Finance Corporation Limited	-	-	-	-	200	213.6	-	-	-	-	-	-
10.20% Sundaram Finance Limited - 14 May 2015	-	-	-	-	150	163.5	-	-	-	-	-	-
9.30% Tata Sons Limited - 24 Dec 2015	-	-	-	-	150	153.8	-	-	-	-	-	-
9.70% Housing Development Finance Corporation Limited - 16 Apr 2015	-	-	-	-	150	163.9	-	-	-	-	-	-
9.90 % Tata Sons Limited 2016	-	-	-	-	150	151.9	-	-	-	-	-	-
10.57035% Aditya Birla Finance Limited 09 Apr 2015	-	-	-	-	130	171.3	-	-	-	-	-	-
10% Fullerton India Credit Comapny Limited - 15 Jan 2016	-	-	-	-	100	102.5	-	-	-	-	-	-
10.10% Sundaram Finance Limited - 11 Jul 2015	-	-	-	-	100	107.5	-	-	-	-	-	-
8.91% L&T Infrastructure Finance Company Limited - 16 Apr 2015	-	-	-	-	100	108.4	-	-	-	-	-	-
9.5553% HDB Financial Services Limited - 25 Sep 2015	-	-	-	-	100	119.8	-	-	-	-	-	-
9.60% Housing Development Finance Corporation Limited - Sr J 021 - 07 Aug 2015	-	-	-	-	100	106.4	-	-	-	-	-	-
9.83% Tata Capital Financial Services Limited - 30 Apr 2015	-	-	-	-	100	108.9	-	-	-	-	-	-
9.985 % Tata Motors Finance Limited - 26-Oct-2015	-	-	-	-	100	104.3	-	-	-	-	-	-
0% Tata Capital Financial Services Limited - 30 Jun 2015	-	-	-	-	50	65.8	-	-	-	-	-	-
11.10% Fullerton India Credit Comapny Limited - 04 Sep 2015	-	-	-	-	50	53.4	-	-	-	-	-	-

NATIONAL STOCK EXCHANGE OF INDIA LIMITED
Annexure VI : Notes to Restated consolidated financial information

NOTE 9 : Current Investments

	30.09.2016		31.03.2016		31.03.2015		31.03.2014		31.03.2013		31.03.2012	
	Proforma		Proforma		Proforma		Proforma		Proforma		Proforma	
	Number of Units	(Rs. in Millions)	Number of Units	(Rs. in Millions)	Number of Units	(Rs. in Millions)	Number of Units	(Rs. in Millions)	Number of Units	(Rs. in Millions)	Number of Units	(Rs. in Millions)
9.50% HDB Financial Services Limited - 22 Dec 2015	-	-	-	-	50	50.0	-	-	-	-	-	-
9.55% Housing Development Finance Corporation Limited 07-Sep-2016	-	-	-	-	50	52.7	-	-	-	-	-	-
9.85% Housing Development Finance Corporation Limited - 28 May 2015	-	-	-	-	50	54.2	-	-	-	-	-	-
9.99% Sundaram Finance Limited - 03 Aug 2015	-	-	-	-	50	53.3	-	-	-	-	-	-
8.70% Bajaj Finance Limited - 22 Jul 2015	-	-	-	-	25	264.4	-	-	-	-	-	-
10.15% Tata Capital Financial Services Limited 20-Jun-2014	-	-	-	-	-	-	400	430.8	-	-	-	-
10.20% Mahindra Mahindra Financial Services Limited - 08 Jul 2014	-	-	-	-	-	-	300	320.9	-	-	-	-
0% Mahindra & Mahindra Financial Services Limited - 04 Nov 2014	-	-	-	-	-	-	250	236.1	-	-	-	-
10% Tata Motors Finance Limited - 25 Nov 2014	-	-	-	-	-	-	250	258.3	-	-	-	-
10.10% Mahindra Mahindra Financial Services Limited - 09-Sep-2014	-	-	-	-	-	-	250	263.5	-	-	-	-
10.30% Tata Sons Limited - 23 Apr 2014	-	-	-	-	-	-	250	274.3	-	-	-	-
0% Sundaram Finance Limited - 10 Nov 2014	-	-	-	-	-	-	200	188.6	-	-	-	-
0% Tata Capital Financial Services Limited - 04 Nov 2014	-	-	-	-	-	-	150	190.3	-	-	-	-
9.75% Aditya Birla Finance Limited - 13 Oct 2014	-	-	-	-	-	-	150	156.5	-	-	-	-
9.80% Hdfc 2014 - Bonds - 09-Oct-2014	-	-	-	-	-	-	150	156.6	-	-	-	-
10.20% Mahindra & Mahindra Financial Services Limited - 23 Oct 2014	-	-	-	-	-	-	100	104.1	-	-	-	-
10.4% Sundaram Finance Limited - 20-Jun-2014	-	-	-	-	-	-	100	107.9	-	-	-	-
9.65% Housing Development Finance Corp Limited - 16 Aug 2014	-	-	-	-	-	-	100	106.0	-	-	-	-
9.84% Tata Sons Limited - 08 Dec 2014	-	-	-	-	-	-	100	103.5	-	-	-	-
10.30% Tata Capital Financial Services Limited - 23 Oct 2014 Ip 02 Nov	-	-	-	-	-	-	70	73.0	-	-	-	-
10.15% Sundaram Finance Limited 11-Jun-2014	-	-	-	-	-	-	50	54.0	-	-	-	-
10.25% Tata Capital Financial Services Limited - 14-May-2014	-	-	-	-	-	-	50	54.4	-	-	-	-
9.70% Housing Development Finance Corporation Limited - Sr I	-	-	-	-	-	-	50	50.2	-	-	-	-
9.90% Bajaj Finance Limited - 24 Sep 2014	-	-	-	-	-	-	45	471.9	-	-	-	-
10.30% Tata Capital Financial Services Limited - 23 Oct 2014 - Ip 08 Nov	-	-	-	-	-	-	30	31.2	-	-	-	-
10.05% Bajaj Finance Limited 11-Aug-2014	-	-	-	-	-	-	15	159.3	-	-	-	-
10.05% Bajaj Finance Limited 2015 11-Aug-2014	-	-	-	-	-	-	15	159.3	-	-	-	-
9.85% Bajaj Finance Limited 9.85 04 Oct 14	-	-	-	-	-	-	10	104.7	-	-	-	-
9.75% - Sundaram Finance Limited - 06 Sep 2013	-	-	-	-	-	-	-	-	250	263.8	-	-
9.9075% Infrastructure Development Finance Company Limited - 14 Jun 2013	-	-	-	-	-	-	-	-	250	273.0	-	-
10.47% - Mahindra & Mahindra Financial Services Limited - 17 Jun 2013	-	-	-	-	-	-	-	-	200	216.7	-	-
0.00% Tata Capital Financial Services Limited - 13S Cc - 30 Aug 2013	-	-	-	-	-	-	-	-	150	144.6	-	-
10.15% L&T Finance Limited - 23 May 2013	-	-	-	-	-	-	-	-	150	155.4	-	-
11.4% Power Finance Corporation Limited	-	-	-	-	-	-	-	-	150	158.0	-	-
7.70% Hindustan Petroleum Corporation Limited - 12 April 2013	-	-	-	-	-	-	-	-	150	161.0	-	-
0% Mahindra & Mahindra Financial Services Limited Taxable Zcb Mat 16 May 2013	-	-	-	-	-	-	-	-	100	99.0	-	-
10.47% - Mahindra & Mahindra Financial Services Limited	-	-	-	-	-	-	-	-	50	53.2	-	-
7.55% National Housing Bank - 12 Jul 2013	-	-	-	-	-	-	-	-	50	52.5	-	-
8.10% Sundaram Finance Limited - 25 Jun 2013	-	-	-	-	-	-	-	-	50	52.9	-	-
9.5% Housing Development Finance Corporation Limited	-	-	-	-	-	-	-	-	50	52.5	-	-
9.55% Infrastructure Development Finance Co Limited - 12 Apr 2013	-	-	-	-	-	-	-	-	50	54.5	-	-
7.00% Indian Oil Corporation Limited - 24-Jul-12	-	-	-	-	-	-	-	-	-	-	150	156.5
8.25% Sundaram Finance Limited - 26 Jul 2012	-	-	-	-	-	-	-	-	-	-	100	102.7
8.35% Cairn India Limited - 12-Jul-12	-	-	-	-	-	-	-	-	-	-	150	155.0
8.40% Cairn India Limited - 12-Oct-12	-	-	-	-	-	-	-	-	-	-	100	103.1
8.40% Sundaram Finance Limited - 19-Nov-12	-	-	-	-	-	-	-	-	-	-	150	152.9
9.15% Tata Power Company Limited - 23-Jul-12	-	-	-	-	-	-	-	-	-	-	60	158.9
Total quoted debentures		9,953.0		9,720.5		10,297.4		4,055.5		1,737.2		828.9
(ii) Unquoted debentures at amortised cost												
7.45% Tata Sons Limited - 15-Apr-12	-	-	-	-	-	-	-	-	-	-	385	409.6
8.67% Axis Bank Limited - 25-Jul-12	-	-	-	-	-	-	-	-	-	-	150	151.5
Total unquoted debentures												561.0
Total debentures		9,953.0		9,720.5		10,297.4		4,055.5		1,737.2		1,390.0
(C) Investment in mutual funds												
(i) Quoted Mutual funds at FVPL												
HDFC Fmp 91 D Feb 2015 (I)	-	-	-	-	1,00,00,000	100.0	-	-	-	-	-	-
HDFC Fmp 453D February 2014 (1)	-	-	-	-	20,00,000	22.2	-	-	-	-	-	-
IDFC Fixed Term Plan Series - 75 - 406 Days - 08-Apr-15	-	-	-	-	2,50,000	2.8	-	-	-	-	-	-
Lic Nomura Mf Fixed Maturity Plan Series 75 370 Days	-	-	-	-	-	-	10,00,000	10.2	-	-	-	-
Religare Invesco Fixed Maturity Plan - Series 23 - Plan B 367 Days	-	-	-	-	-	-	10,00,000	10.1	-	-	-	-
Sundaram Fixed Term Plan - Dq - Direct Plan - Growth	-	-	-	-	-	-	10,00,000	10.7	-	-	-	-
Baroda Pioneer 368 Days Fmp Series L - 02-Mar-15	-	-	-	-	-	-	10,00,000	10.1	-	-	-	-
DSP Blackrock Fmp - Series 108 - 12M - 19-Aug-14	-	-	-	-	-	-	10,00,000	10.7	-	-	-	-
DSP Blackrock Fmp - Series 148 - 12M - 03-Mar-15	-	-	-	-	-	-	10,00,000	10.1	-	-	-	-
Kotak Fmp Series 110 - 370 Days - 19-Aug-14	-	-	-	-	-	-	10,00,000	10.7	-	-	-	-

NATIONAL STOCK EXCHANGE OF INDIA LIMITED
Annexure VI : Notes to Restated consolidated financial information

NOTE 9 : Current Investments

	30.09.2016		31.03.2016		31.03.2015		31.03.2014		31.03.2013		31.03.2012	
					Proforma		Proforma		Proforma		Proforma	
	Number of Units	(Rs. in Millions)	Number of Units	(Rs. in Millions)	Number of Units	(Rs. in Millions)	Number of Units	(Rs. in Millions)	Number of Units	(Rs. in Millions)	Number of Units	(Rs. in Millions)
Kotak Fmp Series 116 - 370 Days - 09-Sep-14	-	-	-	-	-	-	10,00,000	10.6	-	-	-	-
Sundaram Fixed Term Plan - DI - 375 Days - Growth - 04-Apr-14	-	-	-	-	-	-	10,00,000	10.9	-	-	-	-
Tata Fixed Maturity Plan Series 43 Scheme C 370 Days - 25-Aug-14	-	-	-	-	-	-	10,00,000	10.7	-	-	-	-
IDBI Fmp Series Iv 368 Days Feb 2014 C	-	-	-	-	-	-	9,00,000	9.1	-	-	-	-
Hsbc Fixed Term Series 96 - 04-Sep-14	-	-	-	-	-	-	9,00,000	9.6	-	-	-	-
Reliance Fixed Horizon Fund - Xxiv - Series 4 - Direct Growth Plan	-	-	-	-	-	-	6,50,000	6.9	-	-	-	-
ICICI Prudential Fixed Maturity Plan Series 69 - 433 Days Plan E Direct	-	-	-	-	-	-	6,40,000	6.9	-	-	-	-
Sundaram Fixed Term Plan Df 396 Days Direct Growth	-	-	-	-	-	-	6,28,500	6.9	-	-	-	-
Hsbc Fixed Term Series 94 - 25-Aug-14	-	-	-	-	-	-	4,50,000	4.8	-	-	-	-
Indiabulls Fmp Series Iii - 370 Days July 2013 - Direct - Growth	-	-	-	-	-	-	3,50,000	3.7	-	-	-	-
Sundaram Fixed Term Plan Cq 370 Days Growth - 04-Apr-13	-	-	-	-	-	-	-	-	40,00,000	44.0	-	-
Baroda Pioneer Fixed Maturity Plan - 366 Days - Series A - Growth	-	-	-	-	-	-	-	-	10,00,000	10.1	-	-
Reliance Fixed Horizon Fund - Xxi - Series 18-Growth Plan	-	-	-	-	-	-	-	-	4,40,000	4.9	-	-
JP morgan India Fixed Maturity Plan 400D Series 6 - Growth Plan	-	-	-	-	-	-	-	-	4,32,700	4.8	-	-
Reliance Fixed Horizon Fund - Xxi - Series 18 - Growth	-	-	-	-	-	-	-	-	1,50,000	1.5	-	-
DSP Blackrock Fmp - 12 Months - Series 20 - Growth - 31-May-12	-	-	-	-	-	-	-	-	-	-	60,01,105	64.8
Tata Fmp - Series 34 - Plan B - Growth - 21-May-12	-	-	-	-	-	-	-	-	-	-	50,09,198	54.2
Birla Sun Life Ftp - Series Cy - Growth - 28-Apr-12	-	-	-	-	-	-	-	-	-	-	50,00,000	54.4
Birla Sun Life Ftp - Series Db - Growth - 22-May-12	-	-	-	-	-	-	-	-	-	-	50,00,000	54.2
Birla Sun Life Ftp - Series Dd - Growth - 07-Jun-12	-	-	-	-	-	-	-	-	-	-	50,00,000	53.9
DWA Ftf - Series 80 - Growth - 02-May-12	-	-	-	-	-	-	-	-	-	-	50,00,000	54.4
DWA Ftf - Series 83 - Growth - 11-Jun-12	-	-	-	-	-	-	-	-	-	-	50,00,000	53.8
HDFC Fmp - 370D - Jun 2011 (18) - 3 - Growth - 26-Jun-12	-	-	-	-	-	-	-	-	-	-	50,00,000	53.5
HDFC Fmp - 370D - May 2011 (18) - 1 - Growth - 29-May-12	-	-	-	-	-	-	-	-	-	-	50,00,000	54.1
ICICI Prudential Fmp - S 54 - 1 Years - Plan D - Growth - 25-Apr-12	-	-	-	-	-	-	-	-	-	-	50,00,000	54.5
ICICI Prudential Fmp - S 55 - 1 Years - Plan G - Growth - 21-May-12	-	-	-	-	-	-	-	-	-	-	50,00,000	54.1
ICICI Prudential Fmp - S 56 - 1 Years - Plan E - Growth - 30-Apr-12	-	-	-	-	-	-	-	-	-	-	50,00,000	54.4
Kotak Fmp - Series 45 (370 Days) - Growth - 09-May-12	-	-	-	-	-	-	-	-	-	-	50,00,000	54.4
Kotak Fmp - Series 46 (370 Days) - Growth - 28-May-12	-	-	-	-	-	-	-	-	-	-	50,00,000	54.1
Kotak Fmp - Series 52 (370 Days) - Growth - 09-Jul-12	-	-	-	-	-	-	-	-	-	-	50,00,000	53.4
Reliance Fhf 19 - Series 4 - Growth - 09-May-12	-	-	-	-	-	-	-	-	-	-	50,00,000	54.4
Religare Fmp - Series Vii - Plan A - Growth - 16-Apr-12	-	-	-	-	-	-	-	-	-	-	50,00,000	54.5
Religare Fmp - Series Vii - Plan C - Growth - 15-May-12	-	-	-	-	-	-	-	-	-	-	50,00,000	54.3
SBI Magnum Dfs - 370 Days - 15 - Growth - 29-May-12	-	-	-	-	-	-	-	-	-	-	50,00,000	54.3
UTI Ftf - Series Ix - Plan 2 - Growth - 16-Apr-12	-	-	-	-	-	-	-	-	-	-	50,00,000	54.6
UTI Ftf - Series Ix - Plan 4 - Growth - 21-May-12	-	-	-	-	-	-	-	-	-	-	50,00,000	54.2
Birla Sun Life Fixed Term Plan Series Cy Growth	-	-	-	-	-	-	-	-	-	-	50,00,000	54.4
DWA Fixed Term Fund - Series 80 - Growth Plan	-	-	-	-	-	-	-	-	-	-	50,00,000	54.4
Kotak Fixed Maturity Plan - Series 44 - 370 Days - Growth	-	-	-	-	-	-	-	-	-	-	50,00,000	54.5
SBI Debt Fund Series - 370 Days - 15 - Growth	-	-	-	-	-	-	-	-	-	-	50,00,000	54.1
Birla Sun Life Fixed Term Plan Series - Growth - 29-Nov-12	-	-	-	-	-	-	-	-	-	-	10,00,000	10.3
Religare Fixed Maturity Plan - Series X - Plan F (371 Days) - Growth - 03-Dec-2012	-	-	-	-	-	-	-	-	-	-	10,00,000	10.3
Birla Sun Life Ftp - Series Dt - Growth	-	-	-	-	-	-	-	-	-	-	10,00,000	10.0
Religare Fmp - Series X - Plan F - Growth	-	-	-	-	-	-	-	-	-	-	10,00,000	10.0
ICICI Prudential Fmp Series 57 - 1 Year Plan A Cumulative	-	-	-	-	-	-	-	-	-	-	10,00,000	10.8
ICICI Prudential Fmp Series 62 - 1 Year Plan B Cumulative	-	-	-	-	-	-	-	-	-	-	10,00,000	10.1
ICICI Prudential Fmp Series 62 - 1 Year Plan C Cumulative	-	-	-	-	-	-	-	-	-	-	10,00,000	10.1
Reliance Fixed Horizon Fund - Xxi - Series 14-Growth Plan	-	-	-	-	-	-	-	-	-	-	10,00,000	10.3
SBI Debt Fund Series - 367 Days - 11 - Growth	-	-	-	-	-	-	-	-	-	-	10,00,000	10.3
Sundaram Fixed Term Plan Cb 366 Days Growth	-	-	-	-	-	-	-	-	-	-	10,00,000	10.3
UTI Fixed Term Income Fund - Series X - Ix (368 Days) - Growth Plan	-	-	-	-	-	-	-	-	-	-	10,00,000	10.1
HDFC Fmp 370D January 2012 (2) - Growth - Series Xix	-	-	-	-	-	-	-	-	-	-	9,40,000	9.6
HDFC Fmp - 370D - May 2011 (18) - 1 - Growth	-	-	-	-	-	-	-	-	-	-	9,00,000	9.0
DSP Blackrock Fmp - Series 23 - 12M - Growth	-	-	-	-	-	-	-	-	-	-	7,90,000	8.1
Religare Fmp Series Xiii Plan A - 370 Days - Growth	-	-	-	-	-	-	-	-	-	-	5,70,000	5.7
Birla Sun Life Fixed Term Plan Series Db Growth	-	-	-	-	-	-	-	-	-	-	5,15,000	5.6
Fidelity Fmp Series 6 - Plan F - Growth	-	-	-	-	-	-	-	-	-	-	3,50,061	3.5
Total quoted mutual funds		-		-		125.0		152.7		65.3		1,519.6
(ii) Unquoted Mutual funds at FVPL												
DSP Blackrock Ultra Short Term Fund - Direct - Growth	17,71,28,456	2,033.3	-	-	-	-	-	-	-	-	-	-
Sundaram Ultra Short Term - Direct Plan - Growth	9,99,77,477	2,188.3	-	-	1,44,55,202	279.1	1,41,31,857	249.1	27,87,575	44.5	-	-
IDFC Ultra Short Term Fund - Direct - Growth	9,71,95,648	2,166.1	-	-	17,72,338	34.7	-	-	-	-	-	-
L&T Ultra Short Term Fund - Direct - Growth	8,35,99,661	2,166.8	-	-	-	-	-	-	-	-	-	-
HDFC Floating Rate Income Fund - Stp - Direct - Growth	7,28,98,525	1,991.9	-	-	-	-	-	-	-	-	-	-
Reliance Medium Term Fund - Direct - Growth	6,43,42,195	2,146.4	-	-	39,65,295	115.5	99,014	2.6	-	-	-	-
ICICI Prudential Ultra Short Term Plan - Direct - Growth	5,21,86,340	859.3	8,92,16,233	1,392.3	32,82,371	47.0	-	-	-	-	-	-
L&T Ultra Short Term Fund - Direct - Growth	4,63,31,648	1,200.1	2,75,74,189	684.2	-	-	-	-	-	-	-	-

NATIONAL STOCK EXCHANGE OF INDIA LIMITED
Annexure VI : Notes to Restated consolidated financial information

NOTE 9 : Current Investments

	30.09.2016			31.03.2016			31.03.2015			31.03.2014			31.03.2013			31.03.2012		
			(Rs. in Millions)			(Rs. in Millions)	Proforma		(Rs. in Millions)	Proforma		(Rs. in Millions)	Proforma		(Rs. in Millions)	Proforma		(Rs. in Millions)
	Number of Units			Number of Units			Number of Units			Number of Units			Number of Units			Number of Units		
ICICI Prudential Ultra Short Term Plan - Direct - Growth	4,44,63,062	732.1	-	-	-	-	2,00,05,797	286.3	-	15,76,409	20.5	-	-	-	-	-	-	-
IDFC Money Manager - Treasury Plan - Direct - Growth	4,02,92,009	1,017.2	6,41,80,599	1,551.1	-	-	1,12,97,903	250.7	-	-	-	-	-	-	-	-	-	-
JM Money Manager Fund - Super Plus Plan - Direct - Growth	3,81,86,824	858.2	-	-	-	-	3,90,615	7.8	-	-	-	-	-	-	-	-	-	-
Reliance Medium Term Fund - Direct - Growth	2,50,68,677	836.3	3,76,10,209	1,193.6	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dhfl Pramerica Ultra Short Term Fund - Direct Plan - Growth	1,60,50,554	307.9	1,60,50,554	295.1	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Birla Sun Life Floating Rate Fund - Ltp - Direct - Growth	1,07,82,788	2,082.9	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ICICI Prudential Flexible Income Plan - Growth - Direct	56,59,796	1,700.5	-	-	-	-	2,05,945	54.2	-	1,62,769	39.2	-	-	-	-	-	-	-
JM High Liquidity Fund - Direct Growth	55,54,116	239.0	-	-	-	-	20,284	0.8	-	20,284	0.7	-	-	-	-	-	-	-
Kotak Treasury Advantage Fund - Direct - Growth	51,54,659	131.1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
JP morgan India Liquid Fund - Direct - Growth	42,99,400	87.1	2,28,32,954	447.2	-	-	3,57,82,823	650.8	-	63,66,355	106.0	-	-	-	-	-	-	-
IDFC Money Manager - Investment Plan - Direct - Growth	40,87,652	101.2	-	-	-	-	6,60,478	14.4	-	-	-	-	-	-	-	-	-	-
ICICI Prudential Flexible Income Plan - Growth - Direct	37,94,968	1,139.6	1,97,64,666	2,357.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IDFC Money Manager - Treasury Plan - Direct - Growth	33,26,122	84.2	-	-	-	-	4,77,43,345	1,059.3	-	41,28,596	84.1	-	-	-	-	-	-	-
Birla Sun Life Floating Rate Fund - Ltp - Direct - Growth	28,61,362	552.8	13,66,686	250.5	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DSP Blackrock Ultra Short Term Fund - Direct - Growth	27,45,593	31.5	9,29,05,242	1,020.6	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Kotak Flexi Debt Scheme - Plan A - Direct - Growth	26,46,665	55.1	-	-	-	-	72,15,491	127.4	-	18,68,406	29.7	-	-	-	-	-	-	-
Birla Sun Life Savings Fund - Direct - Growth	22,31,300	688.0	24,00,678	705.4	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Jm High Liquidity Fund - Direct Growth	19,95,947	85.9	43,77,261	181.3	-	-	7,63,159	29.2	-	7,80,220	27.3	-	-	-	-	-	-	-
Invesco India Ultra Short Term Fund - Direct - Growth	8,99,755	1,983.4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Tata Floater Fund - Direct - Growth	8,60,006	2,055.7	-	-	-	-	913	1.9	-	-	-	-	-	-	-	-	-	-
UTI Treasury Advantage Fund - Direct - Growth	7,30,223	1,583.3	-	-	-	-	10,376	19.8	-	-	-	-	-	-	-	-	-	-
Axis Treasury Advantage Fund - Growth - Direct Plan	4,98,612	887.4	17,49,758	2,984.5	-	-	-	-	-	-	-	-	2,340	-	3.0	-	-	-
Axis Treasury Advantage Fund - Growth - Direct Plan	4,70,330	837.1	-	-	-	-	39,100	38.8	-	39,100	56.0	-	31,543	-	41.1	-	-	-
Kotak Treasury Advantage Fund - Direct - Growth	4,07,495	10.4	1,16,62,790	284.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Religare Invesco Ultra Short Term Fund - Direct - Growth	3,23,421	713.0	10,03,372	2,114.9	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Kotak Liquid Scheme - Plan A - Direct - Growth	3,15,888	1,007.7	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ICICI Prudential Flexible Income Plan - Growth	2,66,855	80.2	-	-	-	-	96,881	25.5	-	96,881	23.3	-	96,881	-	21.2	-	-	-
UTI Floating Rate Fund - Stp - Direct - Growth	2,53,238	661.2	8,40,233	2,093.5	-	-	-	-	-	-	-	-	-	-	-	-	-	-
UTI Treasury Advantage Fund Growth - Direct Plan	2,48,092	537.9	-	-	-	-	39,720	75.6	-	22,877	39.8	-	17,910	-	28.4	-	-	-
Axis Banking Debt Fund - Direct - Growth	2,42,507	351.9	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Birla Sun Life Cash Manager - Direct - Growth	2,40,871	94.1	14,06,723	524.4	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Baroda Pioneer Treasury Advantage Fund Plan B - Growth	1,86,285	343.2	2,13,783	375.1	-	-	71,306	114.3	-	73,129	106.9	-	-	-	-	-	-	-
ICICI Prudential Liquid - Direct Plan - Growth	1,77,811	41.4	-	-	-	-	28,37,411	293.8	-	-	-	-	-	-	-	-	-	-
Birla Sun Life Floating Rate Fund - Ltp - Direct - Growth Lien Marked	1,57,986	30.5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ICICI Prudential Money Market Fund - Direct - Growth	96,741	21.1	-	-	-	-	57,643	11.2	-	57,643	10.2	-	-	-	-	-	-	-
Reliance Liquid Fund - Tp - Direct - Growth	81,768	313.8	1,52,232	562.3	-	-	-	-	-	45	0.1	-	-	-	-	-	-	-
Axis Treasury Advantage Fund - Ip - Growth	62,626	111.5	-	-	-	-	79,486	124.3	-	1,23,617	177.1	-	49,897	-	65.0	-	-	-
Birla Sun Life Cash Plus - Direct - Growth	49,716	12.6	-	-	-	-	87,92,932	1,974.9	-	49,716	10.2	-	-	-	-	-	-	-
Reliance Liquid Fund - Cash Plan - Direct - Growth	40,832	103.7	2,53,865	620.8	-	-	73,599	165.9	-	3,19,462	659.5	-	-	-	-	-	-	-
HDFC Cash Mgmt Fund - Savings Plan - Direct - Growth	36,968	4.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reliance Liquid Fund - Cash Plan - Direct - Growth	30,536	77.5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
UTI Floating Rate Fund - Stp - Direct - Growth	28,471	74.4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SBI Shdf - Ultra Short Term - Growth	24,775	50.4	-	-	-	-	11,657	5.6	-	18,154	30.1	-	8,520	-	12.8	-	-	-
UTI Treasury Advantage Fund - Growth	23,972	52.0	-	-	-	-	31,378	59.5	-	35,898	62.3	-	50,725	-	80.3	-	-	-
Reliance Money Manager Fund - Growth	22,459	48.6	-	-	-	-	22,459	43.4	-	22,459	39.6	-	22,459	-	36.0	-	-	-
UTI Money Market - Direct Plan - Growth	21,990	38.8	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Lic Nomura Mf Liquid Fund - Direct - Growth	18,333	52.3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Kotak Floater - Short Term - Direct - Growth	13,727	35.4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Birla Sun Life Cash Manager - Direct - Growth	13,501	5.3	-	-	-	-	5,933	2.0	-	-	-	-	-	-	-	-	-	-
SBI Shdf - Ultra Short Term - Direct - Growth Lien Marked	12,391	25.2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
UTI Floating Rate Fund - Stp - Direct - Growth Lien Marked	10,127	26.4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
UTI Treasury Advantage Fund - Direct - Growth	9,243	20.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SBI Shdf - Ultra Short Term - Growth - Direct Plan	9,094	18.5	-	-	-	-	9,094	16.4	-	40,478	66.6	-	12,474	-	18.8	-	-	-
Reliance Liquidity Fund - Direct - Growth	8,531	20.2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
HDFC Liquid Fund - Direct - Growth	693	2.2	693	2.1	-	-	-	-	-	-	-	-	-	-	-	-	-	-
L&T Liquid Fund - Direct - Growth	690	1.5	690	1.4	-	-	-	-	-	319	0.6	-	-	-	-	-	-	-
UTI Floating Rate Fund - Stp - Direct - Growth Lien Marked	683	1.8	10,810	26.9	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Religare Invesco Liquid Fund - Direct - Growth	675	1.5	634	1.3	-	-	-	-	-	377	0.7	-	-	-	-	-	-	-
Axis Liquid Fund - Direct - Growth	536	0.9	536	0.9	-	-	32,254	50.0	-	297	0.4	-	-	-	-	-	-	-
Kotak Floater - Short Term - Direct - Growth	190	0.5	20,388	50.7	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Lic Nomura Mf Liquid Fund - Direct - Growth	107	0.3	33,150	91.1	-	-	114	0.3	-	492	1.4	-	-	-	-	-	-	-
Sundaram Ultra Short Term - Direct Plan - Growth	-	-	1,50,94,034	316.7	-	-	-	-	-	-	-	-	3,78,277	-	6.0	-	-	-
HDFC Floating Rate Income Fund - Stp - Direct - Growth	-	-	96,32,501	251.4	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ICICI Prudential Liquid - Direct Plan - Growth	-	-	56,27,026	39.9	-	-	1,842	0.4	-	9,537	1.8	-	-	-	-	-	-	-
IDFC Money Manager - Investment Plan - Direct - Growth	-	-	40,87,652	96.5	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Kotak Flexi Debt Scheme - Plan A - Direct - Growth	-	-	26,46,665	51.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dhfl Pramerica Low Duration Fund - Direct Plan - Growth	-	-	16,97,719	35.3	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IDFC Ultra Short Term Fund - Direct - Growth	-	-	13,82,810	29.5	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dhfl Pramerica Ultra Short Term Fund - Direct Plan - Growth	-	-	3,63,464	6.7	-	-	-	-	-	-	-	-	-	-	-	-	-	-

NATIONAL STOCK EXCHANGE OF INDIA LIMITED
Annexure VI : Notes to Restated consolidated financial information

NOTE 9 : Current Investments

	30.09.2016		31.03.2016		31.03.2015		31.03.2014		31.03.2013		31.03.2012	
					Proforma		Proforma		Proforma		Proforma	
	Number of Units	(Rs. in Millions)	Number of Units	(Rs. in Millions)	Number of Units	(Rs. in Millions)	Number of Units	(Rs. in Millions)	Number of Units	(Rs. in Millions)	Number of Units	(Rs. in Millions)
ICICI Prudential Money Market Fund - Direct- Growth	-	-	2,02,903	42.5	902	0.2	-	-	-	-	-	-
Reliance Money Manager Fund - Growth - Direct	-	-	1,44,076	302.5	-	-	-	-	-	-	-	-
Axis Treasury Advantage Fund - Ip - Growth	-	-	55,403	94.5	-	-	-	-	-	-	-	-
Birla Sun Life Cash Plus - Direct - Growth	-	-	49,716	12.1	-	-	12,73,212	262.2	-	-	-	-
UTI Treasury Advantage Fund Growth - Direct Plan	-	-	47,541	98.6	-	-	-	-	-	-	-	-
SBI Shdf - Ultra Short Term - Growth - Direct Plan	-	-	33,869	66.1	-	-	-	-	2,594	3.8	-	-
UTI Treasury Advantage Fund - Growth	-	-	31,378	64.8	-	-	-	-	14,794	22.8	-	-
UTI Money Market - Direct Plan - Growth	-	-	27,690	47.0	-	-	-	-	-	-	-	-
Kotak Liquid Scheme - Plan A - Direct - Growth	-	-	26,858	82.6	2,483	7.0	-	-	-	-	-	-
L&T Cash Fund - Direct Plan - Growth	-	-	25,975	31.8	-	-	-	-	-	-	-	-
Reliance Money Manager Fund - Growth	-	-	22,459	47.2	-	-	-	-	-	-	-	-
Tata Floater Fund - Direct - Growth	-	-	16,497	37.8	-	-	-	-	-	-	-	-
HDFC Cash Mgmt Fund - Savings Plan - Direct - Growth	-	-	15,938	50.9	-	-	-	-	-	-	-	-
SBI Shdf - Ultra Short Term - Direct - Growth Lien Marked	-	-	12,391	24.2	-	-	-	-	-	-	-	-
Reliance Liquidity Fund - Direct - Growth	-	-	11,517	26.3	-	-	-	-	-	-	-	-
UTI Treasury Advantage Fund - Direct - Growth	-	-	10,376	21.5	-	-	-	-	-	-	-	-
SBI Shdf - Ultra Short Term - Ip - Growth	-	-	6,767	13.2	-	-	-	-	-	-	-	-
SBI Shdf - Ultra Short Term - Growth	-	-	648	1.3	-	-	-	-	-	-	-	-
Templeton India Tma - Direct - Growth	-	-	-	-	3,77,85,764	701.5	-	-	-	-	-	-
Templeton India Ultra Short Bond Fund - Direct Plan - Growth	-	-	-	-	2,22,70,721	413.5	20,13,541	33.8	-	-	-	-
ICICI Prudential Flexible Income - Direct Plan - Daily Dividend - Reinvestment	-	-	-	-	96,39,975	1,019.3	-	-	1,778	0.2	-	-
JP Morgan India Treasury Fund - Super Ip - Growth	-	-	-	-	86,83,656	15.2	1,17,26,481	196.9	60,94,647	93.7	-	-
JP morgan India Liquid Fund - Daily Dividend - Direct Plan	-	-	-	-	81,25,475	81.3	80,605	0.8	-	-	-	-
Birla Sun Life Savings Fund - Direct - Daily Dividend Reinvest	-	-	-	-	59,25,332	594.3	-	-	-	-	-	-
Templeton India Ultra Short Bond Fund - Direct Plan - Growth	-	-	-	-	56,34,149	104.6	22,37,389	37.2	-	-	-	-
HDFC Banking & Psu Debt Fund	-	-	-	-	45,39,471	50.1	-	-	-	-	-	-
JP Morgan India Treasury Fund - Direct - Growth	-	-	-	-	36,64,909	40.7	22,48,225	37.8	-	-	-	-
Franklin India Low Duration Fund - Direct - Growth	-	-	-	-	33,51,127	51.8	-	-	-	-	-	-
DWA Money Plus Fund - Direct - Growth	-	-	-	-	21,58,630	32.2	21,58,630	29.2	-	-	-	-
DWA Treasury Fund - Investment - Dir - Growth	-	-	-	-	18,42,077	28.5	-	-	-	-	-	-
JP Morgan India Liquid Fund - Direct - Growth	-	-	-	-	17,88,911	32.5	15,02,698	25.0	-	-	-	-
Sundaram Money Fund - Direct Plan - Growth	-	-	-	-	16,94,772	50.0	-	-	-	-	-	-
Religare Invesco Ultra Short Term Fund - Dir - Daily Dividend Reinvestment	-	-	-	-	13,59,960	1,384.4	-	-	-	-	-	-
Kotak Treasury Advantage Fund - Direct - Growth	-	-	-	-	8,94,653	20.0	-	-	-	-	-	-
JP Morgan India Treasury Fund - Growth	-	-	-	-	6,63,730	12.2	6,63,730	11.1	-	-	-	-
SBI Magnum Insta Cash Fund - Direct - Growth	-	-	-	-	6,44,608	1,995.3	-	-	-	-	-	-
Baroda Pioneer Liquid Fund - Plan B - Direct - Growth	-	-	-	-	5,92,907	951.8	-	-	-	-	-	-
Reliance Liquid Fund - Tp - Direct Plan - Daily Dividend	-	-	-	-	5,03,086	769.1	-	-	-	-	-	-
L&T Liquid Fund - Direct - Growth	-	-	-	-	4,96,031	951.7	-	-	-	-	-	-
Principal Cash Management - Direct Plan - Growth	-	-	-	-	3,31,240	450.9	-	-	-	-	-	-
HDFC Cash Management Fund - Treasury Advantage - Direct - Growth	-	-	-	-	2,76,443	8.3	-	-	-	-	-	-
Templeton India - Tma - Daily Dividend - Direct Plan	-	-	-	-	2,36,668	237.1	-	-	2,174	2.2	-	-
Sundaram Money Fund - Direct Plan - Growth	-	-	-	-	2,14,395	6.3	23,160	0.6	-	-	-	-
ICICI Prudential Money Market Fund - Direct - Daily Dividend Reinvestment	-	-	-	-	2,08,814	20.9	-	-	-	-	-	-
Birla Sun Life Savings Fund - Direct - Growth	-	-	-	-	1,05,264	28.4	-	-	-	-	-	-
Templeton India Tma - Direct - Growth	-	-	-	-	80,875	169.0	12,31,946	2,354.8	-	-	-	-
Reliance Liquid Fund - Tp - Direct - Growth	-	-	-	-	66,939	228.3	-	-	-	-	-	-
ICICI Prudential Flexible Income Plan - Premium - Growth	-	-	-	-	46,841	12.3	1,43,509	34.5	-	-	-	-
Religare Invesco Credit Opportunities Fund - Direct - Growth	-	-	-	-	46,722	75.2	1,159	2.0	-	-	-	-
Kotak Liquid Scheme - Plan A - Direct - Daily Dividend	-	-	-	-	41,079	29.7	-	-	235	0.3	-	-
IDBI Liquid Fund - Dir - Growth	-	-	-	-	33,356	50.0	-	-	-	-	-	-
Boi Axa Liquid Fund- Direct Plan - Growth	-	-	-	-	31,038	50.0	-	-	-	-	-	-
BNP Paribas Overnight Fund - Direct - Growth	-	-	-	-	23,227	50.0	-	-	-	-	-	-
Birla Sun Life Ultra Short Term Fund - Direct Plan - Growth	-	-	-	-	22,656	4.0	22,656	3.5	-	-	-	-
SBI Shdf - Ultra Short Term - Ip - Growth	-	-	-	-	22,211	12.1	27,863	46.6	21,096	32.3	-	-
Tata Liquid Fund Direct Plan - Growth	-	-	-	-	19,367	50.0	-	-	-	-	-	-
SBI Ultra Short Term Debt Fund - Direct Plan - Growth	-	-	-	-	19,222	34.6	19,222	31.6	19,222	28.9	-	-
Baroda Pioneer Treasury Advantage Fund - Plan B - Direct - Growth	-	-	-	-	18,205	29.2	-	-	-	-	-	-
Religare Invesco Ultra Short Term Fund - Direct - Growth	-	-	-	-	3,177	6.2	-	-	-	-	-	-
Axis Liquid Fund -Direct - Growth	-	-	-	-	1,279	2.0	1,279	1.8	-	-	-	-
DWA Treasury Fund - Cash - Direct - Growth	-	-	-	-	1,247	0.2	-	-	-	-	-	-
Tata Liquid Fund Direct Plan - Growth	-	-	-	-	699	1.8	17,950	42.5	-	-	-	-
IDFC Cash Fund Growth Direct Plan	-	-	-	-	114	0.2	-	-	-	-	-	-
Dhfi Pramerica Short Maturity Plan - Direct - Growth	-	-	-	-	0	0.2	-	-	-	-	-	-
Kotak Flexi Debt Fund - Ip - Direct Plan - Growth	-	-	-	-	-	-	66,64,845	106.0	-	-	-	-
JP Morgan India Treasury Fund - Growth	-	-	-	-	-	-	19,99,024	33.6	19,99,024	30.7	-	-
Templeton India Ultra Short Bond Fund - Ip - Weekly Dividend	-	-	-	-	-	-	11,60,273	11.9	11,60,273	11.9	11,11,174	11.4
Templeton India Ultra Short Bond Fund - Ip - Dividend	-	-	-	-	-	-	9,75,068	9.8	9,75,068	9.8	9,34,375	9.4
DWA Treasury Fund - Investment - Direct - Growth	-	-	-	-	-	-	4,48,190	6.4	-	-	-	-

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NOTE 9 : Current Investments

	30.09.2016		31.03.2016		31.03.2015		31.03.2014		31.03.2013		31.03.2012	
					Proforma		Proforma		Proforma		Proforma	
	Number of Units	(Rs. in Millions)	Number of Units	(Rs. in Millions)	Number of Units	(Rs. in Millions)	Number of Units	(Rs. in Millions)	Number of Units	(Rs. in Millions)	Number of Units	(Rs. in Millions)
JM High Liquidity - Regular - Daily Dividend	-	-	-	-	-	-	4,42,306	4.6	4,13,524	4.3	-	-
Principal Cash Management - Direct Plan - Growth	-	-	-	-	-	-	2,81,056	350.7	-	-	-	-
JP Morgan India Liquid Fund - Direct - Growth	-	-	-	-	-	-	2,58,039	4.3	-	-	-	-
ICICI Prudential Flexible Income Plan Premium - Growth	-	-	-	-	-	-	2,05,707	49.5	1,43,509	31.4	-	-
Templeton India Ultra Short Bond Fund Super Institutional Plan - Weekly Dividend	-	-	-	-	-	-	1,16,699	1.2	31,075	0.3	-	-
Templeton India Ultra Short Bond Fund Super Inst Plan - Daily Dividend Reinvest	-	-	-	-	-	-	99,453	1.0	25,770	0.3	-	-
ICICI Prudential Flexible Income Plan - Daily Dividend	-	-	-	-	-	-	77,928	8.2	72,611	7.7	67,843	7.2
IDFC Cash Fund - Direct - Growth	-	-	-	-	-	-	64,213	100.0	-	-	-	-
Tata Money Market Fund - Direct - Growth	-	-	-	-	-	-	49,741	100.6	-	-	-	-
ICICI Prudential Flexible Income - Regular Plan - Growth	-	-	-	-	-	-	40,499	9.7	2,46,205	53.9	-	-
Baroda Pioneer Treasury Advantage Fund - Direct Plan - Growth	-	-	-	-	-	-	20,598	30.1	7,640	10.2	-	-
Kotak Liquid Scheme - Plan A - Direct - Daily Dividend	-	-	-	-	-	-	16,810	20.6	-	-	-	-
Baroda Pioneer Treasury Advantage Fund - Ip - Growth	-	-	-	-	-	-	15,796	23.0	-	-	-	-
Axis Treasury Advantage Fund - Institutional Daily Dividend	-	-	-	-	-	-	12,365	12.4	11,566	11.6	10,821	10.8
Canara Robeco Treasury Advantage Fund - Ret - Daily Dividend	-	-	-	-	-	-	4,421	5.5	4,824	6.0	4,641	5.8
JP Morgan India Treasury Fund - Super Ip - Daily Dividend	-	-	-	-	-	-	1,308	0.0	1,224	0.0	1,143	0.0
DSP Blackrock Liquidity Fund - Direct - Growth	-	-	-	-	-	-	1,214	2.2	-	-	-	-
Indiabulls Liquid Fund - Direct - Growth	-	-	-	-	-	-	1,045	1.3	-	-	-	-
Baroda Pioneer Liquid Fund - Plan B - Direct - Growth	-	-	-	-	-	-	913	1.3	-	-	-	-
UTI Treasury Advantage Fund - Ip - Dly Dividend	-	-	-	-	-	-	790	0.8	739	0.7	690	0.7
Canara Robeco Treasury Advantage Fund - Regular - Daily Dividend	-	-	-	-	-	-	410	0.5	113	0.1	-	-
UTI Money Market Fund - Institutional Plan - Direct - Growth	-	-	-	-	-	-	73	0.1	-	-	-	-
Sundaram Money Fund - Direct Plan - Daily Dividend - Reinvestment	-	-	-	-	-	-	-	-	2,00,50,609	202.6	-	-
ICICI Prudential Ultra Short Term - Direct Plan - Weekly Dividend	-	-	-	-	-	-	-	-	1,06,87,942	107.7	-	-
JP morgan India Liquid Fund - Direct Plan - Daily Dividend Reinvest	-	-	-	-	-	-	-	-	59,48,251	59.5	-	-
Jm High Liquidity Fund (Direct) - Daily Dividend - Reinvestment	-	-	-	-	-	-	-	-	27,91,691	29.1	-	-
JM High Liquidity - Regular Plan - Daily Dividend	-	-	-	-	-	-	-	-	8,88,734	9.3	-	-
JM Money Manager Fund - Super Plus Plan - Daily Dividend	-	-	-	-	-	-	-	-	8,01,069	8.0	7,47,472	7.5
Templeton India Ultra Short Bond Fund - Super Ip - Direct - Daily Dividend	-	-	-	-	-	-	-	-	7,37,183	7.4	-	-
DWA Cash Opportunities Fund - Reg - Weekly Dividend	-	-	-	-	-	-	-	-	5,26,567	5.3	4,91,409	5.0
JP Morgan India Treasury Fund - Super Ip - Growth	-	-	-	-	-	-	-	-	4,67,158	6.8	-	-
JM High Liquidity - Daily Dividend - Direct Plan	-	-	-	-	-	-	-	-	2,89,363	3.0	-	-
IDBI Liquid Fund - Daily Dividend - Direct Plan	-	-	-	-	-	-	-	-	2,52,468	252.5	-	-
Kotak Floater - Short Term - Daily Dividend - Direct Plan	-	-	-	-	-	-	-	-	2,46,970	249.8	-	-
IDFC Money Manager Fund - Treasury Plan - Inst Plan B - Daily Div	-	-	-	-	-	-	-	-	2,43,437	2.5	2,33,943	2.4
ICICI Prudential Flexible Income Plan - Premium - Daily Dividend	-	-	-	-	-	-	-	-	1,51,940	16.1	1,41,961	15.0
Baroda Pioneer Treasury Advantage Fund Plan B Daily Dividend Reinv (Direct Plan)	-	-	-	-	-	-	-	-	1,03,554	103.7	-	-
Axis Liquid Fund - Daily Dividend - Direct Plan	-	-	-	-	-	-	-	-	1,02,957	103.0	-	-
Reliance Medium Term - Daily Direct Dividend Plan - Reinvestment	-	-	-	-	-	-	-	-	1,01,182	1.7	-	-
HDFC Liquid Fund - Direct - Daily Dividend	-	-	-	-	-	-	-	-	79,986	0.8	-	-
Axis Liquid Fund - Direct Plan - Daily Dividend - Reinvest	-	-	-	-	-	-	-	-	66,934	66.9	-	-
IDFC Money Manager Fund - Treasury Plan - Direct Plan - Daily Dividend	-	-	-	-	-	-	-	-	52,394	0.5	-	-
HDFC Cash Management Fund - Savings Plan - Direct Plan - Daily Dividend Reinvest	-	-	-	-	-	-	-	-	52,126	0.6	-	-
JP Morgan India Treasury Fund - Super Ip - Daily Dividend	-	-	-	-	-	-	-	-	50,733	0.5	3,73,872	3.7
SBI Shdf - Ultra Short Term - Regular - Growth	-	-	-	-	-	-	-	-	16,401	24.7	-	-
Baroda Pioneer Treasury Advantage Fund - Institutional Growth Plan	-	-	-	-	-	-	-	-	15,796	21.0	-	-
ICICI Prudential Liquid Fund - Direct - Daily Dividend	-	-	-	-	-	-	-	-	11,698	1.2	-	-
Sundaram Money Fund - Ip - Daily Dividend	-	-	-	-	-	-	-	-	10,885	0.1	-	-
Reliance Liquid Fund -Treasury Plan - Institutional Option - Daily Dividend	-	-	-	-	-	-	-	-	10,642	16.3	3,88,556	5.9
IDFC Money Manager Fund - Treasury Plan A - Daily Dividend - Reinvest	-	-	-	-	-	-	-	-	5,809	0.1	-	-
DWA Insta Cash Plus Fund - Direct - Daily Dividend	-	-	-	-	-	-	-	-	5,041	0.5	-	-
Sundaram Money Fund - Regular - Daily Dividend Reinvestment	-	-	-	-	-	-	-	-	4,136	0.0	-	-
Canara Robeco Liquid Fund - Direct Daily Dividend Reinvestment	-	-	-	-	-	-	-	-	3,943	4.0	-	-
Tata Liquid Fund - Direct Plan - Daily Dividend	-	-	-	-	-	-	-	-	3,846	4.3	-	-
Reliance Liquid Fund - Treasury Plan - Daily Dividend Option - Reinvest	-	-	-	-	-	-	-	-	3,450	5.3	-	-
Kotak Floater - Short Term - Daily Dividend	-	-	-	-	-	-	-	-	3,422	3.5	-	-
SBI Shdf - Ultra Short Term - Regular Plan - Growth	-	-	-	-	-	-	-	-	2,646	3.9	-	-
Reliance Liquid Fund - Treasury Plan - Direct Daily Dividend - Reinvestment	-	-	-	-	-	-	-	-	1,241	1.9	-	-
UTI Treasury Advantage Fund - Ip - Dly Dividend	-	-	-	-	-	-	-	-	1,006	1.0	939	0.9
Reliance Liquidty Fund - Direct Daily Dividend Reinvestment	-	-	-	-	-	-	-	-	896	0.9	-	-
Religare Liquid Fund - Ip - Daily Dividend	-	-	-	-	-	-	-	-	740	0.7	-	-
IDFC Cash Fund - Direct - Daily Dividend	-	-	-	-	-	-	-	-	731	0.7	-	-
Religare Liquid Fund - Institutional Daily Dividend	-	-	-	-	-	-	-	-	529	0.5	-	-
SBI Premier Liquid Fund - Direct - Daily Dividend	-	-	-	-	-	-	-	-	445	0.4	-	-
Baroda Pioneer Liquid Fund - Plan B - Daily Dividend - Reinv (Direct Plan)	-	-	-	-	-	-	-	-	431	0.4	-	-
Tata Liquid Fund Direct Plan - Daily Dividend - Reinvestment	-	-	-	-	-	-	-	-	366	0.4	-	-
L&T Cash Fund (Super Institutional) - Direct Plan - Daily Dividend	-	-	-	-	-	-	-	-	232	0.2	-	-
Templeton India Treasury Management Account- Institutional Plan-Daily Dividend -	-	-	-	-	-	-	-	-	149	0.1	-	-
Tata Floater Fund Direct Plan - Daily Dividend - Reinvestment	-	-	-	-	-	-	-	-	144	0.1	-	-

NATIONAL STOCK EXCHANGE OF INDIA LIMITED
Annexure VI : Notes to Restated consolidated financial information

NOTE 9 : Current Investments

	30.09.2016		31.03.2016		31.03.2015		31.03.2014		31.03.2013		31.03.2012	
	Proforma		Proforma		Proforma		Proforma		Proforma		Proforma	
	Number of Units	(Rs. in Millions)	Number of Units	(Rs. in Millions)	Number of Units	(Rs. in Millions)	Number of Units	(Rs. in Millions)	Number of Units	(Rs. in Millions)	Number of Units	(Rs. in Millions)
Kotak Floater - Short Term - Daily Dividend	-	-	-	-	-	-	-	-	124	0.1	5,49,51,346	557.5
Principal Cash Management - Direct Plan - Daily Dividend	-	-	-	-	-	-	-	-	73	0.1	-	-
Religare Liquid Fund - Super Institutional Daily Dividend	-	-	-	-	-	-	-	-	63	0.1	-	-
Religare Liquid Fund - Daily Dividend	-	-	-	-	-	-	-	-	56	0.1	-	-
Templeton India Tr Mgt Account- Super Inst Plan-Daily Div	-	-	-	-	-	-	-	-	4	0.0	-	-
Jm High Liquidity Fund - Super Institutional Plan - Daily Dividend	-	-	-	-	-	-	-	-	-	-	3,26,32,935	326.9
Reliance Liquid Fund - Treasury Plan-Institutional Option - Daily Dividend	-	-	-	-	-	-	-	-	-	-	1,38,74,648	212.1
ICICI Prudential Ultra Short Term Plan Super Premium Weekly Dividend	-	-	-	-	-	-	-	-	-	-	1,11,86,353	113.0
Reliance Medium Term Fund - Daily Dividend Plan	-	-	-	-	-	-	-	-	-	-	11,37,954	19.7
Templeton India Ultra Short Bond Fund Super Inst Plan - Daily Dividend Reinvest	-	-	-	-	-	-	-	-	-	-	7,88,590	7.9
IDFC Money Manager Fund - Tp - Super Inst Plan C - Daily Dividend	-	-	-	-	-	-	-	-	-	-	5,69,597	5.7
Tata Floater Fund - Daily Dividend	-	-	-	-	-	-	-	-	-	-	2,63,191	2.6
Templeton India Treasury Mgmt Account Super Institutional Plan - Daily Dividend	-	-	-	-	-	-	-	-	-	-	1,42,364	142.5
Kotak Floater Long Term - Daily Dividend	-	-	-	-	-	-	-	-	-	-	1,32,184	1.3
JP morgan India Liquid Fund - Super Inst Daily Dividend Plan - Reinvest	-	-	-	-	-	-	-	-	-	-	1,18,978	1.2
DWA Ultra Short Term Fund - Institutional Daily Dividend	-	-	-	-	-	-	-	-	-	-	1,16,200	1.2
Baroda Pioneer Treasury Advantage Fund - Institutional Daily Dividend Plan	-	-	-	-	-	-	-	-	-	-	1,02,206	102.3
Axis Liquid Fund - Institutional - Daily Dividend	-	-	-	-	-	-	-	-	-	-	65,402	65.4
ICICI Prudential Flexible Income Plan Premium - Daily Dividend	-	-	-	-	-	-	-	-	-	-	18,086	1.9
Religare Ultra Short Term Fund - Ip - Daily Dividend	-	-	-	-	-	-	-	-	-	-	13,346	13.4
Birla Sun Life Cash Plus - Instl Prem - Daily Dividend - Reinvestment	-	-	-	-	-	-	-	-	-	-	3,870	0.4
HDFC Cash Mgmt Fund - Savings Plan - Daily Div	-	-	-	-	-	-	-	-	-	-	177	0.0
JP Morgan India Liquid Fund - Super Ip - Daily Dividend	-	-	-	-	-	-	-	-	-	-	152	0.0
Total unquoted mutual funds		37,821.4		21,704.0		16,844.9		5,913.3		2,050.4		1,660.5
Total mutual funds		37,821.4		21,704.0		16,969.8		6,066.0		2,115.7		3,180.1
(D) DEPOSITS - At Amortised Cost		-		-		-		-		-		-
HDFC Limited - 08-Nov-13	-	-	-	-	-	-	-	-	1	169.9	-	-
HDFC Limited - 11-May-12	-	-	-	-	-	-	-	-	-	-	1	162.3
HDFC Limited - 09-Nov-12	-	-	-	-	-	-	-	-	-	-	1	155.3
Total deposits		-		-		-		-		169.9		317.5
(E) Investment in commercial paper		-		-		-		-		-		-
(i) Unquoted investments in commercial paper at amortised cost		-		-		-		-		-		-
Fullerton India Credit Comapny Limited	-	-	-	-	1,500	726.3	-	-	-	-	-	-
Sundaram Finance Limited	-	-	-	-	1,100	546.5	100	48.2	-	-	-	-
Tata Capital Limited	-	-	-	-	1,100	537.7	-	-	-	-	-	-
Reliance Capital Limited	-	-	-	-	1,000	474.5	-	-	-	-	-	-
Bajaj Finance Limited	-	-	-	-	800	396.1	1,100	523.5	-	-	-	-
Tata Capital Financial Services Limited	-	-	-	-	700	340.3	200	96.5	-	-	-	-
Bajaj Finance Limited - 06 Apr 2015	-	-	-	-	600	299.6	-	-	-	-	-	-
Sundaram BNP Paribas Home Finance Limited	-	-	-	-	500	245.9	-	-	-	-	-	-
Tata Capital Limited - 03 Aug 2015	-	-	-	-	500	242.7	-	-	-	-	-	-
L&T Finance Company Limited	-	-	-	-	300	148.7	-	-	-	-	-	-
Tata Motors Finance Limited	-	-	-	-	-	-	500	238.1	-	-	-	-
IL&FS Financial Services Limited	-	-	-	-	-	-	1,500	712.4	-	-	-	-
Infrastructure Leasing & Financial Services Limited	-	-	-	-	-	-	1,200	572.6	-	-	-	-
9.05% Tata Motors Finance Limited - 30 Apr 2014	-	-	-	-	-	-	800	383.1	-	-	-	-
9.97% Tata Motors Finance Limited - 26 Sep 2014	-	-	-	-	-	-	500	247.9	-	-	-	-
9.76% Bajaj Finance Limited - 22 Jan 2015	-	-	-	-	-	-	500	238.6	-	-	-	-
Infrastructure Development Finance Company Limited - 09 May 2014	-	-	-	-	-	-	300	139.1	-	-	-	-
10.00% Bajaj Finance Limited - 01 Oct 2014	-	-	-	-	-	-	200	99.0	-	-	-	-
10.7502% Power Finance Corporation Limited - 15 Apr 2013	-	-	-	-	-	-	100	47.7	-	-	-	-
9.6001% Export Import Bank of India - 05 Jul 2013	-	-	-	-	-	-	-	-	1,200	597.9	-	-
10.25% HCL Infosystems Limited - 27 Jun 2013	-	-	-	-	-	-	-	-	800	390.3	-	-
9.30% Infrastructure Leasing & Financial Services Limited - 14 Jun 2013	-	-	-	-	-	-	-	-	700	342.2	-	-
9.14% Housing Development Finance Corporation Limited - 364D - 28 Aug 2013	-	-	-	-	-	-	-	-	600	293.3	-	-
9.25% Godrej Industries Limited - 08 May 2013	-	-	-	-	-	-	-	-	500	240.7	-	-
9.2999% Power Finance Corporation Limited - 15 Jul 2013	-	-	-	-	-	-	-	-	500	247.5	-	-
9.30% Tata Capital Limited - 30 Jul 2013	-	-	-	-	-	-	-	-	500	243.6	-	-
9.33% - Tata Motors Finance Limited - 22 Oct 2013	-	-	-	-	-	-	-	-	500	242.4	-	-
9.33% L&T Finance Limited - 05 Jun 2013	-	-	-	-	-	-	-	-	500	237.5	-	-
9.33% Tata Capital Financial Services Limited - 07 Jun 2013	-	-	-	-	-	-	-	-	500	245.7	-	-
9.35% Aditya Birla Finance Limited - 10 Jun 2013	-	-	-	-	-	-	-	-	500	245.6	-	-
9.35% Power Finance Corporation Limited - 06 Sep 2013	-	-	-	-	-	-	-	-	500	245.4	-	-
	-	-	-	-	-	-	-	-	500	240.2	-	-

NATIONAL STOCK EXCHANGE OF INDIA LIMITED
Annexure VI : Notes to Restated consolidated financial information

NOTE 9 : Current Investments

	30.09.2016		31.03.2016		31.03.2015		31.03.2014		31.03.2013		31.03.2012	
					Proforma		Proforma		Proforma		Proforma	
	Number of Units	(Rs. in Millions)	Number of Units	(Rs. in Millions)	Number of Units	(Rs. in Millions)	Number of Units	(Rs. in Millions)	Number of Units	(Rs. in Millions)	Number of Units	(Rs. in Millions)
9.395% IL&FS Financial Services Limited - 31 May 2013	-	-	-	-	-	-	-	-	500	246.0	-	-
9.41% IL&FS Financial Services Limited - 02 Sep 2013	-	-	-	-	-	-	-	-	500	240.4	-	-
9.43% II & Fs Financial Services Limited - 19 Jun 2013	-	-	-	-	-	-	-	-	500	245.1	-	-
9.45% Bajaj Finance Limited - 30 Aug 2013	-	-	-	-	-	-	-	-	500	240.6	-	-
9.50% L&T Finance Limited - 31 May 2013	-	-	-	-	-	-	-	-	500	246.0	-	-
9.5001% Housing Development Finance Corporation Limited - 14 Jun 2013	-	-	-	-	-	-	-	-	500	245.2	-	-
9.54% Tata Capital Limited - 17 May 2013	-	-	-	-	-	-	-	-	500	246.9	-	-
9.5500% Power Finance Corporation Limited - 15 Jul 2013	-	-	-	-	-	-	-	-	500	243.3	-	-
9.60% Aditya Birla Finance Limited - 19 Sep 2013	-	-	-	-	-	-	-	-	500	239.4	-	-
9.6500% Housing Development Finance Corporation Limited - 06 Sep 13	-	-	-	-	-	-	-	-	500	240.2	-	-
9.30% Sundaram Finance Limited 10 Sep 13	-	-	-	-	-	-	-	-	400	192.0	-	-
10.20% Industrial Finance Corporation of India Limited. Mat 28 June 2013	-	-	-	-	-	-	-	-	300	146.6	-	-
10.45% Infrastructure Leasing And Financial Services Limited Mat 27 May 2013	-	-	-	-	-	-	-	-	300	147.8	-	-
10.50% IL&FS Financial Services Limited Maturity 16 May 2013	-	-	-	-	-	-	-	-	300	148.2	-	-
8.94% Power Finance Corporation Limited - 28 Jun 2013	-	-	-	-	-	-	-	-	300	146.6	-	-
9.399% Aditya Birla Finance Limited - 30 Jul 2013	-	-	-	-	-	-	-	-	300	145.5	-	-
9.399% Bajaj Finance Limited - 20 Jul 13	-	-	-	-	-	-	-	-	300	146.9	-	-
9.43% Bajaj Finance Limited - 30 Aug 13	-	-	-	-	-	-	-	-	300	144.4	-	-
9.60% Sundaram Finance Limited - 20 Sep 2013	-	-	-	-	-	-	-	-	300	143.6	-	-
9.65% Sundaram Finance Limited - 10 Jul 2013	-	-	-	-	-	-	-	-	300	146.2	-	-
9.67% Sundaram Finance Limited - 04 Sep 2013	-	-	-	-	-	-	-	-	300	144.1	-	-
9.6999% Sesa Goa Limited - 21 Oct 2013	-	-	-	-	-	-	-	-	300	142.5	-	-
9.75% - Tata Motors Finance Limited - 30 Aug 2013	-	-	-	-	-	-	-	-	300	144.3	-	-
9.80% II & Fs Financial Services Limited - 29 Aug 2013	-	-	-	-	-	-	-	-	300	144.2	-	-
9.80% Infrastructure Leasing & Financial Services Limited - 22 Jul 2013	-	-	-	-	-	-	-	-	300	145.8	-	-
9.80% Tata Capital Financial Services Limited - 23 Jul 2013	-	-	-	-	-	-	-	-	300	145.8	-	-
9.83% - Tata Motors Finance Limited - 06 Aug 2013	-	-	-	-	-	-	-	-	300	145.3	-	-
9.85% - Tata Motors Finance Limited - 31 Jul 2013	-	-	-	-	-	-	-	-	300	145.5	-	-
9.8501% Housing Development Finance Corporation Limited - 10 May 2013	-	-	-	-	-	-	-	-	300	148.4	-	-
10.20% Aditya Birla Finance Limited Maturity 07 Jun 2013	-	-	-	-	-	-	-	-	200	98.2	-	-
10.25% HCL Infosystems Limited - 28 Jun 2013	-	-	-	-	-	-	-	-	200	97.7	-	-
9.3001% Aditya Birla Finance Limited - 03 May 2013	-	-	-	-	-	-	-	-	200	99.2	-	-
9.4299% Bajaj Finance Limited - 30 Aug 13	-	-	-	-	-	-	-	-	200	96.2	-	-
9.45% Bajaj Finance Limited - 19 Jul 2013	-	-	-	-	-	-	-	-	200	97.2	-	-
9.6000% Export Import Bank of India - 05 Jul 2013	-	-	-	-	-	-	-	-	200	97.6	-	-
9.80% Sundaram Finance Limited - 19 Jul 2013	-	-	-	-	-	-	-	-	200	97.2	-	-
9.2901% Aditya Birla Finance Limited - 16 Jul 13	-	-	-	-	-	-	-	-	100	48.7	-	-
9.2901% Aditya Birla Finance Limited - 30 Jul 13	-	-	-	-	-	-	-	-	100	48.5	-	-
9.2901% Bajaj Finance Limited - 16 Jul 13	-	-	-	-	-	-	-	-	100	48.7	-	-
9.30% - Tata Motors Finance Limited - 06 Aug 2013	-	-	-	-	-	-	-	-	100	48.4	-	-
9.30% Tata Motors Finance Limited - 06 Aug 13	-	-	-	-	-	-	-	-	100	48.5	-	-
9.3500% L T Finance Limited - 16 Sep 2013	-	-	-	-	-	-	-	-	100	48.0	-	-
10.20% Aditya Birla Finance Limited - 07 Jun 2013	-	-	-	-	-	-	-	-	100	49.2	-	-
10.00% Aditya Birla Finance Limited Maturity 11 September 2012	-	-	-	-	-	-	-	-	-	-	500	239.8
10.00% Bajaj Finance Limited Maturity 06 July 2012	-	-	-	-	-	-	-	-	-	-	500	243.9
10.00% Sundaram Finance Limited Maturity 12 October 2012	-	-	-	-	-	-	-	-	-	-	500	237.9
10.05% Bajaj Finance Limited Maturity 01 November 2012	-	-	-	-	-	-	-	-	-	-	500	236.6
10.10% Aditya Birla Finance Limited Maturity 14 September 2012	-	-	-	-	-	-	-	-	-	-	500	239.5
10.05% Ballarpur Industries Limited Maturity 16 April 2012	-	-	-	-	-	-	-	-	-	-	400	199.2
10.65% HCL Infosystems Limited Maturity 14 May 2012	-	-	-	-	-	-	-	-	-	-	400	197.6
10.00% Bajaj Finance Limited Maturity 02 Aug 2012	-	-	-	-	-	-	-	-	-	-	300	145.4
10.10% Bajaj Electricals Limited Maturity 20 April 2012	-	-	-	-	-	-	-	-	-	-	300	149.2
10.10% Indian Oil Corporation Limited Maturity 24 September 2012	-	-	-	-	-	-	-	-	-	-	300	143.2
10.10% Infrastructure Development Finance Company Limited Mat 24 Aug 2012	-	-	-	-	-	-	-	-	-	-	300	144.4
10.10% North Delhi Power Limited Maturity 12 June 2012	-	-	-	-	-	-	-	-	-	-	300	147.2
10.11% IL&FS Financial Services Limited Maturity 22 May 2012	-	-	-	-	-	-	-	-	-	-	300	147.9
10.14% IL&FS Financial Services Limited Maturity 16 November 2012	-	-	-	-	-	-	-	-	-	-	300	141.3
10.15% Aditya Birla Finance Limited Maturity 07 November 2012	-	-	-	-	-	-	-	-	-	-	300	141.7
10.20% IL&FS Financial Services Limited Maturity 21 Dec 2012	-	-	-	-	-	-	-	-	-	-	300	140.0
10.20% Ranbaxy Laboratories Limited Maturity 22 October 2012	-	-	-	-	-	-	-	-	-	-	300	142.2
10.46% HCL Infosystems Limited Maturity 04 May 2012	-	-	-	-	-	-	-	-	-	-	300	148.6
10.465% Tata Capital Limited Maturity 17 May 2012	-	-	-	-	-	-	-	-	-	-	300	148.0
10.50% Tata Motors Finance Limited Maturity 25 May 2012	-	-	-	-	-	-	-	-	-	-	300	147.9
10.95% Apollo Tyres Limited Maturity 23 May 2012	-	-	-	-	-	-	-	-	-	-	300	147.7
11.25% HDFC Limited Maturity 07 June 2012	-	-	-	-	-	-	-	-	-	-	300	147.0
11.45% Tata Capital Limited Maturity 16 July 2012	-	-	-	-	-	-	-	-	-	-	300	145.2
10.0450% Aditya Birla Finance Limited - 12 Apr 2012	-	-	-	-	-	-	-	-	-	-	300	149.6
10.16% Aditya Birla Finance Limited - 12 Nov 2012	-	-	-	-	-	-	-	-	-	-	300	141.5
10.25% Aditya Birla Finance Limited - 23 Apr 2012	-	-	-	-	-	-	-	-	-	-	300	149.1

NATIONAL STOCK EXCHANGE OF INDIA LIMITED
Annexure VI : Notes to Restated consolidated financial information

NOTE 9 : Current Investments

	30.09.2016		31.03.2016		31.03.2015		31.03.2014		31.03.2013		31.03.2012	
					Proforma		Proforma		Proforma		Proforma	
	Number of Units	(Rs. in Millions)	Number of Units	(Rs. in Millions)	Number of Units	(Rs. in Millions)	Number of Units	(Rs. in Millions)	Number of Units	(Rs. in Millions)	Number of Units	(Rs. in Millions)
10.20% IL&FS Financial Services Limited - Mat - 16 Nov 2012	-	-	-	-	-	-	-	-	-	-	300	141.3
10.60% Tata Capital Limited - 25 May 2012	-	-	-	-	-	-	-	-	-	-	300	147.7
10.15% Tata Motors Limited - 03 Dec 2012	-	-	-	-	-	-	-	-	-	-	300	140.6
10.04% Godrej Industries Limited Maturity 25 April 2012	-	-	-	-	-	-	-	-	-	-	200	99.4
10.05% IL&FS Financial Services Limited Maturity 15 October 2012	-	-	-	-	-	-	-	-	-	-	200	95.1
10.42% Aditya Birla Finance Limited Maturity 14 May 2012	-	-	-	-	-	-	-	-	-	-	200	98.8
11.00% HCL Infosystems Limited - 31 May 2012	-	-	-	-	-	-	-	-	-	-	200	98.2
10.00% Blue Star Limited Maturity 13 July 2012	-	-	-	-	-	-	-	-	-	-	120	58.4
10.00% Blue Star Limited Maturity 27 September 2012	-	-	-	-	-	-	-	-	-	-	100	47.8
11.00% HCL Infosystems Limited Maturity 31 May 2012	-	-	-	-	-	-	-	-	-	-	100	49.1
10.42% Aditya Birla Finance Limited - 14 May 2012	-	-	-	-	-	-	-	-	-	-	100	49.4
Total commercial paper		-		-		3,958.4		3,346.7		10,082.4		5,387.5
Total current investments		47,790.4		31,810.7		31,870.4		13,949.9		16,803.9		10,306.7
Aggregate amount of unquoted investments		37,821.4		21,704.0		20,803.3		9,259.9		12,302.6	-	7,926.7
Aggregate amount of quoted investments and market value thereof		10,313.3		10,158.3		11,084.2		4,701.9		4,545.0	-	2,396.3
Investments in Mutual Fund earmarked for Core Settlement Guarantee Fund												
ICICI Prudential Flexible Income Plan - Growth - Direct	37,94,968	1,139.6	37,94,968	1,089.1	-	-	-	-	-	-	-	-
IDFC Money Manager - Treasury Plan - Direct - Growth	4,02,92,009	1,017.2	4,63,25,403	1,119.4	-	-	-	-	-	-	-	-
Religare Invesco Ultra Short Term Fund - Direct - Growth	3,23,421	713.0	-	-	-	-	-	-	-	-	-	-
Birla Sun Life Savings Fund - Direct - Growth	22,31,300	688.0	24,00,678	705.4	-	-	-	-	-	-	-	-
L&T Ultra Short Term Fund - Direct - Growth	4,63,31,648	414.5	-	-	-	-	-	-	-	-	-	-
UTI Floating Rate Fund - STP - Direct - Growth	2,53,238	362.3	-	-	-	-	-	-	-	-	-	-
Reliance Liquid Fund - TP - Direct - Growth	81,768	313.5	-	-	-	-	-	-	-	-	-	-
Reliance Medium Term Fund - Direct - Growth	2,50,68,677	122.4	-	-	-	-	-	-	-	-	-	-
JP morgan India Liquid Fund - Direct - Growth	42,99,400	87.1	-	-	-	-	-	-	-	-	-	-
ICICI Prudential Ultra Short Term Plan - Direct - Growth	5,21,86,340	68.9	1,26,34,805	197.2	16	-	-	-	-	-	-	-
Religare Invesco Ultra Short Term Fund - Direct - Growth	-	-	4,35,484	917.9	-	-	-	-	-	-	-	-
UTI Floating Rate Fund - STP - Direct - Growth	-	-	2,51,170	625.8	-	-	-	-	-	-	-	-
Reliance Liquid Fund - TP - Direct - Growth	-	-	1,52,179	562.3	-	-	-	-	-	-	-	-
JP morgan India Liquid Fund - Direct - Growth	-	-	2,28,32,954	447.2	-	-	-	-	-	-	-	-
Axis Treasury Advantage Fund - Growth - Direct Plan	-	-	2,06,179	468.2	-	-	-	-	-	-	-	-
Reliance Medium Term Fund - Direct - Growth	-	-	52,50,414	166.6	-	-	-	-	-	-	-	-
Birla Sun Life Cash Manager - Direct - Growth	-	-	3,21,295	119.8	-	-	-	-	-	-	-	-
L&T Ultra Short Term Fund - Direct - Growth	-	-	37,09,907	92.1	-	-	-	-	-	-	-	-
Lic Nomura Mf Liquid Fund - Direct - Growth	-	-	32,642	89.7	-	-	-	-	-	-	-	-
Baroda Pioneer Treasury Advantage Fund - Plan B - Direct - Growth	-	-	27,498	48.2	-	-	-	-	-	-	-	-
Kotak Liquid Scheme - Plan A - Direct - Growth	-	-	10,250	31.5	-	-	-	-	-	-	-	-
ICICI Prudential Money Market Fund - Direct- Growth	-	-	1,06,161	22.2	-	-	-	-	-	-	-	-
Religare Invesco Ultra Short Term Fund - Dir - Daily Dividend Reinvestment	-	-	-	-	13,59,960	1,384.4	-	-	-	-	-	-
ICICI Prudential Flexible Income - Direct Plan - Daily Dividend - Reinvestment	-	-	-	-	96,39,975	1,019.3	-	-	-	-	-	-
Reliance Liquid Fund - TP - Direct Plan - Daily Dividend	-	-	-	-	5,03,086	769.1	-	-	-	-	-	-
Birla Sun Life Savings Fund - Direct - Daily Dividend Reinvest	-	-	-	-	59,25,332	594.3	-	-	-	-	-	-
JP morgan India Liquid Fund - Direct - Growth	-	-	-	-	2,15,34,595	391.1	-	-	-	-	-	-
Templeton India - TMA - Daily Dividend - Direct Plan	-	-	-	-	2,36,668	237.1	-	-	-	-	-	-
JP morgan India Liquid Fund - Daily Dividend - Direct Plan	-	-	-	-	81,25,475	81.3	-	-	-	-	-	-
Kotak Liquid Scheme - Plan A - Direct - Daily Dividend	-	-	-	-	24,269	29.7	-	-	-	-	-	-
ICICI Prudential Money Market Fund - Direct - Daily Dividend Reinvestment	-	-	-	-	2,08,814	20.9	-	-	-	-	-	-
Total Mutual Fund earmarked for Core Settlement Guarantee Fund		4,926.5		6,702.6		4,527.2		-		-		-

Trade receivables

	(Rs.in Millions)					
	30.09.2016	31.03.2016	31.03.2015 Proforma	31.03.2014 Proforma	31.03.2013 Proforma	31.03.2012 Proforma
Outstanding for a period of over six months from the date they are due for payment						
Secured, considered good*	98.2	23.2	25.2	25.1	16.1	9.9
Unsecured, considered good	179.6	283.6	393.4	370.9	106.1	44.7
Doubtful	-	-	2.8	1.8	1.8	1.8
	277.8	306.8	421.4	397.8	124.0	56.4
Less : Allowance for doubtful debts	-	-	2.8	1.8	1.8	1.8
	277.8	306.8	418.6	396.0	122.2	54.6
Other receivables						
Secured, considered good*	2,348.3	2,081.1	1,563.8	1,411.3	1,103.8	1,372.4
Unsecured, considered good	391.4	384.9	288.0	312.2	280.7	329.4
Related Party, considered good (Refer Note 32)	23.9	12.3	16.6	38.1	53.1	61.0
Doubtful	0.2	0.4	0.4	0.4	-	-
	2,763.8	2,478.7	1,868.8	1,762.0	1,437.6	1,762.8
Less : Allowance for doubtful debts	0.2	0.4	0.4	0.4	-	-
	2,763.6	2,478.3	1,868.4	1,761.6	1,437.6	1,762.8
Total	3,041.4	2,785.1	2,287.0	2,157.6	1,559.8	1,817.4

* Trade receivables are secured against deposits and margin money received from members (refer note: 24 and 16)

11 Cash and cash equivalents

	(Rs.in Millions)					
	30.09.2016	31.03.2016	31.03.2015 Proforma	31.03.2014 Proforma	31.03.2013 Proforma	31.03.2012 Proforma
Balances with banks :-						
In current accounts	1,586.5	1,007.2	661.1	506.7	723.5	447.1
Balance held for the purpose of meeting short term cash commitments^	68,274.8	28,273.5	21,765.2	33,456.8	16,685.2	21,975.2
Earmarked Deposits held for the purpose of meeting short term cash commitments **	164.1	162.0	519.3	9,011.8	5,899.3	4,161.8
Certificate of deposits with original maturity of less than three months	-	-	-	-	2,384.9	487.1
Cheques on hand	-	4.5	-	0.1	0.1	0.1
Cash on hand	0.2	0.2	0.1	0.1	8.0	0.1
	70,025.6	29,447.4	22,945.7	42,975.5	25,701.0	27,071.4

^ Represents amount received from members towards settlement obligations which is payable on the date of settlement of the transactions. i.e. Transaction date + 2 days & margin money from members which is also repayable on the settlement of transactions (refer note 16)

** Earmarked deposits includes deposits towards Core Settlement Guarantee Fund (Refer Note 37), listing entities, defaulter members, investor services fund and other deposits.

12 Bank balances other than cash and cash equivalents

	(Rs.in Millions)					
	30.09.2016	31.03.2016	31.03.2015 Proforma	31.03.2014 Proforma	31.03.2013 Proforma	31.03.2012 Proforma
Balance in Escrow Account *	39.9	23.3	18.2	-	-	-
<u>Fixed deposits</u>						
- with original maturity for more than 3 months but less than 12 months	8,129.5	5,039.7	4,530.1	14,373.7	9,900.1	5,074.3
- with maturity of less than 12 months at the balance sheet date	3,295.7	7,499.5	13,261.5	15,584.9	18,408.6	27,154.6
<u>Certificate of deposits</u>						
- with original maturity for more than 3 months but less than 12 months	-	-	-	1,641.0	1,196.1	793.4
<u>Earmarked Deposits** :</u>						
<u>Certificate of deposits</u>						
- with original maturity for more than 3 months but less than 12 months	-	-	-	-	97.9	-
<u>Fixed deposits</u>						
- with original maturity for more than 3 months but less than 12 months	287.8	1,797.8	1,227.4	1,330.6	974.9	147.6
- with maturity of less than 12 months at the balance sheet date	1,187.1	1,263.9	401.6	2,683.8	2,189.8	3,805.1
	12,940.0	15,624.2	19,438.8	35,614.0	32,767.4	36,975.0

* Balance in Escrow Account represents balances kept by NSE IT Ltd towards UIDAI project of Government of India. (refer note 16)

** Also includes deposit towards Core Settlement Guarantee Fund (Refer Note 37)

13 a	Equity share capital	(Rs.in Millions)					
		30.09.2016	31.03.2016	31.03.2015 Proforma	31.03.2014 Proforma	31.03.2013 Proforma	31.03.2012 Proforma
	Authorised (Refer Note 44 (iii)) 5,00,00,000 (Previous years: 5,00,00,000) equity shares of Rs 10 each.	500.0	500.0	500.0	500.0	500.0	500.0
	Issued, subscribed and paid-up (Refer Note 44 (ii) and (iii)) 4,50,00,000 (Previous years: 4,50,00,000) equity shares of Rs.10 each fully paid up.	450.0	450.0	450.0	450.0	450.0	450.0
	Total	450.0	450.0	450.0	450.0	450.0	450.0

Terms and rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10 per share. They entitle the holder to participate in dividends. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. There is no change either in the number of equity shares or in amount between reported years.

Also refer note 44 for Issue of bonus equity shares and Sub-division of equity shares.

Details of shareholders holding more than 5% share in the Company (No. of shares)

	30.09.2016	31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012
Life Insurance Corporation of India	56,28,500	56,28,500	47,28,500	47,28,500	47,28,500	47,28,500
State Bank of India	23,37,500	45,87,500	45,87,500	45,87,500	45,87,500	45,87,500
Infrastructure Development Finance Company Limited	-	-	-	23,96,410	29,47,990	29,47,990
IFCI Limited	13,72,750	17,47,750	24,97,750	24,97,750	24,97,750	24,97,750

Details of shareholders holding more than 5% share in the Company (% shareholding)

	30.09.2016	31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012
Life Insurance Corporation of India	12.51%	12.51%	10.51%	10.51%	10.51%	10.51%
State Bank of India	5.19%	10.19%	10.19%	10.19%	10.19%	10.19%
Infrastructure Development Finance Company Limited	-	-	-	5.33%	6.55%	6.55%
IFCI Limited	3.05%	3.88%	5.55%	5.55%	5.55%	5.55%

13 b Details of Other Equity (refer ANNEXURE III - Restated consolidated statement of changes in equity)

Securities premium reserve

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

Other Reserves:

The Company has in the past created Other Reserves for investor compensation activities, staff welfare activities, special contingency reserve and capital redemption reserve arising on consolidation.

FVOCI equity investments

The Company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the FVOCI equity investments reserve within equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

Debt Instruments through Other Comprehensive Income:

The fair value change of the debt instruments measured at fair value through other comprehensive income is recognised in debt instruments through other comprehensive income. Upon derecognition, the cumulative fair value changes on the said instruments are reclassified to the Statement of Profit and Loss.

14	Trade payables (current)	(Rs.in Millions)					
		30.09.2016	31.03.2016	31.03.2015 Proforma	31.03.2014 Proforma	31.03.2013 Proforma	31.03.2012 Proforma
	Trade payables	793.1	664.3	562.1	736.5	562.2	643.2
	Trade payables to related parties (refer note no.32)	-	-	0.6	1.2	1.1	7.0
	Total	793.1	664.3	562.7	737.7	563.3	650.2
15	Other financial liabilities (non-current)	(Rs.in Millions)					
		30.09.2016	31.03.2016	31.03.2015 Proforma	31.03.2014 Proforma	31.03.2013 Proforma	31.03.2012 Proforma
	Obligations under finance lease	88.6	85.7	80.3	75.7	71.8	68.5
	Total	88.6	85.7	80.3	75.7	71.8	68.5
16	Other financial liabilities (current)	(Rs.in Millions)					
		30.09.2016	31.03.2016	31.03.2015 Proforma	31.03.2014 Proforma	31.03.2013 Proforma	31.03.2012 Proforma
	Deposits - premises	58.8	57.3	330.1	305.3	310.5	295.6
	Creditors for capital expenditure	199.2	207.2	137.7	128.4	225.3	94.5
	Defaulters fund pending claims	707.6	678.9	639.8	585.3	533.6	500.2
	Margin money from members^	9,932.0	8,635.3	5,087.5	11,357.2	6,412.2	5,964.6
	Settlement obligation payable ^	56,931.5	18,651.8	16,405.9	32,793.0	16,253.6	21,157.9
	Obligations under finance lease	9.3	9.3	9.3	9.3	9.3	9.3
	Balance in escrow account*	41.3	43.4	19.0	-	-	-
	Other liabilities	244.5	375.9	397.1	856.4	871.1	373.4
	Total	68,124.2	28,659.1	23,026.3	46,034.9	24,615.7	28,395.5
	^ Represents amount received from members towards settlement obligations which is payable on the date of settlement of the transactions. i.e. Transaction date + 2 days & margin money from members which is also repayable on the settlement of transactions (refer note 11)						
	* Balance in Escrow Account represents liability towards balances kept by NSE IT Ltd for UIDAI project of Government of India. (refer note 12)						
17	Provision (non current)	(Rs.in Millions)					
		30.09.2016	31.03.2016	31.03.2015 Proforma	31.03.2014 Proforma	31.03.2013 Proforma	31.03.2012 Proforma
	Employee benefits obligation						
	Provision for gratuity	85.9	37.1	27.2	37.4	6.3	14.1
	Provision for variable pay and allowance	69.3	75.5	71.5	46.8	24.8	-
	Total	155.2	112.6	98.7	84.2	31.1	14.1
18	Provision (current)	(Rs.in Millions)					
		30.09.2016	31.03.2016	31.03.2015 Proforma	31.03.2014 Proforma	31.03.2013 Proforma	31.03.2012 Proforma
	Employee benefits obligation						
	Provision for gratuity	46.4	40.1	33.6	22.2	56.8	20.7
	Provision for variable pay and allowance	298.9	289.7	211.4	198.8	56.2	294.0
	Provision for leave encashment	232.7	156.2	141.5	113.2	100.7	95.4
	Total	578.0	486.0	386.5	334.2	213.7	410.1

Annexure VI - Notes to the Restated Consolidated Financial Information

19 Income taxes		(Rs.in Millions)				
(a)	Income tax expense					
	Particulars	30.09.2016	31.03.2016	31.03.2015	31.03.2014	31.03.2013
				Proforma	Proforma	Proforma
	a) Income tax expense					
	Current Tax					
	Current tax expense	2,363.5	3,020.3	4,878.6	4,452.4	3,814.2
	Deferred Tax					
	Decrease (increase) in deferred tax assets	14.7	1,788.3	(221.7)	(649.7)	(558.3)
	Increase (decrease) in deferred tax liabilities	291.4	390.4	207.6	153.6	27.3
	Adjustment in other equity	-	-	34.0	-	-
	Total deferred tax expense (benefit)	306.1	2,178.7	19.9	(496.1)	(531.0)
	Total Income tax expenses *	2,669.6	5,199.0	4,898.5	3,956.3	3,283.2
	* This excludes deferred tax benefit on other comprehensive income	(83.3)	(4.5)	13.0	(6.6)	(44.4)
(b)	Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:					(Rs.in Millions)
	Particulars	30.09.2016	31.03.2016	31.03.2015	31.03.2014	31.03.2013
				Proforma	Proforma	Proforma
	Profit before tax*	8,552.8	14,951.1	14,836.6	11,477.5	10,420.3
	Statutory Tax rate (%)	34.608%	34.608%	33.990%	33.990%	32.445%
	Tax at the Indian Statutory Tax Rate	2,960.0	5,174.3	5,042.9	3,901.2	3,380.9
	Tax effect of amounts which are not deductible (taxable) in calculating taxable income					
	Dividend income	(17.8)	(5.1)	(6.2)	(49.3)	(85.3)
	Dividend distribution tax paid by subsidiary companies on which credit is not availed	4.1	126.1	76.0	3.9	48.9
	Interest on tax free bonds	(88.4)	(77.6)	(37.3)	(72.9)	(69.2)
	Expenditure related to exempt income	76.1	50.1	20.0	14.8	10.3
	Net (gain) / loss on financial assets mandatorily measured at fair value through profit or loss - ETF	(197.8)	38.4	7.2	-	-
	(Profit) / Loss on sale of investments taxed at other than Statutory rate	1.4	30.8	(3.0)	205.3	22.1
	Specific Tax deductions	(7.4)	(20.8)	(51.4)	(52.1)	(48.9)
	Profit of subsidiaries & associates tax at different rate	(73.1)	(60.4)	(95.8)	(51.6)	16.3
	Others	12.6	(56.8)	(53.9)	57.0	8.1
	Income Tax Expense	2,669.6	5,199.0	4,898.5	3,956.3	3,283.2
(c)	Current tax assets / (liability)					(Rs.in Millions)
	Particulars	30.09.2016	31.03.2016	31.03.2015	31.03.2014	31.03.2013
				Proforma	Proforma	Proforma
	Opening income tax asset/ (liability) at the beginning of the year/period	2,658.6	471.9	624.4	398.8	401.7
	Income tax paid / (refund)	2,451.2	5,207.0	4,726.1	4,678.0	3,811.3
	Current income tax payable for the period / year	(2,363.5)	(3,020.3)	(4,878.6)	(4,452.4)	(3,814.2)
	Net current income tax asset/ (liability) at the end of year/period	2,746.3	2,658.6	471.9	624.4	398.8
	Income tax asset	3,103.8	2,841.2	989.2	1,114.8	1,006.4
	Income tax (liability)	(357.5)	(182.6)	(517.3)	(490.4)	(592.7)

Annexure VI - Notes to the Restated Consolidated Financial Information

(d) Deferred tax (liabilities)/assets (net)

The balance comprises temporary differences attributable to:

Particulars

(Rs.in Millions)

Deferred income tax assets

Property, plant and equipment and investment property

Provision for leave encashment

Financial Assets at Fair Value through OCI

Financial Assets at Fair Value through profit and Loss

Contribution to Core Settlement Guarantee Fund

Others

Total deferred tax assets**Deferred income tax liabilities**

Property, plant and equipment and investment property

Financial Assets at Fair Value through OCI

Financial Assets at Fair Value through profit and Loss

Tax on undistributed earning of Associates

Others

Total deferred tax liabilities**Net Deferred tax (liabilities) / assets****Deferred tax assets****Deferred tax liabilities**

	30.09.2016	31.03.2016	31.03.2015 Proforma	31.03.2014 Proforma	31.03.2013 Proforma	31.03.2012 Proforma
Property, plant and equipment and investment property	15.2	23.2	19.4	14.9	13.8	8.7
Provision for leave encashment	79.0	57.3	49.3	44.1	39.7	29.9
Financial Assets at Fair Value through OCI	0.7	42.5	14.6	5.6	0.5	-
Financial Assets at Fair Value through profit and Loss	-	-	-	5.3	5.3	-
Contribution to Core Settlement Guarantee Fund	-	-	1,824.5	1,611.9	711.8	-
Others	149.9	137.1	103.8	87.3	343.2	508.0
Total deferred tax assets	244.8	260.1	2,011.6	1,769.1	1,114.3	546.6
Property, plant and equipment and investment property	249.5	306.6	232.4	199.9	148.6	138.2
Financial Assets at Fair Value through OCI	284.8	202.3	161.0	153.5	144.3	90.5
Financial Assets at Fair Value through profit and Loss	426.5	191.5	120.0	71.7	22.3	43.3
Tax on undistributed earning of Associates	513.7	433.9	265.7	184.5	134.2	95.1
Others	10.7	12.2	1.5	3.9	2.8	4.0
Total deferred tax liabilities	1,485.2	1,146.5	780.6	613.5	452.2	371.1
Net Deferred tax (liabilities) / assets	(1,240.4)	(886.4)	1,231.0	1,155.6	662.1	175.5
Deferred tax assets	27.4	18.6	1,587.3	1,408.5	822.2	290.9
Deferred tax liabilities	1,267.8	905.0	356.3	252.9	160.1	115.4

(e) Deferred tax assets

Movements in deferred tax assets

(Rs.in Millions)

	Property, plant and equipment	Provision for leave encashment	Financial Assets at Fair Value through profit and Loss	Financial Assets at Fair Value through OCI	Contribution to Core Settlement Guarantee Fund and Others	Total
At 1 April 2011 - Proforma	3.5	24.3	-	-	464.4	492.2
Charged/(credited)	-	-	-	-	-	-
- to profit or loss	5.2	5.6	-	-	43.6	54.4
- to other comprehensive income	-	-	-	-	-	-
At 31 March 2012 - Proforma	8.7	29.9	-	-	508.0	546.6
Charged/(credited)	-	-	-	-	-	-
- to profit or loss	5.1	9.8	5.3	-	538.1	558.3
- to other comprehensive income	-	-	-	0.5	8.9	9.4
At 31 March 2013 - Proforma	13.8	39.7	5.3	0.5	1,055.0	1,114.3
Charged/(credited)	-	-	-	-	-	-
- to profit or loss	1.1	4.4	-	-	644.2	649.7
- to other comprehensive income	-	-	-	5.1	-	5.1
At 31 March 2014 - Proforma	14.9	44.1	5.3	5.6	1,699.2	1,769.1
Charged/(credited)	-	-	-	-	-	-
- to profit or loss *	4.5	5.2	(5.3)	-	217.3	221.7
- to other comprehensive income	-	-	-	9.0	11.8	20.8
At 31 March 2015 - Proforma	19.4	49.3	-	14.6	1,928.3	2,011.6
Charged/(credited)	-	-	-	-	-	-
- to profit or loss	3.8	8.0	-	0.3	(1,800.4)	(1,788.3)
- to other comprehensive income	-	-	-	27.6	9.2	36.8
At 31 March 2016	23.2	57.3	-	42.5	137.1	260.1
Charged/(credited)	-	-	-	-	-	-
- to profit or loss	(8.0)	21.7	-	-	(28.4)	(14.7)
- to other comprehensive income	-	-	-	(41.8)	41.2	(0.6)
At 30 September 2016	15.2	79.0	-	0.7	149.9	244.8

* - includes deferred tax of Rs. 34 millions in other equity

Deferred tax asset is recognised based on reasonable certainty. Accordingly, the company, as a matter of prudence, have not recognised deferred tax asset amounting to Rs. 13.2 millions on diminution on value of investment in Power Exchange India Limited, an associate company.

(f) Movements in deferred tax liabilities

	Property, plant and equipment	Financial Assets at Fair Value through profit and Loss	Financial Assets at Fair Value through OCI	Tax on undistributed earning of Associates	Others	Total
At 1 April 2011 - Proforma	179.8	34.3	287.3	57.1	2.4	560.9
Charged/(credited)	-	-	-	-	-	-
- to profit or loss	(41.6)	9.0	-	38.0	4.9	10.3
- Others	-	-	-	-	-	-
- to other comprehensive income	-	-	(196.8)	-	(3.3)	(200.1)
At 31 March 2012 - Proforma	138.2	43.3	90.5	95.1	4.0	371.1
Charged/(credited)	-	-	-	-	-	-
- to profit or loss	10.4	(21.0)	-	39.1	(1.2)	27.3
- Others	-	-	-	-	-	-
- to other comprehensive income	-	-	53.8	-	-	53.8
At 31 March 2013 - Proforma	148.6	22.3	144.3	134.2	2.8	452.2
Charged/(credited)	-	-	-	-	-	-
- to profit or loss	51.3	49.4	-	54.4	(1.5)	153.6
- Others	-	-	-	(4.1)	-	(4.1)
- to other comprehensive income	-	-	9.2	-	2.6	11.8
At 31 March 2014 - Proforma	199.9	71.7	153.5	184.5	3.9	613.5
Charged/(credited)	-	-	-	-	-	-
- to profit or loss	32.5	48.3	-	129.2	(2.4)	207.6
- Others	-	-	0.1	(48.0)	-	(47.9)
- to other comprehensive income	-	-	7.4	-	-	7.4
At 31 March 2015 - Proforma	232.4	120.0	161.0	265.7	1.5	780.6
Charged/(credited)	-	-	-	-	-	-
- to profit or loss	74.2	71.5	-	227.6	17.1	390.4
- Others	-	-	-	(59.4)	(6.4)	(65.8)
- to other comprehensive income	-	-	41.3	-	-	41.3
At 31 March 2016	306.6	191.5	202.3	433.9	12.2	1,146.5
Charged/(credited)	-	-	-	-	-	-
- to profit or loss	(57.1)	235.0	-	115.0	(1.5)	291.4
- Others	-	-	(0.3)	(35.2)	-	(35.5)
- to other comprehensive income	-	-	82.8	-	-	82.8
At 30 September 2016	249.5	426.5	284.8	513.7	10.7	1,485.2

(g) The Group has not recognised deferred tax liability associated with undistributed earnings of its subsidiaries as it can control the timing of the reversal of these temporary differences and it is probable that such differences will not reverse in the foreseeable future.

	30.09.2016	31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012
			Proforma	Proforma	Proforma	Proforma
The taxable temporary differences relating to investment in subsidiaries associated with respect to undistributed earnings for which a deferred tax liability has not been created:						
Undistributed Earnings	11,097.6	11,829.8	11,964.8	13,499.6	12,361.4	12,443.6
Unrecognised deferred tax liabilities relating to the above temporary	2,259.2	2,408.2	2,392.9	2,294.3	2,005.3	2,018.7

(h) Deferred tax assets are not recognised for temporary differences where it is not probable that the differences will reverse in the foreseeable future and taxable profits will not be available against which the temporary difference can be utilized. The Group has not recognized deferred tax assets of Rs.314.9 millions in respect of tax effect on intragroup transactions of its various subsidiaries as based on management's projections of future taxable income and existing plans as it is not probable that such difference will reverse in the foreseeable future.

20	Income tax liabilities (net)	(Rs.in Millions)				
		30.09.2016	31.03.2016	31.03.2015	31.03.2014	31.03.2013
				Proforma	Proforma	Proforma
	Income tax (net of advances)	354.5	179.6	499.1	475.7	593.0
	Fringe Benefit Tax (net of Advances)	0.2	0.1	0.1	0.3	0.9
	Wealth tax (net of advances)	2.8	2.9	18.1	14.4	13.7
		357.5	182.6	517.3	490.4	592.7
21	Income tax assets (net)	(Rs.in Millions)				
		30.09.2016	31.03.2016	31.03.2015	31.03.2014	31.03.2013
				Proforma	Proforma	Proforma
	Income tax paid including TDS (net of provisions)	3,081.3	2,818.7	966.7	1,092.3	983.9
	Wealth tax (net of provisions)	0.2	0.2	0.2	0.2	0.2
	Fringe benefit tax (net of provisions)	22.3	22.3	22.3	22.3	22.3
		3,103.8	2,841.2	989.2	1,114.8	1,006.4
22	Other non-current liabilities	(Rs.in Millions)				
		30.09.2016	31.03.2016	31.03.2015	31.03.2014	31.03.2013
				Proforma	Proforma	Proforma
	Deposit - STT (refer note no. 7)	53.9	53.9	53.9	53.9	53.9
	Total	53.9	53.9	53.9	53.9	53.9
23	Other current liabilities	(Rs.in Millions)				
		30.09.2016	31.03.2016	31.03.2015	31.03.2014	31.03.2013
				Proforma	Proforma	Proforma
	Securities Transaction Tax payable	6,573.3	1,663.5	1,268.7	1,440.1	714.5
	Statutory dues payable	570.9	363.3	289.7	247.5	165.1
	Advance from customers	294.5	178.8	204.2	169.4	109.1
	Income received in advance	1,112.6	391.8	448.7	341.9	272.2
	Others	241.6	403.7	393.1	201.8	204.3
	Total	8,792.9	3,001.1	2,604.4	2,400.7	1,465.2
24	Deposits	(Rs.in Millions)				
		30.09.2016	31.03.2016	31.03.2015	31.03.2014	31.03.2013
				Proforma	Proforma	Proforma
	Deposits from trading members	10,260.9	10,297.9	10,370.6	10,464.7	10,575.8
	Deposits from applicants for membership	39.2	28.6	39.1	61.3	53.5
	Deposits from mutual fund distributors	27.2	21.9	6.7	-	-
	Deposits towards equipment's	205.5	193.9	180.3	170.5	403.2
	Deposit from clearing members	3,238.8	2,875.2	3,172.0	3,375.8	3,351.5
	Deposit in lieu of bank guarantee/securities from clearing members	640.1	633.6	642.8	629.7	623.7
	Deposits from clearing banks	2,860.5	2,235.5	1,855.5	1,545.0	1,390.0
	Deposit - listing & book building	600.8	464.9	368.7	543.4	531.2
	Total	17,873.0	16,751.5	16,635.7	16,790.4	16,928.9

	(Rs.in Millions)					
	For the half year ended 30.09.2016	For the year ended 31.03.2016	For the year ended 31.03.2015 Proforma	For the year ended 31.03.2014 Proforma	For the year ended 31.03.2013 Proforma	For the year ended 31.03.2012 Proforma
Operating revenues						
Revenue from services :						
<u>Trading services</u>						
Transaction charges ^ (Refer Note 46)	6,535.3	11,675.7	10,752.1	8,257.2	7,236.3	7,646.9
<u>Listing services</u>						
Listing fees	295.7	503.6	479.1	347.9	333.8	333.7
Book building fees	82.1	85.0	33.0	39.0	42.4	42.8
	377.8	588.6	512.1	386.9	376.2	376.5
<u>Technology services</u>						
Application development & maintenance services	126.7	261.6	270.8	152.2	143.6	165.2
Infrastructure management services	31.3	50.6	42.1	47.3	61.6	92.4
E-Learning solutions	355.4	575.1	449.2	496.1	435.1	543.7
IT & process support charges	-	7.3	4.4	3.3	40.8	42.5
	513.4	894.6	766.5	698.9	681.1	843.8
<u>Data Feed services</u>						
Online datafeed service fees	355.6	592.1	470.6	368.6	278.2	283.4
	355.6	592.1	470.6	368.6	278.2	283.4
<u>Licensing services</u>						
Index license fees outside India	307.5	570.7	344.7	153.5	93.6	81.9
Data subscription fees	26.8	46.7	40.6	34.6	26.0	21.5
ETF licensing outside India	11.0	22.8	17.2	15.8	15.0	10.7
	345.3	640.2	402.5	203.9	134.6	114.1
Others	84.6	83.0	75.3	67.4	84.2	58.3
Other operating revenues						
<u>Listing services</u>						
Processing fees	127.2	215.2	131.5	67.0	57.8	124.6
<u>Data centre charges</u> # (Refer Note 45)	378.2	708.4	564.5	431.9	426.2	379.5
<u>Others</u>						
Registration & test enrolment fees	84.1	190.1	223.1	204.8	186.9	216.0
Annual subscription	-	-	-	-	57.1	116.9
Strategic Co-operation fees	-	-	-	-	53.3	142.4
Income on investments *	1,284.4	2,591.4	3,112.2	2,693.4	2,749.4	2,806.6
Net fair value gain on financial assets mandatorily measured at FVPL	68.8	118.6	8.8	11.8	0.0	3.0
Net gain on sale of financial assets mandatorily measured at FVPL	70.9	47.7	49.9	2.9	-	-
Connectivity charges	15.2	7.3	6.6	8.2	191.6	243.3
Others	87.4	173.7	107.4	131.6	204.0	217.1
	1,610.8	3,128.8	3,508.0	3,052.7	3,442.3	3,745.3
Sale of Products :						
Software Products	7.8	103.3	105.8	92.5	82.1	33.1
Traded Goods	1.2	5.5	7.1	3.9	2.9	8.9
	9.0	108.8	112.9	96.4	85.0	42.0
Total	10,337.2	18,635.4	17,296.0	13,630.9	12,801.9	13,614.4

^ Includes revenue from transaction charges related to colocation services amounting to Rs.476.7 million for the month of September 2016 and the same has been subsequently transferred to a separate bank account based on SEBI directive. (Refer Note 45)

Includes revenue from colocation services amounting to Rs. 65.3 millions for the month of September 2016 and the same has been subsequently transferred to a separate bank account based on SEBI directive. (Refer Note 45)

* Represent income generated from sources of fund related to operating activity of the group.

Other income - Recurring

Dividend income

- from equity investments designated at FVOCI

- from other investments

Interest income from financial assets at amortised cost

Interest income from investment designated at FVOCI

Rental income

Miscellaneous income

Other gains/(losses) - Recurring

Net fair value gain / (loss) on financial assets mandatorily measured at FVPL

Net gain on sale of financial assets measured at FVOCI

Net gain on sale of financial assets mandatorily measured at FVPL

Net gain on disposal of property, plant and equipment

Net foreign exchange gains

Total other income and other gains/(losses)**Total**

(Rs.in Millions)

	For the half year ended 30.09.2016	For the year ended 31.03.2016	For the year ended 31.03.2015 Proforma	For the year ended 31.03.2014 Proforma	For the year ended 31.03.2013 Proforma	For the year ended 31.03.2012 Proforma
Dividend income						
- from equity investments designated at FVOCI	19.0	13.3	11.4	14.7	59.0	24.8
- from other investments	7.5	1.7	2.3	140.6	255.7	348.2
Interest income from financial assets at amortised cost	770.0	2,444.4	2,894.7	4,352.5	4,452.5	3,267.7
Interest income from investment designated at FVOCI	325.8	810.5	148.2	24.5	0.8	-
Rental income	40.6	155.2	460.8	506.9	442.2	423.2
Miscellaneous income	11.1	96.8	46.7	77.4	32.5	58.1
	1,174.0	3,521.9	3,564.1	5,116.6	5,242.7	4,122.1
Other gains/(losses) - Recurring						
Net fair value gain / (loss) on financial assets mandatorily measured at FVPL	1,191.6	30.8	87.4	135.0	(34.6)	54.1
Net gain on sale of financial assets measured at FVOCI	105.7	53.4	77.7	22.0	-	-
Net gain on sale of financial assets mandatorily measured at FVPL	621.5	1,289.8	1,885.2	290.8	117.3	219.5
Net gain on disposal of property, plant and equipment	1.4	60.5	-	-	-	-
Net foreign exchange gains	3.7	-	-	11.0	8.8	-
Total other income and other gains/(losses)	1,923.9	1,434.4	2,050.3	458.8	91.6	273.6
Total	3,097.9	4,956.3	5,614.4	5,575.4	5,334.3	4,395.7

Employee benefits expenses

(Rs.in Millions)

	For the half year ended 30.09.2016	For the year ended 31.03.2016	For the year ended 31.03.2015 Proforma	For the year ended 31.03.2014 Proforma	For the year ended 31.03.2013 Proforma	For the year ended 31.03.2012 Proforma
Salaries, wages and bonus	1,117.2	1,987.0	1,722.4	1,583.6	1,594.6	1,522.5
Contribution to provident and other fund (refer note 30)	43.4	79.8	72.1	66.2	70.2	58.9
Gratuity	16.6	28.7	24.0	23.9	20.0	16.8
Staff welfare expenses	44.9	84.3	72.9	70.8	60.4	50.4
Total	1,222.1	2,179.8	1,891.4	1,744.5	1,745.2	1,648.6

	(Rs.in Millions)					
	For the half year ended 30.09.2016	For the year ended 31.03.2016	For the year ended 31.03.2015 Proforma	For the year ended 31.03.2014 Proforma	For the year ended 31.03.2013 Proforma	For the year ended 31.03.2012 Proforma
Repairs & maintenance						
- To computers, trading & telecommunication systems	427.4	760.7	666.8	553.1	569.1	491.1
- To buildings	16.9	26.7	31.0	37.7	30.4	28.5
- To others	49.8	93.6	76.1	86.6	97.0	45.9
SEBI regulatory fees	129.6	250.4	247.9	54.8	53.4	53.4
IT management and consultancy charges	7.6	68.2	90.7	32.6	35.7	26.9
Software expenses	259.1	317.0	157.0	166.5	181.5	100.3
Network infrastructure management charges	37.9	70.7	77.7	158.7	123.0	47.2
Lease line charges	39.8	84.7	86.8	94.5	94.5	79.5
Telephone charges	8.5	12.8	12.9	10.7	7.6	7.3
Water and electricity charges	89.1	230.7	276.4	232.2	170.4	140.6
Rental charges	105.2	203.1	170.8	158.6	171.4	164.5
Transponder charges/license fee for operating VSAT network	-	-	-	-	124.3	73.0
Rates and taxes	34.7	67.4	107.4	94.5	90.1	33.4
Directors' sitting fees	7.8	8.7	5.4	1.9	1.5	1.4
Legal and professional fees	188.9	343.2	339.1	269.6	228.2	265.8
Advertisement and publicity	125.6	179.7	163.0	148.8	36.6	145.3
Travel and conveyance	68.3	77.5	74.9	61.0	53.8	129.5
Insurance	11.2	18.4	17.0	19.0	16.5	25.6
Printing and stationery	20.8	44.0	42.9	39.6	46.7	93.8
Corporate social responsibility expenditure	32.8	28.3	7.0	-	-	-
Contribution to Investor protection fund trust	30.0	45.7	53.1	53.6	61.1	71.7
Investor education expenses	6.9	43.8	99.7	104.8	67.3	35.7
Payment to auditors	8.3	12.6	10.2	7.5	7.7	5.9
Donations/Contributions	-	-	-	11.9	13.9	10.7
Doubtful debts written off	0.7	0.6	0.4	0.1	-	1.0
Provision for Doubtful Debts	-	2.1	1.0	0.4	-	-
Loss on sale of property, plant and equipment	-	-	2.5	6.0	7.9	4.8
Loss on foreign currency transaction (net)	-	3.0	6.4	-	-	5.6
Technical & Subcontract Charges	99.2	216.7	235.8	222.1	202.0	204.2
Cost of goods sold	0.1	0.4	0.3	0.3	0.6	4.3
Impairment in value of Investments (Refer Note 32)	50.1	-	-	-	-	-
Other expenses	419.6	729.1	692.1	725.0	664.6	467.4
Total	2,275.9	3,939.8	3,752.3	3,352.1	3,156.8	2,764.3

Earnings per share

Profit attributable to the equity holders of the company used in calculating basic earnings per share and diluted earnings per share

Profit for the year / period

Weighted average number of equity shares used as the denominator in calculating basic and diluted earnings per share (no. in millions) (Refer Note 44 (ii) and (iii))

Earnings per equity share (basic and diluted)

Profit before contribution to Core Settlement Guarantee Fund and tax and after non controlling interest

Income tax effects on above

Profit before contribution to Core Settlement Guarantee Fund and after tax and non controlling interest

Earnings per equity share before contribution to Core Settlement Guarantee Fund (net) (basic and diluted) as restated

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

	30.09.2016	31.03.2016	31.03.2015 Proforma	31.03.2014 Proforma	31.03.2013 Proforma	31.03.2012 Proforma
Profit for the year / period	5,883.2	9,752.1	9,938.1	7,486.7	7,052.1	8,848.8
Weighted average number of equity shares used as the denominator in calculating basic and diluted earnings per share (no. in millions) (Refer Note 44 (ii) and (iii))	495.0	495.0	495.0	495.0	495.0	495.0
Earnings per equity share (basic and diluted)	11.9	19.7	20.1	15.1	14.2	17.9
Profit before contribution to Core Settlement Guarantee Fund and tax and after non controlling interest	9,893.5	17,294.4	17,066.3	13,991.2	12,529.2	12,740.2
Income tax effects on above	3,133.6	6,010.0	5,689.0	4,856.3	3,995.0	3,891.4
Profit before contribution to Core Settlement Guarantee Fund and after tax and non controlling interest	6,759.9	11,284.5	11,377.3	9,134.9	8,534.2	8,848.8
Earnings per equity share before contribution to Core Settlement Guarantee Fund (net) (basic and diluted) as restated	13.7	22.8	23.0	18.5	17.2	17.9

The Board of directors of the company in their meeting held on October 4, 2016 has recommended issue of Bonus equity shares in the proportion of 1 (one) bonus share of Rs.10/- (Rupees Ten each) for every existing 10 (Ten) fully paid up equity shares of Rs.10 each, which is approved by the shareholders in the general meeting held on November 10, 2016. The record date for issue of bonus shares was November 23, 2016. Accordingly, the weighted average number of equity shares has been restated for all periods presented. The board of directors has also recommended the sub-division of equity shares of Rs.10 each, into equity shares having a face value of Rs.1. The same is approved by the shareholders in the general meeting held on November 10, 2016, approved by SEBI on November 27, 2016 and has been notified in the gazette on December 10, 2016. The record date for stock split was December 13, 2016. Accordingly, basic and diluted earning per share figures for the current period and those of the prior periods have been restated and is based on the new weighted average number of shares after taking into account increase in the number of shares arising from bonus and subdivision subsequent to the balance sheet date.

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

i) **Defined Contribution Plan :**

The Group's contribution towards superannuation fund during the year/period ended has been charged to Statement of Consolidated Profit & Loss

(Rs.in Millions)

	30.09.2016	31.03.2016	31.03.2015 Proforma	31.03.2014 Proforma	31.03.2013 Proforma	31.03.2012 Proforma
Group's contribution towards superannuation fund	10.5	19.9	19.4	18.5	20.3	16.0

ii) **Defined Benefit Plan :**

(a) **Provident Fund :**

The Company has established 'National Stock Exchange of India Limited Employee Provident Fund Trust' and one of the subsidiary, NSE Infotech Services Limited has established 'NSE Infotech Services Limited Employee Provident Fund Trust' to which both the employee and the employer make monthly contribution equal to 12% of the employee's basic salary, respectively. Such contribution to the provident fund for all employees, are charged to the profit and loss. In case of any liability arising due to shortfall between the return from its investments and the administered interest rate, the same is provided for by the Group. One of the subsidiary, NSEIT Limited contributes to the Government administered fund and the same is charged to statement of profit and loss. The actuary has provided an actuarial valuation and indicated the interest shortfall liability for the year / period ended as follows, which has been provided in the books of accounts after considering the assets available with the group's Provident Fund Trusts. The Group has contributed towards Provident Fund during the year / period ended as follows.

(Rs.in Millions)

	30.09.2016	31.03.2016	31.03.2015 Proforma	31.03.2014 Proforma	31.03.2013 Proforma	31.03.2012 Proforma
Group's contribution to the provident fund	32.4	59.8	52.6	47.1	47.5	41.7
Interest shortfall liability	0.5	0.1	0.1	0.6	2.4	1.2

Assumptions used in determining the present value obligation of the interest rate guarantee are as follows:

	30.09.2016	31.03.2016	31.03.2015 Proforma	31.03.2014 Proforma	31.03.2013 Proforma	31.03.2012 Proforma
a. Approach used	Deterministic / Projected Unit Credit Method	Deterministic / Projected Unit Credit Method	Deterministic / Projected Unit Credit Method	Deterministic / Projected Unit Credit Method	Deterministic / Projected Unit Credit Method	Deterministic / Projected Unit Credit Method
b. Increase in compensation levels	5.00 - 8.00%	5.0%	5.0%	5.0%	5.0%	5.0%
c. Discount Rate	7.15 - 7.96%	7.95 - 7.96%	7.96 - 8.03%	8.00 - 9.31%	5.0%	8.15 - 8.50%
d. Attrition Rate	2.00 - 10.00%	2.0%	2.0%	2.0%	2.0%	2.0%

(b) **Gratuity :**

The Group provides for gratuity for employees as per Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity, The amount of Gratuity is payable on retirement/termination of the employee's based on last drawn basic salary per month multiplied for the number of years of service. The gratuity plan is a funded plan and the Group makes contribution to recognised funds with Life Insurance Corporation of India (LIC).

A Consolidated Balance Sheet

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

(Rs.in Millions)

	30.09.2016	31.03.2016	31.03.2015 Proforma	31.03.2014 Proforma	31.03.2013 Proforma	31.03.2012 Proforma
Liability at the beginning of the year/period	252.1	213.8	166.7	185.8	136.5	105.7
Interest cost	10.2	17.3	15.5	15.6	11.6	8.7
Current Service Cost	13.3	23.6	18.3	18.7	17.1	14.3
Transfers	-	-	-	2.3	-	-
Benefits Paid	(18.6)	(32.8)	(32.4)	(46.4)	(10.1)	(4.5)
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic	25.1	-	-	-	(0.3)	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial	57.1	0.6	24.8	(14.3)	4.6	(3.6)
Actuarial (Gains)/Losses on Obligations - Due to Experience	23.5	29.6	20.9	5.0	26.4	15.9
Liability at the end of the year/period	362.7	252.1	213.8	166.7	185.8	136.5

Annexure VI - Notes to the Restated Consolidated Financial Information

(ii) The amounts recognised in the consolidated balance sheet and the movements in the fair value of plan assets over the year / period are as follows:

	30.09.2016	31.03.2016	31.03.2015 Proforma	31.03.2014 Proforma	31.03.2013 Proforma	31.03.2012 Proforma
Fair Value of plan assets at the beginning of the year/period	174.9	153.0	107.0	122.7	101.6	75.5
Interest Income	6.9	12.2	9.8	10.4	8.7	6.2
Expected return on plan assets	2.1	2.3	3.3	(1.5)	2.3	2.4
Contributions	65.0	40.2	65.3	19.5	20.2	22.0
Transfers	-	-	-	2.3	-	-
Benefits paid	(18.6)	(32.8)	(32.4)	(46.4)	(10.1)	(4.5)
Fair Value of plan assets at the end of the year/period	230.3	174.9	153.0	107.0	122.7	101.6

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

	30.09.2016	31.03.2016	31.03.2015 Proforma	31.03.2014 Proforma	31.03.2013 Proforma	31.03.2012 Proforma
Fair value of plan assets as at the end of the year/period	230.3	174.9	153.0	107.0	122.7	101.6
Liability as at the end of the year/period	(362.7)	(252.1)	(213.8)	(166.7)	(185.8)	(136.5)
Net (liability) / asset	(132.4)	(77.2)	(60.8)	(59.7)	(63.1)	(34.9)
Non Current Portion	(85.9)	(37.1)	(27.2)	(37.4)	(6.3)	(14.1)
Current Portion	(46.4)	(40.1)	(33.6)	(22.2)	(56.8)	(20.7)

(iv) Consolidated Balance Sheet Reconciliation

	30.09.2016	31.03.2016	31.03.2015 Proforma	31.03.2014 Proforma	31.03.2013 Proforma	31.03.2012 Proforma
Opening Net Liability	77.2	60.8	59.7	63.1	34.9	30.2
Expenses recognized in Statement of Consolidated Profit or Loss	16.6	28.7	24.0	23.9	20.0	16.8
Expenses recognized in Consolidated OCI	103.6	27.9	42.3	(7.9)	28.4	9.9
Employers Contribution	(65.0)	(40.2)	(65.3)	(19.5)	(20.2)	(22.0)
Amount recognised in the Balance Sheet	132.4	77.2	60.7	59.6	63.1	34.9

B Statement of Consolidated Profit & Loss

(i) Net Interest Cost for Current Period

	30.09.2016	31.03.2016	31.03.2015 Proforma	31.03.2014 Proforma	31.03.2013 Proforma	31.03.2012 Proforma
Interest Cost	10.2	17.3	15.5	15.6	11.6	8.7
Interest Income	(6.9)	(12.2)	(9.8)	(10.4)	(8.7)	(6.2)
Net Interest Cost for Current Period	3.3	5.1	5.7	5.2	2.9	2.5

(ii) Expenses recognised in the Statement of Consolidated of Profit & Loss

	30.09.2016	31.03.2016	31.03.2015 Proforma	31.03.2014 Proforma	31.03.2013 Proforma	31.03.2012 Proforma
Current Service cost	13.3	23.6	18.3	18.7	17.1	14.3
Net Interest Cost	3.3	5.1	5.7	5.2	2.9	2.5
Expenses recognised in the Statement of Consolidated Profit & Loss	16.6	28.7	24.0	23.9	20.0	16.8

(iii) Expenses recognised in the Consolidated Other Comprehensive Income

	30.09.2016	31.03.2016	31.03.2015 Proforma	31.03.2014 Proforma	31.03.2013 Proforma	31.03.2012 Proforma
Re-measurement						
Expected return on plan assets	(2.1)	(2.3)	(3.3)	1.5	(2.3)	(2.4)
Actuarial (Gain) or Loss	105.7	30.2	45.7	(9.3)	30.7	12.3
Net (Income)/Expense for the Period Recognized in OCI	103.6	27.9	42.4	(7.8)	28.4	9.9

C Fair value of plan assets at the Balance Sheet Date for defined benefit obligations**(Rs.in Millions)**

	30.09.2016	31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012
			Proforma	Proforma	Proforma	Proforma
Insurer Managed Funds	230.3	174.9	153.0	107.0	122.7	101.6
Total	230.3	174.9	153.0	107.0	122.7	101.6

D Sensitivity Analysis**(Rs.in Millions)**

	30.09.2016	31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012
			Proforma	Proforma	Proforma	Proforma
Projected Benefit Obligation on Current Assumptions	362.7	252.1	213.8	166.7	185.8	136.5
Delta Effect of +1% Change in Rate of Discounting	(23.9)	(22.8)	(18.8)	(14.2)	(17.4)	(11.2)
Delta Effect of -1% Change in Rate of Discounting	27.5	26.7	22.0	16.5	20.3	13.1
Delta Effect of +1% Change in Rate of Salary Increase	27.3	27.2	22.4	17.0	20.8	13.4
Delta Effect of -1% Change in Rate of Salary Increase	(24.1)	(23.7)	(19.5)	(14.8)	(18.0)	(11.6)
Delta Effect of +1% Change in Rate of Employee Turnover	0.9	6.7	5.5	6.4	5.4	4.0
Delta Effect of +1% Change in Rate of Employee Turnover	(1.0)	(7.7)	(6.4)	(7.2)	(6.1)	(4.5)

E Significant actuarial assumptions are as follows:**(Rs.in Millions)**

	30.09.2016	31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012
			Proforma	Proforma	Proforma	Proforma
Discount Rate	6.77 - 7.96%	7.38 - 8.03%	7.96 - 8.03%	8.00 - 9.31%	8.00 - 8.50%	8.50%
Rate of Return on Plan Assets	7.15 - 7.96%	7.95 - 8.03%	7.96 - 8.03%	8.00 - 9.31%	8.00 - 8.50%	8.50%
Salary Escalation	5.00 - 8.00%	5.00%	5.00%	5.00 - 8.00%	5.00%	5.00%
Attrition Rate	2.00 - 10.00%	2.00%	2.00%	2.00 - 10.00%	2.00%	2.00%

Note: 31 Segment Information

(A) Description of segments and principal activities

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

1: **Trading services** : Includes services related to trading in equity, equity derivatives, debt and currency derivatives segments. Revenue includes transaction charges, Listing & book building fees, revenue from data centre charges etc.

2: **Clearing Services**: Includes clearing and settlement of the trades executed in the Capital Markets, Future & Options and Currency Derivative segments (These are inter segment and not external customers).

3: **Datafeed Services** : Includes services related to dissemination of price, volume, order book and trade data relating to securities and various indexes to the stock and commodity brokers.

4: **Index Licensing Fees**: Primary provider of indices and related products and services to various participants in Capital Market in India.

5: **Strategic Investments** : Includes businesses relating to make or hold all strategic investments in the equity shares and / or other securities of various companies.

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

The above business segments have been identified considering :

- a) the nature of products and services
- b) the differing risks and returns
- c) the internal organisation and management structure, and
- d) the internal financial reporting systems.

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

Note: 31 Segment Information

(B) Segment Revenue :

(a) Segment revenue is measured in the same way as in the statement of profit or loss. Revenue and expenses which relate to the enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as Unallocable. Transactions between segments are eliminated on consolidation. The CODM primarily uses a measure of profit before tax to assess the performance of the operating segments. However the CODM also receives information about the segments revenue and assets on a quarterly basis.

Segments	30st September 2016				31st March 2016				31st March 2015 - Proforma			
	Segment Revenue	Inter-segment revenue	Revenue from external customers	Segment Results	Segment Revenue	Inter-segment revenue	Revenue from external customers	Segment Results	Segment Revenue	Inter-segment revenue	Revenue from external customers	Segment Results
Trading Services *	8,266.3	168.1	8,098.2	3,447.2	14,729.7	302.2	14,427.5	5,658.0	13,643.4	248.3	13,395.1	5,145.6
Clearing Services	1,340.4	493.2	847.2	864.0	2,772.4	983.5	1,788.9	1,985.0	3,041.2	911.8	2,129.4	2,323.7
Datafeed Services	360.4	1.7	358.7	249.9	604.1	3.2	600.9	422.3	479.3	1.7	477.6	343.3
Index Licensing Services	414.3	51.4	362.9	374.5	779.7	103.9	675.8	714.1	516.7	82.3	434.4	471.5
Strategic Investments	253.7	168.1	85.6	40.8	702.8	586.3	116.5	680.2	759.7	709.8	49.9	753.3
Other Segments	1,098.4	513.8	584.6	102.0	2,166.8	1,141.0	1,025.8	266.2	1,938.0	1,136.9	801.1	180.1
Total	11,733.5	1,396.3	10,337.2	5,078.4	21,755.5	3,120.1	18,635.4	9,725.9	20,378.2	3,090.8	17,287.4	9,217.6
RESULT	-	-	-	-	-	-	-	-	-	-	-	-
Add: Unallocable income (Net of Exp.)	-	-	-	1,823.4	-	-	-	1,058.8	-	-	-	1,836.3
Add : Contribution to Core Settlement guarantee fund (Core SGF)	-	-	-	1,340.7	-	-	-	2,343.3	-	-	-	2,229.7
Interest income	-	-	-	1,095.8	-	-	-	3,254.9	-	-	-	3,042.9
Profit before exceptional item, Share of net profits of investments accounted for using equity method and tax	-	-	-	9,338.5	-	-	-	16,382.9	-	-	-	16,333.8
Add: Share of Profit (net) of Associates	-	-	-	555.0	-	-	-	911.5	-	-	-	732.5
Profit before exceptional item and tax	-	-	-	9,893.5	-	-	-	17,294.4	-	-	-	17,066.3
Add: Profit on sale of investment in equity instruments in Associates	-	-	-	-	-	-	-	-	-	-	-	-
Profit before contribution to Core Settlement Guarantee Fund and tax	-	-	-	9,893.5	-	-	-	17,294.4	-	-	-	17,066.3
Less: Contribution to Core Settlement guarantee fund (Core SGF)	-	-	-	(1,340.7)	-	-	-	(2,343.3)	-	-	-	(2,229.7)
Profit before Tax	-	-	-	8,552.8	-	-	-	14,951.1	-	-	-	14,836.6
Less: Tax Expnese:	-	-	-	-	-	-	-	-	-	-	-	-
Current Tax	-	-	-	(2,363.5)	-	-	-	(3,020.3)	-	-	-	(4,878.6)
Deferred Tax	-	-	-	(306.1)	-	-	-	(2,178.7)	-	-	-	(19.9)
Total Tax Expenses	-	-	-	(2,669.6)	-	-	-	(5,199.0)	-	-	-	(4,898.5)
Net profit after tax as restated	-	-	-	5,883.2	-	-	-	9,752.1	-	-	-	9,938.1

Note: 31 Segment Information

(B) Segment Revenue :

Segments	31st March 2014 - Proforma				31st March 2013 - Proforma				31st March 2012 - Proforma			
	Segment Revenue	Inter-segment revenue	Revenue from external customers	Segment Results	Segment Revenue	Inter-segment revenue	Revenue from external customers	Segment Results	Total Segment Revenue	Inter-segment revenue	Revenue from external customers	Segment Results
Trading Services *	10,797.1	242.5	10,554.6	2,789.6	9,976.9	141.2	9,835.7	2,535.5	10,627.0	125.2	10,501.8	5,211.5
Clearing Services	2,381.6	756.3	1,625.3	1,722.7	2,428.8	725.9	1,702.9	1,800.2	2,936.1	1,157.7	1,778.4	2,380.1
Datafeed Services	376.0	3.0	373.0	341.4	284.6	2.6	282.0	146.6	287.0	2.2	284.7	190.5
Index Licensing Services	308.8	73.0	235.8	268.5	246.9	57.1	189.8	200.2	229.7	78.3	151.4	182.3
Strategic Investments	25.0	17.8	7.2	24.3	0.2	-	0.2	-20.5	-	-	-	
Other Segments	1,875.7	1,040.8	834.9	158.2	1,855.6	1,064.4	791.2	93.0	1,862.6	964.5	898.1	186.5
Total	15,764.3	2,133.4	13,630.9	5,304.7	14,793.0	1,991.1	12,801.9	4,755.0	15,942.3	2,327.9	13,614.4	8,150.9
RESULT	-	-	-	-	-	-	-	-	-	-	-	-
Add: Unallocable income (Net of Exp.)		-	-	1,039.8	-	-	-	977.0	-	-	-	1,200.3
Add : Contribution to Core Settlement guarantee fund (Core SGF)	-	-	-	2,548.2	-	-	-	2,194.0	-	-	-	-
Interest income	-	-	-	4,377.0	-	-	-	4,453.3	-	-	-	3,267.7
Profit before exceptional item, Share of net profits of investments accounted for using equity method and tax	-	-	-	13,269.7	-	-	-	12,379.2	-	-	-	12,615.3
Profit / (Loss) on sale of Long term Equity Investments	-	-	-	-	-	-	-	-	-	-	-	-
Share of Profit	-	-	-	-	-	-	-	-	-	-	-	-
Add: Share of Profit (net) of Associates	-	-	-	314.2	-	-	-	235.1	-	-	-	195.5
Profit before exceptional item and tax	-	-	-	13,583.9	-	-	-	12,614.4	-	-	-	12,810.8
Add: Profit on sale of investment in equity instruments in Associates	-	-	-	441.8	-	-	-	-	-	-	-	-
Profit before contribution to Core Settlement Guarantee Fund and tax	-	-	-	14,025.7	-	-	-	12,614.4	-	-	-	12,810.8
Less: Contribution to Core Settlement guarantee fund (Core SGF)	-	-	-	(2,548.2)	-	-	-	(2,194.0)	-	-	-	-
Profit before Tax	-	-	-	11,477.5	-	-	-	10,420.4	-	-	-	12,810.8
Less: Tax Expnese:	-	-	-	-	-	-	-	-	-	-	-	-
Current Tax	-	-	-	(4,452.4)	-	-	-	(3,814.2)	-	-	-	(3,935.5)
Deferred Tax	-	-	-	496.1	-	-	-	531.0	-	-	-	44.1
Total Tax Expenses	-	-	-	(3,956.3)	-	-	-	(3,283.2)	-	-	-	(3,891.4)
Net profit after tax as restated	-	-	-	7,521.2	-	-	-	7,137.1	-	-	-	8,919.4

* Segment result of trading segment is net of contribution to Core SGF as follows :

	30.09.2016	31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012
			Proforma	Proforma	Proforma	Proforma
Contribution to Core SGF	1,340.7	2,343.3	2,229.7	2,548.2	2,194.0	NIL

(b) Revenue From External Customers based on geographies

The company is domiciled in India. The amount of its revenue from external customers broken down by location of customers.

	30.09.2016	31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012
			Proforma	Proforma	Proforma	Proforma
India	9,992.7	17,975.1	16,842.6	13,384.5	12,632.9	13,503.8
Outside India	344.5	660.3	444.8	246.4	168.9	110.6

Note: 31 Segment Information**(C) Segment Assets :**

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

Segments	30.09.2016	31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012
			Proforma	Proforma	Proforma	Proforma
Trading Services	20,960.2	20,752.6	19,864.6	19,832.7	19,254.3	17,929.4
Clearing Services *	90,338.2	44,157.4	35,841.7	51,674.7	28,776.7	32,347.3
Datafeed Services	116.0	60.8	43.0	51.1	73.1	39.7
Index Licensing Services	154.3	107.2	74.9	46.1	60.4	43.5
Strategic Investments	9,697.2	9,665.6	9,008.2	8,249.5	426.1	-
Other Segments	608.6	473.8	342.3	392.4	450.0	766.9
Total Segment Assets	1,21,874.5	75,217.3	65,174.7	80,246.4	49,040.7	51,126.8
Unallocable Assets	65,397.7	61,192.3	55,357.5	52,941.6	55,471.5	51,277.3
Total Assets	1,87,272.2	1,36,409.6	1,20,532.2	1,33,188.0	1,04,512.2	1,02,404.1

There are no non current assets situated outside the domicile of India.

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

* Segment Asset includes amount pertaining to Core SGF maintained by NSCCL as follows :

	30.09.2016	31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012
			Proforma	Proforma	Proforma	Proforma
Contribution to Core SGF	15,577.0	9,973.0	6,754.7	-	-	-

(D) Segment Liabilities

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

Segments	30.09.2016	31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012
			Proforma	Proforma	Proforma	Proforma
Trading Services	24,491.8	22,741.9	20,264.3	20,262.9	16,942.3	15,360.9
Clearing Services	89,772.2	43,801.4	34,678.6	50,314.5	28,465.9	32,815.5
Datafeed Services	177.8	81.3	57.8	60.9	2.2	4.8
Index Licensing Services	91.0	29.4	20.5	26.1	23.6	16.6
Strategic Investments	6.6	13.9	5.9	0.3	4.6	-
Other Segments	421.0	312.0	300.1	259.7	287.6	246.6
Total Segment Liabilities	1,14,960.4	66,979.9	55,327.1	70,924.5	45,726.2	48,444.4
Unallocable Liabilities	1,737.1	753.0	977.4	831.7	1,179.1	1,030.4
Core Settlement Guarantee Fund	-18,613.3	-16,831.1	-11,982.4	-4,501.2	-2,194.0	-
Total Liabilities	98,084.2	50,901.8	44,322.1	67,255.0	44,711.3	49,474.7

(E) Segment Capital Expenditure

Segments	30.09.2016	31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012
			Proforma	Proforma	Proforma	Proforma
Trading Services	481.8	1,388.8	1,487.7	738.5	1,398.1	685.0
Clearing Services	36.8	68.8	10.9	3.0	38.1	9.4
Datafeed Services	-	0.0	2.5	-	2.0	-
Index Licensing Services	-	-	-	-	-	-
Strategic Investments	-	-	-	-	-	-
Other Segments	57.7	22.1	24.2	20.5	11.7	48.3
Total Segment Capital Expenditure	576.3	1,479.7	1,525.3	762.0	1,449.9	742.7
Add: Unallocable Capital Expenditure	-	-	-	-	0.2	0.6
Total Capital Expenditure	576.3	1,479.7	1,525.3	762.0	1,450.1	743.3

(F) Segment Depreciation / Amortisation

Segments	30.09.2016	31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012
			Proforma	Proforma	Proforma	Proforma
Trading Services	566.7	1,019.2	946.1	761.3	761.8	879.5
Clearing Services	14.5	23.0	19.5	26.0	26.1	22.6
Datafeed Services	0.3	1.3	1.4	1.0	3.0	2.3
Index Licensing Services	-	-	-	0.1	0.1	-
Strategic Investments	-	-	-	-	-	-
Other Segments	16.5	34.2	81.4	43.1	55.4	66.9
Total Segment Depreciation / Amortisation	598.0	1,077.7	1,048.4	831.5	846.4	971.3
Add: Unallocable Depreciation / Amortisation	0.6	11.5	11.9	8.5	8.6	10.6
Total Depreciation / Amortisation	598.6	1,089.2	1060.3*	840.0	855.0	981.9

*includes depreciation/amortisation of Rs.127.4 millions (Trading Segment Rs. 99.9 millions and Others Rs. 27.5 millions) adjusted against opening retained earnings pursuant to the provisions of Companies Act, 2013.

- 32 In compliance with Ind AS 24 - "Related Party Disclosures", as notified under Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 the required disclosures are given in the table below:

(a) Names of the related parties and related party relationships

Sr. No.	Related Party	Nature of Relationship					
		30.09.2016	31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012
				Proforma	Proforma	Proforma	Proforma
1	Power Exchange India Limited	Associate Company	Associate Company	Associate Company	Associate Company	Associate Company	Associate Company
2	NSDL e-Governance Infrastructure Limited (Formerly known as National Securities Depository Limited)	Associate Company	Associate Company	Associate Company	Associate Company	Associate Company	Associate Company
3	National Securities Depository Limited (New)	Associate Company	Associate Company	Associate Company	Associate Company	Associate Company	-
4	Computer Age Management Services Private Limited (w.e.f. 07.01.2014)	Associate Company	Associate Company	Associate Company	Associate Company	-	-
5	Market Simplified India Limited (Formerly known as INXS Technologies Limited)	Joint Venture Company	Joint Venture Company	Joint Venture Company	Joint Venture Company	Joint Venture Company	Joint Venture Company
6	CAMS Investor Services Private Limited	Subsidiary of Associate Company	Subsidiary of Associate Company	Subsidiary of Associate Company	Subsidiary of Associate Company	-	-
7	NSDL Database Management Limited	Subsidiary of Associate Company	Subsidiary of Associate Company	Subsidiary of Associate Company	Subsidiary of Associate Company	Subsidiary of Associate Company	Subsidiary of Associate Company
8	BFSI Sector Skill Council of India (w.e.f. 21.05.2013)	Associate Company	Associate Company	Associate Company	Associate Company	-	
9	Omnesys Technologies Private Limited (upto 11.09.2013)	-	-	-	Associate Company	Associate Company	Associate Company
10	Receivables Exchange of India Limited (w.e.f 25.02.2016)	Associate Company	Joint Venture Company	-	-		
11	Ms. Chitra Ramkrishna - Managing Director & CEO (from April 1, 2013 to December 2, 2016)	Key Management Personnel	Key Management Personnel	Key Management Personnel	Key Management Personnel	Key Management Personnel	Key Management Personnel
12	Mr. Ravi Narain - Managing Director (Non Executive Vice Chairman effective April 1, 2013)	-	-	-	-	Key Management Personnel	Key Management Personnel
13	Dr. Vijay L Kelkar - Ex Chairman (upto 31.08.2012)	-	-	-	-	Key Management Personnel	Key Management Personnel

(Rs.in Millions)

Power Exchange of India Limited	30.09.2016	31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012
			Proforma	Proforma	Proforma	Proforma
Nature of Transactions						
Space and Infrastructure usage charges received	-	-	-	-	-	30.9
Application Development and Maintenance Services	2.8	5.3	5.4	8.0	28.0	32.3
Applicable Taxes Recovered	-	0.7	0.7	-	-	-
Infrastructure Management Services	-	-	-	-	6.4	7.5
Reimbursement received for expenses incurred	-	-	11.5	-	4.3	7.0
Investment in Equity Shares	-	-	-	-	20.0	-
Investment in Preference Shares	-	-	-	-	-	50.0
Closing balances (Credit) / Debit						
Closing balances (Credit) / Debit	9.7	10.0	10.9	36.9	53.0	60.9
Investment in Preference Share Capital *	50.1	50.1	50.1	50.1	50.0	50.0
Investment in Equity Share Capital	150.0	150.0	150.0	150.0	150.0	130.0

* Refer Note 4 (i)

NSDL e-Governance Infrastructure Limited (formerly known as National Securities Depository Limited)	30.09.2016	31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012
			Proforma	Proforma	Proforma	Proforma
Nature of Transactions						
Application Development and Maintenance Services	1.9	6.2	7.2	3.2	-	-
Applicable Taxes Recovered	3.4	0.9	0.9	0.4	-	0.3
Miscellaneous Expenditure	-	0.0	-	-	-	-
Dividend received	65.1	60.1	55.1	55.1	80.1	50.1
Closing balances (Credit) / Debit						
Closing balances (Credit) / Debit	4.9	1.3	2.4	0.6	0.1	0.1
Investment in Equity Share Capital	354.2	354.2	354.2	354.2	354.2	969.0

National Securities Depository Limited (New)	30.09.2016	31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012
			Proforma	Proforma	Proforma	Proforma
Nature of Transactions						
Dividend received	25.0	25.0	25.0	25.0	-	-
STP Charges received	0.0	0.0	0.0	0.0	0.0	0.2
Miscellaneous expenditure	-	0.0	-	-	-	-
Application Development and Maintenance Services	0.9	3.2	3.5	1.9	-	-
Infrastructure Management Services	-	-	0.1	0.9	-	-
Applicable Taxes Recovered	0.1	0.4	0.5	0.3	-	-
DP Validation Charges	3.1	-	-	-	-	-
Closing balances (Credit) / Debit						
Closing balances (Credit) / Debit	1.1	0.5	2.7	0.6	-	-
Investment in Equity Share Capital	614.9	614.9	614.9	614.9	614.9	-

NSDL Database Management Ltd	30.09.2016	31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012
			Proforma	Proforma	Proforma	Proforma
Nature of Transactions						
Infrastructure Management Services	0.3	0.7	0.9	-	-	-
Application Development and Maintenance Services	-	-	0.6	-	-	-
Applicable Taxes Recovered	0.0	0.1	0.2	-	-	-
Closing balances (Credit) / Debit						
Closing balances (Credit) / Debit	0.1	0.2	0.1	-	-	-

Omnesys Technologies Private Limited	30.09.2016	31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012
			Proforma	Proforma	Proforma	Proforma
Nature of Transactions						
CTCL Empanelment charges received	-	-	-	-	0.9	0.4
License Fees Paid	-	-	-	1.7	89.0	83.0
Receipt of fees for Online Data Feed Services	-	-	-	2.7	1.8	0.6
Investment in Equity Shares (Closing Balance)	-	-	-	-	46.8	46.8
Closing balances (Credit) / Debit						
Closing balances (Credit) / Debit	-	-	-	(0.4)	(0.6)	(6.5)

BFSI Sector Skill Council of India	30.09.2016	31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012
			Proforma	Proforma	Proforma	Proforma
Nature of Transactions						
Amount paid towards Pradhan Mantri Kaushalya Vikas Yojna(PMKVY)	-	0.9	-	-	-	-
Subscription of equity share capital	-	-	-	10.0	-	-
Closing balances (Credit) / Debit						
Investment in Equity Share Capital	10.0	10.0	10.0	10.0	-	-

Computer Age Management Services Private Limited	30.09.2016	31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012
			Proforma	Proforma	Proforma	Proforma
Nature of Transactions						
Dividend Received	82.7	212.1	202.5	-	-	-
Sitting Fees Received	0.2	0.2	-	-	-	-
Amount paid towards Rent	0.4	1.1	-	-	-	-
Reimbursement paid for expenses incurred	-	-	-	1.2	-	-
Reimbursement received for expenses incurred	-	-	-	0.4	-	-
KYC Rating Agency (KRA) fees received / receivable	-	-	-	0.1	-	-
Closing balances (Credit) / Debit						
Investment in Equity Shares	4,121.3	4,121.3	4,121.3	4,121.3	-	-
Closing balances (Credit) / Debit	-	-	-	(0.8)	-	-

CAMS Investor Services Private Limited	30.09.2016	31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012
			Proforma	Proforma	Proforma	Proforma
Nature of Transactions						
KRA fees received / receivable	0.6	1.3	0.6	-	-	-
Closing balances (Credit) / Debit						
Closing balances (Credit) / Debit	0.5	0.3	0.5	-	-	-
Outstanding balance included in Current Liabilities		-	-	-	-	-

Market Simplified India Limited (formerly known at INXS Technologies Limited)	30.09.2016	31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012
			Proforma	Proforma	Proforma	Proforma
Nature of Transactions						
License Fees paid	3.4	6.8	6.7	6.7	6.7	6.3
Consultancy Charges paid for software development	-	18.8	-	-	-	-
Disinvestment in Equity Shares	-	-	-	-	52.9	-
Closing balances (Credit) / Debit						
Investment in Equity Shares	45.1	45.1	45.1	45.1	45.1	98.0
Closing balances (Credit) / Debit	-	-	(0.6)	-	(0.5)	(0.5)

Receivables Exchange Of India Limited	30.09.2016	31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012
			Proforma	Proforma	Proforma	Proforma
Nature of Transactions						
Reimbursement receivable towards expenses incurred	-	1.3	-	-	-	-
Income from software development charges paid	-	0.8	-	-	-	-
Amount paid towards rent	3.6	-	-	-	-	-
Interest recoverable	-	0.0	-	-	-	-
Closing balances (Credit) / Debit						
Closing balance included in Other financial assets	-	2.2	-	-	-	-
Closing balances (Credit) / Debit	7.7	-	-	-	-	-

Key Management Personnel	30.09.2016	31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012
			Proforma	Proforma	Proforma	Proforma
Nature of Transactions						
Short-term employee benefits	63.3	70.5	57.0	38.9	155.4**	128.6
Post-employment benefits #	4.5	8.2	6.5	5.7	10.6	9.2
Long-term employee benefits *	15.8	12.5	11.0		18.1	
Total Remuneration	83.6	91.2	74.5	44.6	184.1	137.8

* includes 50% of the variable pay payable after 3 years subject to certain conditions,

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

** Excludes Rs.99.7 millions pertaining to earlier year and payment towards retirements.

: 0.0 denotes amounts below the rounding off convention

33 Capital and other commitments	(Rs.in Millions)					
	30.09.2016	31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012
			Proforma	Proforma	Proforma	Proforma
Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided	817.8	968.8	388.3	556.8	450.1	296.3
Network infrastructure charges	-	37.9	108.6	186.3	344.6	422.9
Other commitments	228.3	471.7	128.6	95.2	54.8	19.0

34 Contingent liability:

(Rs.in Millions)

	30.09.2016	31.03.2016	31.03.2015 Proforma	31.03.2014 Proforma	31.03.2013 Proforma	31.03.2012 Proforma
a) Claims against the group not acknowledged as debts	159.0	117.9	123.9	177.9	145.6	126.1

- b) In a complaint filed by a competitor against the Company, the Competition Commission of India directed the Company to pay a penalty. The Company had appealed against the order before the Hon'ble Competition Appellate Tribunal (COMPAT) which rejected the appeal. The Company has appealed against the said order and stay has been granted by the Hon'ble Supreme Court of India. In respect of the same subject matter, a compensation claim has been filed against the Company before the COMPAT by the competitor and the same is being disputed by the Company. Based on the legal advice, the Company is of the view that there are strong grounds that the Hon'ble Supreme Court of India will over turn the decision of the COMPAT. In view of the same no provision has been made in respect of penalty and compensation claimed.

(Rs.in Millions)

	30.09.2016	31.03.2016	31.03.2015 Proforma	31.03.2014 Proforma	31.03.2013 Proforma	31.03.2012 Proforma
Penalty amount	555.0	555.0	555.0	555.0	555.0	555.0
Compensation claimed	8,569.9	8,569.9	8,569.9	-	-	-

- c) A suit has been filed, jointly and severally against the Company and its subsidiary National Securities Clearing Corporation Limited for damages / compensation along with interest thereon and has been disputed by the Company. As per the legal opinion received, the possibility of the claim being awarded against the Company is remote. In view of the same no provision has been made in respect of compensation claimed.

(Rs.in Millions)

	30.09.2016	31.03.2016	31.03.2015 Proforma	31.03.2014 Proforma	31.03.2013 Proforma	31.03.2012 Proforma
Damages / compensation claimed	1,525.7	1,525.7	1,525.7	1,525.7	-	-

- d) On account of disputed demand of:

(Rs.in Millions)

	30.09.2016	31.03.2016	31.03.2015 Proforma	31.03.2014 Proforma	31.03.2013 Proforma	31.03.2012 Proforma
Income tax matters	473.4	473.0	596.6	651.5	616.3	690.8
Fringe Benefit Tax matters	22.2	22.2	22.2	22.2	22.2	22.2
Wealth tax matters	0.9	19.4	19.4	19.4	19.4	19.4
Services tax matters	483.0	477.5	477.5	477.5	477.5	428.6
Securities Transaction Tax matters (Refer note 7)	67.6	67.6	67.6	67.6	67.6	159.9
Sales Tax / VAT	3.8	64.3	3.8	2.5	-	-
Demand from Municipal Authorities	-	-	-	9.1	6.6	6.6

(Rs.in Millions)

	30.09.2016	31.03.2016	31.03.2015 Proforma	31.03.2014 Proforma	31.03.2013 Proforma	31.03.2012 Proforma
e) Bank guarantees	49.3	51.1	44.9	42.0	49.1	49.0

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

(Rs.in Millions)

	30.09.2016	31.03.2016	31.03.2015 Proforma	31.03.2014 Proforma	31.03.2013 Proforma	31.03.2012 Proforma
Outstanding	0.1	1.1	0.5	1.7	2.4	3.7

36 Lease

The Group has taken land on finance lease. The following is the summary of future minimum lease rental payment under finance lease arrangement entered into by the Company.

(Rs.in Millions)

Lease obligations	30.09.2016	31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012
			Proforma	Proforma	Proforma	Proforma
	Minimum lease payments	Minimum lease payments	Minimum lease payments	Minimum lease payments	Minimum lease payments	Minimum lease payments
- Not later than one year	9.3	9.3	9.3	9.3	9.3	9.3
- Later than one year and not later than five years	62.5	58.1	49.0	37.8	37.7	37.6
- Later than five years	1,311.8	1,321.0	1,339.3	1,363.9	1,373.1	1,382.3
Total minimum lease commitments	1,383.6	1,388.4	1,397.6	1,411.0	1,420.1	1,429.2
Less: future finance charges	1,285.7	1,293.4	1,307.9	1,326.0	1,339.0	1,351.5
Present value of minimum lease premium	97.9	94.9	89.7	85.0	81.1	77.7
Other financial liabilities - current	9.3	9.3	9.3	9.3	9.3	9.3
Other financial liabilities - non current	88.6	85.7	80.3	75.7	71.8	68.5

Lease obligations	30.09.2016	31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012
			Proforma	Proforma	Proforma	Proforma
	Present value of minimum lease payments	Present value of minimum lease payments	Present value of minimum lease payments	Present value of minimum lease payments	Present value of minimum lease payments	Present value of minimum lease payments
- Not later than one year	9.3	9.3	9.3	9.3	9.3	9.3
- Later than one year and not later than five years	37.0	31.7	27.0	22.8	22.7	22.7
- Later than five years	51.6	53.9	53.4	52.9	49.1	45.7
Total minimum lease commitments	97.9	94.9	89.7	85.0	81.1	77.7

The Group has taken certain premises and vehicles on operating lease. The following is the summary of future minimum lease rental payment under operating lease arrangement entered into by the Group.

Lease obligations	30.09.2016	31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012
			Proforma	Proforma	Proforma	Proforma
	Present value of minimum lease payments	Present value of minimum lease payments	Present value of minimum lease payments	Present value of minimum lease payments	Present value of minimum lease payments	Present value of minimum lease payments
- Not later than one year	95.1	92.2	94.1	116.0	159.4	92.4
- Later than one year and not later than five years	106.3	120.4	154.4	284.5	295.8	238.1
- Later than five years	-	-	-	-	40.9	80.9
Total minimum lease commitments	201.4	212.6	248.5	400.5	496.1	411.5

- 37 a)** On June 20, 2012, Securities Exchange Board of India ('SEBI') notified Securities Contracts (Regulations) (Stock Exchanges and Clearing Corporations) Regulations, 2012 ("the Regulations") to regulate recognition, ownership and governance in stock exchanges and clearing corporations in India. In accordance with Regulation 33 of the Regulations, every recognized stock exchange was required to transfer twenty five percent (25%) of its annual profits every year to a Settlement Guarantee Fund ("SGF") of the recognized clearing corporation(s) which clears and settles trades executed on that stock exchange to guarantee settlement of trades. Subsequently, SEBI in its press release No.66/2012 dated June 21, 2012 made an announcement about expert committee being formed to inter-alia look into the norms for adequacy of the core corpus of the SGF and it's sourcing, including transfer of profits by stock exchanges to SGF in the long run. As a matter of prudence, the Company had recorded the provisional appropriation from reserves at 25% of its annual profit after tax in its March 31, 2015 Previous GAAP financial statements.

On August 27, 2014, SEBI vide its circular no. CIR/MRD/DRMNP/25/2014 issued norms relating to Core Settlement Guarantee Fund ("Core SGF") and contribution requirements by recognised stock exchange to Core SGF maintained by clearing corporations. As per the circular, stock exchange contribution to Core SGF shall be at least 25% of the Minimum Required Contribution ("MRC") determined by clearing corporation. The contribution towards Core SGF is eligible to be adjusted against twenty five percent transfer of profits by stock exchange under the Regulations. Accordingly, the Company had recorded provisional appropriation from reserves in its Previous GAAP financial statements from the year beginning April 1, 2012 through March 31, 2015 amounting to Rs. 5,271.8 millions (net of Rs.1,700 millions for contribution to MRC of Core SGF for the year ended March 31, 2015).

On May 4, 2016, SEBI in its circular no. SEBI/HO/MRD/DRMNP/CIR/2016/54 notified that the provisions made by stock exchange towards the transfer of profits to SGF until March 31, 2015 shall be transferred to the Core SGF maintained by the clearing corporation within one month of the date of issuance of the notification. Further, as per the circular, SEBI will notify the amounts to be transferred by the stock exchange to the Core SGF maintained by the clearing corporation in respect of the period from April 1, 2015 till the date of amendment of the Regulations by SEBI. Accordingly, the provisional appropriations made out of reserves aggregating to Rs.5,271.9 millions disclosed as provision in the Previous GAAP Balance Sheet of the Company as on March 31, 2015 was reversed and an expense of Rs.5,271.9 millions was recorded in the Previous GAAP Statement of Profit and Loss for the year ended March 31, 2016. During the year ended March 31, 2016, the Company had also recorded an expense of Rs.1,633.0 millions (net of Rs.710 millions for contribution to MRC of Core SGF for the year ended March 31, 2016) and disclosed as other current liability of Rs.690.5 Millions in its Previous GAAP financial statements of 31st March, 2016.

For the purpose of Restated Consolidated Statement of Profit and Loss, the Company has recorded the contribution to Core SGF related to the years ended March 31, 2016, 2015, 2014 and 2013 as an expense in each the respective years to which such contribution relates to. Refer also annexure VII for restatement adjustment in preparing these restated consolidated financial information.

Further, effective August 29, 2016, SEBI has amended Regulation 33 of SECC Regulations, 2012 and the Company is now required to contribute only towards the MRC of Core SGF. Accordingly, during the half year ended September 30, 2016, the Company has recorded an expense of Rs.1210.7 Millions (pro-rata based on profits till the date of amendment of the Regulation) (net of Rs.130.0 Millions for contribution to MRC of Core SGF for the half year ended September 30, 2016) in its Restated Standalone Statement of Profit and Loss and disclosed Rs. 2843.9 Millions as the amount payable to Core Settlement Guarantee Fund in its Restated Consolidated Statement of Assets and Liabilities as of September 30, 2016.

Details of amount payable to Core SGF by NSE and NSCCL:

(Rs.in Millions)

	30.09.2016	31.03.2016*	31.03.2015*	31.03.2014*	31.03.2013	31.03.2012
			Proforma	Proforma	Proforma	Proforma
Amount payable by NSE(25% of annual profits)	2,843.9	6,664.1	5,030.9	4,501.2	2,194.0	-
Fines & penalties to be collected from members by NSCCL	192.4	194.0	196.8	-	-	-
Total	3,036.3	6,858.1	5,227.7	4,501.2	2,194.0	-

* Refer Note 37 (b)

- b)** In case of a subsidiary namely National Securities Clearing Corporation Limited, during the year ended March 31, 2014, dues amounting to Rs. 834.7 millions of defaulter member, after netting off available deposits and collaterals in the form of securities available with the company have been partly appropriated from Fines and Penalties amounting to Rs. 593.7 millions and the balance amount of Rs. 241 millions from the contribution provisionally receivable from parent Company towards Settlement Guarantee Fund under the Securities Contracts (Regulations) (SECC) Regulations, 2012. The amount adjusted against contribution payable to Settlement Guarantee Fund amounts to Rs. 241 millions. (refer note 46)
- c)** Securities and Exchange Board of India, vide circular CIR/MRD/DRMNP/25/2014 dated August 27, 2014, interlia, has issued norms related to the computation and contribution to the Core Settlement Guarantee Fund by the Clearing Corporation (minimum 50%), Stock Exchange (minimum 25%) and members (maximum 25%), transfer fines and penalties collected by NSCCL to Core SGF and Income from investment made from the amount pertaining to the fund to be credited to the fund. Further SEBI vide circular CIR/CFD/FAC/62/2016 dated May 05,2016 advised Stock Exchange to transfer 25% of its annual profits to Core SGF,

Details of Core SGF as on September 30 ,2016 are as follows :

(Rs. in Millions)

Details of MRC of Core SGF	Capital Markets	Futures & Options	Currency Derivatives	Debt	Total
NSCCL own contribution	740.0	4,010.0	470.0	30.0	5,250.0
Contribution by NSE on behalf of Member	370.0	2,000.0	230.0	-	2,600.0
Contribution by NSE	370.0	2,010.0	240.0	10.0	2,630.0
Total	1,480.0	8,020.0	940.0	40.0	10,480.0

Details of the cash contributions and investment of Core SGF are as follows :

(Rs. in Millions)

Contribution to Corpus of Core SGF	Capital Markets	Futures & Options	Currency Derivatives	Debt	Other	Total
NSCCL own contribution	740.0	4,010.0	470.0	30.0	-	5,250.0
Contribution by NSE on behalf of Member	370.0	2,000.0	230.0	-	-	2,600.0
Contribution by NSE	370.0	2,010.0	240.0	10.0	2,341.0	4,971.0
Total (a+b+c+d)	1,480.0	8,020.0	940.0	40.0	2,341.0	12,821.0
Fines and Penalties#	228.8	1,254.8	129.4	-	-	1,613.0
Income on Investments#	188.1	789.3	111.1	3.4	51.1	1,143.0
Grand Total (1+2+3)	1,896.9	10,064.1	1,180.6	43.4	2,392.1	15,577.0

Details of Investment	Capital Markets	Futures & Options	Currency Derivatives	Debt	Other	Total
Mutual Funds	530.5	4,213.0	183.0	-	-	4,926.5
Fixed Deposit with Banks	1,097.5	5,518.0	882.2	28.8	2,300.0	9,826.5
Flexi Fixed Deposits	250.5	284.4	93.3	-	43.0	671.3
Balance in Bank Accounts	-	21.5	5.2	14.4	0.2	41.3
Accrued interest	18.4	27.1	16.9	0.2	48.8	111.3
Grand Total (1+2+3+4+5)	1,896.9	10,064.1	1,180.6	43.4	2,392.1	15,577.0

Details of Core SGF a on March 31, 2016 are as follows :

(Rs. in Millions)

Details of MRC of Core SGF	Capital Markets	Futures & Options	Currency Derivatives	Debt	Total
NSCCL own contribution	734.2	3,572.7	467.6	30.0	4,804.5
Contribution by NSCCL on behalf of Member	5.5	136.0	22.5	-	164.0
Member Deposits	132.7	285.4	52.2	-	470.4
Member Cash Equivalents (Collaterals)	228.8	1,364.9	159.0	-	1,752.8
Contribution by NSE	370.0	1,790.0	240.0	10.0	2,410.0
Total	1,471.3	7,149.0	941.4	40.0	9,601.7

Details of the Cash contributions and investment of the same are as follows :

(Rs. in Millions)

Contribution to Corpus of Core SGF	Capital Markets	Futures & Options	Currency Derivatives	Debt	Total
NSCCL own contribution	748.1	3,614.6	486.2	30.0	4,878.9
Contribution by NSCCL on behalf of Member	5.4	136.3	22.5	-	164.2
Member Deposits	132.7	285.4	52.2	-	470.4
Contribution by NSE	370.0	1,790.0	240.0	10.0	2,410.0
Total (a+b+c+d)	1,256.2	5,826.3	800.9	40.0	7,923.4
Fines and Penalties#	193.8	1,009.8	117.0	-	1,320.6
Income on Investments#	132.7	524.4	69.6	2.2	729.0
Grand Total (1+2+3)	1,582.8	7,360.5	987.6	42.2	9,973.0

Details of Investment	Capital Markets	Futures & Options	Currency Derivatives	Debt	Total
Mutual Funds	1,018.3	5,040.5	614.5	29.3	6,702.6
Fixed Deposit with Banks	336.0	1,999.8	264.7	-	2,600.5
Flexi Fixed Deposits	223.9	217.2	88.0	-	529.1
Balance in Bank Accounts	0.2	8.5	19.2	13.0	40.8
Accrued interest	4.4	94.5	1.2	-	100.1
Grand Total (1+2+3+4+5)	1,582.8	7,360.5	987.6	42.2	9,973.0

Details of Core SGF a on March 31, 2015 are as follows :

(Rs. in Millions)

Details of MRC of Core SGF	Capital Markets	Futures & Options	Currency Derivatives	Debt	Total
NSCCL own contribution	628.1	2,394.6	396.2	30.0	3,448.9
Contribution by NSCCL on behalf of Member	191.9	775.4	163.8	-	1,131.1
Member Deposits	48.3	107.9	9.4	-	165.6
Member Cash Equivalents (Collaterals)	70.1	310.1	20.8	-	401.0
Contribution by NSE	310.0	1,190.0	190.0	10.0	1,700.0
Total	1,248.4	4,778.0	780.2	40.0	6,846.6

Details of the Cash contributions and investment of the same are as follows :

(Rs. in Millions)

Contribution to Corpus of Core SGF	Capital Markets	Futures & Options	Currency Derivatives	Debt	Total
NSCCL own contribution	628.1	2,394.6	396.2	30.0	3,448.9
Contribution by NSCCL on behalf of Member	191.9	775.4	163.8	-	1,131.1
Member Deposits	48.3	107.9	9.4	-	165.6
Contribution by NSE	310.0	1,190.0	190.0	10.0	1,700.0
Total (a+b+c+d)	1,178.3	4,467.9	759.4	40.0	6,445.6
Fines and Penalties*#	10.7	146.6	5.7	-	162.9
Income on Investments*#	34.1	94.1	17.5	0.5	146.2
Grand Total (1+2+3)	1,223.1	4,708.5	782.6	40.5	6,754.7

(Rs. in Millions)					
Details of Investment	Capital Markets	Futures & Options	Currency Derivatives	Debt	Total
Mutual Funds	761.4	3,200.7	537.5	27.5	4,527.1
Fixed Deposit with Banks	250.0	1,300.0	150.0	-	1,700.0
Flexi Fixed Deposits	186.7	189.1	71.2	-	447.0
Balance in Bank Accounts	18.4	12.0	21.7	13.0	65.1
Accrued interest	6.6	6.8	2.2	-	15.5
Grand Total (1+2+3+4+5)	1,223.1	4,708.6	782.6	40.5	6,754.7

* Net of applicable corporate tax Rs. 93.8 millions, on cash basis.

Fines and penalties collected from members and income on investments related to Core Settlement Guarantee Fund are directly credited to Core Settlement Guarantee Fund balances in the Restated Statement of Assets and Liabilities.

Settlement Guarantee Funds (SGF)

The Company has earlier constituted separate Settlement Guarantee Funds (SGF) in respect of the Capital Market, Futures & Options Market, Retail Debt Market segments ,Currency Derivatives Market and Securities Lending & Borrowing market .

The Clearing members are required to contribute to the respective fund in the form of interest free security deposit and also make additional deposits in the form of cash, securities, fixed deposit receipts or bank guarantees. Besides the same, the Clearing members are also required to deposit margin money which, subject to hair cut, forms part of the SGF. While the interest free security deposit is not refundable during the tenure of a clearing membership, the margin money is refundable, subject to adjustments, if any. The requirement of said fund is superseded by Securities and Exchange Board of India, vide circular CIR/MRD/DRMNP/25/2014 dated August 27, 2014 by issuing norms for constitution of Core Settlement Guarantee Fund (Core SGF) as discussed in (a) above.

As at 31.03.2014

The interest free security deposit and security deposit in the form of cash collected from members amounting to Rs.3,704.6 millions are grouped under the head " Financial liabilities - Deposits" whereas the cash margin amounting to Rs.11,357.2 millions collected from members (Rs.11,333.3 millions after applying hair cut) has been grouped under the head "Other financial Liabilities". The non cash portion of the SGF comprising of collaterals such as bank guarantees, securities and fixed deposit receipts received from the members amounting to Rs.383,294.4 millions (Rs.3,08,194.2 millions after applying hair cut) does not form part of the Balance Sheet.

(Rs. in Millions)

Sr. No.	Segment	Total SGF	Cash Component	Non Cash Component		
				Bank Guarantees	Securities	Fixed Deposit Receipts
1	Capital market *	50,414.6	7,169.5	11,161.5	5,034.1	27,049.5
2	Futures & Options *	2,53,634.7	6,668.8	52,438.0	42,691.4	1,51,836.5
3	Retail Debt Market	27.5	14.5	4.0	-	9.0
4	Currency Derivatives	14,345.1	715.1	3,130.7	3,225.7	7,273.6
5	SLB Segment	4,810.0	469.8	1,496.8	-	2,843.4
	Total	3,23,231.9	15,037.7	68,231.0	50,951.2	1,89,012.0

*after adjusting net shortages amounting to Rs. 0.2 millions

The breakup of Cash Component in each SGF as on 31-03-2014 is as follows:

(Rs. in Millions)

Sr. No.	Segment	31-03-2014 - Proforma			
		Interest Free Security Deposit	Security Deposit	Margins	Total
1	Capital market	1,445.6	172.6	5,551.5	7,169.7
	Less : Net Shortages	-	-	-	0.2
	Net Amount	-	-	-	7,169.5
2	Futures & options	1,160.0	333.9	5,174.9	6,668.8
3	Retail Debt Market	14.5	-	-	14.5
4	Currency Derivatives	387.5	70.5	257.1	715.1
5	SLB Segment	120.0	-	349.8	469.8
	Total	3,127.6	577.0	11,333.3	15,037.7
5	Amount not forming part of SGF	248.2	52.7	23.9	324.8
	TOTAL	3,375.8	629.7	11,357.2	15,362.5

The above cash component of SGF has been earmarked as under:

(Rs. in Millions)

Sr. No.	Particulars	Amount	Earmarked Amount
1	Non Current Investments	2,772.4	88.3
2	Current Investments	4,603.8	2,584.7
3	Balances with Banks	-	-
	in Current Account	689.3	40.6
	in Deposit Accounts	51,370.7	12,324.3
	in Certificate of Deposits	249.0	-
	Total (1 to 3)	59,685.2	15,037.9

Annexure VI - Notes to the Restated Consolidated Financial Information

As at 31.03.2013

The interest free security deposit and security deposit in the form of cash collected from members amounting to Rs.3,747.5 millions are grouped under the head "Financial liabilities - Deposits" whereas the cash margin amounting to Rs.6412.2 millions collected from members (Rs.6,384.8 millions after applying hair cut) has been grouped under the head "Other financial Liabilities". The non cash portion of the SGF comprising of collaterals such as bank guarantees, securities and fixed deposit receipts received from the members amounting to Rs.398,809.8 millions (Rs. 320,239.8 millions after applying hair cut) does not form part of the Balance Sheet.

(Rs. in Millions)

Sr. No.	Segment	Total SGF	Cash Component	Non Cash Component		
				Bank Guarantees	Securities	Fixed Deposit Receipts
1	Capital market *	47,317.6	2,339.2	10,922.1	6,946.7	27,109.6
2	Futures & Options *	2,61,407.2	6,938.7	46,362.1	35,426.4	1,72,680.0
3	Retail Debt Market	30.0	16.5	4.0	-	9.5
4	Currency Derivatives	18,071.7	628.7	4,817.8	2,767.6	9,857.6
5	SLB Segment	3,543.0	206.6	1,314.0	-	2,022.4
	Total	3,30,369.5	10,129.7	63,420.0	45,140.7	2,11,679.1

*after adjusting net shortages amounting to Rs. 2.3 millions for CM segment and Rs.0.3 millions for F & O segment

The breakup of Cash Component in each SGF as on 31-03-2013 is as follows:

(Rs. in Millions)

Sr. No.	Segment	31-03-2013 - Proforma			
		Interest Free Security Deposit	Security Deposit	Margins	Total
1	Capital market	1,485.1	186.0	670.4	2,341.5
	Less : Net Shortages	-	-	-	2.3
	Net Amount	-	-	-	2,339.2
2	Futures & options	1,210.0	320.2	5,408.8	6,939.0
	Less : Net Shortages	-	-	-	0.3
	Net Amount	-	-	-	6,938.7
3	Retail Debt Market	-	16.5	-	16.5
4	Currency Derivatives	355.0	66.7	207.0	628.7
5	SLB Segment	108.0	-	98.6	206.6
		-	-	-	-
	Total	3,158.1	589.4	6,384.8	10,129.7
5	Amount not forming part of SGF	193.4	34.3	27.4	255.1
	TOTAL	3,351.5	623.7	6,412.2	10,384.8

The above cash component of SGF has been earmarked as under:

(Rs. in Millions)

Sr. No.	Particulars	Amount	Earmarked Amount
1	Non Current Investments	493.8	42.7
2	Current Investments	4,076.3	847.2
3	Balances with Banks	-	-
	in Current Account	304.5	53.1
	in Deposit Accounts	33,288.0	9,091.7
	in Certificate of Deposits	490.0	97.8
	Total (1 to 3)	38,652.6	10,132.5

As at 31.03.2012

The interest free security deposit and security deposit in the form of cash collected from members amounting to Rs.3,570 millions are grouped under the head "Financial liabilities - Deposits" whereas the cash margin amounting to Rs.5,964.6 millions collected from members (Rs.5,897.2 millions after applying hair cut) has been grouped under the head "Other financial Liabilities". The non cash portion of the SGF comprising of collaterals such as bank guarantees, securities and fixed deposit receipts received from the members amounting to Rs.380,077.9 millions (Rs. 307,527.4 millions after applying hair cut) does not form part of the Balance Sheet.

(Rs. in Millions)

Sr. No.	Segment	Total SGF	Cash Component	Non Cash Component		
				Bank Guarantees	Securities	Fixed Deposit Receipts
1	Capital market *	48,208.3	4,208.6	11,898.3	4,879.9	27,221.5
2	Futures & Options	2,53,771.2	4,496.8	44,345.1	36,380.8	1,68,548.5
3	Retail Debt Market	30.5	17.0	4.0	-	9.5
4	Currency Derivatives	14,983.2	743.4	2,694.5	4,795.0	6,750.3
	Total	3,16,993.2	9,465.8	58,941.9	46,055.7	2,02,529.8

*after adjusting net shortages amounting to Rs. 1.4 millions

The breakup of Cash Component in each SGF AS ON 31.03.2012 is as follows:

(Rs. in Millions)

Sr. No.	Segment	31-03-2012 - Proforma			
		Interest Free Security Deposit	Security Deposit	Margins	Total
1	Capital market	1,461.9	173.7	2,574.4	4,210.0
	Less : Net Shortages	-	-	-	1.4
	Net Amount	-	-	-	4,208.6
2	Futures & options	1,197.2	308.0	2,991.6	4,496.8
3	Retail Debt Market	-	17.0	-	17.0
4	Currency Derivatives	342.5	69.7	331.2	743.4
	Total	3,001.6	568.4	5,897.2	9,465.8
5	Amount not forming part of SGF	322.0	37.9	67.4	427.3
	TOTAL	3,323.6	606.3	5,964.6	9,893.1

The above cash component of SGF has been earmarked as under:

(Rs. in Millions)

Sr. No.	Particulars	Amount	Earmarked Amount
1	Non Current Investments	1,473.9	145.1
2	Current Investments	2,845.6	1,404.6
3	Balances with Banks	-	-
	in Current Account	179.4	40.2
	in Deposit Accounts	39,028.5	7,877.3
	Total (1 to 3)	43,527.4	9,467.2

A) Capital Market Segment:

I. Cash component in form of Interest Free Security Deposit is earmarked as under:

Particulars	31.03.2014	31.03.2013	31.03.2012
	Proforma	Proforma	Proforma
			(Rs. in Millions)
Mutual Funds			
RELIANCE MEDIUM TERM FUND - DAILY DIVIDEND PLAN	-	1.5	1.5
JM HIGH LIQUIDITY FUND-SUPER INSTITUTIONAL PLAN-DAILY DIVIDEND PLAN	25.6	25.6	25.6
TEMPLETON INDIA TMA - DIRECT - GROWTH	100.3	-	-
Total Mutual Funds	125.9	27.1	27.1
Flexi Fixed Deposits	-	-	-
FLEXI FIXED DEPOSITS WITH HDFC BANK	54.5	181.0	377.9
FLEXI FIXED DEPOSITS WITH AXIS BANK	221.6	213.3	-
FLEXI FIXED DEPOSITS WITH ICICI BANK	-	20.5	23.4
FLEXI FIXED DEPOSITS WITH HSBC BANK	97.0	-	-
Total Flexi Fixed Deposits	373.1	414.8	401.3
Fixed Deposits	-	-	-
FEDERAL BANK LIMITED	39.6	465.4	374.4
YES BANK LIMITED	91.0	125.9	194.3
AXIS BANK LTD	194.3	194.3	-
BANK OF INDIA	9.8	117.1	107.3
ICICI BANK LIMITED	-	-	314.8
ALLAHABAD BANK	125.9	-	-
BANK OF MAHARASHTRA	29.7	-	-
CENTRAL BANK OF INDIA	7.3	-	-
CORPORATION BANK	50.0	-	-
IDBI BANK LTD.	24.5	-	-
INDIAN BANK	49.5	-	-
STATE BANK OF MYSORE	89.8	-	-
SYNDICATE BANK	96.9	-	-
UCO BANK	50.0	-	-
Total Fixed Deposits	858.3	902.7	990.8
Certificate of Deposit	-	-	-

Annexure VI - Notes to the Restated Consolidated Financial Information

HDFC Bank	-	97.8	-
Total Certificate of Deposit	-	97.8	-
TAXABLE BONDS:	-	-	-
RURAL ELECTRIFICATION CORPORATION LIMITED	45.6	-	-
TOTAL TAXABLE BONDS	45.6	-	-
Tax Free Bonds	-	-	-
8.20% POWER FINANCE CORPORATION LIMITED	-	42.7	42.7
POWER FINANCE CORPORATION LIMITED	42.7	-	-
Total Tax Free Bonds	42.7	42.7	42.7

II. Cash Component in form of Security Deposit is earmarked as under:

Particulars	31.03.2014	31.03.2013	31.03.2012
	Proforma	Proforma	Proforma
			(Rs. in Millions)
Flexi Fixed Deposits	-	-	-
Flexi Fixed Deposits with HDFC Bank	172.6	186.0	173.7
Total Flexi Fixed Deposits	172.6	186.0	173.7

III. Cash component in form of Margins is earmarked as under:

Particulars	31.03.2014	31.03.2013	31.03.2012
	Proforma	Proforma	Proforma
			(Rs. in Millions)
Mutual Funds			
FRANKLIN TEMPLETON INDIA TMA-SUPER IP- DAILY DIV	-	-	130.0
KOTAK FLOATER SHORT TERM - DAILY DIVIDEND	-	-	325.0
BIRLA SUN LIFE CASH PLUS - DIRECT - GROWTH	250.0	-	-
JPMORGAN INDIA LIQUID FUND - DIRECT - GROWTH	1.6	-	-
RELIANCE LIQUID FUND - CASH PLAN - DIRECT - GROWTH	4.9	-	-
TATA MONEY MARKET FUND - DIRECT - GROWTH	100.3	-	-
TEMPLETON INDIA TMA - DIRECT - GROWTH	3.0	-	-
Total Mutual Funds	359.8	-	455.0
Flexi Fixed Deposits	-	-	-
FLEXI FIXED DEPOSITS WITH HDFC BANK	675.8	180.2	247.7
FLEXI FIXED DEPOSITS WITH AXIS BANK	587.3	12.6	35.3
FLEXI FIXED DEPOSITS WITH CANARA BANK	59.6	27.1	-
FLEXI FIXED DEPOSITS WITH ICICI BANK	522.7	26.3	433.7
FLEXI FIXED DEPOSITS WITH STAN CHART BANK	2,420.7	17.5	-
FLEXI FIXED DEPOSITS WITH BANK OF INDIA	46.5	14.5	-
FLEXI FIXED DEPOSITS WITH CITIBANK	278.6	10.9	112.4
FLEXI FIXED DEPOSITS WITH KOTAK BANK	51.2	10.7	-
FLEXI FIXED DEPOSITS WITH IDBI BANK	74.8	27.1	-
FLEXI FIXED DEPOSITS WITH INDUSIND BANK	113.9	46.3	-
FLEXI FIXED DEPOSITS WITH HSBC BANK	10.0	-	983.3
FLEXI FIXED DEPOSITS WITH UNION BANK OF INDIA	53.3	-	-
Total Flexi Fixed Deposits	4,894.5	373.2	1,812.4
Fixed Deposits	-	-	-
STATE BANK OF TRAVANCORE	188.5	188.5	137.0
STATE BANK OF BIKANER & JAIPUR	-	-	-
STATE BANK OF MYSORE	8.2	-	-
CENTRAL BANK OF INDIA -	-	-	-
IDBI BANK	-	-	-
BANK OF INDIA	66.4	66.4	-
BANK OF MAHARASHTRA	8.6	16.8	-
ICICI BANK	-	16.4	-
FEDERAL BANK LIMITED	-	9.1	-
YES BANK LIMITED - CM MARGIN	25.5	-	170.0
Total Fixed Deposits	297.2	297.2	307.0

B) Futures & Options Segment:

I. Cash component in form of Interest Free Security Deposit earmarked as under:

	31.03.2014	31.03.2013	31.03.2012
	Proforma	Proforma	Proforma
Particulars			(Rs. in Millions)
Taxfree Bonds	-	-	-
6.85% INDIA INFRASTRUCTURE FINANCE COMPANY LIMITED - SERIES I - 22 JAN 2014	-	102.4	102.4
Total Taxfree Bonds	-	102.4	102.4
Fixed Deposits	-	-	-
STATE BANK OF TRAVANCORE	150.0	100.0	-
STATE BANK OF MYSORE	48.0	-	-
IDBI BANK	-	-	100.0
BANK OF BARODA	-	100.0	52.7
ICICI BANK	-	70.5	203.1
CANARA BANK	-	247.6	247.6
CORPORATION BANK LIMITED	20.0	50.0	50.0
FEDERAL BANK LIMITED	-	-	100.0
UNION BANK OF INDIA	49.5	-	-
INDIAN BANK	100.5	-	-
ALLAHABAD BANK	36.7	-	-
AXIS BANK LIMITED	-	98.4	-
AXIS BANK LIMITED	-	49.5	-
KOTAK MAHINDRA BANK	-	93.0	-
BANK OF INDIA	7.7	7.7	-
YES BANK LTD	541.0	36.7	-
Total Fixed Deposits	953.4	853.4	753.4
Mutual Funds	-	-	-
ICICI PRUDENTIAL ULTRA SHORT TERM PLAN SUPER PREMIUM WEEKLY DIVIDEND	-	2.5	2.5
Total Mutual Funds	-	2.5	2.5
Flexi Fixed Deposits	-	-	-
FLEXI FIXED DEPOSIT ICICI BANK	127.5	120.1	139.4
FLEXI FIXED DEPOSIT AXIS BANK	49.6	102.2	85.8
FLEXI FIXED DEPOSIT BANK OF INDIA	-	-	113.7
FLEXI FIXED DEPOSIT CANARA BANK	29.5	-	-
FLEXI FIXED DEPOSIT CITI BANK	-	29.4	-
Total Flexi Fixed Deposits	206.6	251.7	338.9

II Cash component in form of Security Deposit earmarked as under:

	31.03.2014	31.03.2013	31.03.2012
	Proforma	Proforma	Proforma
Particulars			(Rs. In millions)
Flexi Fixed Deposits	-	-	-
FLEXI FIXED DEPOSIT BANK OF INDIA	184.6	175.8	-
FLEXI FIXED DEPOSIT HDFC BANK	90.7	87.3	255.7
FLEXI FIXED DEPOSIT ICICI BANK	58.6	57.1	52.3
	-	-	-
Total Flexi Fixed Deposits	333.9	320.2	308.0

III Cash component in form of Margins is earmarked as under:-

Particulars	31.03.2014	31.03.2013	31.03.2012
	Proforma	Proforma	Proforma
			(Rs. in Millions)
Mutual Funds	-	-	-
KOTAK FLOATER - SHORT TERM - DAILY DIVIDEND	-	150.0	225.0
IDBI LIQUID FUND - DAILY DIVIDEND - DIRECT PLAN	-	250.0	-
RELIANCE LIQUIDITY FUND TREASURY PLAN IP -DAILY DIVIDEND REINVESTMENT	-	-	195.0
BARODA PIONEER LIQUID FUND - PLAN B - DIRECT - GROWTH	1.1	-	-
BIRLA SUN LIFE CASH PLUS - DIRECT - GROWTH	1.5	-	-
DSP BLACKROCK LIQUIDITY FUND - DIRECT - GROWTH	1.7	-	-
RELIANCE LIQUID FUND - CASH PLAN - DIRECT - GROWTH	55.1	-	-
TEMPLETON INDIA TMA - DIRECT - GROWTH	1,401.7	-	-
PRINCIPAL CASH MANAGEMENT - DIRECT PLAN - GROWTH	250.2	-	-
JPMORGAN INDIA LIQUID FUND - DIRECT - GROWTH	1.7	-	-
LIC NOMURA MF LIQUID FUND - DIRECT - GROWTH	1.1	-	-
	-	-	-
Total Mutual Funds	1,714.1	400.0	420.0
Fixed Deposits	-	-	-
BANK OF INDIA	6.5	6.5	-
UCO BANK	-	47.2	-
CORPORATION BANK	-	150.0	-
BANK OF MAHARASHTRA	10.0	30.0	-
ALLAHABAD BANK	129.9	80.0	-
ICICI BANK	-	49.9	96.5
HDFC BANK LTD	-	49.9	-
STATE BANK OF TRAVANCORE	715.4	715.4	15.4
IDBI BANK	170.0	-	100.5
CENTRAL BANK OF INDIA	-	250.0	250.0
BANK OF BARODA	-	-	257.2
STATE BANK OF PATIALA	6.3	5.5	5.5
YES BANK LIMITED	497.1	150.0	200.0
AXIS BANK LIMITED	-	-	800.0
Total Fixed Deposits	1,535.2	1,534.4	1,725.1
Flexi Fixed Deposits	-	-	-
FLEXI FIXED DEPOSIT HDFC BANK	1,925.6	-	846.5
FLEXI FIXED DEPOSIT BANK OF INDIA	-	103.9	-
FLEXI FIXED DEPOSIT AXIS BANK	-	97.0	-
FLEXI FIXED DEPOSIT CANARA BANK	-	60.3	-
FLEXI FIXED DEPOSIT HDFC BANK	-	2,579.3	-
FLEXI FIXED DEPOSIT ICICI BANK	-	212.5	-
FLEXI FIXED DEPOSIT INDUSIND BANK	-	57.6	-
FLEXI FIXED DEPOSIT HSBC BANK	-	20.0	-
FLEXI FIXED DEPOSIT KOTAK MAHINDRA BANK	-	117.6	-
FLEXI FIXED DEPOSIT IDBI BANK	-	14.5	-
FLEXI FIXED DEPOSIT CITI BANK LTD.	-	22.5	-
FLEXI FIXED DEPOSIT STANDARD CHARTERED BANK	-	117.6	-
FLEXI FIXED DEPOSIT STATE BANK OF INDIA	-	-	-
FLEXI FIXED DEPOSIT UNION BANK	-	71.7	-
Total Flexi Fixed Deposits	1,925.6	3,474.5	846.5

C) Retail Debt Market Segment :

Cash component in form of Cash Deposit is earmarked as under:

Particulars	31.03.2014	31.03.2013	31.03.2012
	Proforma	Proforma	Proforma
			(Rs. in Millions)
Flexi Fixed Deposits	-	-	-
FLEXI FIXED DEPOSITS WITH HDFC BANK	14.5	16.5	17.0
TOTAL RDM DEPOSITS	14.5	16.5	17.0

D) CURRENCY DERIVATIVE SEGMENT :

I. Cash component in form of Interest Free Security Deposit is earmarked as under:

Particulars	31.03.2014	31.03.2013	31.03.2012
	Proforma	Proforma	Proforma
	-		(Rs. in Millions)
BARODA PIONEER TREASURY ADVANTAGE FUND - INSTITUTIONAL DAILY DIVIDEND PLAN	100.0	100.0	100.0
ICICI PRUDENTIAL ULTRA SHORT TERM PLAN SUPER PREMIUM WEEKLY DIVIDEND	-	100.2	100.0
Total Mutual Funds	100.0	200.2	200.0
Fixed Deposit	-	-	-
State Bank of Mysore	-	50.0	50.0
ALLAHABAD BANK	80.9	-	-
AXIS BANK LIMITED	50.0	-	-
Total Fixed Deposit	130.9	50.0	50.0
Flexi Fixed Deposits	-	-	-
HDFC Bank	94.6	54.4	47.5
Citi Bank	8.7	9.1	6.9
CANARA BANK	3.3	-	-
BANK OF INDIA	10.4	17.6	18.6
KOTAK MAHINDRA BANK LTD	5.8	3.1	-
AXIS BANK	16.4	20.6	19.5
UNION BANK OF INDIA	4.8	-	-
STAN CHART BANK	5.1	-	-
STATE BANK OF INDIA	2.5	-	-
IDBI BANK LTD	4.1	-	-
HSBC BANK LTD	1.0	-	-
	-	-	-
Total Flexi Fixed Deposits	156.6	104.8	92.5

II. Cash component in form of CDS Security Deposit is earmarked as under:

Particulars	31.03.2014	31.03.2013	31.03.2012
	Proforma	Proforma	Proforma
	-	-	(Rs. in Millions)
Flexi Fixed Deposits	-	-	-
HDFC BANK LTD	44.9	31.5	29.5
Total Flexi Fixed Deposits	44.9	31.5	29.5
Bank Balances	-	-	-
ICICI	25.6	35.2	40.2
Total SD	70.5	66.7	69.7

III. Cash component in form of CDS Margins is earmarked as under:

Particulars	31.03.2014	31.03.2013	31.03.2012
	Proforma	Proforma	Proforma
			(Rs. in Millions)
JM HIGH LIQUIDITY FUND - SUPER INSTITUTIONAL PLAN - DAILY DIVIDEND	-	-	300.0
KOTAK FLOATER - SHORT TERM - DAILY DIVIDEND - DIRECT PLAN	-	50.0	-
JPMORGAN INDIA LIQUID FUND - DIRECT - GROWTH	100.0	-	-
TATA LIQUID FUND DIRECL PLAN - GROWTH	40.9	-	-
TEMPLETON INDIA TMA - DIRECT - GROWTH	100.0	-	-
Total Mutual Funds	240.9	50.0	300.0
Flexi Fixed Deposits	-	-	-
HDFC Bank	4.6	80.1	-
HSBC	3.0	-	-
CITI BANK	-	3.2	-
KOTAK MAHINDRA BANK LTD	3.5	0.1	-
INDUSIND BANK	-	32.7	-
CANARA BANK	-	2.0	-
AXIS BANK	0.7	38.9	31.2
STAN CHART BANK	4.4	-	-
Total Flexi Fixed Deposits	16.2	157.0	31.2

E) Securities Lending & Borrowing

I. Cash component in form of Interest Free Security Deposit is earmarked as under:

Particulars	31.03.2014	31.03.2013	31.03.2012
	Proforma	Proforma	Proforma
			(Rs. in Millions)
	-	-	-
AXIS LIQUID FUND - DIRECT PLAN - DAILY DIVIDEND - REINVEST	-	65.0	-
Total Mutual Funds	-	65.0	-
TAXABLE BONDS	-	-	-
POWER FINANCE CORPORATION LIMITED	44.0	-	-
TOTAL TAXABLE BONDS	44.0	-	-
	-	-	-
Bank Balnces	-	-	-
ICICI Bank	8.0	8.0	-
BANK OF INDIA (BOI)	1.0	1.1	-
HDFC BANK	-	0.9	-
AXIS BANK	1.0	-	-
CANARA BANK	0.5	-	-
HSBC BANK	1.2	-	-
IDBI BANK	1.0	-	-
STAN CHART	1.0	-	-
STAN CHART BANK	1.0	-	-
	-	-	-
Total Bank Balnces	14.8	10.0	-
FIXED DEPOSIT WITH BANKS	-	-	-
ALLAHABAD BANK	14.1	-	-
TOTAL FIXED DEPOSIT WITH BANKS	14.1	-	-
	-	-	-
Flexi Fixed Deposits	-	-	-
HONGKONG & SHANGHAI BKG.CO.(HON)	1.0	1.0	-
BANK OF INDIA	2.4	2.4	-
HDFC Bank	35.6	23.2	-
KOTAK MAHINDRA BANK LTD	1.3	1.2	-
AXIS BANK	5.3	5.2	-
IDBI BANK	1.5	-	-
Total Flexi Fixed Deposits	47.1	33.0	-

II. Cash component in form of SLB Margins is earmarked as under:

Particulars	31.03.2014	31.03.2013	31.03.2012
	Proforma	Proforma	Proforma
			(Rs. in Millions)
Bank Balnces	-	-	-
AXIS BANK LTD	-	1.0	-
BANK OF INDIA (BOI)	-	1.1	-
IDBI BANK LTD	-	0.1	-
STANDARD CHARTERED BANK (CHB)	-	1.1	-
CITI BANK (CIT)	-	1.0	-
ICICI Bank	0.2	2.6	-
CANARA BANK	-	1.0	-
Total Bank Balnces	0.2	7.9	-
Flexi Fixed Deposits	-	-	-

Annexure VI - Notes to the Restated Consolidated Financial Information

BANK OF INDIA	8.9	-	-
HDFC Bank	284.1	59.7	-
CITI BANK	2.1	2.0	-
STANDARD CHARTERED BANK	2.0	5.0	-
BANK OF INDIA	-	5.3	-
IDBI BANK	-	-	-
CANARA BANK	0.4	4.1	-
HSBC	-	-	-
AXIS BANK	52.1	14.6	-
KOTAK MAHINDRA	-	-	-
Total Flexi Fixed Deposits	349.6	90.7	-

38 As explained above, NSE contributes to the Settlement Guarantee Fund / Core Settlement Guarantee Fund ("Core SGF") established and maintained by its clearing corporation subsidiary – National Securities Clearing Corporation Limited (NSCCL) in accordance with the Regulation 33 of the Securities Contracts (Regulations) (SECC) Regulations, 2012 and as per the circulars issued by SEBI thereunder ("SEBI Regulations"). As per the SEBI Regulations, NSE was required to transfer 25% of its annual profits every year to a fund maintained by the NSCCL. Further, as per SEBI Circular CIR/MRD/DRMNP/25/2014 dated August 27, 2014 and Circular SEBI/HO/MRD/DRNP/CIR/2016/54 dated May 04, 2016, NSE and NSCCL are also required to contribute to the Minimum Required Corpus ("MRC") of the Core SGF maintained by the NSCCL.

The contribution to the Core SGF being regulatory in nature and has restricted use and purpose. Accordingly, as a matter of accounting prudence and consistent with the accounting policy followed while preparing the financial statements in the earlier years under Previous GAAP, the contributions made by NSE to the Core SGF is treated as an item of expenditure and hence has been charged to the Restated Statement of Profit and Loss in both the standalone and the consolidated financial statements of the NSE Group. Further, the contributions made by the NSCCL to the MRC of the Core SGF, being a Fund within the same legal entity, is recorded as appropriation from its reserves both in the standalone financial statements of NSCCL and the consolidated financial statements of the NSE Group.

On adoption of Ind AS, an alternative view and approach to the above in these Consolidated Financial Statements of NSE Group could be to record the contribution to the Core SGF made by NSE as an appropriation from reserves, instead of charging as an expense in the consolidated statement of profit and loss of the NSE Group. This is considering that NSE, NSCCL and the Core SGF are part of NSE group thereby elimination intra-group transactions. NSE is in the process of seeking necessary clarification in this regard.

However, as mentioned above since the contribution to Core SGF is regulatory requirement having restricted use and purpose and as a matter of accounting prudence and consistent with the accounting policy followed while preparing the financial statements in the earlier years under previous GAAP, the Group has decided to continue to treat the contribution to the Core SGF by NSE as an item of expenditure in these consolidated financial statements and in its restated consolidated financial information.

Had the alternative view discussed above been followed, the impact of such adjustments on the restated consolidated financial information as reported would be as follows:-

	September	March	March	March	March	March
	30, 2016	31, 2016	31, 2015	31, 2014	31, 2013	31, 2012
			Proforma	Proforma	Proforma	Proforma
Reduction in expense						
- Contribution to Core SGF and increase in Profit before tax	1,340.7	2,343.3	2,229.7	2,548.2	2,194.0	-
Increase in income						
tax expense – Deferred tax liability	(464.0)	(811.0)	(790.5)	(900.0)	(711.8)	-
Increase in Profit after tax and Total Comprehensive Income	876.7	1,532.3	1,439.2	1,648.2	1,482.2	-
Reported Profit before tax	8,552.8	14,951.1	14,836.6	11,477.5	10,420.3	12,810.8
Adjusted Profit before tax	9,893.5	17,294.4	17,066.3	14,025.7	12,614.3	12,810.8
Reported Profit after tax	5,883.2	9,752.1	9,938.1	7,521.2	7,137.1	8,919.4
Adjusted Profit after tax	6,759.9	11,284.4	11,377.4	9,169.4	8,619.3	8,919.4
Reported Total Comprehensive Income	6,091.3	9,853.9	9,917.8	6,514.5	6,777.8	9,838.2
Adjusted Total Comprehensive Income	6,968.0	11,386.2	11,357.1	8,162.7	8,260.0	9,838.2
Reported Earnings Per Share (Rs.)	11.9	19.7	20.1	15.1	14.2	17.9
Adjusted Earnings Per Share (Rs.)	13.7	22.8	23.0	18.5	17.2	17.9

The contributions paid and payable to the Core SGF have been accumulated and disclosed as Core Settlement Guarantee Fund separately from Group's equity and liabilities in the Group's Restated Consolidated Statement of Assets and Liabilities.

Note 39 :- Interests in other entities

(a) Subsidiaries

The Group's subsidiaries are set out below. Share capital consisting solely of equity shares that are held directly by the group including preference shares held in NSE Strategic Investment Corporation Limited, and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation or registration is also their principal place of business.

Name of Entity	w.e.f.	Place of business /	Ownership interest held by the group						Ownership interest held by non-controlling interests						Principal activities
			September 30, 2016	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	September 30, 2016	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	
National Securities Clearing Corporation Limited	31-Aug-95	India	100.00	100.00	100.00	100.00	100.00	100.00	-	-	-	-	-	-	Clearing and Settlement
NSE Strategic Investment Corporation Limited	31-Jan-13	India	100.00	100.00	100.00	100.00	100.00	-	-	-	-	-	-	-	Investment entity
NSE IT Limited	29-Oct-99	India	100.00	100.00	100.00	100.00	100.00	100.00	-	-	-	-	-	-	IT services
NSE IT (US) Inc.	04-Dec-06	United States of America	100.00	100.00	100.00	100.00	100.00	100.00	-	-	-	-	-	-	IT services
NSE IT (UK) Limited	09-Nov-06	United Kingdom	-	-	-	-	-	100.00	-	-	-	-	-	-	IT services
India Index Services & Products Limited	02-Aug-06	India	100.00	100.00	100.00	100.00	51.00	51.00	-	-	-	-	49.00	49.00	Index services
National Commodity Clearing Limited	04-Aug-06	India	-	-	-	-	65.00	65.00	-	-	-	-	35.00	35.00	Commodity clearing
DotEx International Limited	02-Jun-00	India	100.00	100.00	100.00	100.00	100.00	100.00	-	-	-	-	-	-	Data vending
NSE Infotech Services Limited	02-Aug-06	India	100.00	100.00	100.00	100.00	100.00	100.00	-	-	-	-	-	-	IT services
NSE Academy Limited (Formerly known as NSE Education Facilities Limited)	12-Mar-16	India	100.00	100.00	-	-	-	-	-	-	-	-	-	-	financial literacy programmes

(b) Non-controlling interests (NCI)

Set out below is summarised financial information for each subsidiary that has non-controlling interests that are material to the Group. The amounts disclosed for each subsidiary are before inter-company eliminations.

(Rs.in Millions)				
	India Index Services & Products Limited#		National Commodity Clearing Ltd*	
Summarised balance sheet	March 31, 2013	March 31, 2012	March 31, 2013	March 31, 2012
Current assets	624.9	464.7	96.1	80.0
Current liabilities	30.7	18.5	7.7	10.6
Net current assets	594.2	446.2	88.4	69.4
Non-current assets	71.6	58.5	10.7	13.7
Non-current liabilities	4.4	1.0	-	0.1
Net non-current assets	67.2	57.5	10.7	13.6
Net assets	661.4	503.7	99.0	83.0
Accumulated NCI	316.5	244.0	29.1	25.4

(Rs.in Millions)					
	India Index Services & Products Limited#			National Commodity Clearing Ltd*	
Summarised statement of profit and loss	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2013	March 31, 2012
Revenue	377.3	299.3	266.5	48.9	47.4
Profit for the year	224.7	175.7	151.7	16.0	10.6
Other comprehensive income	-	-	-	-	-
Total comprehensive income	224.7	175.7	151.7	16.0	10.6
Profit allocated to NCI	34.5	79.5	67.0	5.6	3.7
Dividends paid to NCI	-	8.9	-	-	-

(Rs.in Millions)					
	India Index Services & Products Limited#			National Commodity Clearing Ltd*	
Summarised cash flow	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2013	March 31, 2012
Cash flows from operating activities	190.0	124.4	110.0	9.3	12.6
Cash flows from investing activities	(192.5)	(85.8)	(96.3)	(7.6)	(11.7)
Cash flows from financing activities	(18.3)	(18.1)	(13.6)	-	-
Net increase/ (decrease) in cash and cash equivalents	(20.8)	20.4	0.0	1.7	0.9

India Index Services & Products Limited became 100% subsidiary w.e.f August 27, 2013 and hence the minority interest has been computed for the pro-rata period.
*The 65% interest in National Commodity Clearing Limited was sold w.e.f July 19, 2013 and hence the minority interest has been computed for the pro-rata period.

(c) Transactions with non-controlling interests

NSE Strategic Investment Corporation Limited (NSICL) held investment in India Index Services & Products Ltd.(IISPL) which was controlled by NSICL. NSICL had a 51% ownership interest in the subsidiary. During the year ended March 31, 2014 (with effect from August 27, 2013) NSICL purchased additional 49% stake of IISPL from CRISIL Ltd and consequently IISPL has become a wholly owned subsidiary of the NSICL. NSICL paid Rs.1,000.6 Millions to CRISIL Ltd as a purchase consideration for the said acquisition and recognised goodwill of Rs. 655.9 Millions and consequent reduction in Non controlling interest of Rs.344.7 Millions.

During the year ended March 31, 2014, the strategic investment in the form of equity shares (65%) held by NSE in National Commodity Clearing Limited was sold/ transferred to NCDEX and the transfer was effected on July 19, 2013 and consequent reduction in non controlling interest of Rs.35.1 Millions

Joint operation/ Associates

The Group has a 30% interest in joint arrangement with Market Simplified India Limited (formerly known as INXS Technologies Limited),which is engaged in development and deployment of mobile platforms, solutions, applications and web-frontends for the BFSI segment).

The Group has a 30% interest in joint arrangement with Receivables Exchange of India Limited to operate the Trade Receivables Discounting System (TReDS) Platform. This is an online electronic institutional mechanism for facilitating the financing of trade receivables of MSMEs through multiple financiers. The TReDS Platform will enable discounting of invoices/bills of exchange of MSME sellers against large corporates including government departments and PSUs, through an auction mechanism, to ensure prompt realisation of trade receivables at competitive market rates.

(d) Interests in associates and joint ventures

i Set out below are the associates and joint ventures of the Group. The entities listed below have share capital consisting solely of equity shares, which are held directly or indirectly by the Group. The country of incorporation or registration is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

(Rs.in Millions)																
Name of Entity	Place of business/ country of incorporation	Relationship	Proportion of interest as on September 30, 2016 (%)	Accounting method	Carrying Value						Share of Profit from Associates					
					September 30, 2016	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	September 30, 2016	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
National Securities Depository Limited (new)	India	Associate	25.05	Equity method	1,140.1	1,032.4	817.7	711.4	628.8	-	140.1	244.0	141.7	108.7	67.5	-
Power Exchange India Limited	India	Associate	30.95	Equity method	-	-	-	-	5.0	13.6	-	-	-	(5.0)	(28.6)	(51.5)
NSDL e-Governance Infrastructure Limited (formerly known as National Securities Depository Limited)	India	Associate	25.05	Equity method	1,476.5	1,445.7	1,291.6	1,164.4	1,057.2	1,525.4	109.2	226.1	191.7	162.2	173.0	234.2
Market Simplified India Limited (Formerly known as INXS Technologies Limited)	India	Joint Venture	30.00	Equity method	74.1	72.0	69.6	66.1	84.8	85.0	2.1	2.4	3.5	(18.7)	0.2	(13.0)
Computer Age Management Services Private Limited ^	India	Associate	44.99	Equity method	4,725.5	4,522.8	4,340.9	4,184.6	-	-	303.6	439.0	395.6	64.4	-	-
BFSI Skill Sector Council of India *	India	Associate	49.00		10.0	10.0	10.0	10.0	-	-	-	-	-	-	-	-
Omnesys Technologies Private Limited	India	Associate		Equity method	-	-	-	-	146.6	123.2	-	-	-	2.6	23.0	25.8
Receivables Exchange of India Limited	India	Associate	30.00	Equity method	75.0	-	-	-	-	-	-	-	-	-	-	-
Total equity accounted investments					7,501.2	7,082.9	6,529.8	6,136.5	1,922.4	1,747.2	555.0	911.5	732.5	314.2	235.1	195.5

* BFSI Sector Skill Council of India, an associate company incorporated under section 8 of Companies Act, 2013, and has been set up with the aim of enhancing skill development across the BFSI sector leading to greater efficiency, productivity and sustained growth wherein the profits will be applied for promoting its objects.

^ The Securities Exchange Board of India (SEBI) in its inspection report, had observed that the Company through its Subsidiary Company, NSE Strategic Investment Corporation Ltd had acquired 44.99% equity stake in Computer Age Management Services Private Limited (CAMS) without prior permission of the SEBI. While the Company has suitably replied to the SEBI's observation, the same is under consideration by SEBI.

ii Summarised financial information for associates and joint ventures

The table below summarises financial information for those joint ventures and associates that are material to the group, the information disclosed reflects the amount presented in the financial statements as of the relevant associates and joint ventures and not NSIEL's shares of those amounts. They have been amended to reflect the adjustments made by the entity when using the equity method, including Ind AS adjustments and modifications for differences in accounting policies, if any.

Summarised statement of net assets

(Rs.in Millions)

Summarised balances	Computer Age Management Services Private Limited			
	September 30, 2016	March 31, 2016	March 31, 2015	March 31, 2014
Total Current assets	2,966.6	2,350.4	1,857.6	1,878.0
Total Non current assets	2,101.2	2,114.9	2,110.2	1,828.7
Total Current liabilities	571.0	427.5	340.4	333.9
Total Non current liabilities	334.7	329.9	324.6	337.9
Net assets	4,162.1	3,707.9	3,302.8	3,034.9

Summarised statement of profit and loss

(Rs.in Millions)

Summarised balances	Computer Age Management Services Private Limited			
	September 30, 2016	March 31, 2016	March 31, 2015	March 31, 2014
Revenue	2,367.0	4,119.5	3,572.3	3,041.3
Total comprehensive income for the year	671.2	970.1	874.0	612.6
Dividend received	82.7	212.1	202.5	-

Reconciliation of Net Equity in Associates

(Rs.in Millions)

Summarised balances	Computer Age Management Services Private Limited			
	September 30, 2016	March 31, 2016	March 31, 2015	March 31, 2014
Opening Balance of Investments	4,522.8	4,340.9	4,184.6	-
Cost of Purchase of Investments				4,121.3
Add : Share of Total Comprehensive Income for the year (including other comprehensive income)	302.2	436.4	393.2	63.3
Less : Dividend received	(82.7)	(212.1)	(202.5)	-
Add : Tax Effect on above	(16.7)	(42.4)	(34.4)	-
Closing Balance of Investments	4,725.5	4,522.8	4,340.9	4,184.6

National Stock exchange (Consolidated)

Notes to the financial statements for the year ended 31st March, 2017

(All amounts in Rs. millions, unless otherwise stated)

40 FINANCIAL RISK MANAGEMENT

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

The Risk Management Committee of the Group is supported by the Treasury department that provides assurance that the Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. The Treasury department activities are designed to:

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

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

A MANAGEMENT OF LIQUIDITY RISK

Liquidity risk is the risk that the Group will face in meeting its obligations associated with its financial liabilities. The Group's approach to managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions. A material and sustained shortfall in our cash flow could undermine the Group's credit rating and impair investor confidence.

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

	Notes	Carrying amount	Less than 12 months	More than 12 months	Total
As at September 30, 2016					
Trade payables	14, 16	992.3	992.3		992.3
Deposits	16, 24	17,931.8	17,931.8		17,931.8
Obligations under finance lease	15, 16	9.3	9.3	88.6	97.9
Other liabilities	16	67,856.9	67,856.9		67,856.9
As at March 31, 2016					
Trade payables	14, 16	871.5	871.5		871.5
Deposits	16, 24	16,808.8	16,808.8		16,808.8
Obligations under finance lease	15, 16	9.3	9.3	85.7	95.0
Other liabilities	16	28,385.3	28,385.3		28,385.3
As at March 31, 2015 - Proforma					
Trade payables	14, 16	700.4	700.4		700.4
Deposits	16, 24	16,965.8	16,965.8		16,965.8
Obligations under finance lease	15, 16	9.3	9.3	80.3	89.6
Other liabilities	16	22,549.3	22,549.3		22,549.3
As at March 31, 2014 - Proforma					
Trade payables	14, 16	866.1	866.1		866.1
Deposits	16, 24	17,095.7	17,095.7		17,095.7
Obligations under finance lease	15, 16	9.3	9.3	75.7	85.0
Other liabilities	16	45,591.9	45,591.9		45,591.9
As at March 31, 2013 - Proforma					
Trade payables	14, 16	788.6	788.6		788.6
Deposits	16, 24	17,239.4	17,239.4		17,239.4
Obligations under finance lease	15, 16	9.3	9.3	71.8	81.1
Other liabilities	16	24,070.5	24,070.5		24,070.5
As at March 31, 2012 - Proforma					
Trade payables	14, 16	744.7	744.7		744.7
Deposits	16, 24	17,286.3	17,286.3		17,286.3
Obligations under finance lease	15, 16	9.3	9.3	68.5	77.7
Other liabilities	16	27,996.1	27,996.1		27,996.1

B MANAGEMENT OF MARKET RISK

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

- price risk; and
- interest rate risk

The above risks may affect the Group's income and expenses, or the value of its financial instruments. The objective of the Group's management of market risk is to maintain this risk within acceptable parameters, while optimising returns. The Group's exposure to, and management of, these risks is explained below.

POTENTIAL IMPACT OF RISK	MANAGEMENT POLICY	SENSITIVITY TO RISK
1. PRICE RISK		
The Group is mainly exposed to the price risk due to its investment in mutual funds, exchange traded funds and investments in equity instruments. The price risk arises due to uncertainties about the future market values of these investments. At September 30, 2016, the exposure to price risk due to investment in mutual funds amounted to Rs. 39,958.1 millions (March 31, 2016: Rs. 23,577.4 millions, March 31, 2015 : Rs. 17,901.7 millions, March 31, 2014 : Rs.6,258.1 millions, March 31, 2013 : Rs. 2,172.1 millions , and March 31,2012 : Rs. 3,267.3 millions).Equity Price Risk is related to the change in market reference price of the investments in equity securities. At September 30, 2016, the exposure to price risk due to investment in exchange traded fund amounted to Rs. 4,198.8 millions (March 31, 2016: Rs. 3,817.3 millions, and March 31, 2015 : Rs. 811.3 millions.). The fair value of some of the Group's investments in fair value through other comprehensive income securities exposes the Group to equity price risks. In general, these securities are not held for trading purposes. These investments are subject to changes in the market price of securities. The fair value of quoted equity instruments classified as fair value through other comprehensive income as at September 30, 2016 was Rs.6.8 million (March 31, 2016, 2015, 2014, 2013 and 2012, was Rs. 4.2 million, Rs. 5.6 million, Rs. 2.5 million, Rs. 1038.3 million and Rs. 1587.8 million, respectively.) As at September 30, 2016, the Group has investments in unquoted equity shares of Rs. 1,656.8 million (Rs. 1,608.6 million, Rs. 13,91.5 million, Rs. 904.2 million, Rs. 867.3 million and Rs. 602.8 million as at March 31, 2016, 2015, 2014, 2013 and 2012, respectively), the fair value of which is determined using valuation techniques.	In order to manage its price risk arising from investments in mutual funds, the Group diversifies its portfolio in accordance with the limits set by the risk management policies. The Treasury department maintains a list of approved financial instruments. The use of any new investment must be approved by the Chief Financial Officer.	As an estimation of the approximate impact of price risk, with respect to mutual funds, exchange traded funds and investments in equity instruments, the Group has calculated the impact as follows. For mutual funds, a 0.25% increase in prices would have led to approximately an additional Rs. 99.9 millions gain in the Statement of Profit and Loss (2015-16: Rs. 58.9 millions, 2014-15: Rs. 44.8 millions, 2013-14: Rs. 15.6 millions, 2012-13: Rs. 5.4 millions, 2011-12: Rs. 8.2 millions). A 0.25% decrease in prices would have led to an equal but opposite effect. For exchange traded fund, a 10% increase in prices would have led to approximately an additional Rs. 419.9 millions gain in the Statement of Profit and Loss (2015-16: Rs. 381.7 millions, and 2014-15: Rs. 81.1 millions). A 10% decrease in prices would have led to an equal but opposite effect. For equity instruments, a 10% increase in prices would have led to approximately an additional Rs. 166.4 million gain in other comprehensive income (2015-16: Rs. 161.3 million , 2014-15: Rs. 139.7 million, 2013-14: Rs. 90.7 million, 2012-13: Rs. 190.6 million, 2011-12: Rs. 219.1 million). A 10% decrease in prices would have led to an equal but opposite effect.
2. INTEREST RATE RISK		
The Group is mainly exposed to the interest rate risk due to its investment in government securities. The interest rate risk arises due to uncertainties about the future market interest rate of these investments. Other than above, the Group does not designate any fixed rate financial assets as at fair value through profit or loss nor as at fair value through other comprehensive income. Therefore, changes in interest rates of fixed rate instruments would not affect profit or loss or equity. As at September 30, 2016, the exposure to interest rate risk due to investment in government securities amounted to Rs. 5,384.3 million (March 31, 2016: Rs. 12,671.2 million, March 31, 2015: Rs. 6,475.6 million, March 31, 2014 : Rs. 350.2 million and March 31, 2013: Rs. 154.5 million).	In order to manage its interest rate risk arising from investments in treasury bills and government securities, the Group diversifies its portfolio in accordance with the limits set by the risk management policies. The Treasury department maintains a list of approved financial instruments. The use of any new investment must be approved by the Chief Financial Officer.	As an estimation of the approximate impact of the interest rate risk, with respect to financial instruments, the Group has calculated the impact of a 0.25% change in interest rates. A 0.25% increase in interest rates would have led to approximately an additional Rs. 85.7 million loss in other comprehensive income (2015-16: Rs. 226.2 million, 2014-15 : Rs. 128.7 million, 2013-14 : Rs. 5.6 million, 2012-13: Rs. 3.1 million). A 0.25% decrease in interest rates would have led to an equal but opposite effect.

C MANAGEMENT OF CREDIT RISK

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

Trade receivables

Concentrations of credit risk with respect to trade receivables are limited, due to the Group's customer base being large and diverse and also on account of member's deposits kept by the Group as collateral which can be utilised in case of member default. All trade receivables are reviewed and assessed for default on a quarterly basis.

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

Other financial assets

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

The Group's maximum exposure to credit risk as at September 30, 2016, March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013, and March 31, 2012, is the carrying value of each class of financial assets as disclosed in note 4, 5, 6, 9, 10, 11 and 12.

D CAPITAL MANAGEMENT

The Group considers the following components of its Balance Sheet to be managed capital:

Total equity as shown in the balance sheet includes retained profit, other reserves, share capital, share premium.

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

The Group's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Group will take appropriate steps in order to maintain, or if necessary adjust, its capital structure. Group is not subject to financial covenants in any of its significant financing agreements.

The management monitors the return on capital as well as the level of dividends to shareholders. The Group's goal is to continue to be able to provide return by the Group to shareholders by continuing to distribute dividends in future periods. Refer annexure X for the final and interim dividends declared and paid.

Compliance with externally imposed capital requirements:

In accordance with regulation 14 of Securities Contracts (regulation) (stock exchanges and clearing corporations) Regulations, 2012, NSE shall have a minimum networth of Rs. 1,000 million at all times.

Capital requirement of NSCCL is regulated by Securities And Exchange Board of India (SEBI). As per SEBI notification dated April 02, 2012 Clearing corporation shall be mandated to build up to the prescribed net worth of Rs. 3,000 million over a period of three years from the date of notification. Minimum requirement of net worth is maintained through out the period from effective date of notification.

Annexure VI - Notes to the Restated Consolidated financial information

Note 40 - Fair Value Measurements

Financial Instruments by category

	30-09-2016			31-03-2016			31-03-2015 - Proforma			31-03-2014 - Proforma			31-03-2013 - Proforma			31-03-2012 - Proforma		
	FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost
Financial Assets																		
Investments																		
Equity Instruments	-	1,663.6	-	-	1,612.8	-	-	1,397.1	-	-	906.7	-	-	1,905.6	-	-	2,190.6	-
Preference Shares	-	-	-	50.1	-	-	50.1	-	-	50.1	-	-	50.1	-	-	50.1	-	-
Debentures	-	-	13,535.0	-	-	14,743.2	-	-	13,502.6	-	-	5,955.6	-	-	2,282.5	-	-	1,390.0
Taxable Bonds	-	-	1,480.9	-	-	1,815.6	-	-	1,949.8	-	-	5,820.4	-	-	776.6	-	-	31.5
Taxfree Bonds	-	-	8,872.8	-	-	5,670.6	-	-	1,182.1	-	-	1,483.9	-	-	3,286.0	-	-	3,207.6
Commercial Paper	-	-	-	-	-	-	-	-	3,958.4	-	-	3,346.7	-	-	10,082.4	-	-	5,387.5
Certificate of Deposits	-	-	-	-	-	-	-	-	-	-	-	1,641.0	-	-	3,678.9	-	-	1,280.5
Fixed Deposits	-	-	20,780.3	-	-	22,782.2	-	-	30,852.4	-	-	55,386.1	-	-	51,126.6	-	-	52,816.6
Inter Corporate Deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	169.9	-	-	317.5
Government Securities	-	5,384.3	-	-	12,671.2	-	-	6,475.6	-	-	350.2	-	-	154.5	-	-	-	-
Mutual Funds	39,958.1	-	-	23,577.4	-	-	17,901.7	-	-	6,258.1	-	-	2,172.1	-	-	3,267.3	-	-
Exchange Traded Funds	4,198.8	-	-	3,817.3	-	-	811.3	-	-	-	-	-	-	-	-	-	-	-
Trade receivables	-	-	3,041.4	-	-	2,785.1	-	-	2,287.0	-	-	2,157.6	-	-	1,559.8	-	-	1,817.4
Cash and Cash equivalents	-	-	1,586.7	-	-	1,011.9	-	-	661.2	-	-	506.9	-	-	731.6	-	-	447.3
Balance held for the purpose of meeting short term cash commitments^	-	-	68,274.8	-	-	28,273.5	-	-	21,765.2	-	-	33,456.8	-	-	16,685.2	-	-	21,975.2
Balance in Escrow Account *	-	-	39.9	-	-	23.3	-	-	18.2	-	-	-	-	-	-	-	-	-
Unbilled revenue	-	-	126.7	-	-	26.5	-	-	77.9	-	-	18.9	-	-	-	-	-	4.8
Advances to related parties	-	-	-	-	-	2.2	-	-	-	-	-	-	-	-	-	-	-	-
Receivable from member towards contribution	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Core Settlement Guarantee Fund	-	-	-	-	-	164.2	-	-	1,131.1	-	-	-	-	-	-	-	-	-
Settlement obligation receivable from member	-	-	61.0	-	-	61.9	-	-	482.8	-	-	482.8	-	-	-	-	-	-
Security deposits	-	-	70.8	-	-	64.7	-	-	64.0	-	-	67.1	-	-	74.3	-	-	69.9
Other receivables	-	-	139.9	-	-	82.9	-	-	114.2	-	-	96.3	-	-	143.3	-	-	86.7
Total financial assets	44,156.9	7,047.9	1,18,010.2	27,444.8	14,284.0	77,507.8	18,763.1	7,872.7	78,046.9	6,308.2	1,256.9	1,10,420.1	2,222.2	2,060.1	90,597.1	3,317.4	2,190.6	88,832.5
Financial liabilities																		
Trade payables	-	-	992.3	-	-	871.5	-	-	700.4	-	-	866.1	-	-	788.6	-	-	744.7
Deposits	-	-	17,931.8	-	-	16,808.8	-	-	16,965.8	-	-	17,095.7	-	-	17,239.4	-	-	17,286.3
Obligations under finance lease	-	-	97.9	-	-	95.0	-	-	89.6	-	-	85.0	-	-	81.1	-	-	77.7
Other liabilities	-	-	67,856.9	-	-	28,385.4	-	-	22,549.3	-	-	45,592.0	-	-	24,070.5	-	-	27,996.1
Total financial liabilities	-	-	86,878.9	-	-	46,160.7	-	-	40,305.1	-	-	63,638.8	-	-	42,179.6	-	-	46,104.8

NATIONAL STOCK EXCHANGE OF INDIA LIMITED
Annexure VI - Notes to the Restated Consolidated financial information
Note 40 - Fair Value Measurements
(i) Fair Value hierarchy and valuation technique used to determine fair value :

This note explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value in these restated consolidated financial information. To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into the three level prescribed under the accounting standard. An explanation of each level follows below the table.

Financial Assets measured at Fair Value - recurring fair Value measurements at 30.09.2016	Notes	Level 1	Level 2	Total
<u>Financial Assets</u>				
<i>Financial Investments at FVPL</i>				
Mutual Fund	4 & 9	39,958.1	-	39,958.1
Exchange Traded Funds	4	4,198.8	-	4,198.8
<i>Financial Investments at FVOCI</i>				
Debt Instrument at FVOCI - Government Securities	4	-	5,384.3	5,384.3
Unquoted Equity Investments - National Commodity & Derivative Exchange Ltd.	4	-	1,646.8	1,646.8
Unquoted Equity Investments - Goods And Service Tax Network	4	-	10.0	10.0
Quoted Equity Investments - MCX Limited	4	6.8	-	6.8
Total Financial Assets		44,163.7	7,041.1	51,204.8

Assets and Liabilities which are measured at Amortised Cost for which fair values are disclosed - At 30.09.2016	Notes	Level 1	Level 2	Total 30 Sept,2016
<u>Financial Assets</u>				
<i>Investments</i>				
Debentures	40 (ii)	-	13,985.2	13,985.2
Taxable Bonds	40 (ii)	-	1,569.9	1,569.9
Taxfree Bonds	40 (ii)	-	9,206.4	9,206.4
Fixed Deposit	40 (ii)	-	20,755.3	20,755.3
Total Financial Assets		-	45,516.8	45,516.8
<u>Financial Liabilities</u>				
Obligations under Finance Lease	40 (ii)		177.2	177.2
Total Financial Liabilities		-	177.2	177.2

Financial Assets measured at Fair Value - recurring fair Value measurements At 31.03.2016	Notes	Level 1	Level 2	Total
<u>Financial Assets</u>				
<i>Financial Investments at FVPL</i>				
Mutual Fund	4 & 9	23,577.4	-	23,577.4
Exchange Traded Funds	4	3,817.3	-	3,817.3
Preference Shares	4	-	50.1	50.1
<i>Financial Investments at FVOCI</i>				

Debt Instrument at FVOCI - Government Securities	4	-	12,671.2	12,671.2
Unquoted Equity Investments - National Commodity & Derivative Exchange Ltd.	4	-	1,598.6	1,598.6
Unquoted Equity Investments - Goods And Service Tax Network	4	-	10.0	10.0
Quoted Equity Investments - MCX Limited	4	4.2	-	4.2
Total Financial Assets		27,398.9	14,329.9	41,728.8

Assets and Liabilities which are measured at Amortised Cost for which the fair values are disclosed - At 31 March, 2016	Notes	Level 1	Level 2	Total 31 March, 2016
<u>Financial Assets</u>				
<i>Investments</i>				
Debentures	40 (ii)	-	14,814.7	14,814.7
Taxable Bonds	40 (ii)	-	1,856.7	1,856.7
Taxfree Bonds	40 (ii)	-	5,690.6	5,690.6
Fixed Deposit	40 (ii)	-	22,652.5	22,652.5
Total Financial Assets		-	45,014.5	45,014.5
<u>Financial Liabilities</u>				
Obligations under Finance Lease	40 (ii)	-	173.5	173.5
Total Financial Liabilities		-	173.5	173.5

Financial Assets measured at Fair Value - recurring fair Value measurements At 31.03.2015	Notes	Level 1	Level 2	Total
<u>Financial Assets</u>				
<i>Financial Investments at FVPL</i>				
Mutual Fund	4 & 9	17,901.7	-	17,901.7
Exchange Traded Funds	4	811.3	-	811.3
Preference Shares	4	-	50.1	50.1
<i>Financial Investments at FVOCI</i>				
Debt Instrument at FVOCI - Government Securities	4	-	6,475.6	6,475.6
Unquoted Equity Investments - National Commodity & Derivative Exchange Ltd.	4	-	1,381.5	1,381.5
Unquoted Equity Investments - Goods And Service Tax Network	4	-	10.0	10.0
Quoted Equity Investments - MCX Limited	4	5.6	-	5.6
Total Financial Assets		18,718.6	7,917.2	26,635.9

Assets and Liabilities which are measured at Amortised Cost for which the fair values are disclosed - At 31 March, 2015	Notes	Level 1	Level 2	Total 31 March,2015
Financial Assets				
Investments				
Debentures	40 (ii)	-	13,561.5	13,561.5
Taxable Bonds	40 (ii)	-	1,984.0	1,984.0
Taxfree Bonds	40 (ii)	-	1,310.6	1,310.6
Commercial Paper	40 (ii)	-	3,958.4	3,958.4
Fixed Deposit	40 (ii)	-	30,353.0	30,353.0
Total Financial Assets		-	51,167.5	51,167.5
Financial Liabilities				
Obligations under Finance Lease	40 (ii)	-	156.1	156.1
Total Financial Liabilities		-	156.1	156.1

Financial Assets measured at Fair Value - recurring fair Value measurements At 31.03.2014	Notes	Level 1	Level 2	Total 31 March,2014
Financial Assets				
Financial Investments at FVPL				
Mutual Fund	4 & 9	6,258.1	-	6,258.1
Preference Shares	4	-	50.1	50.1
Financial Investments at FVOCI				
Debt Instrument at FVOCI - Government Securities	4	-	350.2	350.2
Unquoted Equity Investments - National Commodity & Derivative Exchange Ltd.	4	-	898.1	898.1
Unquoted Equity Investments - Goods And Service Tax Network	4	-	6.1	6.1
Quoted Equity Investments - MCX Limited	4	2.5	-	2.5
Total Financial Assets		6,260.6	1,304.6	7,565.1

Assets and Liabilities which are measured at Amortised Cost for which the fair values are disclosed - At 31 March, 2014	Notes	Level 1	Level 2	Total 31 March,2014
Financial Assets				
Investments				
Debentures	40 (ii)	-	5,958.8	5,958.8
Taxable Bonds	40 (ii)	-	5,705.4	5,705.4
Taxfree Bonds	40 (ii)	-	1,637.0	1,637.0
Commercial Paper	40 (ii)	-	3,348.5	3,348.5
Certificate of Deposits	40 (ii)	-	1,683.3	1,683.3
Fixed Deposit	40 (ii)	-	46,502.0	46,502.0
Total Financial Assets		-	64,835.0	64,835.0
Financial Liabilities				
Obligations under Finance Lease	40 (ii)	-	150.0	150.0
Total Financial Liabilities			150.0	150.0

Financial Assets measured at Fair Value - recurring fair Value measurements At 31.03.2013	Notes	Level 1	Level 2	Total
<u>Financial Assets</u>				
<i>Financial Investments at FVPL</i>				
Mutual Fund	4 & 9	2,172.1	-	2,172.1
Preference Shares	4	-	50.1	50.1
<i>Financial Investments at FVOCI</i>				
Debt Instrument at FVOCI - Government Securities	4	-	154.5	154.5
Unquoted Equity Investments - National Commodity & Derivative Exchange Ltd.	4	-	867.3	867.3
Quoted Equity Investments - MCX Limited	4	1,038.3	-	1,038.3
Total Financial Assets		3,210.4	1,071.9	4,282.2

Assets and Liabilities which are measured at Amortised Cost for which the fair values are disclosed - At 31 March, 2013	Notes	Level 1	Level 2	Total 31 March, 2013
<u>Financial Assets</u>				
<i>Investments</i>				
Debentures	40 (ii)	-	2,280.2	2,280.2
Taxable Bonds	40 (ii)	-	757.3	757.3
Taxfree Bonds	40 (ii)	-	3,376.1	3,376.1
Commercial Paper	40 (ii)	-	10,082.8	10,082.8
Certificate of Deposits	40 (ii)	-	3,691.3	3,691.3
Fixed Deposit	40 (ii)	-	45,235.2	45,235.2
Inter Corporate Deposits	40 (ii)	-	163.5	163.5
Total Financial Assets		-	65,586.5	65,586.5
<u>Financial Liabilities</u>				
Obligations under Finance Lease	40 (ii)	-	144.5	144.5
Total Financial Liabilities		-	144.5	144.5

Financial Assets measured at Fair Value - recurring fair Value measurements At 31.03.2012	Notes	Level 1	Level 2	Total
<u>Financial Assets</u>				
<i>Financial Investments at FVPL</i>				
Mutual Fund	4 & 9	3,267.3	-	3,267.3
Preference Shares	4	-	50.1	50.1
<i>Financial Investments at FVOCI</i>				
Unquoted Equity Investments - National Commodity & Derivative Exchange Ltd.	4	-	602.8	602.8
Quoted Equity Investments - MCX Limited	4	1,587.8	-	1,587.8
Total Financial Assets		4,855.1	652.9	5,508.0

Assets and Liabilities which are measured at Amortised Cost for which the fair values are disclosed - At 31 March, 2012	Notes	Level 1	Level 2	Total 31 March, 2012
Financial Assets				
Investments				
Debentures	40 (ii)	-	1,389.0	1,389.0
Taxable Bonds	40 (ii)	-	21.2	21.2
Taxfree Bonds	40 (ii)	-	3,206.7	3,206.7
Commercial Paper	40 (ii)	-	5,382.2	5,382.2
Certificate of Deposits	40 (ii)	-	1,532.2	1,532.2
Fixed Deposit	40 (ii)	-	48,272.6	48,272.6
Inter Corporate Deposits	40 (ii)	-	298.1	298.1
Total Financial Assets		-	60,102.1	60,102.1
Financial Liabilities				
Obligations under Finance Lease	40 (ii)	-	131.4	131.4
Total Financial Liabilities			131.4	131.4

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

- Level 1:

This hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, exchange traded funds and mutual funds that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing Net Assets Value (NAV). NAV represents the price at which the issuer will issue further units and will redeem such units of mutual fund to and from the investors.

- Level 2:

The fair value of financial instruments that are not traded in an active market (such as traded bonds, debentures, government securities and commercial papers) is determined using Fixed Income Money Market and Derivatives Association of India (FIMMDA) inputs and valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. Considering that all significant inputs required to fair value such instruments are observable, these are included in level 2.

The fair value of investments in unlisted equity shares of NCDEX has been classified within Level 2 of the fair value hierarchy.

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.

The Management has considered Price to Book (P/B) multiple under the Market Approach to arrive at the fair value of investment in NCDEX as at each reporting date. The P/B is computed based on the price of recent investment transaction available in market and applied to the book value of NCDEX to arrive at the fair value of Group's investment in NCDEX at each reporting date.

- 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 group's policy is to recognise transfers into and transfers out of fair value hierarchy level as at the end of reporting period.

ii) Valuation processes :

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

NATIONAL STOCK EXCHANGE OF INDIA LIMITED
Annexure VI : Notes to the Restated Consolidated financial information
ii) Fair value of financial assets and liabilities measured at amortised cost :

(Rs. in Millions)													
	Notes	30-09-16		31-03-16		31-03-15		31-03-14		31-03-13		31-03-12	
						Proforma		Proforma		Proforma		Proforma	
		Carrying Amount	Fair Value	Carrying Amount	Fair Value	Carrying Amount	Fair Value	Carrying Amount	Fair Value	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets													
Debentures	4 & 9	13,535.0	13,985.2	14,743.2	14,814.7	13,502.6	13,561.5	5,955.6	5,958.8	2,282.5	2,280.2	1,390.0	1,389.0
Taxable Bonds	4 & 9	1,480.9	1,569.9	1,815.6	1,856.7	1,949.8	1,984.0	5,820.4	5,705.4	776.6	757.3	31.5	21.2
Taxfree Bonds	4 & 9	8,872.7	9,206.4	5,670.6	5,690.6	1,182.1	1,310.6	1,483.9	1,637.0	3,286.0	3,376.1	3,207.6	3,206.7
Commercial Paper	9	-	-	-	-	3,958.4	3,958.4	3,346.7	3,348.5	10,082.4	10,082.8	5,387.5	5,382.2
Certificate of Deposits	11 & 12	-	-	-	-	-	-	1,641.0	1,683.3	3,678.9	3,691.3	1,280.5	1,532.2
Fixed Deposits	5, 6 & 12	20,780.3	20,755.3	22,782.2	22,652.5	30,852.4	30,353.0	55,386.1	46,502.0	51,126.6	45,235.2	52,816.6	48,272.6
Inter Corporate Deposits	9	-	-	-	-	-	-	-	-	169.9	163.5	317.5	298.1
Total Financial Assets		44,668.9	45,516.8	45,011.6	45,014.5	51,445.3	51,167.5	73,633.7	64,835.0	71,402.9	65,586.5	64,431.3	60,102.1
Financial Liabilities													
Obligations under Finance Lease	15 & 16	97.9	177.2	95.0	173.5	89.6	156.1	85.0	150.0	81.1	144.5	77.8	131.4
Total Financial Liabilities		97.9	177.2	95.0	173.5	89.6	156.1	85.0	150.0	81.1	144.5	77.8	131.4

- The carrying amounts of trade receivables, trade payables, deposits, other receivables, cash and cash equivalent including other current bank balances and other liabilities including settlement obligation payable, deposits, creditors for capital expenditure, etc. are considered to be the same as their fair values, due to current and short term nature of such balances.

- The fair value of finance lease obligation is based on discounted cash flow.

- For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

Significant estimates

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Company uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period. For details of the key assumptions used and the impact of the changes to these assumptions, see note (i).

Note 41 - Statement of Reconciliation between the Indian GAAP and Ind AS

Note 1 First time adoption of Ind AS

The accounting policies set out in Annexure V have been applied in preparing the Restated Consolidated Financial statements for the half years ended September 30, 2016 and for the years ended March 31, 2016, 2015, 2014, 2013 and 2012. The Group has followed the same accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 101) as initially adopted on transition date i.e. April 1, 2015 while preparing Restated Consolidated Financial Information for the years ended March 31, 2015, 2014, 2013 and 2012. Accordingly, suitable restatement adjustments are made in the financial statements as of and for the years ended March 31, 2015, 2014, 2013, 2012 and April 1, 2011.

An explanation of how the transition from Indian GAAP to Ind AS has affected the Group's Restated Consolidated Financial Information is set out in the following tables and notes.

A. Exemptions and exceptions availed

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS as at the transition date, i.e. April 1, 2015.

A.1 Ind AS optional exemptions

A.1.1 Deemed cost

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the Previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets and Investment Property covered by Ind AS 40 Investment Properties.

Accordingly, the Group has elected to measure all of its property, plant and equipment, intangible assets and investment property at their Previous GAAP carrying value.

A.1.2 Business combinations

Ind AS 101 provides the option to apply Ind AS 103 prospectively from the transition date or from a specific date prior to the transition date. This provides relief from full retrospective application that would require restatement of all business combinations prior to the transition date.

The Group elected to apply Ind AS 103 prospectively to business combinations occurring after its transition date. Business combinations occurring prior to the transition date have not been restated instead have been accounted as per previous GAAP. The Group has applied same exemption for investment in associates and joint ventures.

A.1.3 Designation of previously recognised financial instruments

Ind AS 101 allows an entity to designate investments in equity instruments at FVOCI on the basis of the facts and circumstances at the date of transition to Ind AS.

The Group has elected to apply this exemption for its investment in equity instruments.

A.1.4 Leases

Appendix C to Ind AS 17 requires an entity to assess whether a contract or arrangement contains a lease. In accordance with Ind AS 17, this assessment should be carried out at the inception of the contract or arrangement. Ind AS 101 provides an option to make this assessment on the basis of facts and circumstances existing at the date of transition to Ind AS, except where the effect is expected to be not material.

The Group has elected to apply this exemption for such contracts/arrangements.

A.2 Ind AS mandatory exceptions

A.2.1 Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made in for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at April 1, 2015 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Group made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

- Investment in mutual funds / ETFs carried at FVPL;
- Investment in equity instruments carried at FVOCI;
- Investment in debt instruments carried at FVOCI; and
- Fair value of the Investment property.

A.2.2 Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets (investment in debt instruments) on the basis of the facts and circumstances that exist at the date of transition to Ind AS. Accordingly, classification and measurement of bonds, debentures, government securities, commercial papers, certificate of deposits has been based on the facts and circumstances that exist at the date of transition to Ind AS.

A.2.3 Non-Controlling Interest

Ind AS 101 permits a first-time adopter to apply the following requirements of Ind AS 110 prospectively from the date of transition to Ind AS:

- (i) the requirement that total comprehensive income should be attributed to the owners of the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.
- (ii) the requirement that do not result in a loss of control, i.e., considering such a change as an equity transaction (transaction with owners in their capacity as owners) to be accounted for accordingly.

Annexure VI – Notes to the Restated Consolidated Financial Information

(iii) the requirements under Ind AS 110 for accounting for a loss of control over a subsidiary, and the related requirements under Ind AS 105.

The Group has applied the requirement of Ind AS 101 prospectively from April 1, 2015.

Ind AS 101 requires the group to reconcile equity, total comprehensive income and cash flows for prior periods. The following reconciliations provide the explanations and quantification of the differences arising from the transition from Previous GAAP to Ind AS in accordance with Ind AS 101:

- A. Reconciliation of Equity as at April 1, 2011 and as at March 31, 2016, 2015, 2014, 2013 and 2012;
- B. Reconciliation of Statement of Profit and Loss for the years ended March, 2016, 2015, 2014, 2013 and 2012; and
- C. The impact on cash flows from operating, investing and financing activities for the year March 31, 2016, 2015, 2014, 2013 and 2012 on transition to Ind AS is as follows :

(Rs in millions)

Financial Year ended March 31, 2016	Previous GAAP	Ind AS
Net cash inflow from operating activities	16,143.6	16,393.4
Net cash outflow from investing activities	(5,229.4)	(5,585.0)
Net cash outflow from financing activities	(4,412.5)	(4,306.7)
Net increase in cash and cash equivalents	6,501.7	6,501.7
Financial Year ended March 31, 2015	Previous GAAP	Ind AS
Net cash outflow from operating activities	(14,061.0)	(13,980.4)
Net cash outflow from investing activities	(2,331.9)	(2,469.2)
Net cash outflow from financing activities	(3,636.9)	(3,580.2)
Net decrease in cash and cash equivalents	(20,029.8)	(20,029.8)
Financial Year ended March 31, 2014	Previous GAAP	Ind AS
Net cash inflow from operating activities	26,070.9	25,941.8
Net cash outflow from investing activities	(6,009.3)	(5,654.7)
Net cash outflow from financing activities	(2,787.1)	(3,012.6)
Net increase in cash and cash equivalents	17,274.5	17,274.5
Financial Year ended March 31, 2013	Previous GAAP	Ind AS
Net cash outflow from operating activities	(810.9)	(765.1)
Net cash inflow from investing activities	1,525.4	1,495.7
Net cash outflow from financing activities	(2,084.9)	(2,101.0)
Net decrease in cash and cash equivalents	(1,370.4)	(1,370.4)
Financial Year ended March 31, 2012	Previous GAAP	Ind AS
Net cash inflow from operating activities	2,586.1	2,092.6
Net cash outflow from investing activities	(1,633.5)	(1,099.0)
Net cash outflow from financing activities	(1,053.3)	(1,094.3)
Net decrease in cash and cash equivalents	(100.7)	(100.7)

The key reason for differences comprises reclassification of cash flows related to dividend distribution tax paid on dividend distributed by subsidiaries, acquisition of non-controlling interest in relation to subsidiary and change in member deposits.

A: Reconciliations between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

Reconciliation of equity as at March 31, 2012

					(Rs. in Million)	
	Notes to first-time adoption	Previous GAAP*	Ind AS adjustments	Ind AS	Restatements adjustments	Restated Ind AS
ASSETS						
Non-current assets						
Property, plant and equipment		3,956.5	-	3,956.5		3,956.5
Capital work-in-progress		74.2	-	74.2		74.2
Goodwill		17.6		17.6		17.6
Other intangible assets		444.1	-	444.1		444.1
Intangible assets under development		81.5	-	81.5		81.5
Investment associates/ joint venture accounted for using the equity method	2	1,761.4	(14.2)	1,747.2		1,747.2
Financial assets						-
- Investments	2	3,492.1	2,043.4	5,535.5		5,535.5
- Other financial assets						-
Non-current bank balances		10,337.2	-	10,337.2		10,337.2
Others		440.8	-	440.8		440.8
Income tax assets (net)	7	1,001.1	(6.7)	994.4		994.4
Deferred tax assets (net)	3	13.0	277.9	290.9		290.9
Other non-current assets		166.7	-	166.7		166.7
Total non-current assets		21,786.1	2,300.5	24,086.6	-	24,086.6
Current assets						
Inventories		0.4	-	0.4		0.4
Financial assets						
- Investments	2	10,196.1	110.6	10,306.7		10,306.7
- Trade receivables	7	1,807.5	9.9	1,817.4		1,817.4
- Cash and cash equivalents		27,071.4	-	27,071.4		27,071.4
- Bank balances other than cash and cash equivalents		36,975.0	-	36,975.0		36,975.0
- Other financial assets		1,856.6	-	1,856.6		1,856.6
Other current assets		290.0	-	290.0		290.0
Total current assets		78,197.0	120.5	78,317.5	-	78,317.5
TOTAL ASSETS		99,983.1	2,421.0	1,02,404.1	-	1,02,404.1
EQUITY AND LIABILITIES						
EQUITY						
Equity share capital		450.0	-	450.0		450.0
Other equity	2,3,4,5,7,8	47,574.4	4,635.6	52,210.0		52,210.0
Equity attributable to owners of National Stock Exchange of India Limited		48,024.4	4,635.6	52,660.0	-	52,660.0
Non Controlling Interest		274.9	(5.5)	269.4		269.4
TOTAL EQUITY		48,299.3	4,630.1	52,929.4	-	52,929.4
Core Settlement Guarantee Fund						
- Core Settlement Guarantee Fund paid		-	-	-	-	-
- Core Settlement Guarantee Fund payable		-	-	-	-	-
LIABILITIES						
Non-current liabilities						
Other financial liabilities	4	0.1	68.4	68.5		68.5
Provisions		14.1	-	14.1		14.1
Deferred tax liabilities (Net)		90.0	25.4	115.4		115.4
Other non-current liabilities		53.9	-	53.9		53.9
Total non-current liabilities		158.1	93.8	251.9	-	251.9
Current liabilities						
Financial Liabilities						
- Deposits		16,990.7	-	16,990.7		16,990.7
- Trade payables	7,8	638.3	11.9	650.2		650.2
- Other financial liabilities	4	28,386.1	9.4	28,395.5		28,395.5
Provisions	5	2,843.0	(2,432.9)	410.1		410.1
Income tax liabilities (net)	7	812.2	(219.5)	592.7		592.7
Other current liabilities		1,855.4	328.2	2,183.6		2,183.6
Total current liabilities		51,525.7	(2,302.9)	49,222.8	-	49,222.8
TOTAL LIABILITIES		51,683.8	(2,209.1)	49,474.7	-	49,474.7
TOTAL EQUITY AND LIABILITIES		99,983.1	2,421.0	1,02,404.1	-	1,02,404.1

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

A: Reconciliations between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

Reconciliation of equity as at March 31, 2013

(Rs. in Million)

	Notes to first-time adoption	Previous GAAP*	Ind AS adjustments	Ind AS	Restatements adjustments	Restated Ind AS
ASSETS						
Non-current assets						
Property, plant and equipment		4,490.3	-	4,490.3		4,490.3
Capital work-in-progress		159.4	-	159.4		159.4
Goodwill		17.6	-	17.6		17.6
Other intangible assets		394.7	-	394.7		394.7
Intangible assets under development		109.7	-	109.7		109.7
Investment associates/ joint venture accounted for using the equity method	2	1,941.9	(19.5)	1,922.4		1,922.4
Financial assets						-
- Investments	2	2,315.6	1,760.0	4,075.6		4,075.6
- Other financial assets						-
Non-current bank balances		10,689.7	-	10,689.7		10,689.7
Others		331.4	-	331.4		331.4
Income tax assets (net)	7	1,012.0	(5.6)	1,006.4		1,006.4
Deferred tax assets (net)	3	18.5	91.9	110.4	711.8	822.2
Other non-current assets		158.3	-	158.3		158.3
Total non-current assets		21,639.1	1,826.8	23,465.9	711.8	24,177.7
Current assets						
Inventories		0.1		0.1		0.1
Financial assets				-		
- Investments	2	16,772.6	31.3	16,803.9		16,803.9
- Trade receivables		1,559.8	-	1,559.8		1,559.8
- Cash and cash equivalents		25,701.0	-	25,701.0		25,701.0
- Bank balances other than cash and cash equivalents		32,767.4	-	32,767.4		32,767.4
- Other financial assets		2,950.4	-	2,950.4		2,950.4
Other current assets		551.9	-	551.9		551.9
Total current assets		80,303.2	31.3	80,334.5	-	80,334.5
TOTAL ASSETS		1,01,942.3	1,858.2	1,03,800.4	711.8	1,04,512.2
EQUITY AND LIABILITIES						
EQUITY						
Equity share capital		450.0	-	450.0		450.0
Other equity	2,3,4,5,7,8	53,800.8	4,492.7	58,293.5	(1,482.2)	56,811.3
Equity attributable to owners of National Stock Exchange of India Limited		54,250.8	4,492.7	58,743.5	(1,482.2)	57,261.3
Non Controlling Interest		354.3	(8.7)	345.6		345.6
TOTAL EQUITY		54,605.1	4,484.0	59,089.1	(1,482.2)	57,606.9
Core Settlement Guarantee Fund						
- Core Settlement Guarantee Fund paid		-	-	-	-	-
- Core Settlement Guarantee Fund payable	Annexure VII	-	-	-	2,194.0	2,194.0
LIABILITIES						
Non-current liabilities						
Other financial liabilities	4	-	71.8	71.8		71.8
Provisions		31.1	-	31.1		31.1
Deferred tax liabilities (Net)	3	67.0	93.1	160.1	-	160.1
Other non-current liabilities		53.9	-	53.9		53.9
Total non-current liabilities		152.0	164.9	316.9	-	316.9
Current liabilities						
Financial Liabilities						
- Deposits		16,928.9	-	16,928.9		16,928.9
- Trade payables	7,8	506.8	56.5	563.3		563.3
- Other financial liabilities	4	24,606.3	9.4	24,615.7		24,615.7
Provisions	5	2,850.1	(2,636.4)	213.7		213.7
Income tax liabilities (net)	7	827.9	(220.2)	607.7		607.7
Other current liabilities		1,465.2	-	1,465.2	-	1,465.2
Total current liabilities		47,185.2	(2,790.7)	44,394.5	-	44,394.5
TOTAL LIABILITIES		47,337.2	(2,625.7)	44,711.4	-	44,711.4
TOTAL EQUITY AND LIABILITIES		1,01,942.3	1,858.2	1,03,800.4	711.8	1,04,512.2

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

A: Reconciliations between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

Reconciliation of equity as at March 31, 2014

					(Rs. in Million)	
	Notes to first-time adoption	Previous GAAP*	Ind AS adjustments	Ind AS	Restatements adjustments	Restated Ind AS
ASSETS						
Non-current assets						
Property, plant and equipment		4,523.8	-	4,523.8		4,523.8
Capital work-in-progress		103.8	-	103.8		103.8
Goodwill		673.5	-	673.5		673.5
Other intangible assets		351.7	-	351.7		351.7
Intangible assets under development		57.4	-	57.4		57.4
Investment associates/ joint venture accounted for using the equity method	2	6,154.0	(17.5)	6,136.5		6,136.5
Financial assets			-			-
- Investments	2	9,343.1	755.8	10,098.9	122.8	10,221.7
- Other financial assets		-	-	-		-
Non-current bank balances		8,899.2	-	8,899.2		8,899.2
Others		756.5	-	756.5		756.5
Income tax assets (net)		1,114.8	-	1,114.8		1,114.8
Deferred tax assets (net)	3	20.7	(224.0)	(203.3)	1,611.9	1,408.5
Other non-current assets		199.9	-	199.9		199.9
Total non-current assets		32,198.5	514.3	32,712.6	1,734.7	34,447.3
Current assets						
Inventories		0.1	-	0.1		0.1
Financial assets						
- Investments	2	13,905.7	167.0	14,072.7	(122.8)	13,949.9
- Trade receivables		2,157.6	-	2,157.6		2,157.6
- Cash and cash equivalents		42,975.5	-	42,975.5		42,975.5
- Bank balances other than cash and cash equivalents		35,614.0	-	35,614.0		35,614.0
- Other financial assets		3,410.7	-	3,410.7		3,410.7
Other current assets	9	873.9	(241.0)	632.9		632.9
Total current assets		98,937.5	(74.0)	98,863.5	(122.8)	98,740.7
TOTAL ASSETS		1,31,136.0	440.3	1,31,576.1	1,611.9	1,33,188.0
EQUITY AND LIABILITIES						
EQUITY						
Equity share capital		450.0	-	450.0		450.0
Other equity	2,3,4,5,7,8	55,053.1	4,316.8	59,369.9	1,611.9	60,981.8
Equity attributable to owners of National Stock Exchange of India Limited		55,503.1	4,316.8	59,819.9	1,611.9	61,431.8
Non Controlling Interest		-	-	-	-	-
TOTAL EQUITY		55,503.1	4,316.8	59,819.9	1,611.9	61,431.8
Core Settlement Guarantee Fund						
- Core Settlement Guarantee Fund paid				-		-
- Core Settlement Guarantee Fund payable	9	4,742.2	(241.0)	4,501.2	-	4,501.2
LIABILITIES						
Non-current liabilities						
Other financial liabilities	4	0.0	75.7	75.7		75.7
Provisions		84.2	-	84.2		84.2
Deferred tax liabilities (Net)	3	105.7	147.2	252.9		252.9
Other non-current liabilities		53.9	-	53.9		53.9
Total non-current liabilities		243.8	223.0	466.7	-	466.7
Current liabilities						
Financial Liabilities						
- Deposits		16,790.4	-	16,790.4		16,790.4
- Trade payables	7,8	732.8	4.9	737.7		737.7
- Other financial liabilities	4	46,022.8	12.1	46,034.9		46,034.9
Provisions	5	3,990.5	(3,656.3)	334.2		334.2
Income tax liabilities (net)	7	709.9	(219.5)	490.4		490.4
Other current liabilities		2,400.7	-	2,400.7		2,400.7
Total current liabilities		70,647.1	(3,858.8)	66,788.3	-	66,788.3
TOTAL LIABILITIES		70,890.9	(3,635.8)	67,255.0	-	67,255.0
TOTAL EQUITY AND LIABILITIES		1,31,136.0	440.3	1,31,576.1	1,611.9	1,33,188.0

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

A: Reconciliations between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

Reconciliation of equity as at March 31, 2015

		(Rs. in Million)				
	Notes to first-time adoption	Previous GAAP*	Ind AS adjustments	Ind AS	Restatements adjustments	Restated Ind AS
ASSETS						
Non-current assets						
Property, plant and equipment		4,958.1	-	4,958.1		4,958.1
Capital work-in-progress	7	51.5	4.8	56.3		56.3
Goodwill		673.5	-	673.5		673.5
Other intangible assets		332.0	-	332.0		332.0
Intangible assets under development		113.9	-	113.9		113.9
Investment associates/ joint venture accounted for using the equity method	2	6,470.0	59.8	6,529.8		6,529.8
Financial assets						-
- Investments	2	13,710.4	816.4	14,526.8	831.7	15,358.5
- Other financial assets						-
Non-current bank balances		8,658.8	-	8,658.8		8,658.8
Others		341.5	-	341.5		341.5
Income tax assets (net)		989.2	-	989.2		989.2
Deferred tax assets (net)	3	34.9	(272.1)	(237.2)	1,824.5	1,587.3
Other non-current assets		240.8	-	240.8		240.8
Total non-current assets		36,574.7	608.9	37,183.5	2,656.2	39,839.7
Current assets						
Inventories		0.4	-	0.4		0.4
Financial assets		-				-
- Investments	2	32,420.6	281.5	32,702.1	(831.7)	31,870.4
- Trade receivables		2,287.0	-	2,287.0		2,287.0
- Cash and cash equivalents		22,945.7	-	22,945.7		22,945.7
- Bank balances other than cash and cash equivalents		19,438.8	-	19,438.8		19,438.8
- Other financial assets		3,782.2	-	3,782.2		3,782.2
Other current assets	9	609.1	(241.1)	368.0		368.0
Total current assets		81,483.8	40.4	81,524.2	(831.7)	80,692.5
TOTAL ASSETS		1,18,058.5	649.3	1,18,707.7	1,824.5	1,20,532.2
EQUITY AND LIABILITIES						
EQUITY						
Equity share capital		450.0	-	450.0		450.0
Other equity	2,3,4,5,7,8	56,817.0	5,136.2	61,953.2	1,824.5	63,777.7
Equity attributable to owners of National Stock Exchange of India Limited		57,267.0	5,136.2	62,403.2	1,824.5	64,227.7
Non Controlling Interest						
TOTAL EQUITY		57,267.0	5,136.2	62,403.2	1,824.5	64,227.7
Core Settlement Guarantee Fund						
- Core Settlement Guarantee Fund paid		6,754.7	-	6,754.7		6,754.7
- Core Settlement Guarantee Fund payable	9	5,460.6	(232.9)	5,227.7		5,227.7
LIABILITIES						
Non-current liabilities						
Other financial liabilities	4	0.0	80.3	80.3		80.3
Provisions		98.7	-	98.7		98.7
Deferred tax liabilities (Net)	3	129.3	227.0	356.3	-	356.3
Other non-current liabilities		53.9	-	53.9		53.9
Total non-current liabilities		281.9	307.3	589.2	-	589.2
Current liabilities						
Financial Liabilities						
- Deposits		16,635.7	-	16,635.7		16,635.7
- Trade payables	7,8	535.2	27.5	562.7		562.7
- Other financial liabilities	4	23,014.2	12.1	23,026.3		23,026.3
Provisions	5	4,767.7	(4,381.2)	386.5		386.5
Income tax liabilities (net)	7	736.8	(219.5)	517.3		517.3
Other current liabilities		2,604.4	-	2,604.4		2,604.4
Total current liabilities		48,294.0	(4,561.2)	43,732.9	-	43,732.9
TOTAL LIABILITIES		48,576.0	(4,253.8)	44,322.1	-	44,322.1
TOTAL EQUITY AND LIABILITIES		1,18,058.4	649.4	1,18,707.7	1,824.5	1,20,532.2

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

A: Reconciliations between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

Reconciliation of equity as at March 31, 2016

		(Rs. in Million)				
	Notes to first-time adoption	Previous GAAP*	Ind AS adjustments	Ind AS	Restatements adjustments	Restated Ind AS
ASSETS						
Non-current assets						
Property, plant and equipment		5,071.8	-	5,071.8		5,071.8
Capital work-in-progress		150.6	-	150.6		150.6
Goodwill		673.5	-	673.5		673.5
Other intangible assets		458.8	-	458.8		458.8
Intangible assets under development		233.1	-	233.1		233.1
Investment associates/ joint venture accounted for using the equity method	2	7,069.4	13.5	7,082.9		7,082.9
Financial assets		-				-
- Investments	2	29,316.9	1,109.0	30,425.9	1,721.7	32,147.6
- Other financial assets		-				-
Non-current bank balances		5,215.9	-	5,215.9		5,215.9
Others		638.5	-	638.5		638.5
Income tax assets (net)		2,841.2	-	2,841.2		2,841.2
Deferred tax assets (net)		38.7	(20.1)	18.6		18.6
Other non-current assets		142.4	-	142.4		142.4
Total non-current assets		51,850.9	1,102.4	52,953.2	1,721.7	54,674.9
Current assets						
Inventories		0.3	-	0.3		0.3
Financial assets		-				-
- Investments	2	33,064.4	468.0	33,532.4	(1,721.7)	31,810.7
- Trade receivables		2,785.1	-	2,785.1		2,785.1
- Cash and cash equivalents		29,447.4	-	29,447.4		29,447.4
- Bank balances other than cash and cash equivalents		15,624.2	-	15,624.2		15,624.2
- Other financial assets		1,567.3	-	1,567.3		1,567.3
Other current assets	9	740.8	(241.1)	499.7		499.7
Total current assets		83,229.5	226.9	83,456.4	(1,721.7)	81,734.7
TOTAL ASSETS		1,35,080.4	1,329.3	1,36,409.6	-	1,36,409.6
EQUITY AND LIABILITIES						
EQUITY						
Equity share capital		450.0	-	450.0		450.0
Other equity	2,3,4,5,7,8	63,522.0	4,704.7	68,226.7	-	68,226.7
Equity attributable to owners of National Stock Exchange of India Limited		63,972.0	4,704.7	68,676.7	-	68,676.7
Non Controlling Interest		-	-	-		-
TOTAL EQUITY		63,972.0	4,704.7	68,676.7	-	68,676.7
Core Settlement Guarantee Fund						
- Core Settlement Guarantee Fund paid		9,973.0	-	9,973.0		9,973.0
- Core Settlement Guarantee Fund payable	9	6,885.0	(26.9)	6,858.1		6,858.1
LIABILITIES						
Non-current liabilities						
Other financial liabilities	4	0.0	85.7	85.7		85.7
Provisions		112.6	-	112.6		112.6
Deferred tax liabilities (Net)	3	180.2	724.8	905.0		905.0
Other non-current liabilities		53.9	-	53.9		53.9
Total non-current liabilities		346.7	810.5	1,157.2	-	1,157.2
Current liabilities						
Financial Liabilities						
- Deposits		16,751.5	-	16,751.5		16,751.5
- Trade payables	8	657.1	7.2	664.3		664.3
- Other financial liabilities	4	28,647.9	11.2	28,659.1		28,659.1
Provisions	5	4,444.0	(3,958.0)	486.0		486.0
Income tax liabilities (net)	7	401.9	(219.3)	182.6		182.6
Other current liabilities		3,001.1	-	3,001.1		3,001.1
Total current liabilities		53,903.5	(4,159.0)	49,744.6	-	49,744.6
TOTAL LIABILITIES		54,250.3	(3,348.5)	50,901.8	-	50,901.8
TOTAL EQUITY AND LIABILITIES		1,35,080.4	1,329.3	1,36,409.6	-	1,36,409.6

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

B: Reconciliations between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

Reconciliation of total comprehensive income for the year 2011-12

(Rs. in Million)

	Notes to first-time adoption	Previous GAAP*	Ind As adjustments	Ind AS
Income				
Revenue from operations	7,10	13,771.9	(157.5)	13,614.4
Other income	2,7	4,432.3	(36.6)	4,395.7
Total Income		18,204.2	(194.1)	18,010.1
Expenses				
Employee benefits expense	6	1,658.5	(9.9)	1,648.6
Depreciation and amortisation expense		981.9	-	981.9
Other expenses	2,4,7,10	2,809.0	(44.7)	2,764.3
Total expenses		5,449.4	(54.6)	5,394.8
Profit before prior period item, exceptional item, share of net profits of investments accounted for using equity method and tax		12,754.8	(139.5)	12,615.3
Add/(Less) : Prior-period adjustments	7	(5.8)	5.8	-
Profit before exceptional item, share of net profits of investments accounted for using equity method and tax		12,749.0	(133.7)	12,615.3
Less :Contribution to Core Settlement Guarantee Fund (SGF)		-	-	-
Profit before tax and Non Controlling Interest		12,749.0	(133.7)	12,615.3
Less : Non Controlling Interest		(77.4)	77.4	-
Add : Share of net profit of associates and joint ventures accounted by using equity method	2	163.3	32.2	195.5
Profit before exceptional item and tax		12,834.9	(24.1)	12,810.8
Add : Profit on sale of investment in equity instruments of associates / subsidiary		-	-	-
Profit before tax		12,834.9	(24.1)	12,810.8
Less : Tax expenses				
Current tax	5,7	3,929.4	6.1	3,935.5
Deferred tax	3	(53.5)	9.4	(44.1)
Total tax expenses		3,875.9	15.5	3,891.4
Net Profit after tax (A)		8,959.0	(39.6)	8,919.4
Total Other Comprehensive Income (B), net of tax	11		918.8	918.8
Total Comprehensive Income (A+B)		8,959.0	879.2	9,838.2

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

B: Reconciliations between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

Reconciliation of total comprehensive income for the year 2012-13

(Rs. in Million)

	Notes to first-time adoption	Previous GAAP*	Ind As adjustments	Ind AS
Income				
Revenue from operations	7,10	12,835.0	(33.1)	12,801.9
Other income	2,7	5,393.9	(59.6)	5,334.3
Total Income		18,228.9	(92.7)	18,136.2
Expenses				
Employee benefits expense	6	1,773.6	(28.4)	1,745.2
Depreciation and amortisation expense		855.0	-	855.0
Other expenses	2,4,7,10	3,113.9	42.9	3,156.8
Total expenses		5,742.5	14.4	5,756.9
Profit before prior period item, exceptional item, share of net profits of investments accounted for using equity method and tax		12,486.4	(107.2)	12,379.3
Add/(Less) : Prior-period adjustments	7	(329.7)	329.7	-
Profit before exceptional item, share of net profits of investments accounted for using equity method and tax		12,156.7	222.5	12,379.3
Less :Contribution to Core Settlement Guarantee Fund		-	-	-
Profit before tax and Non Controlling Interest		12,156.7	222.5	12,379.3
Less : Non Controlling Interest		(88.3)	88.3	-
Add : Share of net profit of associates and joint ventures accounted by using equity method	2	240.5	(5.4)	235.1
Profit before exceptional item and tax		12,308.9	305.4	12,614.4
Add : Profit on sale of investment in equity instruments of associates / subsidiary		-	-	-
Profit before tax		12,308.9	305.4	12,614.4
Less : Tax expenses				
Current tax	5,7	3,766.5	47.7	3,814.2
Deferred tax	3	(28.6)	209.4	180.8
Total tax expenses		3,737.9	257.2	3,995.1
Profit after tax (A)		8,571.0	48.2	8,619.3
Total Other Comprehensive Income (B), net of tax	11	-	(359.3)	(359.3)
Total Comprehensive Income (A+B)		8,571.0	(311.1)	8,260.0

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

B: Reconciliations between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

Reconciliation of total comprehensive income for the year 2013-14

(Rs. in Million)

	Notes to first-time adoption	Previous GAAP*	Ind As adjustments	Ind AS
Income				
Revenue from operations	7	13,618.4	12.5	13,630.9
Other income	2,7	5,442.0	133.4	5,575.4
Total Income		19,060.4	145.9	19,206.3
Expenses				
Employee benefits expense	6	1,736.6	7.9	1,744.5
Depreciation and amortisation expense		840.0	-	840.0
Other expenses	2,4,7,10	3,325.7	26.4	3,352.1
Total expenses		5,902.3	34.3	5,936.6
Profit before prior period item, exceptional item, share of net profits of investments accounted for using equity method and tax		13,158.1	111.6	13,269.7
Add/(Less) : Prior-period adjustments	7	(56.6)	56.6	-
Profit before exceptional item, share of net profits of investments accounted for using equity method and tax		13,101.5	168.2	13,269.7
Less :Contribution to Core Settlement Guarantee Fund		-	-	-
Profit before tax and Non Controlling Interest		13,101.5	168.2	13,269.7
Less : Non Controlling Interest		(34.5)	34.5	-
Share of Net Profit of Associated and Joint Ventures accounted for using equity method	2	310.1	4.1	314.2
Profit before exceptional item and tax		13,377.1	206.8	13,583.9
Add : Profit on sale of investment in equity instruments of associates / subsidiary (including long term investments)		768.6	(326.8)	441.8
Profit before tax		14,145.7	(120.0)	14,025.7
Less : Tax expenses				
Current tax	5,7	4,454.1	(1.7)	4,452.4
Deferred tax	3	36.4	367.7	404.1
Total tax expenses		4,490.5	366.0	4,856.5
Profit after tax (A)		9,655.2	(486.0)	9,169.2
Total Other Comprehensive Income (B), net of tax	11	-	(1,006.7)	(1,006.7)
Total Comprehensive Income (A+B)		9,655.2	(1,492.7)	8,162.5

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

B: Reconciliations between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

Reconciliation of total comprehensive income for the year 2014-15

		(Rs. in Million)		
	Notes to first-time adoption	Previous GAAP*	Ind As adjustments	Ind AS
Income				
Revenue from operations	7	17,230.9	56.5	17,287.4
Other income	2,7	5,523.5	99.5	5,623.0
Total Income		22,754.4	156.0	22,910.4
Expenses				
Employee benefits expense	6	1,933.8	(42.4)	1,891.4
Depreciation and amortisation expense		932.9	-	932.9
Other expenses	2,4,7,9,10	3,718.9	33.4	3,752.3
Total expenses		6,585.6	(8.9)	6,576.7
Profit before prior period item, exceptional item, share of net profits of investments accounted for using equity method and tax		16,168.8	164.9	16,333.7
Add/(Less) : Prior-period adjustments	7	(5.0)	5.0	-
Profit before exceptional item, share of net profits of investments accounted for using equity method and tax		16,163.8	169.9	16,333.7
Less :Contribution to Core Settlement Guarantee Fund		(1,700.0)	-	(1,700.0)
Profit before tax and Non Controlling Interest		14,463.8	169.9	14,633.7
Share of Net Profit of Associated and Joint Ventures accounted for using equity method	2	647.2	85.3	732.5
Profit before exceptional item and tax		15,111.0	255.2	15,366.2
Add : Profit on sale of investment in equity instruments of associates / subsidiary		-	-	-
Profit before tax		15,111.0	255.2	15,366.2
Less : Tax expenses				
Current tax	5,7	4,802.6	76.0	4,878.6
Deferred tax	3	43.6	192.3	235.9
Total tax expenses		4,846.2	268.2	5,114.4
Profit after tax (A)		10,264.8	(13.1)	10,251.7
Total Other Comprehensive Income (B), net of tax	11	-	(20.3)	(20.3)
Total Comprehensive Income (A+B)		10,264.8	(33.4)	10,231.4

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

B: Reconciliations between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

Reconciliation of total comprehensive income for the year 2015-16

			(Rs. in Million)	
	Notes to first-time adoption	Previous GAAP*	Ind As adjustments	Ind AS
Income				
Revenue from operations	7,10	18,545.0	90.4	18,635.4
Other income	2,7	4,994.4	(38.1)	4,956.3
Total Income		23,539.4	52.4	23,591.8
Expenses				
Employee benefits expense	6	2,207.8	(28.0)	2,179.8
Depreciation and amortisation expense		1,089.2	-	1,089.2
Other expenses	2,4,7,9,10	4,020.4	(80.6)	3,939.8
Total expenses		7,317.4	(108.5)	7,208.9
Profit before prior period item, exceptional item, share of net profits of investments accounted for using equity method and tax		16,222.0	160.9	16,382.9
Add/(Less) : Prior-period adjustments	7	21.1	(21.1)	-
Profit before exceptional item, share of net profits of investments accounted for using equity method and tax		16,200.9	182.0	16,382.9
Less :Contribution to Core Settlement Guarantee Fund		(7,615.2)	-	(7,615.2)
Profit before tax and Non Controlling Interest		8,585.7	182.0	8,767.7
Share of Net Profit of Associated and Joint Ventures accounted for using equity method	2	896.6	14.9	911.5
Profit before tax		9,482.3	196.9	9,679.2
Less : Tax expenses				
Current tax	5,7	2,894.1	126.2	3,020.3
Deferred tax	3	46.8	304.0	350.8
Total tax expenses		2,940.9	430.2	3,371.1
Profit after tax (A)		6,541.4	(233.2)	6,308.2
Total Other Comprehensive Income (B), net of tax	11	-	101.7	101.7
Total Comprehensive Income (A+B)		6,541.4	(131.6)	6,409.9

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

National Stock Exchange of India Limited
Annexure VI – Notes to the Restated Consolidated Financial Information

Reconciliation of total equity

(Rs. in Million)

	Note to first-time adoption	As at 31.03.2016	As at 31.03.2015	As at 31.03.2014	As at 31.03.2013	As at 31.03.2012	As at 31.03.2011
Total equity (shareholder's fund) as per previous GAAP		63,972.0	57,267.0	55,503.1	54,605.1	48,299.3	41,548.1
Adjustments:							
Proposed dividend including dividend distribution tax	5	3,957.8	4,380.9	3,656.4	2,636.4	2,432.9	1,259.5
Fair valuation of financial instruments through profit and loss account	2	477.3	350.2	193.0	45.8	123.8	105.5
Fair valuation of debt instruments through other comprehensive income	2	(121.9)	(42.3)	(16.6)	(1.6)	-	-
Maintenance charges recognised on straightline basis	9	(7.2)	(1.7)	-	-	-	-
Amortisation of debt instruments	2	14.5	(1.7)	(2.1)	3.6	1.5	0.5
Obligations under finance lease	4	(95.1)	(89.7)	(85.1)	(81.2)	(77.8)	(74.8)
Fair valuation of equity investments through other comprehensive income	2	1,007.4	791.7	748.5	1,743.5	2,028.7	1,300.0
Prior period adjustments	7	-	(21.0)	(4.9)	(50.1)	(336.4)	(230.4)
Reversal of excess provision of Income tax	7	219.5	219.5	219.5	219.5	219.5	219.5
Investment in associates and Joint venture	2	13.5	59.8	(17.5)	(19.5)	(14.2)	(46.4)
Tax effect of undistributed earnings of Associates and Joint ventures	3	(433.9)	(265.7)	(184.5)	(134.2)	(95.1)	-
Tax effects of above adjustments	3	(327.2)	(247.2)	(189.9)	121.7	347.1	57.7
Total adjustments		4,704.7	5,132.8	4,316.8	4,483.9	4,630.0	2,591.1
Total equity as per Ind AS before restatement adjustment		68,676.7	62,399.8	59,819.9	59,089.0	52,929.4	44,139.2
Add: Restatement adjustment		-	1,827.9	1,611.9	(1,482.0)	-	-
Total equity as per Restated Financial Information		68,676.7	64,227.7	61,431.8	57,606.9	52,929.4	44,139.2

Reconciliation of total comprehensive income

(Rs. in Million)

	Note to first-time adoption	As at 31.03.2016	As at 31.03.2015	As at 31.03.2014	As at 31.03.2013	As at 31.03.2012
Profit after tax as per previous GAAP		6,541.4	10,264.8	9,655.2	8,571.0	8,959.0
Adjustments:						
Fair valuation of financial instruments through profit and loss account	2	126.9	157.7	146.9	(78.0)	18.4
Profit on sale of financial instruments through FVOCI transferred to retained earnings				(326.8)		(51.8)
Amortisation of debt instruments	2	16.3	0.5	(5.9)	2.1	1.0
Re-measurement of the defined benefit obligation	6	27.9	42.3	(7.9)	28.4	9.9
Maintenance charges recognised on straightline basis	9	(5.5)	(1.7)	-	-	-
Obligations under Finance Lease	4	(5.3)	(4.6)	(3.9)	(3.4)	(2.9)
Prior period adjustments	7	21.0	(16.1)	45.2	286.3	(106.0)
Profit attributable to non controlling interest		-	-	34.5	88.3	77.4
Share of profit of associates	2	14.9	85.3	4.1	(5.4)	32.2
Dividend distribution tax charged as tax expense	5	(126.2)	(76.0)	(3.9)	(48.9)	(4.0)
Deferred tax on undistributing earning of associates and Joint venture	3	(227.6)	(129.2)	(54.4)	(39.1)	(38.0)
Tax effects of adjustments	3	(75.6)	(71.2)	(313.9)	(182.0)	24.2
Profit after tax as per Ind AS		6,308.2	10,251.7	9,169.2	8,619.3	8,919.4
Other Comprehensive Income						
Total Other Comprehensive Income, net of tax	12	101.7	(20.3)	(1,006.7)	(359.3)	918.8
Total Comprehensive Income as per Restated Financial Information		6,409.9	10,231.4	8,162.5	8,260.0	9,838.2

Note 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 i.e. April 1, 2011 for the purpose of Restated Financial Information and subsequently in the profit or loss for the years ended March 31, 2016, 2015, 2014, 2013 and 2012.

Fair value changes with respect to investments in equity instruments designated as at FVOCI have been recognised in FVOCI equity instruments reserve as at the date of transition and subsequently in the other comprehensive income.

(Rs. in million)

Mutual funds and equity instruments:	Balance Sheet Impact - Increase/(Decrease)				
	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Investments (Current)	474.0	284.7	168.7	28.4	109.6
Investments (Non - Current)	1010.7	857.2	772.8	1760.9	2042.9
Total	1484.7	1141.9	941.5	1789.3	2152.5
Other Equity (Retained earnings)	477.3	350.2	193.0	45.8	123.8
Other Equity instruments at FVOCI)	1007.4	791.7	748.5	1743.5	2028.7
Total	1484.7	1141.9	941.5	1789.3	2152.5

(Rs. in million)

Mutual funds and equity instruments:	Impact in statement of Profit and Loss - Increase/(Decrease)				
	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Other income (Profit and loss)	126.9	157.7	146.9	(78.0)	18.4
Profit Re-class from other income (Profit & Loss) directly to Equity			(326.8)		(51.8)
Other comprehensive income (net of tax)	174.4	35.7	(1004.2)	(338.8)	925.4

Investments in Debt instruments

Under Previous GAAP, the investments in debentures, government securities (G-Sec), commercial papers and bond are measured at cost or fair value, whichever is lower, if classified as current investment. Long-term investments were carried at cost less provision for other than temporary decline in the value of such investments.

- a. Investments in Government Securities – Under Ind AS, the Group has designated Government Securities (G-Sec) as fair value through other comprehensive income (FVOCI). Accordingly, these investments are required to be measured at fair value. At the date of transition to Ind AS i.e. April 1, 2011 for the purpose of Restated Financial Information, difference between the instrument's fair value and Previous GAAP carrying amount has been recognised in other equity (Retained earnings for interest income component and Debt instruments through Other Comprehensive Income for fair value change). Interest income and fair value changes are recognised in the statement of profit and loss and other comprehensive income, respectively.
- b. Under Ind AS, the Group has designated debentures, commercial papers, certificate of deposits and bonds at amortised cost. Difference between the instruments's amortised value and Previous GAAP carrying amount has been recognised in other equity and subsequently in the statement of profit or loss.

(Rs. In million)

Investments in Debt instruments:	Balance Sheet Impact - Increase/(Decrease)				
	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Investments (Current)	(6.0)	(3.2)	(1.7)	2.9	1.0
Investments (Non – Current)	(101.4)	(40.8)	(17.0)	(0.9)	0.5
Total	(107.4)	(44.0)	(18.7)	2.0	1.5
Other Equity (Retained earnings)	14.5	(1.7)	(2.1)	3.6	1.5
Other Debt instrument at FVOCI	(121.9)	(42.3)	(16.6)	(1.6)	-
Total	(107.4)	(44.0)	(18.7)	2.0	1.5

(Rs. In million)

Investments in Debt instruments:	Impact in statement of Profit and Loss - Increase/(Decrease)				
	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Other income	16.3	0.5	(5.9)	2.1	1.0
Other comprehensive income (net of tax)	(52.1)	(16.7)	(9.9)	(1.0)	-

Investments in Associates and Joint venture

As per Ind AS, profit from share of associate is calculated as per applicable Ind AS to the respective associates, this has resulted in increase/ (decrease) in the share of Associate in each of the following years as follows: (Rs. In million)

	Impact on Statement of Profit and Loss - Increase/(Decrease)				
	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Profit and loss account	14.9	85.3	4.1	(5.4)	32.2
Other comprehensive income (net of tax)	(1.8)	(8.6)	2.0	0.01	-
Tax effect on distribution of dividend	(59.4)	(48.0)	(4.1)	-	-
Impairment charge adjusted in opening equity	-	48.6	-	-	-
	Impact on Total equity – Increase/(Decrease)				
Total Equity	13.5	59.8	(17.5)	(19.5)	(14.2)

Note 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 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.
- Deferred tax has been recognised on the adjustment made on transition to Ind AS i.e. April 1, 2011 for the purpose of Restated Financial Information.
- Under Previous GAAP, deferred taxes in the consolidated financial statements was determined by using line by line method of consolidation method. Under Ind AS, the Group has recognised deferred tax liability on the undistributed earnings of Associates and Joint ventures, which had the following impact in Profit and loss account and retained earnings.

(Rs. In million)

	Impact on Total equity and statement of Profit and Loss - Increase/(Decrease)				
	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Total Comprehensive income	(227.6)	(129.2)	(54.4)	(39.1)	(38.0)
Total equity impact	(545.4)	(317.8)	(188.6)	(134.2)	(95.1)
Tax effect on distribution of dividend	(111.5)	(52.1)	(4.1)		
Deferred tax liability	(433.9)	(265.7)	(184.5)	(134.2)	(95.1)

Note 4: Leasehold land

Under Previous GAAP, all leasehold lands are classified as property, plant and equipment. Under Ind AS, leasehold land is to be recognised as an operating or a finance lease as per the definition and classification criteria under Ind AS 17. Accordingly, leasehold land has been classified as finance lease and future rent payable has been recognised as finance lease obligation. Accordingly, deemed cost of the leasehold land has been disclosed as property plant and equipment and the annual leases payments has been disclosed as a lease obligation. Consequent to the above, following is the impact in statement of Profit and loss account and total equity for each of the respective years:

(Rs. in million)

	Impact on Total equity and in statement of Profit and Loss - Increase/(Decrease)				
	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Total Comprehensive income	(5.3)	(4.6)	(3.9)	(3.4)	(2.9)
Non-Current – Finance lease obligation	85.7	80.3	75.7	71.8	68.4
Current - Finance lease obligation	9.4	9.4	9.4	9.4	9.4
Total Equity	(95.1)	(89.7)	(85.1)	(81.2)	(77.8)

Note 5: Proposed dividend

Under the Previous GAAP, dividends proposed by the board of directors after the balance sheet date but before the approval of the financial statements were considered as adjusting events. Accordingly, provision for proposed dividend including dividend distribution tax was recognised as a liability. Under Ind AS, such dividends are recognised when the same is approved by the shareholders in the general meeting. Accordingly, the liability for proposed dividend including dividend distribution tax included under provisions has been reversed with corresponding adjustment to in other equity. Consequent to the above, total equity has increased for each of the respective years as follows:

(Rs. in million)

	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Total Equity	3957.8	4380.9	3656.4	2636.4	2432.9

Under Previous GAAP, the entire dividend distribution tax paid by the Group was charged as an appropriation in equity along with the dividend proposed by the Parent company. As per Ind AS dividend distribution tax paid on the dividends is recognised consistently with the presentation of the transaction that creates the income tax consequence. Dividend distribution tax is charged to profit or loss if the dividend itself is charged to profit or loss. If the dividend is recognised in equity, the presentation of dividend distribution tax is also recognised in equity. The Group has charged certain amounts of dividend distribution tax paid on dividend received from subsidiaries to the statement of profit and loss, as the Group has not been able to utilise the tax credit in respect of such dividend distribution tax paid against dividend distribution tax in respect of dividend paid by the Parent Company to its shareholders.

(Rs. in million)

	Impact in statement of Profit and Loss - Increase/(Decrease)				
	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Total Comprehensive income	(126.2)	(76.0)	(3.9)	(48.9)	(4.0)

Note 6: Re-measurement of post-employment benefit obligations

Under Ind AS, re-measurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss. Under the Previous GAAP, these re-measurements were forming part of the profit or loss for the year. Consequent to the above, following is the impact in statement of Profit and loss account for each of the respective years:

(Rs. in million)

	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Profit/(Loss) (Increase/(Decrease))	27.9	42.3	(7.9)	28.4	9.9

Note 7: Prior Period Items:

- Under Indian GAAP changes in accounting policies, correction of errors and omissions will be recorded through the current period income statement. Under Ind AS, changes in accounting policies and correction of errors and omissions will be accounted retrospectively by restating the comparative period. Consequent to the above, following is the impact in statement of Profit and loss account and total equity for each of the respective years:

(Rs. in million)

(Increase/(Decrease))	Impact on Total equity and statement of Profit and Loss - Increase/(Decrease)					
	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	
Network infrastructure charges adjusted in the respective years			56.3	(56.3)		
Fines and penalty from members transferred to IPFT adjusted in the respective years				329.7	(111.8)	
Other expenses/incomes adjusted in respective years	21.0	(16.1)	(11.1)	12.9	5.8	
Total Comprehensive income	21.0	(16.1)	45.2	286.3	(106.0)	
	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Excess Income tax provision written back	219.5	219.5	219.5	219.5	219.5	219.5
Others	-	(21.0)	(4.9)	(50.1)	(336.4)	(230.4)
Total Equity	219.5	198.50	214.6	169.4	(116.9)	(10.9)

Note 8: Non-controlling interest

Under Ind AS, Non-controlling interest is adjusted for its share of Ind AS profit. Further, under Indian GAAP, net profit is attributed to owners after deducting share of profit attributable to non-controlling interest holders, whereas under Ind AS it is presented as part of total comprehensive income.

Note 9: Other adjustments

Under Previous GAAP, the maintenance and operational charges paid to a service provider for generation of the electricity, has been charged to profit and loss accounts in the year in which it is contractually payable. Under Ind AS, such charges paid have been recognized on a straight line basis over the contractual term. Consequent to the above, following is the impact in statement of Profit and loss account and total equity for each of the respective years:

(Rs. in million)

	Impact in Equity and statement of Profit and Loss - Increase/(Decrease)				
	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Total Comprehensive income	(5.5)	(1.7)	-	-	-
Total Equity	(7.2)	(1.7)	-	-	-

Dues of the defaulter member of Rs.241 million is adjusted against amount receivable from National Stock Exchange of India Limited towards core SGF.

Note 10: Revenue

Under Previous GAAP, revenue is recognised net of discounts and rebates. Under Ind AS, revenue is recognised at the fair value of the consideration received or receivable, after the deduction of any incentive and any taxes or duties collected on behalf of the government such as services tax. Incentives given to customers have been reclassified from 'other expense' under Previous GAAP and deducted from revenue under Ind AS for each of the respective years:

(Rs. in million)

	Impact in statement of Profit and Loss				
	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Customer incentives	74.5	-	-	31.6	71.0

Note 11: Retained Earnings

Retained earnings as at April 1, 2011 has been adjusted consequent to the above Ind AS transition adjustments.

Note 12: Other comprehensive income

Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss includes re-measurements of defined benefit plans, and fair value gains or (losses) on FVOCI equity instruments and debt instruments. The concept of other comprehensive income did not exist under Previous GAAP.

Annexure VI - Notes to the Restated Consolidated Financial Information

- 42 Exceptional item for the year ended March 31, 2014 includes profit of Rs.442.6 millions on sale of equity shares of an associate company Omnesys Technologies Private Limited and loss of Rs.0.8 millions on sale of equity shares of a subsidiary company National Commodity Clearing Corporation Limited.
- 43 **Asset held for sale**
During the financial year ended March 31, 2013, the Group has entered into an Agreement for sale of equity shares of its subsidiary company i.e. National Commodity Clearing Limited. The subsidiary was sold on 28 May 2013. As at March 31, 2013, the net assets of National Commodity Clearing Limited amounted to Rs. 99 millions and mainly comprises of the current assets including current investment, cash and bank balance, trade receivable, etc., whose carrying value approximate their fair values at period end date.
- 44 **Other events after the reporting period**
The Board of Directors of the Company at their meeting held on October 4, 2016, inter alia :
- (i) Declared an interim dividend of Rs.79.50 (795%) per equity share of Rs.10/- each. The record date to determine the eligibility for payment of the interim dividend was fixed as October 17, 2016 and the interim dividend has been paid to the shareholders of the Company on October 18 and October 19, 2016.
 - (ii) Recommended issue of Bonus equity shares in the proportion of 1 (one) bonus share of Rs.10/- (Rupees Ten each) for every existing 10 (Ten) fully paid up equity shares of Rs.10 each, which is approved by the shareholders in the general meeting held on November 10, 2016. The record date for issue of bonus shares was November 23, 2016.
 - (iii) Recommended sub-division of equity shares of Rs.10 each, into equity shares having a face value of Rs.1. The same is approved by the shareholders in the general meeting held on November 10, 2016, approved by SEBI on November 27, 2016, and notified in the gazette on December 10, 2016. The record date for stock split was December 13, 2016.
- 45 In view of the complaints received by SEBI relating to unfair access of NSE's Colocation facility, SEBI directed the Company to carry out an investigation including forensic examination by an independent external agency. Accordingly, the Company has appointed an independent external agency to carry out an investigation in the form of forensic examination into the co-location facilities of the Company. Pending investigation and submission of the final report, as advised by SEBI, the Company has subsequently deposited an amount of Rs. 65.3 millions towards rack charges and connectivity charges for the month of September 2016 and an amount of Rs.476.7 million for the month of September 2016 towards revenues generated from the co-location facility in the nature of transaction charges on trade orders placed through the co-location facility, in respect of the co-location facility in a separate bank account effective September 1, 2016. (Refer also note 25)
- 46 National Securities Clearing Corporation Limited, a subsidiary company has received a letter dated December 06, 2016 from SEBI regarding reversal of adjustment of dues of a defaulter member out of the amount payable to Core SGF. The impact of the same on the consolidated profit after tax for the financial year March 31,2017 would be a reduction in profit by Rs.189.6 million (net of tax) which will be accounted during the quarter .ended December 31, 2016. (refer note 37(b))
- 47 Previous period / years' figures are regrouped, reclassified and rearranged wherever necessary.

As per our report attached

For Khandelwal Jain & Co.

Chartered Accountants

Firm's Registration no : 105049W

For and on behalf of the Board of Directors

Narendra Jain

Partner

Membership No.: 048725

Ashok Chawla

Chairman

Dinesh Kanabar

Director

For Price Waterhouse & Co Chartered Accountants LLP

Chartered Accountants

Firm's Registration no : 304026E / E-300009

Sumit Seth

Partner

Membership No.: 105869

J Ravichandran

CEO Incharge

Yatrik Vin

Chief Financial Officer

S. Madhavan

Company Secretary

Place : Mumbai

Date : December 20, 2016

Date : December 19, 2016

NATIONAL STOCK EXCHANGE OF INDIA LIMITED

Annexure VII - Restated statement of adjustments to audited consolidated financial statements

Summarized below are the restatement adjustments made to the audited consolidated financial statements for the years ended March 31, 2016, 2015, 2014, 2013, 2012 and period ended September 30, 2016 and their impact on the profit / (loss) of the group:

(Rs.in Millions)						
Particulars	Notes/ Annexure	For the year ended 31.03.2016	For the year ended 31.03.2015 Proforma	For the year ended 31.03.2014 Proforma	For the year ended 31.03.2013 Proforma	For the year ended 31.03.2012 Proforma
(A) Net profit after tax as per audited financial statements prepared under Previous GAAP		6,541.4	10,264.8	9,655.2	8,571.0	8,959.0
(B) Ind AS Adjustments:						
Fair valuation of financial instruments through profit and loss account	2 of Annexure VI	126.9	157.7	146.9	(78.0)	18.4
Profit on sale of financial instruments through FVOCI transferred to retained earnings	2 of Annexure VI			(326.8)		(51.8)
Amortisation of debt instruments	2 of Annexure VI	16.3	0.5	(5.9)	2.1	1.0
Re-measurement of the defined benefit obligation	6 of Annexure VI	27.9	42.3	(7.9)	28.4	9.9
Maintenance charges recognised on straightline basis	9 of Annexure VI	(5.5)	(1.7)	-	-	-
Obligations under Finance Lease	4 of Annexure VI	(5.3)	(4.6)	(3.9)	(3.4)	(2.9)
Prior period adjustments	7 of Annexure VI	21.0	(16.1)	45.2	286.3	(106.0)
Profit attributable to non controlling interest		-	-	34.5	88.3	77.4
Share of profit of associates	2 of Annexure VI	14.9	85.3	4.1	(5.4)	32.2
Dividend distribution tax charged as tax expense	5 of Annexure VI	(126.2)	(76.0)	(3.9)	(48.9)	(4.0)
Deferred tax on undistributing earning of associates and Joint venture	3 of Annexure VI	(227.6)	(129.2)	(54.4)	(39.1)	(38.0)
Tax effects of adjustments	3 of Annexure VI	(75.6)	(71.2)	(313.9)	(182.0)	24.2
		(233.2)	(13.1)	(486.0)	48.3	(39.6)
(C) Net profit after tax as per Ind AS (A-B)		6,308.2	10,251.7	9,169.2	8,619.3	8,919.4
(D) Adjustments:						
Material Restatement Adjustments (Excluding those on account of changes in accounting policies):						
(i) Audit Qualifications	Note (1)	-	-	-	-	-
Total:		-	-	-	-	-
(ii) Other material adjustments						
Contribution to Core Settlement guarantee fund (Core SGF)	Note (2)	5,271.8	(529.6)	(2,548.1)	(2,194.2)	-
Total:		5,271.8	(529.6)	(2,548.1)	(2,194.2)	-
(iii) Deferred Tax Adjustments	Note (4)					
(a) Core Settlement Guarantee Fund		(1,824.5)	212.6	900.0	711.8	-
(b) on others		(3.4)	3.4	0.2	-	-
Total:		(1,827.9)	216.0	900.2	711.8	-
Total Adjustments (D):		3,443.9	(313.6)	(1,647.9)	(1,482.3)	-
(E) Adjustments on account of changes in accounting policies :	Note (3)	-	-	-	-	-
Total (E):		-	-	-	-	-
(F) Total impact of Adjustments (D+E)		3,443.9	(313.6)	(1,647.9)	(1,482.3)	-
Net profit as restated (C-F)		9,752.1	9,938.2	7,521.2	7,137.1	8,919.4

(G) There were no restatement adjustment for the six month period ended September 30, 2016 as the consolidated financial statements has been prepared under Ind AS.

Notes to Adjustments

1 Adjustments for Audit Qualifications: None

2 Other Material Adjustments

For the purpose of Restated Consolidated Statement of Profit and Loss, the Group has recorded the contribution to Core SGF at 25% of its annual profits after tax (per Previous GAAP financial statements) as an expense in each of the years ended March 31, 2016, 2015, 2014 and 2013 to which such contribution relates.

3 Changes in Accounting Policy under Previous GAAP: None

4 Tax Adjustments :

The tax rate applicable for the respective periods/years has been used to calculate the deferred tax impact on other material adjustments.

5 Reconciliation of total equity as at 1 April 2011

(Rs.in Millions)

	Notes	01.04.2011
		Proforma
Total equity (shareholder's fund) as per previous GAAP		41,548.1
Ind AS Adjustments:		
Proposed dividend including dividend distribution tax		1,259.5
Fair valuation of financial instruments through profit and loss account		105.5
Amortisation of debt instruments		0.5
Obligations under finance lease		(74.8)
Fair valuation of equity investments through other comprehensive income	Note 41 to Annexure VI	1,300.0
Prior period adjustments		(230.4)
Reversal of excess provision of Income tax		219.5
Investment in associates and Joint venture		(46.4)
Tax effects of above adjustments		57.7
Total Ind AS Adjustments:		2,591.1
Total equity as restated		44,139.2

National Stock Exchange of India Limited

Annexure VII - Statement on Adjustments to Audited Consolidated Financial Statement

II a) Other Matter :-

Emphasis Of matter

We draw attention to Note 38 to the restated consolidated financial information, which describes the accounting treatment adopted by the Company in its Restated Consolidated financial information in relation to the recording of expense on account of contributions made to Core Settlement Guarantee Fund maintained in the subsidiary National Securities Clearing Corporation Limited as per SEBI Regulations and for the reasons stated therein. Our opinion is not modified in respect of this matter.

II b) Auditor's Comment in Company Auditor's Report Order :

Statutory Auditors have made the following comments in terms with the requirements of the Companies (Auditor's Report) Order, 2015, issued by the Central Government of India in terms of sub-section 11 of Section 143 of the Companies act, 2013 of India for Financial Year 2014-15:

For the financial year ended March 31, 2015

Clause (vii) (b)

The dues of sales-tax, income-tax, duty of customs, wealth-tax, service tax, securities transaction tax, duty of excise, cess which have not been deposited on account of disputes and the forum where the dispute is pending are as under:

Sr. No.	Name of the Statute	Nature of Dues	Period to which amount relates (Financial year)	Amount (Rs in Millions)	Forum where dispute is Pending
1	Income Tax Act, 1961	Income Tax	1995-1996	0.80	High Court, Mumbai
			1999-2000	3.40	High Court, Mumbai
			2003-2004	0.00	Assessing Officer
			2007-2008	1.42	Income Tax Appellate Tribunal, Mumbai
			2008-2009	0.50	Income Tax Appellate Tribunal, Mumbai
			2010-2011	19.00	Commissioner of Income Tax (Appeal), Mumbai
			2011-2012	37.40	Commissioner of Income Tax (Appeal), Mumbai
			2012-2013	3.90	Deputy Commissioner of Income Tax Circle 9(3)(1), Mumbai
		Penalty	2004-2005	0.10	Income Tax Appellate Tribunal
		Fringe Benefit Tax	2007-2008	0.10	Income Tax Office – 10(1)(4)
2	Wealth Tax Act, 1957	Wealth Tax	2000-2001	1.10	Income Tax Appellate Tribunal, Mumbai - Wealth Tax Bench
3	Finance (No.2) Act, 2004-Chapter VII	Securities Transaction Tax	2006-2007	15.70	Income Tax Appellate Tribunal, Mumbai
			2007-2008	9.70	Income Tax Appellate Tribunal, Mumbai
			2008-2009	4.80	Income Tax Appellate Tribunal, Mumbai
4	Chapter V of Finance Act, 1994	Service Tax	2004-2005 to 2008-2009	281.00	Commissioner of Service Tax, Mumbai
			2006-2007 to 2008-2009	2.80	Additional Commissioner of Service Tax, Mumbai
			2009-2010	0.80	Additional Commissioner of Service Tax, Mumbai
			2010-2011	0.01	Commissioner of Central Excise (Appeal), Mumbai
			2010-2011	0.20	Additional Commissioner of Service Tax, Mumbai
			2011-2012	0.01	Commissioner of Central Excise (Appeal), Mumbai
			2008-2009 to 2011-2012	110.90	Commissioner of Service Tax, Mumbai
5	Central Excise Act, 1944	Basic Excise Duty	September 2009 to March 2014	1.30	Additional Commissioner of Central Excise I, Mumbai
6	The Competition Act, 2002	Penalty	2007-2008 to 2009-2010	555.00	Supreme Court of India

NATIONAL STOCK EXCHANGE OF INDIA LIMITED
Annexure VIII - Restated Consolidated Statement of Accounting Ratios
Table 1 - Restated Consolidated Statement of Accounting Ratios

Particulars	(Rs. in Millions) (Unless Otherwise Stated)					
	For the half year ended	For the year ended	For the year ended	For the year ended	For the year ended	For the year ended
	30.09.2016	31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012
			Proforma	Proforma	Proforma	Proforma
Earnings per equity share before contribution to Core Settlement Guarantee Fund (Face Value of Rs. 1/- each)						
Basic and Diluted EPS (in Rs) *	13.66	22.80	22.98	18.45	17.24	17.88
Earnings per equity share after contribution to Core Settlement Guarantee Fund (Face Value of Rs. 1/- each)						
Basic and Diluted EPS (in Rs) *	11.89	19.70	20.08	15.12	14.25	17.88
Return on Net Worth % *	8.34%	14.20%	15.47%	12.19%	12.32%	16.80%
Net asset value per equity share (Rs) *	142.58	138.74	129.75	124.10	115.68	106.38
Weighted average number of equity shares for Basic and Diluted Earnings Per Equity Share (Refer note 44(ii), 44(iii) and 29)	495.0	495.0	495.0	495.0	495.0	495.0
Net Profit after tax attributable to Owners of National Stock Exchange of India Limited, as restated	5,883.2	9,752.1	9,938.1	7,486.7	7,052.1	8,848.7
Share Capital	450.0	450.0	450.0	450.0	450.0	450.0
Reserves (Other equity), as restated	70,124.7	68,226.7	63,777.7	60,981.8	56,811.3	52,210.0
Net worth, as restated	70,574.7	68,676.7	64,227.7	61,431.8	57,261.3	52,660.0

* presented in two decimals

Notes:

1. The ratios on the basis of Restated financial information have been computed as below:

Basic Earnings per share (₹) =
$$\frac{\text{Net profit as restated, attributable to equity shareholders}}{\text{Weighted average number of equity shares}}$$

Diluted Earnings per share (₹) =
$$\frac{\text{Net profit as restated, attributable to equity shareholders}}{\text{Weighted average number of dilutive equity shares}}$$

Return on net worth (%) =
$$\frac{\text{Net profit after tax, as restated}}{\text{Net worth at the end of the year / period}}$$

Net Asset Value (NAV) per equity share (₹) =
$$\frac{\text{Net worth as restated at the end of the year / period}}{\text{Number of equity shares outstanding at the end of the year / Period (Refer note 5)}}$$

2. Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the year adjusted by the number of equity shares issued during the year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year. This has been adjusted for all periods presented by giving effect to bonus and subdivision subsequent to the balance sheet date. (Refer note 44(ii), 44(iii) and 29)

3. Net Worth = Equity share capital + Other Equity (including Securities Premium and Surplus/ (Deficit), excluding Non Controlling Interest)

4. The above ratios have been computed on the basis of the Restated Consolidated Financial Information - Annexure I to Annexure IV.

5. Net Asset value per equity share has been determined by adjusting additional shares on account of bonus and subdivision for all periods presented (Refer note 44(ii), 44(iii) and 29)

NATIONAL STOCK EXCHANGE OF INDIA LIMITED
Annexure IX - Restated Consolidated Statement of Capitalisation

Particulars	Pre offer for half year ended September 30, 2016	Pre offer for year ended March 31, 2016
Debt	-	-
Shareholders' Fund		
Share Capital	495.0	495.0
Reserves (Other equity), as restated	70,079.7	68,181.7
Total Shareholders' fund	70,574.7	68,676.7
Debt/Equity Ratio	NA	NA

Notes:

i) The above has been computed on the basis of the Restated Consolidated Financial Information - Annexure I to Annexure IV.

ii) The issue price and number of shares are being finalised and as such the post- capitalisation statement cannot be presented.

iii) Since September 30, 2016 (which is the last date as of which financial information has been given in this document) the share capital has increased from ₹ 450 million to ₹ 495 million by the issue of bonus shares in the proportion of 1 (one) bonus share of ₹ 10/- (Rupees Ten each) for every existing 10 (Ten) fully paid up equity shares of ₹ 10 each by capitalising securities premium.

NATIONAL STOCK EXCHANGE OF INDIA LIMITED
Annexure X - Restated Consolidated statement of dividend paid

Particulars	Paid during the period	Paid during the year	Paid during the year	Paid during the year	Paid during the year	Paid during the year
	30.09.2016	31.03.2016 *	31.03.2015	31.03.2014	31.03.2013	31.03.2012
			Proforma	Proforma	Proforma	Proforma
Number of equity shares outstanding (in Millions)	45.0	45.0	45.0	45.0	45.0	45.0
Dividend paid (in Rs.millions)	3,285.0	3,577.5	3,060.0	2,250.0	1,800.0	945.0
Rate of Dividend (%)	730.0%	795.0%	680.0%	500.0%	400.0%	210.0%
Dividend per equity share (Rs.)	73.0	79.5	68.0	50.0	40.0	21.0

* includes one time special dividend of Rs.7.50/- per share.

The above information has not been restated to give effect for issue of bonus share and sub division of equity shares subsequent to 30th September 2016 and represents historical information.

Khandelwal Jain & Co.
Chartered Accountants
12-B, Baldota Bhavan, 5th Floor,
Maharshi Karve Road, Churchgate,
Mumbai – 400 020

Price Waterhouse & Co Chartered Accountants LLP
252, Veer Savarkar Marg,
Shivaji Park Dadar,
Mumbai – 400 028

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

Auditors' Report on Restated Standalone Financial Information in connection with the Initial Public Offering of National Stock Exchange of India Limited

Dear Sirs,

1. This report is issued in accordance with the terms of Price Waterhouse & Co Chartered Accountants LLP agreement dated December 1, 2016 and Khandelwal Jain & Co., Chartered Accountants agreement dated December 1, 2016 in connection with the proposed Initial Public Offering (IPO) of the National Stock Exchange of India Limited (hereinafter referred to as the "Company").
2. The accompanying restated standalone financial information, expressed in Indian Rupees, in millions, of the Company comprising Restated Standalone Financial Information in paragraph 8 below and Restated Other Standalone Financial Information in paragraph 11 below (hereinafter together referred to as "Restated Standalone Financial Information"), has been prepared by the Management of the Company in accordance with the requirements of section 26 of part I of chapter III of the Companies Act 2013 (hereinafter referred to as the "Act") read with Rule 4 to Rule 6 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 (the "Rules"), item (IX) of Part A of Schedule VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended to date in pursuance of provisions of Securities and Exchange Board of India Act, 1992 read along with the SEBI circular No. SEBI/HO/CFD/DIL/CIR/P/2016/47 dated March 31, 2016 on Clarification regarding applicability of Indian Accounting Standards to disclosures in offer documents under the SEBI Regulations (the "SEBI Regulations") issued by the Securities and Exchange Board of India (the "SEBI") in connection with the Proposed Initial Public Offering of Equity Shares of the Company (the "Issue") by way of an offer for sale by the selling shareholders and has been approved by the Board of Directors and initialed by us for identification purposes only.
3. The Restated Standalone Financial Information, expressed in Indian Rupees, in millions, has been prepared under Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013 and have been compiled by the Company's management from the audited standalone financial statements for the years ended March 31, 2016, 2015, 2014, 2013 and 2012 (all of which were expressed in Indian Rupees in crores) prepared under the previous generally accepted accounting principles followed in India ('Previous GAAP or Indian GAAP') and from the audited condensed standalone financial statements for the half year ended September 30, 2016 (all of which were expressed in Indian Rupees in crores) prepared under Ind AS which have been approved by Board of Directors at their meetings held on May 12, 2016, May 26, 2015, May 6, 2014, May 27, 2013, May 14, 2012 and November 9, 2016, respectively. Audit of the standalone financial statements of the Company prepared under the Indian GAAP for financial years ended March 31, 2016, 2015, 2014, 2013 and 2012 was conducted solely by M/s Khandelwal Jain & Co., Chartered Accountants. Accordingly, for the purpose of examination of the above mentioned Restated Standalone Financial Information, we have placed reliance on the standalone financial statements prepared under the Indian GAAP. M/s Price Waterhouse & Co Chartered Accountants LLP have placed reliance on the audit reports issued thereon by M/s Khandelwal Jain & Co, Chartered Accountants on respective dates mentioned above for these years. We have jointly examined the restatement adjustments, regrouping/reclassifications and adjustments between the Indian GAAP and Ind AS.
4. The condensed standalone financial statements of the Company for the half year ended September

Auditors' Report on Restated Standalone Financial Information in connection with the Initial Public Offering of National Stock Exchange of India Limited

30, 2016 prepared under Ind AS has been audited jointly by M/s Price Waterhouse & Co Chartered Accountants LLP and M/s Khandelwal Jain & Co., Chartered Accountants.

Management's Responsibility for the Restated Standalone Financial Information

5. The preparation of the Restated Standalone Financial Information, which is to be included in the Draft Red Herring Prospectus ("DRHP"), is the responsibility of the Management of the Company and has been approved by the Board of Directors, at its meeting held on December 19, 2016, for the purpose set out in paragraph 16 below. The Management's responsibility includes designing, implementing and maintaining internal control relevant to the preparation and presentation of the Restated Standalone Financial Information. The Management is also responsible for identifying and ensuring that the Company complies with the laws and regulations applicable to its activities and with the Rules and SEBI Regulations.

Auditors' Responsibilities

6. Our work has been carried out in accordance with the Standards on Auditing under section 143(10) of the Act, Guidance Note on Reports in Company Prospectuses (Revised 2016) and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India and pursuant to the requirements of section 26 of the Act read with applicable provisions within Rule 4 to Rule 6 of the Rules and the SEBI Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act and the SEBI Regulations in connection with the Issue.
7. Our examination of the Restated Standalone Financial Information has not been carried out in accordance with the auditing standards generally accepted in the United States of America ("U.S."), standards of the US Public Company Accounting Oversight Board and accordingly should not be relied upon by any one as if it had been carried out in accordance with those standards or any other standards besides the standards referred to in this report.

Opinion

8. In accordance with the requirements of section 26 of Part I of the Chapter III of the Act read with Rules 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014, the SEBI regulations and the Guidance Note we report that we have examined the following summarised financial statements of the Company contained in Restated Standalone Financial Information of the Company which as stated in the Annexure V to this report have been arrived after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in Annexure VII read with paragraph 12 below:
 - i. the "Restated Standalone Statement of Assets and Liabilities " as at September 30, 2016, March 31, 2016, 2015, 2014, 2013 and 2012 (enclosed as Annexure I);
 - ii. the "Restated Standalone Statement of Profit and Loss" for the half year ended September 30, 2016 and for the years ended March 31, 2016, 2015, 2014, 2013 and 2012 (enclosed as Annexure II)
 - iii. the "Restated Standalone Statement of Changes in Equity" for the half year ended September 30, 2016 and for the years ended March 31, 2016, 2015, 2014, 2013 and 2012 (enclosed as Annexure III) and
 - iv. the "Restated Standalone Statement of Cash Flows" for the half year ended September 30, 2016 and for the years ended March 31, 2016, 2015, 2014, 2013 and 2012 (enclosed as Annexure IV).
9. The Restated Standalone Financial Information, expressed in Indian Rupees, in millions, has been derived from the audited standalone financial statements of the Company (all of which were expressed in Indian Rupees in crores) read with paragraphs 3 and 4 above and paragraphs 11 and 12 below, for the years ended March 31, 2016, 2015, 2014, 2013 and 2012 prepared under the Indian GAAP and audited condensed standalone financial statements for the half year ended September 30, 2016 prepared under Ind AS (all of which expressed in Indian Rupees in crores).

Auditors' Report on Restated Standalone Financial Information in connection with the Initial Public Offering of National Stock Exchange of India Limited

10. Based on the above and according to the information and explanation given to us, we further, report that the Restated Standalone Financial Information of the Company, as attached to this report and as mentioned in paragraphs 8 above, read with basis of preparation and respective significant accounting policies given in Annexure V as described in paragraph 11(i) have been prepared in accordance with the Rules, and the SEBI Regulations and:
- (i) there have been no changes in accounting policies of the Company (as disclosed in Annexure VII to this report);
 - (ii) have been made after incorporating adjustments for material amounts in the respective financial years / period to which they relate;
 - (iii) there are no qualifications in the Auditors' Report which require any adjustments; and
 - (iv) as per requirements of Indian Accounting Standards, there are no extra-ordinary items which need to be disclosed separately.
11. At the Company's request, we have also examined the following Restated Other Standalone Financial Information relating to the Company as at September 30, 2016 and March 31, 2016, 2015, 2014, 2013 and 2012 and for the half year ended September 30, 2016 and for the years ended March 31, 2016, 2015, 2014, 2013 and 2012, proposed to be included in the DRHP, prepared by the Management of the Company and as approved by the Board of Directors of the Company and annexed to this report:
- (i) Basis of preparation and significant accounting policies as enclosed in Annexure V;
 - (ii) Notes to the Restated Standalone financial information as enclosed in Annexure VI;
 - (iii) Statement of adjustments to standalone audited financial statements as enclosed in Annexure VII;
 - (iv) Restated Standalone statement of current investments as enclosed in Note 9 of Annexure VI;
 - (v) Restated Standalone statement of trade receivables as enclosed in Note 10 of Annexure VI;
 - (vi) Restated Standalone statement of other financial assets (current) as enclosed in Note 6 of Annexure VI;
 - (vii) Restated Standalone statement of other financial assets (non current) as enclosed in Note 5 of Annexure VI;
 - (viii) Restated Standalone statement of other current assets as enclosed in Note 8 of Annexure VI;
 - (ix) Restated Standalone statement of other non current assets as enclosed in Note 7 of Annexure VI
 - (x) Restated Standalone statement of non-current investments as enclosed in Note 4 of Annexure VI;
 - (xi) Restated Statement of other non-current liabilities as enclosed in Note 22 of Annexure VI
 - (xii) Restated Standalone Statement of other financial liabilities (non current) as enclosed in Note 15 of Annexure VI;
 - (xiii) Restated Standalone statement of other income as enclosed in Note 26 of Annexure VI;
 - (xiv) Restated Standalone statement of related party as enclosed in Note 32 of Annexure VI;
 - (xv) Restated Standalone statement of accounting ratios for the Company as enclosed in Annexure VIII;
 - (xvi) Restated Standalone statement of capitalization for the Company as enclosed in Annexure IX;
 - (xvii) Standalone statement of Reconciliation between the Indian GAAP and Ind AS enclosed in Note 41 of Annexure VI;
 - (xviii) Restated Standalone Statement of dividend paid as enclosed in Annexure X

Auditors' Report on Restated Standalone Financial Information in connection with the Initial Public Offering of National Stock Exchange of India Limited

(xix) Restated Standalone Statement of Tax Shelter as enclosed in Annexure XI

According to the information and explanations given to us, in our opinion, the Restated Standalone Financial Information and the above Restated Other Standalone Financial Information contained in Annexures VI to XI accompanying this report, read with Summary of Significant Accounting Policies disclosed in Annexure V, are prepared after making adjustments and regroupings as considered appropriate and have been prepared in accordance with Section 26 of Part I of Chapter III of the Companies Act, 2013 read with Rules 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014, SEBI Regulations and the Guidance Note.

12. According to information and explanation given to us in our opinion, the Proforma Ind AS Restated Standalone Financial Information of the Company as at March 31, 2015, 2014, 2013 and 2012 and for the years ended March 31, 2015, 2014, 2013 and 2012, read with Significant Accounting Policies disclosed in Annexure V, are prepared after making proforma adjustments as mentioned in Note 41 of Annexure VI and have been prepared in accordance Rules, SEBI Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2016).
13. We have not audited any financial statements of the Company as of any date or for any period subsequent to September 30, 2016. Accordingly, we do not express any opinion on the financial position, results or cash flows of the Company as of any date or for any period subsequent to September 30, 2016.
14. This report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by us on the standalone financial statements of the Company, nor should this report be construed as a new opinion on any of the standalone financial statements referred to herein.
15. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

Restriction on Use

16. This report is addressed to and is provided to enable the Board of Directors of the Company to include this report in the DRHP prepared in connection with the proposed Initial Public Offering of Equity Shares of the Company by way of an offer for sale by the selling shareholders, to be filed by the Company with the SEBI, Registrar of Companies, Mumbai and the concerned Stock Exchanges. Our report should not be used, referred to or distributed for any other purpose except with our prior consent in writing.

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

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

Narendra Jain
Partner
Membership Number 048725

Sumit Seth
Partner
Membership Number 105869

Place: Mumbai
Date: December 20, 2016

Place : Mumbai
Date : December 20, 2016

NATIONAL STOCK EXCHANGE OF INDIA LIMITED

ANNEXURE I - RESTATED STANDALONE STATEMENT OF ASSETS AND LIABILITIES

							(₹ in million)
	Notes / No. of Annexure VI	As at 30.09.2016	As at 31.03.2016	As at 31.03.2015 Proforma	As at 31.03.2014 Proforma	As at 31.03.2013 Proforma	As at 31.03.2012 Proforma
ASSETS							
Non-current assets							
Property, plant and equipment	2	4,877.3	4,985.1	4,874.5	4,384.1	4,301.7	3,745.0
Capital work-in-progress	2	193.3	144.3	51.5	103.8	158.0	73.3
Intangible assets	3	436.9	426.0	317.1	327.1	373.2	424.9
Intangible assets under development	3	203.0	231.1	113.9	57.4	109.7	81.5
Investment in subsidiaries and associates	4	8,942.3	8,942.3	8,933.0	8,933.0	1,732.5	1,300.4
Financial assets							
- Investments	4	23,313.3	28,291.4	12,583.7	7,198.3	3,512.6	3,974.1
- Other financial assets							
Non-current bank balances	5	1,601.8	2,808.6	5,482.2	6,123.6	6,867.0	6,262.2
Others	5	196.5	231.5	171.3	535.3	214.4	268.6
Income tax assets (net)	21	2,888.6	2,576.5	676.6	726.1	722.2	716.0
Deferred tax assets (net)	19 (d)	-	-	1,574.7	1,402.1	807.3	180.7
Other non-current assets	7	167.6	138.9	238.3	194.3	146.8	150.3
Total non-current assets		42,820.6	48,775.7	35,016.8	29,985.1	18,945.4	17,177.0
Current assets							
Financial assets							
- Investments	9	34,804.8	15,980.1	21,300.0	7,428.1	11,854.6	7,196.2
- Trade receivables	10	2,380.7	2,249.4	1,694.2	1,515.2	1,220.3	1,384.8
- Cash and cash equivalents	11	815.3	506.5	327.0	261.9	2,660.8	761.7
- Bank balances other than cash and cash equivalents	12	2,861.5	11,409.6	14,291.8	28,204.9	24,976.2	27,502.7
- Other financial assets	6	361.7	999.1	1,333.2	2,166.9	2,046.8	1,339.5
Other current assets	8	846.0	728.3	527.2	790.1	688.1	320.6
Total current assets		42,070.0	31,873.0	39,473.4	40,367.1	43,446.8	38,505.5
TOTAL ASSETS		84,890.6	80,648.7	74,490.2	70,352.2	62,392.2	55,682.5
EQUITY AND LIABILITIES							
EQUITY							
Equity share capital	13	450.0	450.0	450.0	450.0	450.0	450.0
Other equity	Annexure III (B), 13 b	58,970.0	56,757.3	52,852.7	48,838.5	43,903.4	38,942.8
TOTAL EQUITY		59,420.0	57,207.3	53,302.7	49,288.5	44,353.4	39,392.8
LIABILITIES							
Non-current liabilities							
Other financial liabilities	15	88.6	85.7	80.3	75.7	71.8	68.5
Provisions	17	148.1	102.5	93.1	84.2	26.7	9.6
Deferred tax liabilities (net)	19 (d)	506.5	319.3	-	-	-	-
Other non-current liabilities	22	53.9	53.9	53.9	53.9	53.9	53.9
Total non-current liabilities		797.1	561.4	227.3	213.8	152.4	132.0
Current liabilities							
Financial liabilities							
- Deposits	24	11,100.3	10,984.5	10,934.7	11,209.2	11,530.5	11,858.6
- Trade payables	14	813.2	668.0	477.4	432.7	443.8	533.4
- Other financial liabilities	16	1,047.6	1,042.7	1,243.8	1,724.2	1,758.5	992.5
		12,961.1	12,695.2	12,655.9	13,366.1	13,732.8	13,384.5
Provisions	18	408.4	436.0	343.1	310.2	183.9	384.9
Income tax liabilities (net)	20	115.8	20.5	365.4	281.7	479.9	460.8
Other current liabilities	23	11,188.2	9,728.3	7,595.8	6,891.9	3,489.8	1,927.5
Total current liabilities		24,673.5	22,880.0	20,960.2	20,849.9	17,886.4	16,157.7
TOTAL LIABILITIES		25,470.6	23,441.4	21,187.5	21,063.7	18,038.8	16,289.7
TOTAL EQUITY AND LIABILITIES		84,890.6	80,648.7	74,490.2	70,352.2	62,392.2	55,682.5

The above statement should be read with the Basis of preparation and Significant Accounting policies appearing in Annexure V, Notes to the Restated Financial Information appearing in Annexure VI and Statement of adjustments to Audited Standalone Financial Statement appearing in Annexure VII.

As per our report attached

For Khandelwal Jain & Co.

Chartered Accountants

Firm's Registration no : 105049W

For and on behalf of the Board of Directors

Narendra Jain

Partner

Membership No.: 048725

Ashok Chawla

Chairman

Dinesh Kanabar

Director

For Price Waterhouse & Co Chartered Accountants LLP

Chartered Accountants

Firm's Registration no : 304026E / E-300009

Sumit Seth

Partner

Membership No.: 105869

J. Ravichandran

Chief Executive Officer In-Charge

Yatrik Vin

Chief Financial Officer

S. Madhavan

Company Secretary

Place : Mumbai

Date : December 20, 2016

Date : December 19, 2016

NATIONAL STOCK EXCHANGE OF INDIA LIMITED

ANNEXURE II - RESTATED STANDALONE STATEMENT OF PROFIT & LOSS

(₹ in million)							
Particulars	Notes / No. of Annexure VI	For the half year ended 30.09.2016	For the year ended 31.03.2016	For the year ended 31.03.2015 Proforma	For the year ended 31.03.2014 Proforma	For the year ended 31.03.2013 Proforma	For the year ended 31.03.2012 Proforma
Income							
Revenue from operations	25	8,266.3	14,729.7	13,643.4	10,797.1	9,976.9	10,627.0
Other income	26	4,134.0	5,573.7	5,551.1	5,901.8	6,386.4	4,432.4
Total income		12,400.3	20,303.4	19,194.5	16,698.9	16,363.3	15,059.4
Expenses							
Employee benefits expense	27	587.3	1,062.9	895.8	816.6	750.6	713.6
Clearing & settlement charges		493.2	985.4	911.8	756.3	720.9	1,157.7
Depreciation and amortisation expense	2 & 3	567.3	1,030.9	857.9	769.7	770.3	890.2
Other expenses	28	2,029.8	3,732.0	3,664.4	3,159.6	3,031.2	2,679.4
Total expenses (excluding contribution to Core Settlement Guarantee Fund)		3,677.6	6,811.2	6,329.9	5,502.2	5,273.0	5,440.9
Profit before exceptional item and contribution to Core Settlement Guarantee Fund and tax		8,722.7	13,492.2	12,864.6	11,196.7	11,090.3	9,618.5
Add : Profit on sale of investment in equity instruments in subsidiaries and associates	38	-	-	-	1,946.6	363.8	-
Profit before contribution to Core Settlement Guarantee Fund and tax		8,722.7	13,492.2	12,864.6	13,143.3	11,454.1	9,618.5
Less : Contribution to Core Settlement guarantee fund (Core SGF)	37	(1,340.7)	(2,343.3)	(2,229.7)	(2,548.2)	(2,194.0)	-
Profit before tax		7,382.0	11,148.9	10,634.9	10,595.1	9,260.1	9,618.5
Less: Income tax expense							
Current tax	19	1,670.0	1,450.0	3,300.0	3,199.3	2,815.1	2,670.0
Deferred tax expense/(credit)	19	89.4	1,894.8	(129.7)	(600.7)	(672.0)	(53.9)
Total tax expenses		1,759.4	3,344.8	3,170.3	2,598.6	2,143.1	2,616.1
Net profit after tax as restated (A)		5,622.6	7,804.1	7,464.6	7,996.5	7,117.0	7,002.4
Other comprehensive income							
<i>Items that will be reclassified to profit or loss</i>							
Changes in fair value of FVOCI debt instruments	Annexure III (B)	348.0	(79.7)	(25.6)	(15.0)	(1.6)	-
Income tax relating to items that will be reclassified to profit or loss							
Changes in fair value of FVOCI debt instruments	Annexure III (B)	(120.4)	27.6	8.9	5.1	0.5	-
<i>Items that will not be reclassified to profit or loss</i>							
Remeasurements of post-employment benefit obligations	Annexure III (B)	(77.6)	(21.0)	(22.1)	3.9	(24.5)	0.1
Changes in fair value of FVOCI equity instruments	Annexure III (B)	50.7	215.7	43.2	(995.0)	(285.0)	728.6
Income tax relating to items that will not be reclassified to profit or loss							
Remeasurements of post-employment benefit obligations	Annexure III (B)	26.8	7.3	7.4	(1.9)	8.0	(0.1)
Changes in fair value of FVOCI equity instruments	Annexure III (B)	(4.3)	(41.3)	(7.4)	(9.2)	(53.8)	196.8
Total other comprehensive income for the period, net of taxes (B)		223.2	108.6	4.4	(1,012.1)	(356.4)	925.4
Total comprehensive income for the year as restated (A+B)		5,845.8	7,912.7	7,469.0	6,984.4	6,760.6	7,927.8
Material restatement adjustments	Annexure VII and 37	-	3,447.4	(317.1)	(1,648.2)	(1,482.2)	-
Earnings per equity share (Face value of ₹ 1 each)							
- Basic and Diluted (₹)	29	11.4	15.8	15.1	16.2	14.4	14.1
Before contribution to Core Settlement Guarantee Fund							
- Basic and Diluted (₹)	29	13.1	18.9	18.0	19.5	17.4	14.1

The above statement should be read with the Basis of preparation and Significant Accounting policies appearing in Annexure V, Notes to the Restated Financial Information appearing in Annexure VI and Statement of adjustments to Audited Standalone Financial Statement appearing in Annexure VII.

As per our report attached

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

For and on behalf of the Board of Directors

Narendra Jain
Partner
Membership No.: 048725

Ashok Chawla
Chairman

Dinesh Kanabar
Director

For Price Waterhouse & Co Chartered Accountants LLP
Chartered Accountants
Firm's Registration no : 304026E / E-300009

Sumit Seth
Partner
Membership No.: 105869

J. Ravichandran
Chief Executive Officer In-Charge

Yatrik Vin
Chief Financial Officer

S. Madhavan
Company Secretary

Place : Mumbai
Date : December 20, 2016

Date : December 19, 2016

ANNEXURE III - RESTATED STANDALONE STATEMENT OF CHANGES IN EQUITY

(A) Equity share capital

	31.03.2012	31.03.2013	31.03.2014	31.03.2015	31.03.2016	31.09.2016
	Proforma	Proforma	Proforma	Proforma		
Balance as at (₹ in million)	450.0	450.0	450.0	450.0	450.0	450.0

(B) Other Equity

Particulars	Reserves and Surplus				Total Reserves and Surplus	Other Reserves			Total
	Securities premium reserve	General reserve	Retained Earnings	Other reserves		FVOCI equity instruments	FVOCI debt instruments	Total other reserves	
Balance as at 01.04.2011 - Proforma	400.0	27,550.0	2,841.2	110.0	30,901.2	1,012.7	-	1,012.7	31,913.9
Profit for the year	-	-	7,002.4	-	7,002.4	-	-	-	7,002.4
Transfer to General Reserve	-	4,000.0	-	-	4,000.0	-	-	-	4,000.0
Transfer from Retained earnings	-	-	(4,000.0)	-	(4,000.0)	-	-	-	(4,000.0)
Other Comprehensive Income	-	-	(0.1)	-	(0.1)	925.4	-	925.4	925.3
Transfer to retained earnings on disposal of FVOCI equity investments	-	-	51.8	-	51.8	-	-	-	51.8
Others	-	-	(5.6)	-	(5.6)	-	-	-	(5.6)
Transaction with owners in their capacity as owners	-	-	-	-	-	-	-	-	-
Dividend paid (including dividend distribution tax)	-	-	(945.0)	-	(945.0)	-	-	-	(945.0)
Balance as at 31.03.2012	400.0	31,550.0	4,944.7	110.0	37,004.7	1,938.1	-	1,938.1	38,942.8
Balance as at 01.04.2012 - Proforma	400.0	31,550.0	4,944.7	110.0	37,004.7	1,938.1	-	1,938.1	38,942.8
Profit for the year	-	-	7,117.0	-	7,117.0	-	-	-	7,117.0
Transfer to General Reserve	-	-	(4,300.0)	-	(4,300.0)	-	-	-	(4,300.0)
Transfer from Retained earnings	-	4,300.0	-	-	4,300.0	-	-	-	4,300.0
Other Comprehensive Income	-	-	(16.5)	-	(16.5)	(338.8)	(1.0)	(339.8)	(356.3)
Transaction with owners in their capacity as owners	-	-	-	-	-	-	-	-	-
Dividend paid (including dividend distribution tax)	-	-	(1,800.0)	-	(1,800.0)	-	-	-	(1,800.0)
Balance as at 31.03.2013	400.0	35,850.0	5,945.2	110.0	42,305.2	1,599.3	(1.0)	1,598.3	43,903.4
Balance as at 01.04.2013 - Proforma	400.0	35,850.0	5,945.2	110.0	42,305.2	1,599.3	(1.0)	1,598.3	43,903.5
Profit for the year	-	-	7,996.5	-	7,996.5	-	-	-	7,996.5
Transfer to General Reserve	-	-	(1,050.0)	-	(1,050.0)	-	-	-	(1,050.0)
Transfer from Retained earnings	-	1,050.0	-	-	1,050.0	-	-	-	1,050.0
Transfer to retained earnings on disposal of FVOCI equity investments, net of tax	-	-	326.8	-	326.8	-	-	-	326.8
Other Comprehensive Income	-	-	2.0	-	2.0	(1,004.2)	(9.9)	(1,014.1)	(1,012.1)
Transaction with owners in their capacity as owners	-	-	-	-	-	-	-	-	-
Dividend paid (including dividend distribution tax)	-	-	(2,376.2)	-	(2,376.2)	-	-	-	(2,376.2)
Balance as at 31.03.2014	400.0	36,900.0	10,844.3	110.0	48,254.3	595.1	(10.9)	584.2	48,838.5
Balance as at 01.04.2014 - Proforma	400.0	36,900.0	10,844.3	110.0	48,254.3	595.1	(10.9)	584.2	48,838.5
Profit for the year	-	-	7,464.6	-	7,464.6	-	-	-	7,464.6
Other Comprehensive Income	-	-	(14.7)	-	(14.7)	35.8	(16.7)	19.1	4.4
Depreciation due to revised Companies Act, 2013 (net of tax)	-	-	(65.9)	-	(65.9)	-	-	-	(65.9)
Transaction with owners in their capacity as owners	-	-	-	-	-	-	-	-	-
Dividend paid (including dividend distribution tax)	-	-	(3,388.9)	-	(3,388.9)	-	-	-	(3,388.9)
Balance as at 31.03.2015	400.0	36,900.0	14,839.4	110.0	52,249.4	630.9	(27.6)	603.3	52,852.7
Balance as at 01.04.2015	400.0	36,900.0	14,839.4	110.0	52,249.4	630.9	(27.6)	603.3	52,852.7
Profit for the year	-	-	7,804.1	-	7,804.1	-	-	-	7,804.1
Other Comprehensive Income	-	-	(13.7)	-	(13.7)	174.4	(52.1)	122.3	108.6
Transaction with owners in their capacity as owners	-	-	-	-	-	-	-	-	-
Dividend paid (including dividend distribution tax)	-	-	(4,008.1)	-	(4,008.1)	-	-	-	(4,008.1)
Balance as at 31.03.2016	400.0	36,900.0	18,621.7	110.0	56,031.7	805.3	(79.7)	725.6	56,757.3
Balance as at 01.04.2016	400.0	36,900.0	18,621.7	110.0	56,031.7	805.3	(79.7)	725.6	56,757.3
Profit for the year	-	-	5,622.6	-	5,622.6	-	-	-	5,622.6
Other Comprehensive Income	-	-	(50.8)	-	(50.8)	46.4	227.6	274.0	273.2
Transaction with owners in their capacity as owners	-	-	-	-	-	-	-	-	-
Dividend paid (including dividend distribution tax)	-	-	(3,633.1)	-	(3,633.1)	-	-	-	(3,633.1)
Balance as at 30.09.2016	400.0	36,900.0	20,560.4	110.0	57,970.4	851.7	147.9	999.6	58,970.0

The above statement should be read with the Basis of preparation and Significant Accounting policies appearing in Annexure V, Notes to the restated financial information appearing in Annexure VI and Statement of adjustments to Audited Standalone Financial Statement appearing in Annexure VII.

As per our report attached

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

For and on behalf of the Board of Directors

Narendra Jain
Partner
Membership No.: 048725

Ashok Chawla
Chairman

Dinesh Kanabar
Director

For Price Waterhouse & Co Chartered Accountants LLP
Chartered Accountants
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Sumit Seth
Partner
Membership No.: 105869

J. Ravichandran
Chief Executive Officer In-Charge

Yatrik Vin
Chief Financial Officer

S. Madhavan
Company Secretary

Place : Mumbai
Date : December 20, 2016

Date : December 19, 2016

NATIONAL STOCK EXCHANGE OF INDIA LIMITED

ANNEXURE IV - RESTATED STANDALONE STATEMENT OF CASH FLOW

		(₹ in million)					
	Notes	For the half year ended 30.09.2016	For the year ended 31.03.2016	For the year ended 31.03.2015 Proforma	For the year ended 31.03.2014 Proforma	For the year ended 31.03.2013 Proforma	For the year ended 31.03.2012 Proforma
A) CASH FLOWS FROM OPERATING ACTIVITIES							
PROFIT BEFORE INCOME TAX		7,382.0	11,148.9	10,634.9	10,595.1	9,260.1	9,618.5
Adjustments for							
Depreciation and amortisation expense	2, 3	567.3	1,030.9	857.9	769.7	770.3	890.2
Interest income from financial assets at amortised cost	26	(564.5)	(2,052.7)	(2,223.4)	(3,469.7)	(3,495.8)	(2,489.7)
Interest income from investment at designated at fair value through other comprehensive income	26	(325.8)	(810.5)	(148.2)	(24.5)	(0.9)	-
Dividend income	26	(1,626.5)	(1,501.1)	(1,161.5)	(1,664.8)	(2,330.2)	(1,165.3)
Net (gain) / loss on financial assets mandatorily measured at fair value through profit or loss	26	(994.9)	70.6	(5.8)	1.0	84.3	(5.3)
Net gain on sale of investments	26	(538.5)	(950.1)	(1,474.8)	(2,161.9)	(487.1)	(213.7)
Net (gain) / loss on disposal of property, plant and equipment	26, 28	(1.4)	(60.5)	2.5	6.0	8.0	4.2
Doubtful debts written off	28	0.7	2.1	-	0.4	-	0.2
Wealth Tax	28	-	(11.4)	5.0	2.0	2.0	2.0
Change In operating assets and liabilities							
(Increase)/Decrease in trade receivables	10	(132.0)	(557.3)	(179.0)	(295.3)	164.5	102.3
Increase/(Decrease) in trade payables	14	145.2	190.5	44.7	(11.1)	(89.5)	27.3
(Increase)/Decrease in other financial assets	5, 6	220.2	56.3	736.6	157.4	(155.5)	(305.1)
(Increase)/Decrease in other assets	7, 8	(149.6)	(182.9)	261.8	(127.7)	(375.6)	236.8
Increase/(Decrease) in other financial liabilities	15, 16	15.8	(265.1)	(485.1)	66.4	638.5	(51.7)
Increase/(Decrease) in provisions	17, 18	(59.5)	81.3	19.6	187.8	(208.5)	65.4
Refund / proceed of deposit	24	115.8	49.9	(274.6)	(321.3)	(328.1)	1.0
Increase/(Decrease) in other liabilities	22, 23	1,459.9	2,132.4	704.2	3,402.1	1,562.5	117.5
CASH GENERATED FROM OPERATIONS		5,514.1	8,371.3	7,314.8	7,111.7	5,019.0	6,834.7
Income taxes paid	20, 21	(1,886.8)	(3,690.7)	(3,171.8)	(3,403.4)	(2,804.2)	(2,613.9)
NET CASH INFLOW FROM OPERATING ACTIVITIES - TOTAL (A)		3,627.3	4,680.6	4,143.0	3,708.3	2,214.8	4,220.8
B) CASH FLOWS FROM INVESTING ACTIVITIES							
Payment for property, plant and equipment	2, 3	(496.6)	(1,321.1)	(1,478.9)	(835.4)	(1,267.2)	(814.7)
Proceeds from property, plant and equipment	2, 3	1.8	71.9	0.4	11.4	13.4	5.4
Payment / proceeds from investments	4, 9	(11,963.0)	(9,379.5)	(17,136.6)	(4,913.2)	(4,317.8)	(3,247.9)
Payment / proceeds from fixed deposits	5, 12	9,754.9	5,555.9	14,554.4	(2,485.3)	1,921.7	(2,307.8)
Interest received	5, 26	1,390.9	3,078.7	2,210.2	2,826.7	2,804.0	1,932.5
Dividend received from subsidiaries, associate companies and others	26	1,626.5	1,501.1	1,161.5	1,664.8	2,330.2	1,165.3
NET CASH INFLOW / (OUTFLOW) FROM INVESTING ACTIVITIES - TOTAL (B)		314.6	(493.0)	(689.0)	(3,730.9)	1,484.3	(3,267.2)
C) CASH FLOWS FROM FINANCING ACTIVITIES							
Dividend paid (including dividend distribution tax)	13b	(3,633.1)	(4,008.1)	(3,388.9)	(2,376.2)	(1,800.0)	(945.0)
NET CASH OUTFLOW FROM FINANCING ACTIVITIES - TOTAL (C)		(3,633.1)	(4,008.1)	(3,388.9)	(2,376.2)	(1,800.0)	(945.0)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A)-(B)+(C)		308.8	179.5	65.1	(2,398.9)	1,899.1	8.6
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	11	506.5	327.0	261.9	2,660.8	761.7	753.1
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	11	815.3	506.5	327.0	261.9	2,660.8	761.7
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENT		308.8	179.5	65.1	(2,398.9)	1,899.1	8.6
Reconciliation of cash and cash equivalents as per the cash flow statement							
Cash and cash equivalents as per above comprise of the following							
Cash and cash equivalents	11	815.3	506.5	327.0	261.9	2,660.8	761.7
Bank overdrafts	11	-	-	-	-	-	-
Balances per statement of cash flows		815.3	506.5	327.0	261.9	2,660.8	761.7

The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Ind AS - 7 on Statement of Cash Flow as notified under Companies (Accounts) Rules, 2015.

The above statement should be read with the Basis of preparation and Significant Accounting policies appearing in Annexure V, Notes to the restated financial information appearing in Annexure VI and Statement of adjustments to Audited Standalone Financial Statement appearing in Annexure VII.

As per our report attached

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

For and on behalf of the Board of Directors

Narendra Jain
Partner
Membership No.: 048725

Ashok Chawla
Chairman

Dinesh Kanabar
Director

For Price Waterhouse & Co Chartered Accountants LLP
Chartered Accountants
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Sumit Seth
Partner
Membership No.: 105869

J. Ravichandran
Chief Executive Officer In-Charge

Yatrik Vin
Chief Financial Officer

S. Madhavan
Company Secretary

Place : Mumbai
Date : December 20, 2016

Date : December 19, 2016

National Stock Exchange of India Limited

Annexure V - Basis of Preparation and Significant Accounting Policies

Background

The National Stock Exchange of India Limited ("NSE" or "the Company") established in 1992 is the first demutualized electronic exchange in India. NSE was the first exchange in the country to provide a modern, fully automated screen-based electronic trading system which offered easy trading facility to the investors spread across the country. NSE offers trading in equity, equity derivatives, debt and currency derivatives segments.

I. Basis of preparation and significant accounting policies

Basis of preparation

The Restated Standalone Statement of Assets and Liabilities of NSE as at September 30, 2016, March 31, 2016, 2015, 2014, 2013 and 2012 and the Restated Standalone Statement of Profit and Loss, the Restated Standalone Statement of Changes in Equity and the Restated Standalone Statement of Cash flows for the half years ended September 30, 2016 and for the years ended March 31, 2016, 2015, 2014, 2013 and 2012 and Restated Other Standalone Financial Information (together referred as 'Restated Standalone Financial Information') has been prepared under Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013. The Restated Standalone Financial Information have been compiled by the Company from the Audited Standalone Financial Statements of the Company for the respective years ("Audited Standalone Financial Statements") prepared under the previous generally accepted accounting principles followed in India ('Previous GAAP or Indian GAAP') and from the audited condensed standalone financial statements for the half year ended September 30, 2016 prepared under 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 Restated Financial Information under Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 ("Previous GAAP") to Ind AS of Restated Shareholders' equity as at March 31, 2016, 2015, 2014, 2013, 2012 and April 1, 2011 and of the Restated Statement of Comprehensive Income for the year ended March 31, 2016, 2015, 2014, 2013 and 2012.

The Restated Standalone Financial Information have been prepared by the management in connection with the proposed listing of equity shares of the Company by way of an offer for sale by the selling shareholders, to be filed by the Company with the SEBI, Registrar of Companies, Mumbai and the concerned Stock Exchange in accordance with the requirements of:

- a) Section 26 read with applicable provisions within Rules 4 to 6 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 to the Companies Act, 2013; and
- b) The SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 issued by the Securities and Exchange Board of India ("SEBI") on August 26, 2009, as amended to date in pursuance of provisions of Securities and Exchange Board of India Act, 1992 read along with SEBI circular No. SEBI/HO/CFD/DIL/CIR/P/2016/47 dated March 2016 (together referred to as the "SEBI regulations").

These Restated Standalone Financial Information have been compiled by the Company from the Audited Standalone Financial Statements and:

- there were no audit qualifications on these financial statements,
- there were no changes in accounting policies under Previous GAAP during the years of these financial statements,
- material amounts relating to adjustments for previous years in arriving at profit/loss of the years to which they relate, have been appropriately adjusted,
- adjustments for reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per the condensed audited

National Stock Exchange of India Limited

Annexure V - Basis of Preparation and Significant Accounting Policies

standalone financial statements of the Company as at and for the half year ended September 30, 2016 prepared under Ind AS and the requirements of the SEBI Regulations, and

- the resultant tax impact on above adjustments has been appropriately adjusted in deferred taxes in the respective years to which they relate..

These Restated Standalone Financial Information and Other Standalone Financial Information were approved by the Board of Directors of the Company on December 19, 2016.

II. Significant accounting policies

The Restated Standalone Financial Information 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 ("the Act") and Indian Accounting Standards ("Ind AS") notified under Section 133 of the Act [Companies (Indian Accounting Standards) Rules, 2015] 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 ("Previous GAAP").

(i) Historical cost convention

The Restated Standalone Financial Information 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

(a) Foreign currency translation and transactions

(i) Functional and presentation currency

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

(ii) Transactions and balances

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

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

(b) 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.

National Stock Exchange of India Limited

Annexure V - Basis of Preparation and Significant Accounting Policies

The Company recognises revenue when the amount of revenue can be reliably measured and it is probable that future economic benefits will flow to the entity. Revenue is recognised in the period when the service is provided as per arrangements/agreements with the customers. The sources of revenue are:

- (i) Transaction charges – revenue is recognised on transactions in accordance with the Company's fee scales as and when the transaction occurs;
- (ii) Subscription and other fees – revenue is recognised on a straight-line basis over the period to which the fee relates;
- (iii) Book building fees – revenue is recognised at the time of completion of book building process.
- (iv) Others – all other revenue is recognised in the period in which the service is provided.

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

Penal charges in respect of shortages due from the respective member is recognised in profit and loss as part of other revenue to the extent such charges are recoverable in the period of declaration of default.

Insurance claims are accounted on accrual basis when the claims become due and payable.

(c) Income taxes

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

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

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

The carrying amount of deferred tax assets are reviewed at the end of each reporting period and are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

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

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable

National Stock Exchange of India Limited

Annexure V - Basis of Preparation and Significant Accounting Policies

right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

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

(d) Leases

As a lessee

Leases of property, plant and equipment and land where the Company, as lessee, has substantially transferred all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

As a lessor

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the Restated Statement of Assets and Liabilities based on their nature.

(e) Impairment of assets

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

(f) Cash and cash equivalents

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

(g) Trade receivables

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

National Stock Exchange of India Limited

Annexure V - Basis of Preparation and Significant Accounting Policies

(h) Investments and other financial assets

(i) Classification

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

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

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

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

(ii) Measurement

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

Debt instruments

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

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

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Annexure V - Basis of Preparation and Significant Accounting Policies

Equity investments (other than Investments in subsidiaries, associates and joint venture)

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

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

Equity Investments (in subsidiaries, associates and joint venture)

Investments in subsidiaries, associates and joint venture are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. The accounting policy on impairment of non-financial assets is disclosed in Note (e) of Annexure V. 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. The Company has followed the same accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 101) as initially adopted on transition date i.e. April 1, 2015 while preparing Proforma Restated Standalone Financial Information for the years ended March 31, 2015, 2014, 2013 and 2012. Accordingly, suitable restatement adjustments in the accounting heads are made to the financial statements as of and for the years ended March 31, 2015, 2014, 2013 2012 and April 1, 2011.

(iii) Impairment of financial assets

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

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

De-recognition of financial assets

A financial asset is de-recognised only when

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

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

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial

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Annexure V - Basis of Preparation and Significant Accounting Policies

asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(iv) Income recognition

Interest income

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

Dividends

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

(i) Financial liabilities

(i) Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

(ii) Initial recognition and measurement

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

(iii) Subsequent measurement

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

(iv) Derecognition

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

(j) Derivatives

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

(k) Offsetting financial instruments

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

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Annexure V - Basis of Preparation and Significant Accounting Policies

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

Freehold land is carried at historical cost of acquisition. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 1, 2015 measured as per the previous Indian GAAP and use that carrying value as the deemed cost of the property, plant and equipment. The Company has followed the same accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 101) as initially adopted on transition date i.e. April 1, 2015 while preparing Proforma Restated Standalone Financial Information for the years ended March 31, 2015, 2014, 2013 and 2012. Accordingly, suitable restatement adjustments in the accounting heads are made to the financial statements as of and for the years ended March 31, 2015, 2014, 2013, 2012 and April 1, 2011.

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Annexure V - Basis of Preparation and Significant Accounting Policies

Depreciation methods, estimated useful lives and residual value

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

Building	60 years
Furniture and fixture	5 to 10 years
Office equipment	4 to 5 years
Electrical equipment	10 years
Computer systems office automation	3 years
Computer systems – others	4 years
Computer software	4 years
Telecommunication systems	4 years
Trading systems	4 years

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

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

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

Gains and losses on disposals are determined by comparing proceeds with carrying amount and are included in profit or loss

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

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

(m) Investment properties

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is accounted as investment property. Investment property is measured initially at its cost, including related transaction costs.

Investment properties are depreciated using the straight-line method over their estimated useful lives. Investment properties generally have a useful life of 60 years. The useful life has been determined based on technical evaluation performed by the management's expert.

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Annexure V - Basis of Preparation and Significant Accounting Policies

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its investment properties recognised as at April 1, 2015 measured as per the previous Indian GAAP and use that carrying value as the deemed cost of investment properties. The Company has followed the same accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 101) as initially adopted on transition date i.e. April 1, 2015 while preparing Proforma Restated Standalone Financial Information for the years ended March 31, 2015, 2014, 2013 and 2012. Accordingly, suitable restatement adjustments in the accounting heads are made to the financial statements as of and for the years ended March 31, 2015, 2014, 2013, 2012 and April 1, 2011.

(n) Intangible assets

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

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

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

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

Computer software is amortised over a period of 4 years.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of intangible assets recognised as at April 1, 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets. The Company has followed the same accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 101) as initially adopted on transition date i.e. April 1, 2015 while preparing Proforma Restated Standalone Financial Information for the years ended March 31, 2015, 2014, 2013 and 2012. Accordingly, suitable restatement adjustments in the accounting heads are made to the financial statements as of and for the years ended March 31, 2015, 2014, 2013, 2012 and April 1, 2011.

(o) 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.

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Annexure V - Basis of Preparation and Significant Accounting Policies

(p) Provisions

Provisions for legal claims and discounts/incentives are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

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

(q) Contingent Liabilities

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

(r) Employee benefits

(i) Short-term obligations

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

(ii) Other long-term employee benefit obligations

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

The obligations are presented as current liabilities in the Restated Standalone Statement of Assets and Liabilities since the company does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment obligations

The Company operates the following post-employment schemes:

- (a) defined benefit plans such as gratuity, and
- (b) defined contribution plans such as provident fund and superannuation.

Gratuity obligations

The Company has maintained a Group Gratuity Cum Life Assurance Scheme with the Life Insurance Corporation of India (LIC) towards which it annually contributes a sum determined

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Annexure V - Basis of Preparation and Significant Accounting Policies

by LIC. The liability or asset recognised in the Restated Standalone Statement of Assets and Liabilities in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to yields on government securities at the end of the reporting period that have terms approximating to the terms of the related obligation.

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

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

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

(iv) Defined contribution plans

Provident fund

The Company has established 'National Stock Exchange of India Limited Employee Provident Fund Trust' to which both the employee and the employer make monthly contribution equal to 12% of the employee's basic salary, respectively. Such contribution to the provident fund for all employees, are charged to the profit and loss. In case of any liability arising due to shortfall between the return from its investments and the administered interest rate, the same is provided for by the Company.

Superannuation

Superannuation benefits for employees designated as chief managers and above are covered by Company policies with the Life Insurance Corporation of India. Company's contribution payable for the year is charged to profit and loss. There are no other obligations other than the annual contribution payable.

(v) Bonus plans

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

(s) Contributed equity

Equity shares are classified as equity.

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

(t) 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.

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Annexure V - Basis of Preparation and Significant Accounting Policies

(u) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

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

(ii) Diluted earnings per share

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

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

(v) Core Settlement Guarantee Fund

The Company contributes to Settlement Guarantee Fund/ Core Settlement Guarantee Fund in accordance with Securities Exchange Board of India ('SEBI') regulations. The Company contributes 25% of its annual profits and also contributes amounts pertaining to Minimum Required Contribution to the Core Settlement Guarantee Fund maintained by National Securities Clearing Corporation Limited (subsidiary of the Company), which is determined as per SEBI guidelines. The contribution to Settlement Guarantee Fund/ Core Settlement Guarantee Fund is recorded as an expense and such amounts are separately disclosed as other current liability in balance sheet.

(w) Rounding of amounts

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

(x) Reclassification

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

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of Restated Standalone Financial Information 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 Restated Standalone Financial Information.

The areas involving critical estimates or judgements are:

Estimation of fair value of unlisted securities Note 40 in Annexure VI
Estimation of useful life of intangible asset Note 3 in Annexure VI
Estimation of defined benefit obligation Note 30 (ii) in Annexure VI
Estimation of contingent liabilities refer Note 34 in Annexure VI

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.

NATIONAL STOCK EXCHANGE OF INDIA LIMITED
Annexure VI - Notes to Restated Standalone Financial Information
Note 2 : Property, plant and equipment

	(₹ in millions)											
	Freehold land	Leasehold land	Owned building*	Office equipments	Electrical equipment & installations	Furniture & fixtures	Trading systems	Computer systems office automation	Computer systems others	Tele-communication systems	Total	Capital work in progress
Half year ended 30.09.2016												
Gross carrying amount												
Cost as at 01.04.2016	355.0	1,076.1	1,736.1	685.7	1,028.5	420.2	1,907.2	141.1	1,924.0	1,649.0	10,922.9	144.3
Additions	-	-	-	22.7	9.7	53.0	59.7	29.4	75.1	109.3	358.9	396.3
Disposals	-	-	-	(0.7)	-	(1.3)	-	(3.7)	(2.2)	(3.7)	(11.6)	-
Transfers	-	-	-	-	-	-	-	-	-	-	-	(347.3)
Closing gross carrying amount	355.0	1,076.1	1,736.1	707.7	1,038.2	471.9	1,966.9	166.8	1,996.9	1,754.6	11,270.2	193.3
Accumulated depreciation												
Accumulated depreciation as at 01.04.2016	-	264.3	346.0	493.2	342.4	247.4	1,718.5	121.0	1,151.7	1,253.3	5,937.8	-
Depreciation charge during the period	-	6.5	14.6	39.3	40.8	20.0	53.9	11.8	176.2	103.6	466.6	-
Disposals	-	-	-	(0.7)	-	(1.3)	-	(3.7)	(2.2)	(3.7)	(11.5)	-
Closing accumulated depreciation	-	270.8	360.6	531.8	383.2	266.1	1,772.4	129.1	1,325.7	1,353.2	6,392.9	-
Net carrying amount as at 30.09.2016	355.0	805.3	1,375.5	175.9	655.0	205.8	194.5	37.7	671.2	401.4	4,877.3	193.3
Year Ended 31.03.2016												
Deemed cost as at 01.04.2015	355.0	824.8	1,428.5	161.2	601.5	170.6	273.8	26.3	652.7	379.9	4,874.3	51.5
Gross carrying amount												
Cost as at 01.04.2015	355.0	1,076.1	1,749.2	575.9	875.5	393.4	1,885.7	131.7	1,498.3	1,464.1	10,004.8	51.5
Additions	-	-	-	110.0	153.4	39.5	21.5	9.4	427.2	184.9	946.0	259.0
Disposals	-	-	(13.1)	(0.2)	(0.4)	(12.7)	-	-	(1.5)	-	(27.9)	-
Transfers	-	-	-	-	-	-	-	-	-	-	-	(166.2)
Closing gross carrying amount	355.0	1,076.1	1,736.1	685.7	1,028.5	420.2	1,907.2	141.1	1,924.0	1,649.0	10,922.9	144.3
Accumulated depreciation												
Accumulated depreciation as at 01.04.2015	-	251.3	320.7	414.7	274.0	222.8	1,611.9	105.4	845.6	1,084.2	5,130.4	-
Depreciation charge during the year	-	13.0	29.1	78.6	68.7	36.6	106.6	15.6	306.3	169.1	823.8	-
Disposals	-	-	(3.8)	(0.1)	(0.3)	(12.0)	-	-	(0.2)	-	(16.4)	-
Closing accumulated depreciation	-	264.3	346.0	493.2	342.4	247.4	1,718.5	121.0	1,151.7	1,253.3	5,937.8	-
Net carrying amount as at 31.03.2016	355.0	811.8	1,390.1	192.5	686.1	172.8	188.7	20.1	772.3	395.7	4,985.1	144.3
Year Ended 31.03.2015 Proforma												
Gross carrying amount												
Cost as at 01.04.2014	343.7	1,076.1	1,749.2	541.3	530.5	372.8	1,710.2	115.6	1,116.6	1,204.9	8,760.8	103.8
Additions	11.3	-	-	47.3	348.0	30.1	175.5	16.9	385.4	259.9	1,274.5	83.7
Disposals	-	-	-	(12.7)	(3.0)	(9.5)	-	(0.8)	(3.7)	(0.7)	(30.5)	-
Transfers	-	-	-	-	-	-	-	-	-	-	-	(136.0)
Closing gross carrying amount	355.0	1,076.1	1,749.2	575.9	875.5	393.4	1,885.7	131.7	1,498.3	1,464.1	10,004.8	51.5
Accumulated depreciation												
Accumulated depreciation as at 01.04.2014	-	238.3	291.4	295.7	168.8	190.8	1,511.1	89.7	627.8	963.2	4,376.8	-
Depreciation charge during the year	-	13.0	29.3	131.1	107.9	39.6	100.8	16.5	221.5	121.7	781.4	-
Disposals	-	-	-	(12.1)	(2.7)	(7.6)	-	(0.8)	(3.7)	(0.7)	(27.9)	-
Closing accumulated depreciation	-	251.3	320.7	414.7	274.0	222.8	1,611.9	105.4	845.6	1,084.2	5,130.3	-
Net carrying amount as at 31.03.2015	355.0	824.8	1,428.5	161.2	601.5	170.6	273.8	26.3	652.7	379.9	4,874.5	51.5
Year Ended 31st March 2014 - Proforma												
Gross carrying amount												
Cost as at 01.04.2013	343.7	1,076.1	1,749.2	508.1	530.6	318.5	1,627.5	123.5	820.1	1,220.0	8,317.3	158.0
Additions	-	-	-	67.8	19.4	65.1	119.2	22.2	338.7	54.9	687.2	59.3
Disposals	-	-	-	(34.6)	(19.5)	(10.8)	(36.5)	(30.1)	(42.2)	(70.0)	(243.7)	-
Transfers	-	-	-	-	-	-	-	-	-	-	-	(113.5)
Closing gross carrying amount	343.7	1,076.1	1,749.2	541.3	530.5	372.8	1,710.2	115.6	1,116.6	1,204.9	8,760.8	103.8
Accumulated depreciation												
Accumulated depreciation as at 01.04.2013	-	225.3	262.9	278.0	155.4	182.5	1,431.3	104.1	497.8	878.3	4,015.6	-
Depreciation charge during the year	-	13.0	28.5	46.9	26.8	17.9	116.3	15.6	169.6	153.4	588.0	-
Disposals	-	-	-	(29.2)	(13.4)	(9.6)	(36.5)	(30.0)	(39.6)	(68.5)	(226.9)	-
Closing accumulated depreciation	-	238.3	291.4	295.7	168.8	190.8	1,511.1	89.7	627.8	963.2	4,376.7	-
Net carrying amount as at 31.03.2014	343.7	837.8	1,457.8	245.6	361.7	182.0	199.1	25.9	488.8	241.7	4,384.1	103.8

NATIONAL STOCK EXCHANGE OF INDIA LIMITED
Annexure VI - Notes to Restated Standalone Financial Information
Note 2 : Property, plant and equipment

	(₹ in millions)											
	Freehold land	Leasehold land	Owned building*	Office equipments	Electrical equipment & installations	Furniture & fixtures	Trading systems	Computer systems office automation	Computer systems others	Tele-communication systems	Total	Capital work in progress
Year Ended 31st March 2013 - Proforma												
Gross carrying amount												
Cost as at 01.04.2012	33.1	1,076.1	1,715.8	442.9	407.1	289.7	1,539.5	115.7	612.4	1,895.2	8,127.5	73.4
Additions	310.6	-	33.4	83.0	133.8	47.1	88.0	13.3	211.8	262.3	1,183.3	542.2
Disposals	-	-	-	(17.8)	(10.3)	(18.3)	-	(5.5)	(4.1)	(937.5)	(993.5)	-
Transfers	-	-	-	-	-	-	-	-	-	-	-	(457.6)
Closing gross carrying amount	343.7	1,076.1	1,749.2	508.1	530.6	318.5	1,627.5	123.5	820.1	1,220.0	8,317.3	158.0
Accumulated depreciation												
Accumulated depreciation as at 01.04.2012	-	212.3	234.4	249.8	134.4	173.2	1,258.8	91.4	380.9	1,647.3	4,382.5	-
Depreciation charge during the year	-	13.0	28.5	42.6	26.1	18.1	172.5	18.2	120.9	165.3	605.2	-
Disposals	-	-	-	(14.4)	(5.1)	(8.8)	-	(5.5)	(4.0)	(934.3)	(972.1)	-
Closing accumulated depreciation	-	225.3	262.9	278.0	155.4	182.5	1,431.3	104.1	497.8	878.3	4,015.6	-
Net carrying amount as at 31.03.2013	343.7	850.8	1,486.3	230.1	375.2	136.0	196.2	19.4	322.3	341.7	4,301.7	158.0
Year Ended 31st March 2012 - Proforma												
Gross carrying amount												
Cost as at 01.04.2011	33.1	876.8	1,509.4	148.4	254.0	105.6	434.8	33.4	224.9	438.1	4,058.5	62.1
Additions	-	-	-	80.7	42.9	39.1	107.7	6.7	121.2	59.3	457.6	319.4
Disposals	-	-	-	(5.0)	(4.0)	(17.4)	(406.5)	(18.7)	(45.4)	(39.3)	(536.3)	-
Transfers	-	-	-	-	-	-	-	-	-	-	-	(308.2)
Closing gross carrying amount	33.1	1,076.1	1,715.8	442.9	407.1	289.7	1,539.5	115.7	612.4	1,895.2	8,127.5	73.3
Accumulated depreciation												
Opening accumulated depreciation	-	199.3	206.4	218.8	114.2	162.4	1,403.5	94.3	311.7	1,437.1	4,147.7	-
Depreciation charge during the year	-	13.0	28.0	34.7	21.3	23.4	261.8	15.8	114.3	249.2	761.5	-
Disposals	-	-	-	(3.7)	(1.1)	(12.6)	(406.5)	(18.7)	(45.1)	(39.0)	(526.7)	-
Closing accumulated depreciation	-	212.3	234.4	249.8	134.4	173.2	1,258.8	91.4	380.9	1,647.3	4,382.5	-
Net carrying amount as at 31.03.2012	33.1	863.8	1,481.4	193.1	272.7	116.5	280.7	24.3	231.5	247.9	3,745.0	73.3

During the year ended March 31, 2015 in accordance with the Companies Act, 2013, the Company has revised the useful lives of certain assets namely Building from 61.35 Years to 60 Years, Furniture and Fixture from 15 years to 10 Years, Office Equipments from 15 Years and 21 Years to 5 Years, Electrical Installations and Equipments from 15 years and 21 Years to 10 Years.

As a result of the same, the provision for depreciation for the year ended March 31, 2015 is higher by ₹ 167.40 millions, of which depreciation pertaining to earlier years amounting to ₹ 99.90 millions has been adjusted after netting of ₹ 34.00 millions towards deferred tax from the opening Retained Earnings in respect of Fixed Assets where the remaining useful life of an asset is Nil as on April 01, 2014 and ₹ 67.50 millions has been charged to the Restated Standalone Statement of Profit and Loss for the year ended March 31, 2015. Accordingly, as the result of revision in the useful life of certain fixed assets, the profit before tax for the year ended March 31, 2015 is lower by ₹ 67.50 millions.

* Includes investment property for which cost and fair value details are as follows:

	(₹ in millions)					
Particulars	30.09.2016	31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012
Net carrying amount of investment property	49.8	82.1	230.9	250.4	253.0	261.4
Fair value of investment property	762.2	739.7	3,118.2	2,917.0	3,180.2	2,953.3
Depreciation	0.6	1.8	4.9	5.1	5.1	5.1
Rental income	34.9	139.0	430.6	420.4	402.2	425.2

Estimation of fair value

The Company obtains independent valuations for its investment property. The best evidence of fair value is current prices in an active market for similar property.

NATIONAL STOCK EXCHANGE OF INDIA LIMITED
Annexure VI - Notes to Restated Standalone Financial Information
Note 3 : Intangible assets

	(₹ in millions)	
	Computer Software	Intangible Assets Under Development
Half Year Ended 30.09.2016		
Gross carrying amount		
Cost as at 01.04.2016	1,971.1	231.1
Additions	111.5	67.8
Disposals	(3.5)	-
Transfers	-	(95.9)
Closing gross carrying amount	2,079.1	203.0
Accumulated depreciation		
Accumulated depreciation as at 01.04.2016	1,545.1	-
Depreciation charge during the period	100.7	-
Disposals	(3.6)	-
Closing accumulated depreciation	1,642.2	-
Net carrying amount as at 30.09.2016	436.9	203.0
Year ended 31.03.2016		
Deemed Cost as at 01.04.2015		
Gross carrying amount		
Cost as at 01.04.2015	317.1	113.9
Additions	1,654.9	113.9
Disposals	316.2	359.7
Transfers	-	(242.5)
Closing gross carrying amount	1,971.1	231.1
Accumulated depreciation		
Accumulated depreciation as at 01.04.2015	1,337.8	-
Depreciation charge during the year	207.3	-
Closing accumulated depreciation	1,545.1	-
Net carrying amount as at 31.03.2016	426.0	231.1
Year ended 31.03.2015 - Proforma		
Gross carrying amount		
Cost as at 01.04.2014	1,488.5	57.4
Additions	166.4	199.1
Disposals	-	(142.6)
Closing gross carrying amount	1,654.9	113.9
Accumulated depreciation		
Accumulated depreciation as at 01.04.2014	1,161.5	-
Depreciation charge during the year	176.3	-
Closing accumulated depreciation	1,337.8	-
Net carrying amount as at 31.03.2015	317.1	113.9
Year ended 31.03.2014 - Proforma		
Gross carrying amount		
Cost as at 01.04.2013	1,361.6	109.7
Additions	136.0	83.7
Disposals	(9.1)	-
Transfers	-	(136.0)
Closing gross carrying amount	1,488.5	57.4
Accumulated depreciation		
Accumulated depreciation as at 01.04.2013	988.4	-
Depreciation charge during the year	181.7	-
Disposals	(8.7)	-
Closing accumulated depreciation	1,161.4	-
Net carrying amount as at 31.03.2014	327.1	57.4
Year ended 31.03.2013 - Proforma		
Gross carrying amount		
Cost as at 01.04.2012	1,248.2	81.5
Additions	113.4	106.7
Disposals	-	(78.5)
Closing gross carrying amount	1,361.6	109.7
Accumulated depreciation		
Accumulated depreciation as at 01.04.2012	823.3	-
Depreciation charge during the year	165.1	-
Closing accumulated depreciation	988.4	-
Net carrying amount as at 31.03.2013	373.2	109.7
Year ended 31.03.2012 - Proforma		
Deemed Cost as at 01.04.2011	251.6	54.8
Gross carrying amount		
Cost as at 01.04.2011	946.1	54.8
Additions	302.1	129.2
Disposals	-	(102.5)
Closing gross carrying amount	1,248.2	81.5
Accumulated depreciation		
Accumulated depreciation as at 01.04.2011	694.6	-
Depreciation charge during the year	128.7	-
Closing accumulated depreciation	823.3	-
Net carrying amount as at 31.03.2012	424.9	81.5

Significant estimate: Useful life of intangible assets under development

The Company has completed the development of software that is used in its various business processes. The Company estimates the useful life of the software to be 4 years based on the expected technical obsolescence of such assets. However, the actual useful life may be shorter or longer than 4 years, depending on technical innovations and competitor actions.

NATIONAL STOCK EXCHANGE OF INDIA LIMITED
Annexure VI - Notes to the Restated Standalone Financial Information
Note : 4 Non-Current Investments

		30.09.2016		31.03.2016		31.03.2015 Proforma		31.03.2014 Proforma		31.03.2013 Proforma		31.03.2012 Proforma	
		Number of Units	(₹ in million)	Number of Units	(₹ in million)	Number of Units	(₹ in million)	Number of Units	(₹ in million)	Number of Units	(₹ in million)	Number of Units	(₹ in million)
I	Investment in equity instruments (fully paid-up)												
A)	Unquoted equity instruments at cost												
(i)	In subsidiary companies												
	National Securities Clearing Corporation Ltd.	4,50,00,000	56.4	4,50,00,000	56.4	4,50,00,000	56.4	4,50,00,000	56.4	4,50,00,000	56.4	4,50,00,000	56.4
	NSE Strategic Investment Coporation Ltd	41,30,21,703	4,131.3	41,30,21,703	4,131.3	41,26,08,681	4,126.1	41,26,08,681	4,126.1	2,25,27,450	225.3	-	-
	NSE.It Ltd.	-	-	-	-	-	-	-	-	1,00,00,010	100.0	1,00,00,010	100.0
	Dotex International Ltd.	-	-	-	-	-	-	-	-	1,20,00,000	6.9	1,20,00,000	6.9
	National Commodity Clearing Ltd.	-	-	-	-	-	-	-	-	-	-	30,87,500	30.9
	India Index Services & Products Ltd.	-	-	-	-	-	-	-	-	-	-	6,63,000	6.7
	Nse Infotech Services Ltd	-	-	-	-	-	-	-	-	-	-	50,000	0.5
(ii)	In associate companies												
	National Securities Depository Ltd	1,00,18,000	614.9	1,00,18,000	614.9	1,00,18,000	614.9	1,00,18,000	614.9	1,00,18,000	614.9	-	-
	BFSI Sector Skill Council Of India (Section 8 Company)	1,00,00,000	10.0	1,00,00,000	10.0	1,00,00,000	10.0	1,00,00,000	10.0	-	-	-	-
	NSDL e-Governance Infrastructure Limited (formerly known as National Securities Depository Limited)	-	-	-	-	-	-	-	-	1,00,18,000	354.2	2,00,36,001	969.0
	Power Exchange India Ltd	-	-	-	-	-	-	-	-	1,50,00,030	150.0	1,30,00,030	130.0
	Total equity instruments		4,812.6		4,812.6		4,807.4		4,807.4		1,507.7		1,300.4
II	Investments in preference shares (fully paid up)												
A)	Unquoted preference shares at cost												
	In subsidiary company												
	6% Non-Cumulative Compulsorily Convertible Preference Shares of NSE Strategic Investment Coporation Ltd	41,29,71,703	4,129.7	41,29,71,703	4,129.7	41,25,58,731	4,125.6	41,25,58,731	4,125.6	2,24,77,500	224.8	-	-
	Total preference shares		4,129.7		4,129.7		4,125.6		4,125.6		224.8		-
	Total Investment in subsidiaries and associates		8,942.3		8,942.3		8,933.0		8,933.0		1,732.5		1,300.4
B)	Unquoted preference shares in Associate Company at FVPL												
	10% optionally convertible redeemable preference shares of Power Exchange Of India Limited	-	-	-	-	-	-	-	-	50,00,000	50.0	50,00,000	50.0
C)	Quoted equity instruments at FVOCI												
	In Companies other than subsidiaries												
	MCX Limited	5,000	6.8	5,000	4.2	5,000	5.6	5,000	2.5	12,50,000	1,038.3	12,50,000	1,587.8
	Total quoted equity instruments at FVOCI		6.8		4.2		5.6		2.5		1,038.3		1,587.8
D)	Unquoted equity instruments at FVOCI												
	In Companies other than subsidiaries												
	National Commodity & Derivative Exchange Ltd.	76,01,377	1,646.8	76,01,377	1,598.6	76,01,377	1,381.5	50,67,577	898.1	50,67,577	867.3	50,67,577	602.8
	Total unquoted equity instruments		1,646.8		1,598.6		1,381.5		898.1		867.3		602.8
III	Investment in exchange traded funds												
	Quoted exchange traded funds at FVPL												
	Goldman Sachs Mutual Fund Bank Bees	4,98,000	975.1	4,98,000	809.4	1,60,000	290.2	-	-	-	-	-	-
	Goldman Sachs Mutual Fund - Cpse Etf - Growth Option	4,05,20,000	968.1	4,05,20,000	797.0	65,00,000	157.4	-	-	-	-	-	-
	Goldman Sachs Nifty Etf - Nifty Bees	10,26,000	901.4	10,26,000	811.9	2,80,000	238.2	-	-	-	-	-	-
	Icici Prudential Nifty ETF	33,90,000	296.9	33,90,000	269.9	-	-	-	-	-	-	-	-
	Kotak Mahindra Mf - Kotak Banking ETF	14,40,000	282.2	14,40,000	234.6	-	-	-	-	-	-	-	-
	R Shares Reliance Mf Banking ETF	74,500	156.7	74,500	130.9	-	-	-	-	-	-	-	-
	SBI-ETF Nifty 50	48,50,000	424.8	48,50,000	380.2	-	-	-	-	-	-	-	-
	Total exchange traded funds		4,005.2		3,433.9		685.8		-		-		-

Annexure VI - Notes to the Restated Standalone Financial Information

Note : 4 Non-Current Investments

	30.09.2016		31.03.2016		31.03.2015		31.03.2014		31.03.2013		31.03.2012	
	Number of Units	(₹ in million)	Number of Units	(₹ in million)	Number of Units	(₹ in million)	Number of Units	(₹ in million)	Number of Units	(₹ in million)	Number of Units	(₹ in million)
IV Investment in bonds												
Quoted bonds at amortised cost												
Tax free bonds												
(i) 7.35% Nabard 23032031	5,00,000	539.9	2,50,000	259.5	-	-	-	-	-	-	-	-
7.64% Nabard 23-Mar-2031	4,00,000	437.8	-	-	-	-	-	-	-	-	-	-
8.67 National Hydroelectric Power Corp Ltd - 02-Nov-2033	3,00,000	380.4	-	-	-	-	-	-	-	-	-	-
6.86% India Infrastructure Finance Company Limited - 26 Mar 2023	2,50,000	254.0	2,50,000	245.1	-	-	-	-	-	-	-	-
7.51% Hudco Taxfree Bonds - 16Feb2028	2,50,000	269.5	2,50,000	260.3	-	-	-	-	-	-	-	-
8.46% Rural Electrification Corporation Limited - 24 Sep 2028	2,50,000	290.1	2,50,000	280.1	-	-	-	-	-	-	-	-
8.67% Pfc Limited - 16 Nov 2033	2,50,000	325.7	-	-	-	-	-	-	-	-	-	-
7.39% Housing & Urban Development Corp Ltd. 15 Mar 2031	2,00,000	224.4	-	-	-	-	-	-	-	-	-	-
8.20 Hudco 2027	2,00,000	237.0	-	-	-	-	-	-	-	-	-	-
7.18 % Indian Railway Finance Corpn Ltd - Tranche 1 - Series 1 - 19 Feb 2023	1,50,000	160.4	1,50,000	155.0	1,50,000	155.0	-	-	-	-	-	-
7.43% Rural Electrification Corporation Limited 05-Nov-2035	1,00,000	110.6	-	-	-	-	-	-	-	-	-	-
7.19% Housing & Urban Development Corporation Limited 28 March 2028	1,00,000	104.5	1,00,000	101.0	-	-	-	-	-	-	-	-
7.19% India Infrastructure Finance Company Limited - 22 Jan 2023	1,00,000	105.7	1,00,000	101.7	-	-	-	-	-	-	-	-
7.34% Indian Railway Finance Corporation Ltd 19-Feb-2028	1,00,000	108.7	1,00,000	105.1	-	-	-	-	-	-	-	-
7.36% India Infrastructure Finance Company Limited - 22 Jan 2028	1,00,000	107.0	1,00,000	103.4	-	-	-	-	-	-	-	-
8.40% Irfc-Taxfree-18Feb2029	1,00,000	114.3	1,00,000	118.7	-	-	-	-	-	-	-	-
8.66% India Infrastructure Finance Company Limited 2034	1,00,000	123.6	-	-	-	-	-	-	-	-	-	-
8.20% Power Finance Corporation Limited - Tranche 1 - Series 1 - 01 Feb 2022	92,718	100.4	92,718	96.7	92,718	96.7	92,718	96.8	92,718	96.8	92,718	94.5
7.40% India Infrastructure Finance Co. Ltd. 22-Jan-2033	50,000	56.9	-	-	-	-	-	-	-	-	-	-
8.54% Power Finance Corp Ltd - 16-Nov-2028	50,000	62.2	-	-	-	-	-	-	-	-	-	-
8.66% Ntpc Limited - 16 Dec 2033	50,000	64.8	-	-	-	-	-	-	-	-	-	-
8.63% National Housing Bank - 13-Jan-2029	40,000	248.6	-	-	-	-	-	-	-	-	-	-
8.20% National Highways Authority Of India - Tranche 1 - Series 1 - 25 Jan 2022	37,086	39.8	37,086	38.6	37,086	38.6	37,086	38.6	37,086	38.6	37,086	37.6
8.00 % Indian Railway Finance Corpn Ltd - Tranche 1 - Series 1 - 23 Feb 2022	32,626	35.1	32,626	33.8	32,626	33.8	32,626	33.8	32,626	33.8	32,626	32.9
7.28% National Highways Authority Of India Sep 2030	950	985.7	950	988.2	-	-	-	-	-	-	-	-
7.19% Indian Railway Finance Corporation Ltd - 31 Jul 2025	450	466.0	450	472.8	-	-	-	-	-	-	-	-
8.46% National Housing Bank - Series V - 2028	300	329.3	250	281.2	50	52.5	50	52.5	-	-	-	-
7.15% Ntpc Limited - 21 Aug 2025	200	204.6	150	156.8	-	-	-	-	-	-	-	-
8.46% India Infrastructure Finance Company Limited - 30 Aug 2028	200	221.9	200	230.9	-	-	-	-	-	-	-	-
8.35% Indian Railway Finance Corporation Ltd Tax Free 21-Nov-2023	150	155.8	150	162.1	150	167.1	150	154.5	-	-	-	-
8.48% India Infrastructure Finance Company Limited 05 Sep 2028	150	165.3	150	172.1	-	-	-	-	-	-	-	-
8.63% Ntpc Limited - 04 Mar 2029	150	186.3	-	-	-	-	-	-	-	-	-	-
6.89% National Housing Bank 2023	100	105.5	-	-	-	-	-	-	-	-	-	-
7% Hudco Taxfree Bond Oct25	100	106.9	100	103.4	-	-	-	-	-	-	-	-
7.07% Hudco Taxfree Bonds 01Oct25	100	107.1	100	103.5	-	-	-	-	-	-	-	-
7.21% Rural Electrification Corporation Limited -21 Nov 2022	100	108.5	-	-	-	-	-	-	-	-	-	-
8.46% Rural Electrification Corporation Limited - Non Convertible Bonds - 2028	50	50.4	50	52.5	50	52.5	50	52.5	-	-	-	-
7.18% Indian Railway Finance Corporation Limited 19-Feb-23	-	-	-	-	-	-	1,50,000	155.0	1,50,000	151.3	-	-
6.05% Indian Railway Finance Corporation Limited - Series 73 - 20 Dec 2015	-	-	-	-	-	-	500	51.4	500	51.4	500	51.4
6.00% Indian Railway Finance Corporation Limited Series 68Th-08 March 2015	-	-	-	-	-	-	-	-	1,000	102.8	1,000	102.8
9% Indian Railway Finance Corporation - 28 Feb 2015	-	-	-	-	-	-	-	-	100	107.1	100	108.5
6.85% India Infrastructure Finance Company Limited - Series I - 22 Jan 2014	-	-	-	-	-	-	-	-	-	-	6,596	671.2
6.85% India Infrastructure Finance Company Limited - Series II - 20 Mar 2014	-	-	-	-	-	-	-	-	-	-	3,175	319.6
8.09% - Power Finance Corporation - Series 80 A - 25 Nov 2021	-	-	-	-	-	-	-	-	-	-	1,500	154.1
5.25% Nuclear Power Corporation Of India Limited - 23-Mar-14	-	-	-	-	-	-	-	-	-	-	100	100.0
5.5% Nuclear Power Corporation Of India Limited - 14-Aug-2013	-	-	-	-	-	-	-	-	-	-	200	20.7
Total tax free bonds		7,694.7		4,622.5		596.2		635.1		581.8		1,693.3

Annexure VI - Notes to the Restated Standalone Financial Information

Note : 4 Non-Current Investments

	30.09.2016		31.03.2016		31.03.2015		31.03.2014		31.03.2013		31.03.2012	
	Number of Units	(₹ in million)	Number of Units	(₹ in million)	Number of Units	(₹ in million)	Number of Units	(₹ in million)	Number of Units	(₹ in million)	Number of Units	(₹ in million)
(ii) Taxable bonds												
8.95% Nabard Txb 01 Jan 2018	2,500	45.1	2,500	42.9	2,500	39.1	2,500	36.0	-	-	-	-
8.80% Power Grid Corporation Of India Limited - 13 Mar 2023	500	527.6	500	505.8	400	404.4	750	750.6	-	-	-	-
8.39% Power Finance Corporation Limited - 19 April 2025	250	259.2	250	248.6	-	-	-	-	-	-	-	-
8.82% Rural Electrification Corporation Limited - Sr 114 - 12 Apr 2023	150	157.4	150	164.1	150	164.2	600	642.8	-	-	-	-
11.25% Power Finance Corporation Limited - 28 Nov 2018	100	113.5	100	108.8	100	110.6	100	112.2	100	113.8	-	-
8.40% Power Grid Corporation Of India Limited - 27 May 2024	50	51.0	50	53.0	-	-	-	-	-	-	-	-
8.33% Union Bank 19 May 2016	-	-	-	-	100	103.0	100	103.0	-	-	-	-
7.87% Export Import Bank Of India - 16 May 2016	-	-	-	-	250	265.8	250	264.5	-	-	-	-
8.78% Power Finance Corporation Limited - 11 Dec 2016	-	-	-	-	5	5.1	-	-	-	-	-	-
8.84% Power Finance Corporation Limited - 04 Mar 2023	-	-	-	-	-	-	100	101.0	-	-	-	-
8.5 % Export Import Bank Of India Sr Q07 - Txb - 08-Jul-2023	-	-	-	-	-	-	100	101.4	-	-	-	-
8.88% National Bank For Agricultural Rural Development Sr-Xiii O 25 Sep 2015	-	-	-	-	-	-	100	104.4	-	-	-	-
9.14% Infrastructure Development Finance Company Limited - 27 Jan 2016	-	-	-	-	-	-	100	101.5	-	-	-	-
9.25% Rural Electrification Corporation Limited - Sr 109 - 27 Aug 2017	-	-	-	-	-	-	100	107.1	-	-	-	-
9.33% Export Import Bank Of India 24-Oct-2018	-	-	-	-	-	-	100	102.9	-	-	-	-
9.38% Rural Electrification Corporation Limited 06-Nov-2018	-	-	-	-	-	-	100	103.8	-	-	-	-
9.43% Indian Railway Finance Corporation Ltd - Txb - 23 May 2018	-	-	-	-	-	-	150	157.4	-	-	-	-
9.50% Export Import Bank Of India Sr-Q-16 Bond 09Oct18	-	-	-	-	-	-	150	155.9	-	-	-	-
9.61% Rural Electrification Corporation Limited - 03 Jan 2019	-	-	-	-	-	-	150	154.0	-	-	-	-
9.70% Export Import Bank Of India 21-Nov-2018	-	-	-	-	-	-	250	260.2	-	-	-	-
9.81% Power Finance Corporation Ltd. Sr-109 - Txb - 07-Oct-2018	-	-	-	-	-	-	250	265.9	-	-	-	-
9.81% Power Finance Corporation Ltd.-Txb Bonds-07-Oct-2018	-	-	-	-	-	-	250	264.5	-	-	-	-
9.66% Power Finance Corporation Limited - 15 Apr 2017	-	-	-	-	-	-	-	-	100	111.1	-	-
9.70% Power Finance Corporation Ltd - 15 Dec 2018	-	-	-	-	-	-	-	-	50	53.0	-	-
Total taxable bonds		1,153.8		1,123.2		1,092.2		3,889.1		277.9		-
Unquoted bonds at amortised cost												
(iii) Taxable bonds												
6 % National Highways Authority Of India - Txb - 2017		-	-	-	500	5.3	500	5.0	-	-	-	-
Total taxable bonds		-		-		5.3		5.0	-	-		-
Total bonds		8,848.5		5,745.7		1,693.7		4,529.2		859.7		1,693.3
V Investment in debentures												
Quoted debenture at amortised cost												
8.58% Infrastructure Leasing & Financial Services Limited - 01 Dec 2018	2,50,000	267.9	2,50,000	257.2	-	-	-	-	-	-	-	-
8.70% IIFs Financial Services Limited-Ncd--30-Sep-2018	2,50,000	250.1	2,50,000	260.9	-	-	-	-	-	-	-	-
8.74% Infrastructure Leasing & Financial Services Limited - 10 Aug 2018	2,50,000	253.1	2,50,000	264.0	-	-	-	-	-	-	-	-
8.90% IIFs Financial Services Limited-Deb-21-Mar-2019	2,50,000	261.8	2,50,000	250.7	-	-	-	-	-	-	-	-
0% Infrastructure Leasing & Financial Services Limited - 10 Apr 2018	1,50,000	169.4	1,50,000	162.2	-	-	-	-	-	-	-	-
8.77% Icici Home Finance Co. Ltd.-Deb-21122018	500	261.5	500	250.5	-	-	-	-	-	-	-	-
8.80% Icici Home Finance - 15Th Nov 2017	500	270.3	-	-	-	-	-	-	-	-	-	-
8.80% Kotak Mahindra Prime Limited - 26 Jun 2018	450	453.9	200	462.7	-	-	-	-	-	-	-	-
8.71% Can Fin Homes Ltd - 07 Aug 2018	350	354.6	350	369.8	-	-	-	-	-	-	-	-
8.48% Hdb Financial Services Limited - 13-May-2019	250	256.9	-	-	-	-	-	-	-	-	-	-
8.80% Kotak Mahindra Prime Limited - 15 Mar 2018	150	152.6	150	159.1	-	-	-	-	-	-	-	-
8.80% Kotak Mahindra Prime Limited 10 Jul 2018	150	157.9	400	175.6	-	-	-	-	-	-	-	-
8.71% Hdb Financial Services Limited - 20 Oct 2018	100	101.2	100	105.6	-	-	-	-	-	-	-	-

Annexure VI - Notes to the Restated Standalone Financial Information

Note : 4 Non-Current Investments

	30.09.2016		31.03.2016		31.03.2015 Proforma		31.03.2014 Proforma		31.03.2013 Proforma		31.03.2012 Proforma	
	Number of Units	(₹ in million)	Number of Units	(₹ in million)	Number of Units	(₹ in million)	Number of Units	(₹ in million)	Number of Units	(₹ in million)	Number of Units	(₹ in million)
8.80% Can Fin Homes Ltd - Deb - 02 Jul 2018	100	102.2	100	106.6	-	-	-	-	-	-	-	-
10.25% Mahindra & Mahindra Financial Services Limited-Deb-08-Oct-2018	50	56.4	50	54.2	-	-	-	-	-	-	-	-
9.05% Fullerton India Credit Comapny Limited - 30 April 2018 - Series 33-A	50	51.9	50	54.2	-	-	-	-	-	-	-	-
8.70% Kotak Mahindra Investment Ltd 11 Aug 2017	-	-	250	263.8	-	-	-	-	-	-	-	-
8.74% Infrastructure Leasing & Financial Services Limited - 10 Aug 2017	-	-	1,00,000	105.9	-	-	-	-	-	-	-	-
8.90% Kotak Mahindra Investment Ltd Ncd - 11 Sep 2017	-	-	250	262.3	-	-	-	-	-	-	-	-
9.00% Reliance Capital Limited 28 July 2017	-	-	250	265.1	-	-	-	-	-	-	-	-
9.65% IIFs Financial Services Limited - Deb - 18 Sep 2017	-	-	2,50,000	262.9	2,50,000	262.9	-	-	-	-	-	-
8.75% Mahindra & Mahindra Financial Services Limited - 31 Jul 2017	-	-	400	423.5	-	-	-	-	-	-	-	-
8.75% Mahindra & Mahindra Financial Services Limited - Aug 2017	-	-	50	52.8	-	-	-	-	-	-	-	-
8.8075% Mahindra & Mahindra Financial Services Limited - 15 May 2017	-	-	250	268.2	-	-	-	-	-	-	-	-
0% Hdfc - Deb - 16-Jan-2017	-	-	-	-	250	335.7	-	-	-	-	-	-
10.05% Hdb Financial Services Limited - Ncd 10-Feb-2017	-	-	-	-	50	50.8	150	152.1	-	-	-	-
10.17% Hdb Financial Services Limited - 11 Nov 2016	-	-	-	-	350	363.6	-	-	-	-	-	-
8.54% Hdb Financial Services Limited - 03 Jun 2016	-	-	-	-	250	265.4	-	-	-	-	-	-
9.71% Tata Sons Limited - 13 Dec 2016	-	-	-	-	250	258.1	-	-	-	-	-	-
10.60% Lic Housing Finance - Deb - 06-Sept-2016	-	-	-	-	750	804.8	-	-	-	-	-	-
9.55% Housing Development Finance Corporation Ltd - Ncd - 07 Sep 2015	-	-	-	-	-	-	50	52.9	50	53.0	-	-
9.5553% Hdb Financial Services Limited - Ncd - 25 Sep 2015	-	-	-	-	-	-	100	110.6	-	-	-	-
9.60% Housing Development Finance Corporation Ltd - 18-Jul-15	-	-	-	-	-	-	200	214.2	200	214.6	-	-
9.78% Tata Sons Limited - Ncd - 23 Jul 2015	-	-	-	-	-	-	250	268.7	-	-	-	-
9.90 % Tata Sons Limited 2016	-	-	-	-	-	-	150	152.2	-	-	-	-
Hdfc Limited - Sr J 026 - 9.58 - Ncd - 29 Aug 2015	-	-	-	-	-	-	250	263.6	-	-	-	-
8.85% Infrastructure Development Finance Company Limited - Ncd - 27 Jan 2016	-	-	-	-	-	-	200	204.0	-	-	-	-
9.70% Housing Development Finance Corporation Ltd - Ncd 16 Apr 2015	-	-	-	-	-	-	-	-	250	275.2	-	-
Total debentures		3,421.7		4,837.8		2,341.3		1,418.3		542.8		-
VI Investment in government securities												
Quoted investment in government securities at FVOCI												
8.60% Government Of India - 02 Jun 2028	1,70,000	1,944.9	2,20,000	2,394.6	1,70,000	1,866.6	-	-	-	-	-	-
9.20% Government Of India - 30 Sep 2030	1,30,000	1,529.8	1,30,000	1,437.9	1,30,000	1,454.0	-	-	-	-	-	-
8.40% Government Of India - 28 Jul 2024	80,000	876.1	80,000	844.0	80,000	846.8	-	-	-	-	-	-
7.72% Government Of India 25 May 2025	50,000	536.4	5,25,000	5,406.9	-	0.1	-	-	-	-	-	-
8.72% Ap Sdl 06 Feb 2023	25,000	275.5	25,000	264.8	25,000	263.2	25,000	247.0	-	-	-	-
8.15% Government Of India - 24 Nov 2026	15,000	165.8	15,000	158.4	15,000	159.1	-	-	-	-	-	-
8.67% Maharashtra Sdl 24Feb2026	5,000	55.8	5,000	52.4	-	-	-	-	-	-	-	-
9.23% Government Of India - 23 Dec 2043	-	-	1,60,000	1,860.4	1,60,000	1,886.0	-	-	-	-	-	-
7.88% Government Of India - 19-Mar-2030	-	-	25,000	251.8	-	-	-	-	-	-	-	-
8.83% Government Of India - 25 Nov 2023	-	-	-	-	-	-	10,000	103.2	-	-	-	-
8.33% Government Stock 09 Jul 2026	-	-	-	-	-	-	-	-	10,000	103.9	-	-
8.20% Government Security 2025 - 24-Sep-25	-	-	-	-	-	-	-	-	5,000	50.6	-	-
Total government securities		5,384.3		12,671.2		6,475.8		350.2		154.5		-
VII MUTUAL FUNDS												
Quoted investments in mutual funds at FVPL												
Sundaram Fixed Term Plan Cq 370 Days Growth - 04-Apr-13	-	-	-	-	-	-	-	-	-	-	40,00,000	40.2
	-	-	-	-	-	-	-	-	-	-	-	40.2
Total Investment other than in subsidiaries and associates		23,313.3		28,291.4		12,583.7		7,198.3		3,512.6		3,974.1
Total non-current investments		32,255.6		37,233.7		21,516.7		16,131.3		5,245.1		5,274.5
Aggregate amount of quoted investments and market value thereof		21,666.6		26,692.7		11,196.9		6,295.2		2,595.3		3,321.3
Aggregate amount of unquoted investments		10,589.0		10,541.0		10,319.8		9,836.1		2,649.8		1,953.2

NATIONAL STOCK EXCHANGE OF INDIA LIMITED

Annexure VI - Notes to the Restated Standalone financial information

5 Other financial assets (non-current)

(₹ in million)

Non-current bank balances

Fixed deposits with maturity for more than 12 months

Earmarked fixed deposits with maturity for more than 12 months *

Total

Others

Security deposit for utilities and premises

Interest accrued on bank deposits

Total

Total

30.09.2016	31.03.2016	31.03.2015 Proforma	31.03.2014 Proforma	31.03.2013 Proforma	31.03.2012 Proforma
1,435.9	2,268.8	5,123.4	6,104.3	6,503.6	6,188.9
165.9	539.8	358.8	19.3	363.4	73.3
1,601.8	2,808.6	5,482.2	6,123.6	6,867.0	6,262.2
21.4	21.6	18.3	17.3	21.6	20.8
175.1	209.9	153.0	518.0	192.8	247.8
196.5	231.5	171.3	535.3	214.4	268.6
1,798.3	3,040.1	5,653.5	6,658.9	7,081.4	6,530.8

* Earmarked deposits are restricted and includes deposits towards listing entities, defaulter members , investor services fund and other restricted deposits.

6 Other financial assets (current)

(₹ in million)

Interest accrued on bank deposits

Other receivables

Total

30.09.2016	31.03.2016	31.03.2015 Proforma	31.03.2014 Proforma	31.03.2013 Proforma	31.03.2012 Proforma
222.7	948.3	1,298.3	2,124.7	2,002.4	1,254.2
139.0	50.8	34.9	42.2	44.4	85.3
361.7	999.1	1,333.2	2,166.9	2,046.8	1,339.5

7 Other non-current assets

(₹ in million)

Capital advances

Prepaid expenses

Securities Transaction Tax paid *

Total

30.09.2016	31.03.2016	31.03.2015 Proforma	31.03.2014 Proforma	31.03.2013 Proforma	31.03.2012 Proforma
9.3	12.5	93.7	50.8	29.0	40.5
52.4	20.5	38.7	37.6	11.9	3.9
105.9	105.9	105.9	105.9	105.9	105.9
167.6	138.9	238.3	194.3	146.8	150.3

*Securities Transaction Tax ("STT") paid represents amounts recovered by tax authorities towards STT, interest and penalty thereon recoverable from few members and ad-hoc STT, interest and penalty thereon which is disputed by the Company. The Company has recovered an amount of ₹ 53.9 million against the STT paid to tax authorities from the respective members and which is held as a deposit and disclosed under other non current liabilities (Refer note: 22). The contingent liability of ₹ 67.6 million net of recoveries from members amounting to ₹ 53.9 million disclosed under contingent liability (Refer note: 34 (d))

8 Other current assets

(₹ in million)

Advance recoverable in cash or kind

Balances with service tax authorities

Prepaid expenses

Advances to related parties (refer note no.32)

Other receivables

Total

30.09.2016	31.03.2016	31.03.2015 Proforma	31.03.2014 Proforma	31.03.2013 Proforma	31.03.2012 Proforma
75.1	46.4	62.8	68.8	59.0	46.7
94.7	78.2	89.1	162.0	107.1	81.3
367.1	256.1	124.2	100.3	95.5	107.2
309.1	347.6	251.1	248.9	206.3	85.4
-	-	-	210.1	220.2	-
846.0	728.3	527.2	790.1	688.1	320.6

	30.09.2016		31.03.2016		31.03.2015 Proforma		31.03.2014 Proforma		31.03.2013 Proforma		31.03.2012 Proforma	
	Number of Units	(₹ in million)	Number of Units	(₹ in million)	Number of Units	(₹ in million)	Number of Units	(₹ in million)	Number of Units	(₹ in million)	Number of Units	(₹ in million)
I Current portion of long term investments												
A) Investment in equity shares												
In Subsidiary Companies - at cost												
National Commodity Clearing Ltd. *	-	-	-	-	-	-	-	-	30,87,500	30.9	-	-
	-	-	-	-	-	-	-	-	-	-	-	-
B) Investments in bonds												
(i) Quoted bonds at amortised cost												
Taxable bonds												
6 % National Highways Authority Of India - Txb - 2017	500	5.5	500	5.3	-	-	-	-	-	-	-	-
7.87% Export Import Bank Of India - 16 May 2016	-	-	250	267.1	-	-	-	-	-	-	-	-
8.78% Power Finance Corporation Limited - 11 Dec 2016	5	5.3	5	5.1	-	-	-	-	-	-	-	-
8.33% Union Bank 19 May 2016	-	-	100	103.0	-	-	-	-	-	-	-	-
8.88% National Bank For Agricultural Rural Development Sr-Xiii O - 25 Sep 2015	-	-	-	-	100	104.5	-	-	-	-	-	-
9% Mahindra & Mahindra Financial Services Limited - 04 May 2015	-	-	-	-	150	175.7	-	-	-	-	-	-
9.14% Infrastructure Development Finance Company Limited - 15 Jan 2016	-	-	-	-	100	101.2	-	-	-	-	-	-
7.10 % Power Finance Corporation - 15-Jul-12	-	-	-	-	-	-	-	-	-	-	-	-
6.35% Export Import Bank Of India - Sr G6 - 16 Jul 13	-	-	-	-	-	-	-	-	1	10.4	-	-
9.45% Rural Electrification Corporation Ltd - Ncd - 04 Apr 2013	-	-	-	-	-	-	-	-	184	189.8	-	-
9.48% Infrastructure Development Finance Company Limited - 14 Oct 2013	-	-	-	-	-	-	-	-	250	257.1	-	-
5.5% Nuclear Power Corporation Of India Limited - 14-Aug-2013	-	-	-	-	-	-	-	-	200	20.8	-	-
7.10% Power Finance Corporation 2012 Taxable Series 67 Bonds	-	-	-	-	-	-	-	-	-	-	20	21.0
Total taxable bonds		10.8		380.5		381.4	-	-		478.1		21.0
(ii) Taxfree bonds												
6.05% Indian Railway Finance Corporation Limited - Series 73 - 20 Dec 2015	-	-	-	-	500	51.4	-	-	-	-	-	-
6.00% Indian Railway Finance Corporation Limited Series 68Th - 08 March 2015	-	-	-	-	-	-	1,000	102.8	-	-	-	-
9% Indian Railway Finance Corporation - 28 Feb 2015	-	-	-	-	-	-	100	105.7	-	-	-	-
6.85% India Infrastructure Finance Company Limited - Series I - 22 Jan 2014	-	-	-	-	-	-	-	-	6,596	669.4	-	-
6.85% India Infrastructure Finance Company Limited - Series II - 20 Mar 2014	-	-	-	-	-	-	-	-	3,175	318.9	-	-
5.25% Nuclear Power Corporation Of India Limited - 23-Mar-2014	-	-	-	-	-	-	-	-	100	104.3	-	-
Total taxfree bonds		-		-		51.4		208.5		1,092.6		-
Total bonds		10.8		380.5		432.8	-	208.5	-	1,570.7	-	21.0
II Investment in debentures												
A) (i) Quoted debentures at amortised cost												
9.65% II&Fs Financial Services Limited - Deb - 18 Sep 2017	2,50,000	250.8	-	-	-	-	-	-	-	-	-	-
8.74% Infrastructure Leasing & Financial Services Limited - 10 Aug 2017	1,00,000	101.3	-	-	-	-	-	-	-	-	-	-
10.95% Fullerton India Credit Comapny Limited - 07-Oct-2016	1,200	663.6	1,200	636.4	-	-	-	-	-	-	-	-
10.25% Tata Motors Finance Ltd - Deb - 20-Mar-2017	750	906.7	-	-	-	-	-	-	-	-	-	-
9.80% Bajaj Finance Limited - 17 Oct 2016	500	546.3	300	314.7	-	-	-	-	-	-	-	-
8.33% Icici Home Finance -09-June-2017	500	268.6	-	-	-	-	-	-	-	-	-	-
9.35 Piramal Enterprises Ltd - 24 July 2017	500	511.8	-	-	-	-	-	-	-	-	-	-
9.68% Tata Sons Limited - Deb - 10-Jan-2017	400	428.3	400	410.0	-	-	-	-	-	-	-	-
8.75% Mahindra & Mahindra Financial Services Limited - 31 Jul 2017	400	405.9	-	-	-	-	-	-	-	-	-	-
10.17% Hdb Financial Services Limited - 11 Nov 2016	350	379.4	350	362.3	-	-	-	-	-	-	-	-
9% Tata Capital Financial Ser. Ltd - 24-May-2017	350	361.9	-	-	-	-	-	-	-	-	-	-
0% Tata Capital Financial Services Limites March 17	300	344.0	-	-	-	-	-	-	-	-	-	-
9.75% Hdfe - Deb - 10-Oct-2016	250	273.3	250	261.9	-	-	-	-	-	-	-	-
9.25% Hdfe Ltd - Deb - 21Oct2016	250	271.4	250	260.1	-	-	-	-	-	-	-	-
9.25% Dewan Housing Finance Limited - 7-Dec-2016	250	268.7	-	-	-	-	-	-	-	-	-	-
9.71% Tata Sons Limited - 13 Dec 2016	250	269.5	250	257.6	-	-	-	-	-	-	-	-
0% Hdfe - Deb - 16-Jan-2017	250	386.2	250	368.6	-	-	-	-	-	-	-	-
8.80% Kotak Mahindra Investment Ltd - 28 Feb 2017	250	251.9	250	262.9	-	-	-	-	-	-	-	-
9.40% Dewan Hsg Finance Corp.- 30/03/2017	250	262.5	-	-	-	-	-	-	-	-	-	-
9.15 Piramal Enterprises Limited 10-Apr-2017	250	260.1	-	-	-	-	-	-	-	-	-	-
8.8075% Mahindra & Mahindra Financial Services Limited - 15 May 2017	250	257.5	-	-	-	-	-	-	-	-	-	-
9.00% Reliance Capital Limited 28 July 2017	250	253.8	-	-	-	-	-	-	-	-	-	-

NATIONAL STOCK EXCHANGE OF INDIA LIMITED
Annexure VI - Notes to the Restated Standalone Financial information
Note 9 : Current Investments

	30.09.2016		31.03.2016		31.03.2015		31.03.2014		31.03.2013		31.03.2012	
	Number of Units	(₹ in million)	Number of Units	(₹ in million)	Number of Units	(₹ in million)	Number of Units	(₹ in million)	Number of Units	(₹ in million)	Number of Units	(₹ in million)
8.70% Kotak Mahindra Investment Ltd 11 Aug 2017	250	252.8	-	-	-	-	-	-	-	-	-	-
8.90% Kotak Mahindra Investment Ltd Ncd - 11 Sep 2017	250	251.2	-	-	-	-	-	-	-	-	-	-
9.16 Bajaj Finance Limited - 11 Nov 2016	200	216.1	-	-	-	-	-	-	-	-	-	-
10.95% Dewan Housing Finance Limited	200	208.4	-	-	-	-	-	-	-	-	-	-
10% Fullerton India Credit Company Limited - 16-Jan-2017	100	107.3	-	-	-	-	-	-	-	-	-	-
9.20% L&T Finance - 15-Feb-2017	100	266.4	-	-	-	-	-	-	-	-	-	-
9.58% Sundaram Bnp Paribas Home Finance Limited 10 Oct 2016	50	54.6	50	52.3	-	-	-	-	-	-	-	-
10.05% Hdb Financial Services Limited - Ncd 10-Feb-2017	50	53.2	50	50.8	-	-	-	-	-	-	-	-
8.75% Mahindra & Mahindra Financial Services Limited - Aug 2017	50	50.7	-	-	-	-	-	-	-	-	-	-
9.95% L&T Finance Company Limited - 28 Oct 2016	40	109.1	40	104.7	-	-	-	-	-	-	-	-
0% Dewan Housing Finance Corp. Ltd - 26/04/2017	40	51.7	-	-	-	-	-	-	-	-	-	-
11.60% Shriram Transport Finance Company Limited - 11 July 2016	-	-	1,50,000	151.0	-	-	-	-	-	-	-	-
9.65% Shriram Transport Finance Company Limited - 31 Jul 2016	-	-	2,50,000	250.5	-	-	-	-	-	-	-	-
5% Dewan Housing Finance Corporation Ltd - 06 May 2016	-	-	600	695.2	-	-	-	-	-	-	-	-
9.90%Dewan Housing -Debenture - 06May2016	-	-	150	150.0	-	-	-	-	-	-	-	-
9.3450% L&T Finance Company Limited - 13 May 2016	-	-	100	268.4	-	-	-	-	-	-	-	-
8.90% L&T Finance Company Limited - 20 May 2016	-	-	150	190.6	-	-	-	-	-	-	-	-
0% Shriram Transport Finance Co Ltd - 24 May 2016	-	-	50	63.4	-	-	-	-	-	-	-	-
9.65% Tata Capital Financial Services Limited - 26 May 2016	-	-	250	295.2	-	-	-	-	-	-	-	-
9.15% Shriram Transport Finance Company Limited - 02 Jun 2016	-	-	50	53.8	-	-	-	-	-	-	-	-
8.54% Hdb Financial Services Limited - 03 Jun 2016	-	-	250	267.6	-	-	-	-	-	-	-	-
8.80% Sundaram Finance Limited - Deb - 03 Jun 2016	-	-	50	53.6	-	-	-	-	-	-	-	-
9.40% Tata Motors Finance Limited - 05 Jun 2016	-	-	300	322.9	-	-	-	-	-	-	-	-
9.40% Tata Motors Finance Limited - 10 Jun 2016	-	-	400	430.0	-	-	-	-	-	-	-	-
9% Shriram Transport Finance Company Limited - Deb - 17 Jun 2016	-	-	250	256.2	-	-	-	-	-	-	-	-
9.45% Ashok Leyland Ltd - Deb - 2016	-	-	750	802.0	-	-	-	-	-	-	-	-
9.4623% Tata Capital Financial Services Limited - 08 Jul 2016	-	-	200	233.5	-	-	-	-	-	-	-	-
9.55% Bajaj Finance Limited - 10 Aug 2016	-	-	50	53.1	-	-	-	-	-	-	-	-
10.60% Lic Housing Finance - Deb - 06-Sept-2016	-	-	750	798.2	-	-	-	-	-	-	-	-
9.60% Sundaram Finance Limited - 23 Sep 2016	-	-	50	52.6	-	-	-	-	-	-	-	-
10.52% Sundaram Bnp Paribas Home Finance Limited - Deb - 03 Apr 2015	-	-	-	-	400	420.6	-	-	-	-	-	-
10.57035% Aditya Birla Finance Limited 09 Apr 2015	-	-	-	-	130	171.3	-	-	-	-	-	-
9.85% Tata Capital Financial Services Limited - 15 Apr 2015	-	-	-	-	250	261.3	-	-	-	-	-	-
8.91% L&T Infrastructure Finance Company Limited - Deb - 16 Apr 2015	-	-	-	-	100	108.4	-	-	-	-	-	-
9.20% Mahindra & Mahindra Financial Services Limited - Deb - 22 Apr 2015	-	-	-	-	200	236.6	-	-	-	-	-	-
9.83% Tata Capital Financial Services Limited - 30 Apr 2015	-	-	-	-	100	108.9	-	-	-	-	-	-
9.99% Sundaram Finance Ltd - 04 May 2015	-	-	-	-	450	489.9	-	-	-	-	-	-
8.95% L&T Infrastructure Finance Company Limited - 04 May 2015	-	-	-	-	250	270.3	-	-	-	-	-	-
9.60% Tata Motors Finance Limited - Deb - 13 May 2015	-	-	-	-	250	271.1	-	-	-	-	-	-
10.20% Sundaram Finance Limited - Deb - 14 May 2015	-	-	-	-	150	163.5	-	-	-	-	-	-
10.59% Aditya Birla Finance Limited - Deb - 18 May 2015	-	-	-	-	600	792.1	-	-	-	-	-	-
0% Sundaram Bnp Paribas Home Finance Limited - 28 May 2015	-	-	-	-	200	228.1	-	-	-	-	-	-
9.85% Hdfc Limited - 28 May 2015	-	-	-	-	50	54.2	-	-	-	-	-	-
9.15% Tata Motors Limited - 03 Jun 2015	-	-	-	-	750	751.1	-	-	-	-	-	-
10.40% Tata Motors Finance Limited - Deb - 12 Jun 2015	-	-	-	-	250	270.7	-	-	-	-	-	-
8.95% L&T Infrastructure Finance Company Limited - 15 Jun 2015	-	-	-	-	400	430.4	-	-	-	-	-	-
9.90% Dewan Housing Finance Corporation Ltd - Deb - 17 Jun 2015	-	-	-	-	250	250.2	-	-	-	-	-	-
9.89% Tata Motors Finance Limited - 26-Jun-2015	-	-	-	-	250	256.7	-	-	-	-	-	-
9.60% Hdfc Limited - Deb - 26 Jun 2015	-	-	-	-	200	200.6	-	-	-	-	-	-
0% Tata Capital Financial Services Limited - Ncd - 30 Jun 2015	-	-	-	-	50	65.8	-	-	-	-	-	-
10.10% Sundaram Finance Limited - 11 Jul 2015	-	-	-	-	100	107.5	-	-	-	-	-	-
9.60% Housing Development Finance Corporation Ltd	-	-	-	-	200	213.6	-	-	-	-	-	-
8.70% Bajaj Finance Limited - 22 Jul 2015	-	-	-	-	25	264.4	-	-	-	-	-	-
9.78% Tata Sons Limited - Ncd - 23 Jul 2015	-	-	-	-	250	267.3	-	-	-	-	-	-
9.93% Tata Capital Financial Services Limited 31 Jul 2015	-	-	-	-	100	106.7	-	-	-	-	-	-
9.99% Sundaram Finance Limited - Deb - 03 Aug 2015	-	-	-	-	50	53.3	-	-	-	-	-	-
11.50% Fullerton India Credit Comapny Limited - 21-Aug-2015	-	-	-	-	250	269.0	-	-	-	-	-	-
9.5553% Hdb Financial Services Limited - Ncd - 25 Sep 2015	-	-	-	-	100	119.8	-	-	-	-	-	-
10.80 Dewan Housing Finance Corporation Ltd - Deb - 05 Dec 2015	-	-	-	-	500	520.1	-	-	-	-	-	-
10.50% Fullerton India Credit Comapny Limited - 11 Dec 2015	-	-	-	-	350	364.0	-	-	-	-	-	-
9.30% Tata Sons Limited - Deb - 24 Dec 2015	-	-	-	-	100	102.6	-	-	-	-	-	-
8.85% Infrastructure Development Finance Company Limited -Ncd-27Jan16	-	-	-	-	200	203.9	-	-	-	-	-	-
10% Fullerton India Credit Comapny Limited - Deb - 15 Jan 2016	-	-	-	-	100	102.5	-	-	-	-	-	-

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Note 9 : Current Investments

	30.09.2016		31.03.2016		31.03.2015 Proforma		31.03.2014 Proforma		31.03.2013 Proforma		31.03.2012 Proforma	
	Number of Units	(₹ in million)	Number of Units	(₹ in million)	Number of Units	(₹ in million)	Number of Units	(₹ in million)	Number of Units	(₹ in million)	Number of Units	(₹ in million)
9.90 % Tata Sons Limited 2016	-	-	-	-	150	151.9	-	-	-	-	-	-
9.55% Housing Development Finance Coropration Ltd 07-Sep-2016	-	-	-	-	50	52.7	-	-	-	-	-	-
10.15% Sundaram Finance Limited Ncd 11-Jun-2014	-	-	-	-	-	-	50	54.0	-	-	-	-
10.30% Tata Capital Financial Services Ltd - Ncd - 23 Oct 2014 - Ip 08 Nov	-	-	-	-	-	-	30	31.2	-	-	-	-
10.30% Tata Capital Financial Services Ltd - Ncd - 23 Oct 2014 Ip 02 Nov	-	-	-	-	-	-	70	73.0	-	-	-	-
10.20% Mahindra & Mahindra Financial Services Limited - Ncd - 23 Oct 2014	-	-	-	-	-	-	100	104.1	-	-	-	-
9.90% Bajaj Finance Ltd - Ncd - 24 Sep 2014	-	-	-	-	-	-	35	367.1	-	-	-	-
0% Sundaram Finance Limited - Ncd - 10 Nov 2014	-	-	-	-	-	-	200	188.6	-	-	-	-
10.4% Sundaram Finance Limited - Ncd - 20-Jun-2014	-	-	-	-	-	-	50	54.0	-	-	-	-
10% Tata Motors Finance Ltd - Ncd - 25 Nov 2014	-	-	-	-	-	-	250	258.3	-	-	-	-
0% Mahindra & Mahindra Financial Services Limited - Ncd - 04 Nov 2014	-	-	-	-	-	-	250	236.1	-	-	-	-
0% Tata Capital Financial Services Limited - Ncd - 04 Nov 2014	-	-	-	-	-	-	150	190.3	-	-	-	-
9.80% Hdfc 2014 - Txb Bonds - 09-Oct-2014	-	-	-	-	-	-	150	156.6	-	-	-	-
10.10% Mahindra Mahindra Financial Services Ltd - Ncd - 09-Sep-2014	-	-	-	-	-	-	150	158.1	-	-	-	-
10.15% Tata Capital Financial Services Limited Ncd - 20-Jun-2014	-	-	-	-	-	-	400	430.9	-	-	-	-
10.05% Bajaj Finance Ltd 2015 11-Aug-2014	-	-	-	-	-	-	15	159.3	-	-	-	-
10.20% Mahindra Mahindra Financial Services Ltd - Ncd - 08 Jul 2014	-	-	-	-	-	-	225	240.7	-	-	-	-
10.25% Tata Capital Financial Services Limited - Ncd -14-May-2014	-	-	-	-	-	-	50	54.4	-	-	-	-
10.05 % Bajaj Finance Limited 11-Aug-2014	-	-	-	-	-	-	15	159.3	-	-	-	-
9.85% Bajaj Finance Limited 9.85 Ncd 04Oct14	-	-	-	-	-	-	10	104.7	-	-	-	-
9.84% Tata Sons Ltd - Ncd - 08 Dec 2014	-	-	-	-	-	-	100	103.5	-	-	-	-
9.65% Housing Development Finance Corp Ltd - Ncd - 16 Aug 2014	-	-	-	-	-	-	50	53.1	-	-	-	-
10.30% Tata Sons Ltd - Ncd - 23 Apr 2014	-	-	-	-	-	-	250	274.3	-	-	-	-
0% Mahindra & Mahindra Financial Services Limited Taxable Zob Mat 16 May 2013	-	-	-	-	-	-	-	-	100	99.0	-	-
0.00% Tata Capital Financial Services Limited - 13S Cc - Ncd - 30 Aug 2013	-	-	-	-	-	-	-	-	150	144.6	-	-
10.15% L&T Finance Limited - Ncd - 23 May 2013	-	-	-	-	-	-	-	-	150	155.4	-	-
10.47% - Mahindra & Mahindra Financial Services Limited - Ncd - 17 Jun 2013	-	-	-	-	-	-	-	-	200	216.7	-	-
7.55% National Housing Bank - Ncd - 12 Jul 2013	-	-	-	-	-	-	-	-	50	52.5	-	-
7.70% Hindustan Petroleum Corporation Limited - Ncd - 12 April 2013	-	-	-	-	-	-	-	-	150	161.0	-	-
8.10% Sundaram Finance Limited - Ncd - 25 Jun 2013	-	-	-	-	-	-	-	-	50	52.9	-	-
9.55% Infrastructure Development Finance Co Ltd - Ncd - 12 Apr 2013	-	-	-	-	-	-	-	-	50	54.5	-	-
9.75% - Sundaram Finance Limited - Ncd - 06 Sep 2013	-	-	-	-	-	-	-	-	250	263.8	-	-
9.9075% Infrastructure Development Finance Company Limited - Ncd - 14 Jun 2013	-	-	-	-	-	-	-	-	250	273.0	-	-
9.15% Tata Power Company Limited - 23-Jul-12	-	-	-	-	-	-	-	-	-	-	60	158.9
8.40% Cairn India Limited - 12-Oct-12	-	-	-	-	-	-	-	-	-	-	100	103.1
8.40% Sundaram Finance Limited - 19-Nov-12	-	-	-	-	-	-	-	-	-	-	150	152.9
8.35% Cairn India Limited - 12-Jul-12	-	-	-	-	-	-	-	-	-	-	150	154.9
7.00% Indian Oil Corporation Limited - 24-Jul-12	-	-	-	-	-	-	-	-	-	-	150	156.5
Total quoted debentures		9,545.0		8,730.1		8,701.1		3,451.6		1,473.4		726.3
(ii) Unquoted debentures at amortised cost												
7.45% Tata Sons Limited - 15-Apr-12	-	-	-	-	-	-	-	-	-	-	300	320.7
8.67% Axis Bank Limited - 25-Jul-12	-	-	-	-	-	-	-	-	-	-	150	151.5
Total unquoted debentures												472.2
Total debentures		9,545.0		8,730.1		8,701.1		3,451.6		1,473.4		1,198.5
B) Investment in mutual funds												
(i) Quoted investments in mutual funds at FVPL												
Sundaram Fixed Term Plan Cq 370 Days Growth - 04-Apr-13	-	-	-	-	-	-	-	-	40,00,000	44.0	-	-
Dsp Blackrock Fmp - 12 Months - Series 20 - Growth - 31-May-12	-	-	-	-	-	-	-	-	-	-	60,01,105	64.8
Dws Ftf - Series 80 - Growth - 02-May-12	-	-	-	-	-	-	-	-	-	-	50,00,000	54.3
Dws Ftf - Series 83 - Growth - 11-Jun-12	-	-	-	-	-	-	-	-	-	-	50,00,000	53.8
Hdfc Fmp - 370D - Jun 2011 (18) - 3 - Growth - 26-Jun-12	-	-	-	-	-	-	-	-	-	-	50,00,000	53.5
Hdfc Fmp - 370D - May 2011 (18) - 1 - Growth - 29-May-12	-	-	-	-	-	-	-	-	-	-	50,00,000	54.1
Kotak Fmp - Series 45 (370 Days) - Growth - 09-May-12	-	-	-	-	-	-	-	-	-	-	50,00,000	54.4
Kotak Fmp - Series 46 (370 Days) - Growth - 28-May-12	-	-	-	-	-	-	-	-	-	-	50,00,000	54.1
Kotak Fmp - Series 52 (370 Days) - Growth - 09-Jul-12	-	-	-	-	-	-	-	-	-	-	50,00,000	53.4
Icici Prudential Fmp - S 55 - 1 Years - Plan G - Growth - 21-May-12	-	-	-	-	-	-	-	-	-	-	50,00,000	54.1
Icici Prudential Fmp - S 56 - 1 Years - Plan E - Growth - 30-Apr-12	-	-	-	-	-	-	-	-	-	-	50,00,000	54.4
Icici Prudential Fmp - S 54 - 1 Years - Plan D - Growth - 25-Apr-12	-	-	-	-	-	-	-	-	-	-	50,00,000	54.5

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	30.09.2016		31.03.2016		31.03.2015 Proforma		31.03.2014 Proforma		31.03.2013 Proforma		31.03.2012 Proforma	
	Number of Units	(₹ in million)	Number of Units	(₹ in million)	Number of Units	(₹ in million)	Number of Units	(₹ in million)	Number of Units	(₹ in million)	Number of Units	(₹ in million)
Uti Ftf - Series Ix - Plan 2 - Growth - 16-Apr-12	-	-	-	-	-	-	-	-	-	-	50,00,000	54.6
Uti Ftf - Series Ix - Plan 4 - Growth - 21-May-12	-	-	-	-	-	-	-	-	-	-	50,00,000	54.2
Sbi Magnum Dfs - 370 Days - 15 - Growth - 29-May-12	-	-	-	-	-	-	-	-	-	-	50,00,000	54.3
Birla Sun Life Ftp - Series Cy - Growth - 28-Apr-12	-	-	-	-	-	-	-	-	-	-	50,00,000	54.4
Birla Sun Life Ftp - Series Dd - Growth - 07-Jun-12	-	-	-	-	-	-	-	-	-	-	50,00,000	53.9
Tata Fmp - Series 34 - Plan B - Growth - 21-May-12	-	-	-	-	-	-	-	-	-	-	50,09,198	54.2
Reliance Fhf 19 - Series 4 - Growth - 09-May-12	-	-	-	-	-	-	-	-	-	-	50,00,000	54.4
Religare Fmp - Series VII - Plan A - Growth - 16-Apr-12	-	-	-	-	-	-	-	-	-	-	50,00,000	54.5
Religare Fmp - Series VII - Plan C - Growth - 15-May-12	-	-	-	-	-	-	-	-	-	-	50,00,000	54.3
Birla Sun Life Ftp - Series Db - Growth - 22-May-12	-	-	-	-	-	-	-	-	-	-	50,00,000	54.2
	-	-	-	-	-	-	-	-	-	-	-	-
									44.0		1,148.4	
(ii) Unquoted Investments in mutual funds at FVPL												
Dsp Blackrock Ultra Short Term Fund - Direct - Growth	16,61,51,218	1,907.3	8,64,08,347	949.2	-	-	-	-	-	-	-	-
Sundaram Ultra Short Term - Direct Plan - Growth	9,15,56,720	2,004.0	66,73,276	140.0	-	-	-	-	-	-	-	-
Idfc Ultra Short Term Fund - Direct - Growth	9,07,21,122	2,021.8	-	-	-	-	-	-	-	-	-	-
L&T Ultra Short Term Fund - Direct - Growth	7,83,59,243	2,031.0	-	-	-	-	-	-	-	-	-	-
Hdfc Floating Rate Income Fund - Stp - Direct - Growth	7,28,98,525	1,991.9	96,32,501	251.4	-	-	-	-	-	-	-	-
Idfc Money Manager - Treasury Plan - Direct - Growth	-	-	-	-	4,38,35,864	972.6	-	-	-	-	-	-
Reliance Medium Term Fund - Direct - Growth	5,98,17,759	1,995.4	-	-	-	-	-	-	-	-	-	-
Jm Money Manager Fund - Super Plus Plan - Direct - Growth	3,81,86,824	858.2	-	-	-	-	-	-	-	-	-	-
Icici Prudential Ultra Short Term Plan - Direct - Growth	2,95,76,871	487.0	1,73,58,544	270.9	-	-	-	-	-	-	-	-
Birla Sun Life Floating Rate Fund - Ltp - Direct - Growth	99,48,733	1,921.9	13,66,686	250.5	-	-	-	-	-	-	-	-
Birla Sun Life Cash Plus - Direct - Growth	-	-	-	-	87,43,216	1,963.8	-	-	-	-	-	-
Icici Prudential Flexible Income Plan - Growth - Direct	52,33,610	1,572.5	1,57,11,768	1,194.0	-	-	-	-	-	-	-	-
Jm High Liquidity Fund - Direct Growth	46,58,432	200.5	27,02,478	112.0	-	-	-	-	-	-	-	-
Invesco India Ultra Short Term Fund - Direct - Growth	8,99,716	1,983.4	-	-	-	-	-	-	-	-	-	-
Tata Floater Fund - Direct - Growth	8,43,509	2,016.3	-	-	-	-	-	-	-	-	-	-
Uti Treasury Advantage Fund - Direct - Growth	7,17,459	1,555.6	-	-	-	-	-	-	-	-	-	-
Jpmorgan India Treasury Fund - Direct - Growth	-	-	-	-	6,46,175	11.9	-	-	-	-	-	-
Principal Cash Management - Direct Plan - Growth	-	-	-	-	3,31,240	450.9	-	-	-	-	-	-
Axis Treasury Advantage Fund - Growth - Direct Plan	4,21,526	750.2	9,42,364	1,607.3	-	-	-	-	-	-	-	-
Kotak Liquid Scheme - Plan A - Direct - Growth	2,99,281	954.7	-	-	-	-	-	-	-	-	-	-
Axis Banking Debt Fund - Direct - Growth	2,42,507	351.9	-	-	-	-	-	-	-	-	-	-
Uti Treasury Advantage Fund Growth - Direct Plan	2,15,292	466.8	-	-	-	-	-	-	-	-	-	-
Icici Prudential Liquid - Direct Plan - Growth	1,77,811	41.4	56,27,026	39.9	14,18,705	293.8	-	-	-	-	-	-
Birla Sun Life Floating Rate Fund - Ltp - Direct - Growth Lien Marked	1,57,986	30.5	-	-	-	-	-	-	-	-	-	-
Hdfc Cash Mgmt Fund - Savings Plan - Direct - Growth	36,968	4.0	15,938	50.9	-	-	-	-	-	-	-	-
Lic Nomura Mf Liquid Fund - Direct - Growth	17,933	51.1	-	-	-	-	-	-	-	-	-	-
Sbi Shdf - Ultra Short Term - Direct - Growth Lien Marked	12,391	25.2	12,391	24.2	-	-	-	-	-	-	-	-
Uti Floating Rate Fund - Stp - Direct - Growth Lien Marked	10,127	26.4	10,127	25.2	-	-	-	-	-	-	-	-
Reliance Money Manager Fund - Growth - Direct	-	-	1,44,076	302.5	-	-	-	-	-	-	-	-
Religare Invesco Ultra Short Term Fund - Direct - Growth	-	-	5,67,888	1,197.1	-	-	-	-	-	-	-	-
Reliance Liquid Fund - Cash Plan - Direct - Growth	-	-	1,85,805	454.4	-	-	-	-	-	-	-	-
Hdfc Banking & Psu Debt Fund	-	-	-	-	45,39,471	50.1	-	-	-	-	-	-
Sbi Magnum Insta Cash Fund - Direct - Growth	-	-	-	-	6,37,576	1,973.6	-	-	-	-	-	-
Baroda Pioneer Liquid Fund - Plan B - Direct - Growth	-	-	-	-	5,92,907	951.8	-	-	-	-	-	-
L&T Liquid Fund - Direct - Growth	-	-	-	-	4,96,031	951.7	-	-	-	-	-	-
Templeton India Tma - Direct - Growth	-	-	-	-	3,77,85,764	701.5	-	-	-	-	-	-
Reliance Liquid Fund - Tp - Direct - Growth	-	-	-	-	66,939	228.3	-	-	-	-	-	-
Bnp Paribas Overnight Fund - Direct - Growth	-	-	-	-	23,227	50.0	-	-	-	-	-	-
Idbi Liquid Fund - Dir - Growth	-	-	-	-	33,356	50.0	-	-	-	-	-	-
Sundaram Money Fund - Direct Plan - Growth	-	-	-	-	16,94,772	50.0	-	-	-	-	-	-
Tata Liquid Fund Direct Plan - Growth	-	-	-	-	19,367	50.0	-	-	-	-	-	-
Templeton India Tma - Direct - Growth	-	-	-	-	-	-	3,77,868	723.1	-	-	-	-
Reliance Liquid Fund - Cash Plan - Direct - Growth	-	-	-	-	-	-	1,30,974	270.4	-	-	-	-
Principal Cash Management - Direct Plan - Growth	-	-	-	-	-	-	80,240	100.1	-	-	-	-
Idfc Cash Fund - Direct - Growth	-	-	-	-	-	-	64,213	100.0	-	-	-	-
Sundaram Money Fund - Direct Plan - Daily Dividend - Reinvestment	-	-	-	-	-	-	-	-	1,98,12,703	200.1	-	-
Axis Liquid Fund - Daily Dividend - Direct Plan	-	-	-	-	-	-	-	-	1,00,070	100.1	-	-
	25,249.0		6,869.5		8,750.0		1,193.6		300.2		-	

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Note 9 : Current Investments

	30.09.2016		31.03.2016		31.03.2015		31.03.2014		31.03.2013		31.03.2012	
	Number of Units	(₹ in million)	Number of Units	(₹ in million)	Number of Units	(₹ in million)	Number of Units	(₹ in million)	Number of Units	(₹ in million)	Number of Units	(₹ in million)
C) DEPOSITS - At Amortised Cost												
HDFC LTD - 08-Nov-13	-	-	-	-	-	-	-	-	1	169.9	-	-
HDFC LTD - 11-May-12	-	-	-	-	-	-	-	-	-	-	1	162.2
HDFC LTD - 09-Nov-12	-	-	-	-	-	-	-	-	-	-	1	155.3
Total Deposits		-		-		-		-		169.9		317.5
D) Investment in commercial paper												
(i) Unquoted investments in commercial paper at amortised cost												
Reliance Capital Limited	-	-	-	-	1,000	474.5	-	-	-	-	-	-
Sundaram Finance Limited	-	-	-	-	1,000	497.2	-	-	-	-	-	-
Fullerton India Credit Comapny Limited	-	-	-	-	1,000	484.0	-	-	-	-	-	-
Tata Capital Financial Services Limited	-	-	-	-	600	291.2	-	-	-	-	-	-
Sundaram Bnp Paribas Home Finance Limited	-	-	-	-	500	245.9	-	-	-	-	-	-
Tata Capital Limited	-	-	-	-	500	245.8	-	-	-	-	-	-
Tata Capital Limited	-	-	-	-	500	242.7	-	-	-	-	-	-
Fullerton India Credit Comapny Limited	-	-	-	-	500	242.3	-	-	-	-	-	-
Bajaj Finance Limited	-	-	-	-	400	196.3	-	-	-	-	-	-
Bajaj Finance Limited	-	-	-	-	400	199.8	-	-	-	-	-	-
L&T Finance Company Limited	-	-	-	-	200	99.2	-	-	-	-	-	-
Tata Capital Limited	-	-	-	-	100	49.2	-	-	-	-	-	-
L&T Finance Company Limited	-	-	-	-	100	49.6	-	-	-	-	-	-
Sundaram Finance Limited	-	-	-	-	100	49.2	-	-	-	-	-	-
Tata Capital Financial Services Limited	-	-	-	-	100	49.2	-	-	-	-	-	-
Bajaj Finance Limited	-	-	-	-	-	-	700	324.8	-	-	-	-
Tata Motors Finance Limited	-	-	-	-	-	-	500	235.3	-	-	-	-
Infrastructure Leasing & Financial Services Limited	-	-	-	-	-	-	300	141.7	-	-	-	-
Tata Motors Finance Limited	-	-	-	-	-	-	200	95.3	-	-	-	-
Tata Motors Finance Limited	-	-	-	-	-	-	300	143.2	-	-	-	-
Tata Motors Finance Limited	-	-	-	-	-	-	300	142.9	-	-	-	-
L&T Finance Company Limited	-	-	-	-	-	-	300	140.7	-	-	-	-
Tata Motors Finance Limited	-	-	-	-	-	-	200	95.5	-	-	-	-
II&Fs Financial Services Limited	-	-	-	-	-	-	200	95.5	-	-	-	-
II&Fs Financial Services Limited	-	-	-	-	-	-	500	239.4	-	-	-	-
Infrastructure Leasing & Financial Services Limited	-	-	-	-	-	-	500	241.5	-	-	-	-
Tata Capital Financial Services Limited	-	-	-	-	-	-	200	96.5	-	-	-	-
Sundaram Finance Limited	-	-	-	-	-	-	100	48.2	-	-	-	-
Bajaj Finance Limited	-	-	-	-	-	-	400	198.8	-	-	-	-
II&Fs Financial Services Limited	-	-	-	-	-	-	500	237.7	-	-	-	-
L&T Finance Company Limited	-	-	-	-	-	-	20	9.5	-	-	-	-
L&T Finance Company Limited	-	-	-	-	-	-	180	87.9	-	-	-	-
10.50% II&Fs Financial Services Limited Cp Maturity 16 May 2013	-	-	-	-	-	-	-	-	300	148.2	-	-
10.45% Infrastructure Leasing And Financial Services Ltd Cp Mat 27 May 2013	-	-	-	-	-	-	-	-	300	147.8	-	-
10.20% Aditya Birla Finance Limited Cp Maturity 07 Jun 2013	-	-	-	-	-	-	-	-	200	98.2	-	-
10.20% Industrial Finance Corporation Of India Ltd. Cp Mat 28 June 2013	-	-	-	-	-	-	-	-	300	146.6	-	-
9.80% Sundaram Finance Limited - Cp - 19 Jul 2013	-	-	-	-	-	-	-	-	200	97.2	-	-
9.80% Infrastructure Leasing & Financial Services Ltd - Cp - 22 Jul 2013	-	-	-	-	-	-	-	-	300	145.8	-	-
9.80% Tata Capital Financial Services Limited - Cp - 23 Jul 2013	-	-	-	-	-	-	-	-	300	145.8	-	-
9.85% - Tata Motors Finance Limited - Cp - 31 Jul 2013	-	-	-	-	-	-	-	-	300	145.5	-	-
9.83% - Tata Motors Finance Limited - Cp - 06 Aug 2013	-	-	-	-	-	-	-	-	300	145.3	-	-
9.75% - Tata Motors Finance Limited - Cp - 30 Aug 2013	-	-	-	-	-	-	-	-	300	144.3	-	-
9.67% Sundaram Finance Limited - Cp - 04 Sep 2013	-	-	-	-	-	-	-	-	300	144.1	-	-
9.65% Sundaram Finance Limited - Cp - 10 Jul 2013	-	-	-	-	-	-	-	-	300	146.2	-	-
9.60% Sundaram Finance Limited - Cp - 20 Sep 2013	-	-	-	-	-	-	-	-	300	143.6	-	-
9.60% Aditya Birla Finance Limited - Cp - 19 Sep 2013	-	-	-	-	-	-	-	-	500	239.4	-	-
8.94% Power Finance Corporation Limited - Cp - 28 Jun 2013	-	-	-	-	-	-	-	-	300	146.7	-	-
10.25% Hcl Infosystems Limited - Cp - 27 Jun 2013	-	-	-	-	-	-	-	-	600	293.2	-	-
10.25% Hcl Infosystems Limited - Cp - 28 Jun 2013	-	-	-	-	-	-	-	-	200	97.7	-	-
9.30% - Tata Motors Finance Limited - Cp - 06 Aug 2013	-	-	-	-	-	-	-	-	100	48.4	-	-
9.33% - Tata Motors Finance Limited - Cp - 22 Oct 2013	-	-	-	-	-	-	-	-	500	237.5	-	-
9.14% Housing Development Finance Corporation Ltd - 364D - Cp - 28 Aug 2013	-	-	-	-	-	-	-	-	500	240.7	-	-
9.30% Sundaram Finance Limited Cp 10 Sep 13	-	-	-	-	-	-	-	-	400	192.0	-	-
9.30% Infrastructure Leasing & Financial Services Ltd - Cp - 14 Jun 2013	-	-	-	-	-	-	-	-	600	293.3	-	-

NATIONAL STOCK EXCHANGE OF INDIA LIMITED
Annexure VI - Notes to the Restated Standalone Financial information
Note 9 : Current Investments

	30.09.2016		31.03.2016		31.03.2015 Proforma		31.03.2014 Proforma		31.03.2013 Proforma		31.03.2012 Proforma	
	Number of Units	(₹ in million)	Number of Units	(₹ in million)	Number of Units	(₹ in million)	Number of Units	(₹ in million)	Number of Units	(₹ in million)	Number of Units	(₹ in million)
9.395% II&Fs Financial Services Limited - Cp - 31 May 2013	-	-	-	-	-	-	-	-	500	246.0	-	-
9.41% II&Fs Financial Services Limited - Cp - 02 Sep 2013	-	-	-	-	-	-	-	-	500	240.4	-	-
9.33% Tata Capital Financial Services Limited - Cp - 07 Jun 2013	-	-	-	-	-	-	-	-	500	245.6	-	-
9.33% L&T Finance Limited - Cp - 05 Jun 2013	-	-	-	-	-	-	-	-	500	245.7	-	-
9.35% Aditya Birla Finance Limited - Cp - 10 Jun 2013	-	-	-	-	-	-	-	-	500	245.4	-	-
9.399% Aditya Birla Finance Limited - Cp - 30 Jul 2013	-	-	-	-	-	-	-	-	300	145.5	-	-
9.399% Bajaj Finance Limited - Cp - 20 Jul 13	-	-	-	-	-	-	-	-	300	146.9	-	-
9.4299% Bajaj Finance Limited - Cp - 30 Aug 13	-	-	-	-	-	-	-	-	200	96.2	-	-
9.43% Bajaj Finance Limited - Cp - 30 Aug 13	-	-	-	-	-	-	-	-	300	144.4	-	-
9.45% Bajaj Finance Limited - Cp - 19 Jul 2013	-	-	-	-	-	-	-	-	200	97.2	-	-
9.45% Bajaj Finance Limited - Cp - 30 Aug 2013	-	-	-	-	-	-	-	-	500	240.6	-	-
9.35% Power Finance Corporation Ltd - Cp - 06 Sep 2013	-	-	-	-	-	-	-	-	500	240.2	-	-
9.25% Godrej Industries Limited - Cp - 08 May 2013	-	-	-	-	-	-	-	-	500	247.5	-	-
9.30% Tata Capital Limited - Cp - 30 Jul 2013	-	-	-	-	-	-	-	-	500	242.4	-	-
9.5001% Housing Development Finance Corporation Ltd - 14 Jun 2013	-	-	-	-	-	-	-	-	500	245.2	-	-
9.6500% Housing Development Finance Corporation Ltd - Cp - 06 Sep 13	-	-	-	-	-	-	-	-	500	240.2	-	-
9.54% Tata Capital Limited - Cp - 17 May 2013	-	-	-	-	-	-	-	-	500	246.9	-	-
9.6001% Export Import Bank Of India - Cp - 05 Jul 2013	-	-	-	-	-	-	-	-	800	390.3	-	-
9.6999% Sesa Goa Limited - Cp - 21 Oct 2013	-	-	-	-	-	-	-	-	300	142.5	-	-
9.5500% Power Finance Corporation Ltd - Cp - 15 Jul 2013	-	-	-	-	-	-	-	-	500	243.3	-	-
10.7502% Power Finance Corporation Limited - Cp - 15 Apr 2013	-	-	-	-	-	-	-	-	200	99.6	-	-
9.50% L&T Finance Limited - Cp - 31 May 2013	-	-	-	-	-	-	-	-	500	246.0	-	-
10.95% Apollo Tyres Limited Cp Maturity 23 May 2012	-	-	-	-	-	-	-	-	-	-	300	147.7
10.10% Bajaj Electricals Limited Cp Maturity 20 April 2012	-	-	-	-	-	-	-	-	-	-	300	149.2
10.05% Ballarpur Industries Limited Cp Maturity 16 April 2012	-	-	-	-	-	-	-	-	-	-	400	199.2
10.00% Blue Star Limited Cp Maturity 13 July 2012	-	-	-	-	-	-	-	-	-	-	120	58.4
10.00% Blue Star Limited Cp Maturity 27 September 2012	-	-	-	-	-	-	-	-	-	-	100	47.8
10.10% Indian Oil Corporation Limited Cp Maturity 24 September 2012	-	-	-	-	-	-	-	-	-	-	300	143.2
10.42% Aditya Birla Finance Limited Cp Maturity 14 May 2012	-	-	-	-	-	-	-	-	-	-	200	98.8
10.00% Aditya Birla Finance Limited Cp Maturity 11 September 2012	-	-	-	-	-	-	-	-	-	-	500	239.9
10.10% Aditya Birla Finance Limited Cp Maturity 14 September 2012	-	-	-	-	-	-	-	-	-	-	500	239.5
10.15% Aditya Birla Finance Limited Cp Maturity 07 November 2012	-	-	-	-	-	-	-	-	-	-	300	141.7
10.00% Bajaj Finance Limited Cp Maturity 06 July 2012	-	-	-	-	-	-	-	-	-	-	500	243.9
10.00% Bajaj Finance Limited Cp Maturity 02 Aug 2012	-	-	-	-	-	-	-	-	-	-	300	145.4
10.05% Bajaj Finance Limited Cp Maturity 01 November 2012	-	-	-	-	-	-	-	-	-	-	500	236.6
10.04% Godrej Industries Limited Cp Maturity 25 April 2012	-	-	-	-	-	-	-	-	-	-	200	99.4
10.46% Hcl Infosystems Limited Cp Maturity 04 May 2012	-	-	-	-	-	-	-	-	-	-	300	148.6
10.65% Hcl Infosystems Limited Cp Maturity 14 May 2012	-	-	-	-	-	-	-	-	-	-	400	197.6
11.00% Hcl Infosystems Limited Cp Maturity 31 May 2012	-	-	-	-	-	-	-	-	-	-	100	49.1
11.25% Hdfc Limited Cp Maturity 07 June 2012	-	-	-	-	-	-	-	-	-	-	300	147.0
10.11% II&Fs Financial Services Limited Cp Maturity 22 May 2012	-	-	-	-	-	-	-	-	-	-	300	147.9
10.05% II&Fs Financial Services Limited Cp Maturity 15 October 2012	-	-	-	-	-	-	-	-	-	-	200	95.1
10.14% II&Fs Financial Services Limited Cp Maturity 16 November 2012	-	-	-	-	-	-	-	-	-	-	300	141.3
10.20% II&Fs Financial Services Limited Cp Maturity 21 Dec 2012	-	-	-	-	-	-	-	-	-	-	300	140.0
10.10% Infrastructure Development Finance Company Limited Cp Mat 24 Aug 2012	-	-	-	-	-	-	-	-	-	-	300	144.4
10.10% North Delhi Power Limited Cp Maturity 12 June 2012	-	-	-	-	-	-	-	-	-	-	300	147.2
10.20% Ranbaxy Laboratories Limited Cp Maturity 22 October 2012	-	-	-	-	-	-	-	-	-	-	300	142.2
10.00% Sundaram Finance Limited Cp Maturity 12 October 2012	-	-	-	-	-	-	-	-	-	-	500	238.0
10.465% Tata Capital Limited Cp Maturity 17 May 2012	-	-	-	-	-	-	-	-	-	-	300	148.0
11.45% Tata Capital Limited Cp Maturity 16 July 2012	-	-	-	-	-	-	-	-	-	-	300	145.2
10.50% Tata Motors Finance Limited Cp Maturity 25 May 2012	-	-	-	-	-	-	-	-	-	-	300	147.9
Tata Motors Limited - Cp - 03 Dec 2012 - 10.15%	-	-	-	-	-	-	-	-	-	-	300	140.6
Total commercial paper		-		-		3,416.1		2,574.4		8,265.5		4,510.8
Total current investments		34,804.8		15,980.1		21,300.0		7,428.1		11,854.6		7,196.2
Aggregate amount of quoted investments and market value thereof		9,555.8		9,110.7		9,133.8		3,660.0		3,088.1		1,895.6
Aggregate amount of unquoted investments		25,249.0		6,869.4		12,166.2		3,768.1		8,766.5		5,300.6
* The Company has entered into an agreement with another company, for sale of equity shares of its subsidiary company viz. National Commodity Clearing Limited												

Trade receivables

(₹ in million)

	30.09.2016	31.03.2016	31.03.2015 Proforma	31.03.2014 Proforma	31.03.2013 Proforma	31.03.2012 Proforma
Outstanding for a period of over six months from the date they are due for payment						
Secured, considered good*	34.7	23.2	25.2	25.1	16.1	9.9
Unsecured, considered good	38.8	81.1	38.4	5.2	19.8	8.2
	73.5	104.3	63.6	30.3	35.9	18.1
Other receivables						
Secured, considered good*	2,261.8	2,097.7	1,541.5	1,449.7	1,165.5	1,357.8
Unsecured, considered good	45.4	47.4	89.1	35.2	18.9	8.9
Doubtful	0.4	0.4	0.4	0.4	-	-
	2,307.6	2,145.5	1,631.0	1,485.3	1,184.4	1,366.7
Less : Allowance for doubtful debts	0.4	0.4	0.4	0.4	-	-
	2,307.2	2,145.1	1,630.6	1,484.9	1,184.4	1,366.7
Total	2,380.7	2,249.4	1,694.2	1,515.2	1,220.3	1,384.8

* Trade receivables are secured against deposits received from trading members (refer note: 24)

Cash and cash equivalents

(₹ in million)

	30.09.2016	31.03.2016	31.03.2015 Proforma	31.03.2014 Proforma	31.03.2013 Proforma	31.03.2012 Proforma
Balances with banks : in current accounts	815.2	506.4	326.9	261.8	272.6	274.5
Certificate of deposits with original maturity of less than three months	-	-	-	-	2,384.9	487.1
Cheques on hand	-	-	-	-	3.2	-
Cash on hand	0.1	0.1	0.1	0.1	0.1	0.1
Total	815.3	506.5	327.0	261.9	2,660.8	761.7

There are no restrictions with regards to cash and cash equivalents as at the end of the reporting period and prior periods.

Bank balances other than cash and cash equivalents

(₹ in million)

	30.09.2016	31.03.2016	31.03.2015 Proforma	31.03.2014 Proforma	31.03.2013 Proforma	31.03.2012 Proforma
Fixed deposits						
- with original maturity for more than 3 months but less than 12 months	501.0	4,388.1	4,210.6	12,405.3	8,711.9	4,638.0
- with maturity of less than 12 months at the balance sheet date	1,112.6	6,375.2	9,352.1	13,021.9	14,476.8	20,910.2
- Certificate of deposits with original maturity for more than 3 months but less than 12 months	-	-	-	1,392.0	803.9	793.4
Earmarked fixed deposits *						
- with original maturity for more than 3 months but less than 12 months	287.8	182.4	327.5	429.8	522.9	97.6
- with maturity of less than 12 months at the balance sheet date	960.1	463.9	401.6	955.9	460.7	1,063.5
Total	2,861.5	11,409.6	14,291.8	28,204.9	24,976.2	27,502.7

* Earmarked deposits are restricted and includes deposits towards listing entities, defaulter members , investor services fund and other restricted deposits.

13 a. Equity share capital

(₹ in million)

Authorised (Refer note 39(iii))

5,00,00,000 (Previous years: 5,00,00,000) equity shares of ₹ 10 each.

Issued, subscribed and paid-up (Refer note 39(ii) and (iii))

4,50,00,000 (Previous years: 4,50,00,000) equity shares of ₹ 10 each fully paid up.

Total

30.09.2016	31.03.2016	31.03.2015 Proforma	31.03.2014 Proforma	31.03.2013 Proforma	31.03.2012 Proforma
500	500	500	500	500	500
450	450	450	450	450	450
450	450	450	450	450	450

Terms and rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. They entitle the holder to participate in dividends. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. There is no change either in the number of equity shares or in amount between reported years.

Also refer note 39 for issue of bonus equity shares and sub-division of equity shares.

Details of shareholders holding more than 5% share in the Company (No. of shares)

Life Insurance Corporation of India

State Bank of India

Infrastructure Development Finance Company Limited

IFCI Limited

30.09.2016	31.03.2016	31.03.2015 Proforma	31.03.2014 Proforma	31.03.2013 Proforma	31.03.2012 Proforma
56,28,500	56,28,500	47,28,500	47,28,500	47,28,500	47,28,500
23,37,500	45,87,500	45,87,500	45,87,500	45,87,500	45,87,500
-	-	-	23,96,410	29,47,990	29,47,990
13,72,750	17,47,750	24,97,750	24,97,750	24,97,750	24,97,750

Details of shareholders holding more than 5% share in the Company (% shareholding)

Life Insurance Corporation of India

State Bank of India

Infrastructure Development Finance Company Limited

IFCI Limited

30.09.2016	31.03.2016	31.03.2015 Proforma	31.03.2014 Proforma	31.03.2013 Proforma	31.03.2012 Proforma
12.51%	12.51%	10.51%	10.51%	10.51%	10.51%
5.19%	10.19%	10.19%	10.19%	10.19%	10.19%
-	-	-	5.33%	6.55%	6.55%
3.05%	3.88%	5.55%	5.55%	5.55%	5.55%

13 b. Details of Other Equity (refer ANNEXURE III - Restated standalone statement of changes in equity)

Securities premium reserve

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

Other Reserves:

The Company has in the past created other Reserves for investor compensation activities and staff welfare activities.

FVOCI equity investments

The Company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the FVOCI equity investments reserve within equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

Debt Instruments through Other Comprehensive Income:

The fair value change of the debt instruments measured at fair value through other comprehensive income is recognised in debt instruments through other comprehensive income. Upon derecognition, the cumulative fair value changes on the said instruments are

14	Trade payables (current)	(₹ in million)				
		30.09.2016	31.03.2016	31.03.2015 Proforma	31.03.2014 Proforma	31.03.2013 Proforma
	Trade payables	728.4	546.7	469.0	407.7	377.9
	Trade payables to related parties (refer note no.32)	84.8	121.3	8.4	25.0	65.9
	Total	813.2	668.0	477.4	432.7	443.8
15	Other financial liabilities (non-current)	(₹ in million)				
		30.09.2016	31.03.2016	31.03.2015 Proforma	31.03.2014 Proforma	31.03.2013 Proforma
	Obligations under finance lease	88.6	85.7	80.3	75.7	71.8
	Total	88.6	85.7	80.3	75.7	71.8
16	Other financial liabilities (current)	(₹ in million)				
		30.09.2016	31.03.2016	31.03.2015 Proforma	31.03.2014 Proforma	31.03.2013 Proforma
	Deposits - Premises	58.8	57.3	330.0	305.3	310.5
	Creditors for capital expenditure	199.2	207.2	137.7	128.4	225.2
	Defaulters fund pending claims	707.6	678.9	639.8	585.3	533.6
	Obligations under finance lease	9.3	9.3	9.3	9.3	9.3
	Other liabilities	72.7	90.0	127.0	695.9	679.9
	Total	1,047.6	1,042.7	1,243.8	1,724.2	1,758.5
17	Provision (non current)	(₹ in million)				
		30.09.2016	31.03.2016	31.03.2015 Proforma	31.03.2014 Proforma	31.03.2013 Proforma
	Employee benefits obligation					
	Provision for gratuity	78.8	26.7	21.6	37.4	1.9
	Provision for variable pay and allowance	69.3	75.8	71.5	46.8	24.8
	Total	148.1	102.5	93.1	84.2	26.7
18	Provision (current)	(₹ in million)				
		30.09.2016	31.03.2016	31.03.2015 Proforma	31.03.2014 Proforma	31.03.2013 Proforma
	Employee benefits obligation					
	Provision for gratuity	25.6	23.4	20.5	18.8	51.2
	Provision for variable pay and allowance	197.9	289.7	211.4	198.9	56.2
	Provision for leave encashment	184.9	122.9	111.2	92.5	76.5
	Total	408.4	436.0	343.1	310.2	183.9
19	Income taxes	(₹ in million)				
		30.09.2016	31.03.2016	31.03.2015 Proforma	31.03.2014 Proforma	31.03.2013 Proforma
(a)	Income tax expense					
	Particulars					
	a) Income tax expense					
	Current Tax					
	Current tax expense	1,670.0	1,450.0	3,300.0	3,199.3	2,815.1
	Deferred Tax					
	Decrease / (increase) in deferred tax assets	(2.5)	1,791.7	(218.2)	(647.5)	(656.2)
	(Decrease) / increase in deferred tax liabilities	91.9	103.1	54.5	46.8	(15.8)
	Adjustment in other equity or retained earning	-	-	34.0	-	-
	Total deferred tax expense (benefit)	89.4	1,894.8	(129.7)	(600.7)	(672.0)
	Total Income tax expenses *	1,759.4	3,344.8	3,170.3	2,598.6	2,143.1
	* This excludes net deferred tax benefit on other comprehensive income	(97.9)	(6.4)	8.9	(6.0)	(45.3)

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

Particulars

Profit before income tax expense					
Tax rate (%)					
Tax at the Indian Tax Rate					
Tax effect of amounts which are not deductible (taxable) in calculating taxable income					
Dividend income					
Interest on tax free bonds					
Expenditure related to exempt income					
Net (gain) / loss on financial assets mandatorily measured at fair value through profit or loss - Exchange traded fund					
Profit / (Loss) on sale of investments taxed at other than Statutory rate					
Specific Tax deductions					
Others					
Income Tax Expense					

	30.09.2016	31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012
			Proforma	Proforma	Proforma	Proforma
	7,382.0	11,148.9	10,634.9	10,595.1	9,260.1	9,618.5
	34.608%	34.608%	33.990%	33.990%	32.445%	32.445%
	2,554.8	3,858.4	3,614.8	3,601.3	3,004.5	3,120.7
	(562.9)	(519.5)	(394.8)	(565.9)	(756.0)	(378.1)
	(74.3)	(58.4)	(21.0)	(37.1)	(36.8)	(31.3)
	67.0	24.6	17.0	11.7	5.5	4.8
	(197.8)	38.4	7.4	-	-	-
	-	-	-	(453.4)	(73.4)	(86.2)
	(7.4)	(20.8)	(51.4)	(52.1)	(48.9)	(48.8)
	(20.0)	22.1	(1.7)	94.1	48.2	35.0
Income Tax Expense	1,759.4	3,344.8	3,170.3	2,598.6	2,143.1	2,616.1

(c) Income tax assets (net)

Particulars

Opening balance	
Income tax paid / (refund)	
Current income tax payable for the period / year	
Net Income tax asset at the end of year/period	

	30.09.2016	31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012
			Proforma	Proforma	Proforma	Proforma
	2,576.5	676.6	726.1	722.2	716.0	827.0
	312.1	3,349.9	(49.5)	3.9	6.2	(111.0)
	-	(1,450.0)	-	-	-	-
Net Income tax asset at the end of year/period	2,888.6	2,576.5	676.6	726.1	722.2	716.0

Income tax liabilities (net)

Particulars

Opening balance	
Income tax paid	
Provision for wealth tax	
Current income tax payable for the period / year	
Net Income tax liability at the end of year/period	

	30.09.2016	31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012
			Proforma	Proforma	Proforma	Proforma
	20.5	365.4	281.7	479.9	460.8	513.7
	(1,574.7)	(340.9)	(3,221.3)	(3,399.5)	(2,798.0)	(2,724.9)
	-	(4.0)	5.0	2.0	2.0	2.0
	1,670.0	-	3,300.0	3,199.3	2,815.1	2,670.0
Net Income tax liability at the end of year/period	115.8	20.5	365.4	281.7	479.9	460.8

(d) Deferred tax liabilities (net)

The balance comprises temporary differences attributable to:

Particulars

Deferred income tax assets

Provision for leave encashment	
Financial Assets at Fair Value through OCI	
Contribution to Core Settlement Guarantee Fund	
Others	
Total deferred tax assets	

	30.09.2016	31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012
			Proforma	Proforma	Proforma	Proforma
	61.3	44.0	38.5	39.5	34.0	25.1
	-	42.1	14.6	5.6	0.5	-
	-	-	1,824.5	1,611.9	711.8	-
	144.3	132.5	97.9	83.9	342.0	398.6
Total deferred tax assets	205.6	218.6	1,975.5	1,740.9	1,088.3	423.7

Deferred income tax liabilities

Property, plant and equipment and investment property	
Financial Assets at Fair Value through OCI	
Financial Assets at Fair Value through profit and Loss	
Others	
Total deferred tax liabilities	
Net Deferred tax (liabilities) / assets	

	30.09.2016	31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012
	246.7	301.5	227.3	182.5	133.4	121.8
	284.8	202.3	161.0	153.5	144.3	90.5
	171.6	25.0	11.1	1.7	2.0	29.3
	9.2	9.1	1.4	1.1	1.4	1.4
Total deferred tax liabilities	712.3	537.9	400.7	338.8	281.0	243.0
Net Deferred tax (liabilities) / assets	506.5	319.3	(1,574.7)	(1,402.1)	(807.3)	(180.7)

- (e) Deferred tax assets
Movement in deferred tax assets

At 1 April 2011 (Proforma)

Charged/(credited)

- to profit or loss

- to other comprehensive income

At 31 March 2012 (Proforma)

Charged/(credited)

- to profit or loss

- to other comprehensive income

At 31 March 2013 (Proforma)

Charged/(credited)

- to profit or loss

- to other comprehensive income

At 31 March 2014 (Proforma)

Charged/(credited)

- to profit or loss *

- to other comprehensive income

At 31 March 2015 (Proforma)

Charged/(credited)

- to profit or loss

- to other comprehensive income

At 31 March 2016

Charged/(credited)

- to profit or loss

- to other comprehensive income

At 30 September 2016

* - includes deferred tax of ` 34.0 million in other equity

						(₹ in million)
	Provision for leave encashment	Financial Assets at Fair Value through profit and Loss	Financial Assets at Fair Value through OCI	Contribution to Core Settlement Gurantee Fund	Others	Total
At 1 April 2011 (Proforma)	21.0	-	-	-	391.8	412.8
Charged/(credited)						-
- to profit or loss	4.1	-	-	-	6.8	10.9
- to other comprehensive income	-	-	-	-	-	-
At 31 March 2012 (Proforma)	25.1	-	-	-	398.6	423.7
Charged/(credited)						-
- to profit or loss	8.9	-	-	711.8	(64.5)	656.2
- to other comprehensive income	-	-	0.5	-	7.9	8.4
At 31 March 2013 (Proforma)	34.0	-	0.5	711.8	342.0	1,088.3
Charged/(credited)						-
- to profit or loss	5.5	-	-	900.0	(258.1)	647.5
- to other comprehensive income	-	-	5.1	-	-	5.1
At 31 March 2014 (Proforma)	39.5	-	5.6	1,611.9	83.9	1,740.9
Charged/(credited)						-
- to profit or loss *	(1.0)	-	-	212.6	6.6	218.2
- to other comprehensive income	-	-	9.0	-	7.4	16.4
At 31 March 2015 (Proforma)	38.5	-	14.6	1,824.5	97.9	1,975.5
Charged/(credited)						-
- to profit or loss	5.5	-	-	(1,824.5)	27.3	(1,791.7)
- to other comprehensive income	-	-	27.5	-	7.3	34.8
At 31 March 2016	44.0	-	42.1	-	132.5	218.6
Charged/(credited)						-
- to profit or loss	17.3	-	-	-	(14.9)	2.5
- to other comprehensive income	-	-	(42.1)	-	26.8	(15.3)
At 30 September 2016	61.3	-	-	-	144.5	205.8

(f) Movement in deferred tax liabilities

	(₹ in million)					
	Property, plant and equipment	Financial Assets at Fair Value through profit and Loss	Financial Assets at Fair Value through OCI	Contribution to Core Settlement Guarantee Fund	Others	Total
At 1 April 2011 (Proforma)	166.7	27.6	287.3	-	1.0	482.6
Charged/(credited)						
- to profit or loss	(44.9)	1.7	-	-	0.2	(43.0)
- to other comprehensive income	-	-	(196.8)	-	0.2	(196.6)
At 31 March 2012 (Proforma)	121.8	29.3	90.5	-	1.4	243.0
Charged/(credited)						
- to profit or loss	11.6	(27.3)	-	-	(0.1)	(15.8)
- to other comprehensive income	-	-	53.8	-	-	53.8
At 31 March 2013 (Proforma)	133.4	2.0	144.3	-	1.3	281.0
Charged/(credited)						
- to profit or loss	49.1	(0.3)	-	-	(2.0)	46.8
- to other comprehensive income	-	-	9.2	-	1.8	11.0
At 31 March 2014 (Proforma)	182.5	1.7	153.5	-	1.1	338.8
Charged/(credited)						
- to profit or loss	78.8	9.4	-	-	0.3	88.5
- adjusted through retained earnings*	(34.0)	-	-	-	-	(34.0)
- to other comprehensive income	-	-	7.5	-	-	7.5
At 31 March 2015 (Proforma)	227.3	11.1	161.0	-	1.4	400.8
Charged/(credited)						
- to profit or loss	74.2	13.9	-	-	15.0	103.1
- to other comprehensive income	-	-	41.3	-	(7.3)	34.0
At 31 March 2016	301.5	25.0	202.3	-	9.1	537.9
Charged/(credited)						
- to profit or loss	(54.8)	146.5	-	-	0.1	91.9
- to other comprehensive income	-	-	82.5	-	-	82.5
At 30 September 2016	246.7	171.6	284.8	-	9.2	712.3

*pertaining to earlier years towards deferred tax adjusted from the opening Retained Earnings in respect of Fixed Assets where the remaining useful life of an asset is Nil as on April 01, 2014 (refer note no.2)

20 Income tax liabilities (net)

	(₹ in million)					
	30.09.2016	31.03.2016	31.03.2015 Proforma	31.03.2014 Proforma	31.03.2013 Proforma	31.03.2012 Proforma
Fringe Benefit Tax (Net of Advances)	-	-	-	-	0.7	0.7
Wealth tax (net of advances)	2.9	2.9	18.1	14.3	13.7	13.1
Income tax (net of advances)	112.9	17.6	347.3	267.4	465.5	447.0
Total	115.8	20.5	365.4	281.7	479.9	460.8

21 Income tax assets (net)

	(₹ in million)					
	30.09.2016	31.03.2016	31.03.2015 Proforma	31.03.2014 Proforma	31.03.2013 Proforma	31.03.2012 Proforma
Income tax paid including TDS (net of provisions)	2,866.3	2,554.2	654.3	703.8	699.9	693.7
Wealth tax (net of provisions)	0.2	0.2	0.2	0.2	0.2	0.2
Fringe benefit tax (net of provisions)	22.1	22.1	22.1	22.1	22.1	22.1
Total	2,888.6	2,576.5	676.6	726.1	722.2	716.0

22 Other non-current liabilities

	(₹ in million)					
	30.09.2016	31.03.2016	31.03.2015 Proforma	31.03.2014 Proforma	31.03.2013 Proforma	31.03.2012 Proforma
Deposit - STT (refer note no. 7)	53.9	53.9	53.9	53.9	53.9	53.9
Total	53.9	53.9	53.9	53.9	53.9	53.9

23	Other current liabilities						(₹ in million)
		30.09.2016	31.03.2016	31.03.2015 Proforma	31.03.2014 Proforma	31.03.2013 Proforma	31.03.2012 Proforma
	Securities Transaction Tax payable	6,573.3	1,663.5	1,268.7	1,440.1	714.5	1,241.2
	Statutory dues payable	478.2	313.7	244.4	203.0	148.3	197.6
	Contribution payable to Core SGF (refer note 32, 37)	2,843.9	6,905.2	5,271.9	4,742.2	2,194.0	-
	Advance from customers	158.7	185.9	161.7	142.4	114.9	38.2
	Income received in advance	927.9	326.1	325.1	228.2	176.1	285.2
	Others	206.2	333.9	324.0	136.0	142.0	165.3
	Total	11,188.2	9,728.3	7,595.8	6,891.9	3,489.8	1,927.5
24	Deposits						(₹ in million)
		30.09.2016	31.03.2016	31.03.2015 Proforma	31.03.2014 Proforma	31.03.2013 Proforma	31.03.2012 Proforma
	Deposits from trading members	10,260.9	10,297.9	10,370.6	10,464.7	10,575.8	10,737.2
	Deposits from applicants for membership	5.9	5.9	8.4	30.6	20.3	29.2
	Deposits from mutual fund distributors	27.2	21.9	6.7	-	-	-
	Deposits towards equipments	205.4	193.9	180.3	170.5	403.2	434.3
	Deposit - listing & book building	600.9	464.9	368.7	543.4	531.2	657.9
	Total	11,100.3	10,984.5	10,934.7	11,209.2	11,530.5	11,858.6
25	Revenue from operations						(₹ in million)
		For the half year ended 30.09.2016	For the year ended 31.03.2016	For the year ended 31.03.2015 Proforma	For the year ended 31.03.2014 Proforma	For the year ended 31.03.2013 Proforma	For the year ended 31.03.2012 Proforma
	Operating revenues						
	Revenue from services :						
	• <i>Trading services</i>						
	Transaction charges *	6,535.3	11,675.6	10,752.1	8,257.2	7,236.4	7,646.9
	• <i>Listing services</i>						
	Listing fees	295.7	503.6	479.1	347.9	333.8	333.7
	Book building Fees	82.0	85.0	33.0	39.0	42.4	42.8
		6,913.0	12,264.2	11,264.2	8,644.1	7,612.6	8,023.4
	Other operating revenues						
	• <i>Listing services</i>						
	Processing fees	99.9	173.7	131.5	67.1	57.8	133.6
	• <i>Data centre charges #</i>	378.2	708.4	564.4	431.9	426.2	379.5
	• <i>Others</i>						
	Registration & test enrolment fees	67.9	190.1	223.1	204.8	186.9	216.0
	Annual subscription	-	-	-	-	57.1	116.9
	Strategic Co-operation fees	-	-	-	-	53.3	142.4
	Connectivity charges	3.8	7.3	6.6	8.2	191.6	243.3
	Income on investments **	548.0	945.0	1,073.7	1,123.2	1,098.1	1,083.9
	Others	255.5	441.0	379.9	317.8	293.3	288.0
		875.2	1,583.4	1,683.3	1,654.0	1,880.3	2,090.5
	Total	8,266.3	14,729.7	13,643.4	10,797.1	9,976.9	10,627.0

* Includes revenue from transaction charges related to colocation services amounting to ₹ 476.7 million for the month of September 2016 and the same has been subsequently transferred to a separate bank account based on SEBI directive. (Refer note no 42)

Includes revenue from colocation services amounting to ₹ 65.3 million for the month of September 2016 and the same has been subsequently transferred to a separate bank account based on SEBI directive. (Refer note no 42)

** Represent income generated from sources of fund related to operating activity of the company.

Other income

Other income - Recurring

Dividend income

- from equity investments designated at FVOCI

- from subsidiary companies

- from other investments

Interest income from financial assets at amortised cost

Interest income from investment at designated at FVOCI

Rental income

Miscellaneous income

Other gains/(losses) - Recurring

Net fair value gain / (loss) on financial assets mandatorily measured at fair value through profit or loss

Net gain on sale of financial assets measured at FVOCI

Net gain on sale of financial assets mandatorily measured at fair value through profit or loss

Net foreign exchange gains

Net gain on disposal of property, plant and equipment

Total other income

	(₹ in million)					
	For the half year ended	For the year ended	For the year ended	For the year ended	For the year ended	For the year ended
	30.09.2016	31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012
			Proforma	Proforma	Proforma	Proforma
Dividend income	19.0	13.3	11.4	7.6	51.1	12.4
- from equity investments designated at FVOCI	1,575.0	1,462.5	1,125.0	1,507.5	2,094.0	964.0
- from subsidiary companies	32.5	25.3	25.1	149.7	185.1	188.9
- from other investments	564.5	2,052.7	2,223.4	3,469.7	3,495.8	2,489.7
Interest income from financial assets at amortised cost	325.8	810.5	148.2	24.5	0.9	-
Interest income from investment at designated at FVOCI	74.8	206.4	507.2	514.4	506.0	529.3
Rental income	6.6	63.0	30.2	12.1	14.5	29.1
Miscellaneous income	2,598.2	4,633.7	4,070.5	5,685.5	6,347.4	4,213.4
Other gains/(losses) - Recurring						
Net fair value gain / (loss) on financial assets mandatorily measured at fair value through profit or loss	994.9	(70.6)	5.8	(1.0)	(84.3)	5.3
Net gain on sale of financial assets measured at FVOCI	105.7	53.4	77.7	22.0	-	-
Net gain on sale of financial assets mandatorily measured at fair value through profit or loss	432.8	896.7	1,397.1	193.3	123.3	213.7
Net foreign exchange gains	1.0	-	-	2.0	-	-
Net gain on disposal of property, plant and equipment	1.4	60.5	-	-	-	-
	1,535.8	940.0	1,480.6	216.3	39.0	219.0
Total other income	4,134.0	5,573.7	5,551.1	5,901.8	6,386.4	4,432.4

Employee benefits expenses

Salaries, wages and bonus

Contribution to provident and other fund (Refer note 30)

Gratuity

Staff welfare expenses

Total

	(₹ in million)					
	For the half year ended	For the year ended	For the year ended	For the year ended	For the year ended	For the year ended
	30.09.2016	31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012
			Proforma	Proforma	Proforma	Proforma
Salaries, wages and bonus	528.7	947.9	796.1	723.5	669.6	645.4
Contribution to provident and other fund (Refer note 30)	24.4	46.9	41.6	37.5	37.8	29.7
Gratuity	8.0	16.1	13.3	12.5	11.6	10.3
Staff welfare expenses	26.2	52.0	44.8	43.1	31.6	28.2
Total	587.3	1,062.9	895.8	816.6	750.6	713.6

	For the half year ended	For the year ended	For the year ended	For the year ended	For the year ended	For the year ended
	30.09.2016	31.03.2016	31.03.2015 Proforma	31.03.2014 Proforma	31.03.2013 Proforma	31.03.2012 Proforma
Repairs & maintenance						
- To computers, trading & telecommunication systems	559.7	1,075.4	1,010.8	889.6	878.3	742.4
- To buildings	16.0	25.5	28.3	36.0	28.3	26.9
- To others	43.9	91.7	74.9	62.9	66.4	44.4
SEBI regulatory fees	129.6	250.4	247.9	54.8	53.4	53.4
License fees for Index	49.5	100.7	79.7	71.0	55.4	76.8
IT management and consultancy charges	139.7	305.0	285.6	190.7	187.9	191.9
Software expenses	224.3	251.7	138.0	141.9	147.0	79.5
Web trading related expenses	73.4	171.3	169.7	178.6	218.2	236.1
Network infrastructure management charges	37.9	70.7	77.7	158.6	123.0	47.2
Lease line charges	39.8	84.7	86.9	94.5	94.3	79.4
Telephone charges	8.5	12.8	12.9	10.7	7.6	7.3
Water and electricity charges	56.5	170.5	223.9	179.6	147.9	121.3
Rental charges	25.5	46.9	45.6	38.3	43.0	42.6
Transponder charges/License fee for operating VSAT network	0.0	0.0	0.0	0.0	124.2	72.9
Rates and taxes	34.3	55.7	106.4	93.3	91.6	35.0
Directors' sitting fees	4.7	4.0	2.7	0.7	1.2	1.1
Legal and professional fees	140.7	266.3	272.6	199.4	179.5	199.5
Advertisement and publicity	121.2	179.7	163.0	148.8	36.6	145.2
Travel and conveyance	47.2	77.5	74.9	61.0	53.8	50.2
Insurance	6.8	9.5	9.4	9.6	6.9	6.9
Printing and stationery	18.9	44.0	42.9	39.6	46.7	43.3
Corporate social responsibility expenditure	22.5	20.7	6.3	-	-	-
Contribution to Investor protection fund trust	30.0	45.7	53.1	53.6	61.1	71.7
Investor education expenses	6.9	10.0	66.5	64.4	31.5	16.7
Payment to auditors	8.3	10.2	8.2	7.5	6.5	4.7
Donations/Contributions	-	-	-	11.9	13.9	10.7
Doubtful debts written off	0.7	2.1	-	0.4	-	0.2
Loss on sale of property, plant and equipment	-	-	2.5	6.0	8.0	4.2
Loss on foreign currency transaction (net)	-	1.9	0.9	-	0.6	7.9
Other expenses	183.3	347.4	373.1	356.2	318.4	260.0
Total	2,029.8	3,732.0	3,664.4	3,159.6	3,031.2	2,679.4

	30.09.2016	31.03.2016	31.03.2015 Proforma	31.03.2014 Proforma	31.03.2013 Proforma	31.03.2012 Proforma
Profit attributable to the equity holders of the company used in calculating basic earnings per share and diluted earnings per share						
Profit for the year / period as restated	5,622.6	7,804.1	7,464.6	7,996.5	7,117.0	7,002.4
Weighted average number of equity shares used as the denominator in calculating basic earnings per share (No. in million) (Refer note 39(ii))	495.0	495.0	495.0	495.0	495.0	495.0
Earnings per equity share (basic and diluted) as restated	11.4	15.8	15.1	16.2	14.4	14.1
Profit before contribution to Core Settlement Guarantee Fund and tax as restated	8,722.7	13,492.2	12,864.6	13,143.3	11,454.1	9,618.5
Income tax effects on above	(2,223.4)	(4,155.8)	(3,960.7)	(3,498.6)	(2,854.9)	(2,616.1)
Profit before contribution to Core Settlement Guarantee Fund and after tax	6,499.3	9,336.5	8,903.9	9,644.7	8,599.3	7,002.4
Earnings per equity share before contribution to Core Settlement Guarantee Fund (net) (basic and diluted) as restated	13.1	18.9	18.0	19.5	17.4	14.1

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

The Board of directors of the company in their meeting held on October 4, 2016 has recommended issue of Bonus equity shares in the proportion of 1 (one) bonus share of Rs.10/- (Rupees Ten each) for every existing 10 (Ten) fully paid up equity shares of Rs.10 each, which is approved by the shareholders in the general meeting held on November 10, 2016. The record date for issue of bonus shares was November 23, 2016. Accordingly, the weighted average number of equity shares has been restated for all periods presented. The board of directors has also recommended the sub-division of equity shares of Rs.10 each, into equity shares having a face value of Rs.1. The same is approved by the shareholders in the general meeting held on November 10, 2016, approved by SEBI on November 27, 2016 and has been notified in the gazette on December 10, 2016. The record date for stock split was December 13, 2016. Accordingly, basic and diluted earning per share figures for the current period and those of the prior periods have been restated and is based on the new weighted average number of shares after taking into account increase in the number of shares arising from bonus and subdivision subsequent to the balance sheet date.

i) **Defined Contribution Plan :**

The Company's contribution towards superannuation during the respective year / period ended is as follows:

	30.09.2016	31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012
			Proforma	Proforma	Proforma	Proforma
Company's contribution towards superannuation	9.9	18.5	18.0	16.1	17.9	13.7
Less: Reimbursement of cost charged to subsidiaries	1.2	1.1	1.7	1.7	2.2	1.9
Charged to Statement of Profit & Loss	8.7	17.4	16.3	14.4	15.7	11.8

ii) **Defined Benefit Plan :**

(a) **Provident Fund :**

The Company has established National Stock Exchange of India Limited Employee Provident Fund Trust to which both the employee and the employer make monthly contribution equal to 12% of the employee's basic salary respectively. The Company's contribution to the provident fund for all employees is charged to Statement of Profit and Loss. In case of any liability arising due to short fall between the return from its investments and the administered interest rate, the same is required to be provided for by the Company. The actuary has provided an actuarial valuation and indicated that the interest shortfall liability is ₹ Nil. The Company has contributed the following amounts towards provident fund during the respective period ended:

	30.09.2016	31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012
			Proforma	Proforma	Proforma	Proforma
Company's contribution to the provident fund	18.4	34.2	29.2	26.8	26.6	21.8
Less: Amount reimbursed by the subsidiaries	2.7	4.7	3.9	3.8	4.4	4.0
Charged to Profit & Loss account	15.7	29.5	25.3	23.0	22.2	17.8
Interest shortfall liability	Nil	Nil	Nil	Nil	Nil	0.4 *

* Interest shortfall liability of ₹ 0.4 million and after considering the reserves available with the company's Provident Fund Trust, no provision towards the same has been considered necessary.

Assumptions used in determining the present value obligation of the interest rate guarantee are as follows:

	30.09.2016	31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012
			Proforma	Proforma	Proforma	Proforma
a. Approach used	Deterministic	Deterministic	Deterministic	Deterministic	Deterministic	Deterministic
b. Increase in compensation levels	8.00%	5.00%	5.00%	5.00%	5.00%	5.00%
c. Discount Rate	7.15%	7.96%	7.96%	9.31%	8.00%	8.15%
d. Attrition Rate	10.00%	2.00%	2.00%	2.00%	2.00%	2.00%

(b) **Gratuity :**

The Company provides for gratuity for employees as per Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity, The amount of Gratuity is payable on retirement/termination of the employee's last drawn basic salary per month multiplied for the number of years of service. The gratuity plan is a funded plan and the company makes contribution to recognised funds with Life Insurance Corporation of India (LIC).

A Balance Sheet

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

	30.09.2016	31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012
			Proforma	Proforma	Proforma	Proforma
Liability at the beginning of the year/period	182.1	149.3	123.3	142.7	102.9	85.1
Interest cost	7.3	11.9	11.5	11.8	8.7	7.0
Current Service Cost	7.5	13.4	10.7	10.9	10.0	9.3
Liability transferred out	-	(3.3)	-	2.3	-	-
Benefits Paid	(14.3)	(14.2)	(25.4)	(37.9)	(5.6)	(0.9)
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	25.2	-	-	-	(0.3)	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	50.7	-	15.5	(11.1)	2.5	(2.4)
Actuarial (Gains)/Losses on Obligations - Due to Experience	16.9	25.0	13.7	4.6	24.5	4.8
Liability at the end of the year/period	275.4	182.1	149.3	123.3	142.7	102.9

(ii) The amounts recognised in the balance sheet and the movements in the fair value of plan assets over the year / period are as follows:

	30.09.2016	31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012
			Proforma	Proforma	Proforma	Proforma
Fair Value of plan assets at the beginning of the year/period	132.0	107.3	67.1	89.7	78.1	53.2
Interest Income	5.2	8.5	6.2	7.4	6.7	4.4
Expected return on plan assets	0.3	3.2	3.0	(1.7)	1.3	2.3
Contributions	47.8	27.2	56.4	7.3	9.2	19.1
Transfer from other company	-	-	-	2.3	-	-
Benefits paid	(14.3)	(14.2)	(25.4)	(37.9)	(5.6)	(0.9)
Fair Value of plan assets at the end of the year/period	171.0	132.0	107.3	67.1	89.7	78.1

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

	30.09.2016	31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012
			Proforma	Proforma	Proforma	Proforma
Fair value of plan assets as at the end of the year/period	171.0	132.0	107.3	67.1	89.7	78.1
Liability as at the end of the year/period	(275.4)	(182.1)	(149.3)	(123.3)	(142.7)	(102.9)
Net (liability) / asset	(104.4)	(50.1)	(42.0)	(56.2)	(53.0)	(24.8)

(iv) **Balance Sheet Reconciliation**

	30.09.2016	31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012
			Proforma	Proforma	Proforma	Proforma
Opening Net Liability	50.2	42.0	56.2	53.0	24.7	31.9
Expenses Recognized in Statement of Profit or Loss	9.5	16.7	15.8	15.3	12.1	11.9
Expenses Recognized in OCI	92.5	21.9	26.4	(4.8)	25.5	0.1
Net (Liability)/Asset Transfer out	-	(3.3)	-	-	-	-
Employers Contribution	(47.8)	(27.2)	(56.4)	(7.3)	(9.2)	(19.1)
Amount recognised in the Balance Sheet	104.4	50.1	42.0	56.2	53.0	24.8

B Statement of Profit & Loss

(i) **Net Interest Cost for Current Period**

	30.09.2016	31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012
			Proforma	Proforma	Proforma	Proforma
Interest Cost	7.3	11.9	11.5	11.8	8.7	7.0
Interest Income	(5.3)	(8.6)	(6.3)	(7.4)	(6.6)	(4.4)
Net Interest Cost for Current Period	2.0	3.3	5.2	4.4	2.1	2.6

(ii) Expenses recognised in the Statement of Profit & Loss

(₹ in million)

	30.09.2016	31.03.2016	31.03.2015 Proforma	31.03.2014 Proforma	31.03.2013 Proforma	31.03.2012 Proforma
Current Service cost	7.5	13.4	10.7	10.9	10.0	9.3
Net Interest Cost	2.0	3.3	5.2	4.4	2.1	2.6
Expenses recognised in the Statement of Profit & Loss *	9.5	16.7	15.8	15.3	12.1	11.9
*Includes amount charged to the subsidiaries.	1.5	0.6	2.6	2.8	0.5	1.6

(iii) Expenses recognised in the Other Comprehensive Income

(₹ in million)

	30.09.2016	31.03.2016	31.03.2015 Proforma	31.03.2014 Proforma	31.03.2013 Proforma	31.03.2012 Proforma
Re-measurement						
Expected return on plan assets	(0.3)	(3.1)	(2.8)	1.7	(1.2)	(2.3)
Actuarial (Gain) or Loss	92.8	25.0	29.2	(6.5)	26.7	2.4
Net (Income)/Expense for the Period Recognized in OCI *	92.5	21.9	26.4	(4.8)	25.5	0.1
*Includes amount charged to the subsidiaries.	14.9	0.9	4.3	(0.9)	1.0	0.0

C Fair value of plan assets at the Balance Sheet Date for defined benefit obligations

(₹ in million)

	30.09.2016	31.03.2016	31.03.2015 Proforma	31.03.2014 Proforma	31.03.2013 Proforma	31.03.2012 Proforma
Insurer Managed Funds	171.0	132.0	107.2	67.1	89.7	78.1
Total	171.0	132.0	107.2	67.1	89.7	78.1

D Sensitivity Analysis

(₹ in million)

	30.09.2016	31.03.2016	31.03.2015 Proforma	31.03.2014 Proforma	31.03.2013 Proforma	31.03.2012 Proforma
Projected Benefit Obligation on Current Assumptions	275.40	182.10	149.30	123.30	142.70	102.90
Delta Effect of +1% Change in Rate of Discounting	(15.10)	(15.70)	(11.70)	(9.60)	(12.50)	(7.40)
Delta Effect of -1% Change in Rate of Discounting	16.90	18.30	13.50	11.00	14.50	8.50
Delta Effect of +1% Change in Rate of Salary Increase	16.60	18.60	13.80	11.30	14.80	8.70
Delta Effect of -1% Change in Rate of Salary Increase	(15.10)	(16.30)	(12.20)	(10.00)	(13.00)	(7.70)
Delta Effect of +1% Change in Rate of Employee Turnover	(1.10)	4.50	3.20	4.00	3.80	2.50
Delta Effect of +1% Change in Rate of Employee Turnover	1.20	(5.10)	(3.60)	(4.40)	(4.30)	(2.80)

E Significant actuarial assumptions are as follows:

(₹ in million)

	30.09.2016	31.03.2016	31.03.2015 Proforma	31.03.2014 Proforma	31.03.2013 Proforma	31.03.2012 Proforma
Discount Rate	7.15%	7.96%	7.96%	9.31%	8.25%	8.50%
Rate of Return on Plan Assets	7.15%	7.96%	7.96%	9.31%	8.25%	8.50%
Salary Escalation	8.00%	5.00%	5.00%	5.00%	5.00%	5.00%
Attrition Rate	10.00%	2.00%	2.00%	2.00%	2.00%	2.00%

31 Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Company. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Managing Director and CEO of the Company. The Company operates only in one Business Segment i.e. facilitating trading in securities and the activities incidental thereto within India, hence does not have any reportable Segments as per Indian Accounting Standard 108 "Operating Segments". The Company while presenting the consolidated financial statements has disclosed the segment information as required under Indian Accounting Standard 108 "Operating Segments".

In compliance with Ind AS 24 - "Related Party Disclosures", as notified under Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 the required disclosures are given in the table below:

(a) Names of the related parties and related party relationships

Sr. No.	Related Party	Nature of Relationship					
		30.09.2016	31.03.2016	31.03.2015 Proforma	31.03.2014 Proforma	31.03.2013 Proforma	31.03.2012 Proforma
1	National Securities Clearing Corporation Limited	Subsidiary Company	Subsidiary Company	Subsidiary Company	Subsidiary Company	Subsidiary Company	Subsidiary Company
2	NSE Strategic Investment Corporation Limited	Subsidiary Company	Subsidiary Company	Subsidiary Company	Subsidiary Company	Subsidiary Company (w.e.f. 31.01.2013)	-
3	NSE IT Limited	Subsidiary's Subsidiary Company	Subsidiary's Subsidiary Company	Subsidiary's Subsidiary Company	Subsidiary Company (upto 29.06.2013) Subsidiary's Subsidiary Company (w.e.f. 30.06.2013)	Subsidiary Company	Subsidiary Company
4	DotEx International Limited	Subsidiary's Subsidiary Company	Subsidiary's Subsidiary Company	Subsidiary's Subsidiary Company	Subsidiary Company (upto 30.12.2013) Subsidiary's Subsidiary Company (w.e.f. 31.12.2013)	Subsidiary Company	Subsidiary Company
5	India Index Services & Products Limited	Subsidiary's Subsidiary Company	Subsidiary's Subsidiary Company	Subsidiary's Subsidiary Company	Subsidiary's Subsidiary Company	Subsidiary Company (upto 27.03.2013) Subsidiary's Subsidiary Company (w.e.f. 28.03.2013)	Subsidiary Company
6	National Commodity Clearing Limited	-	-	-	Subsidiary Company (upto 28.05.2013)	Subsidiary Company	Subsidiary Company
7	NSE Infotech Services Limited	Subsidiary's Subsidiary Company	Subsidiary's Subsidiary Company	Subsidiary's Subsidiary Company	Subsidiary's Subsidiary Company	Subsidiary Company (upto 27.03.2013) Subsidiary's Subsidiary Company (w.e.f. 28.03.2013)	Subsidiary Company
8	NSE.IT (UK) Inc.	-	-	-	-	-	Subsidiary's Subsidiary Company
9	NSE.IT (US) Inc.	Subsidiary's Subsidiary's Subsidiary Company	Subsidiary's Subsidiary's Subsidiary Company	Subsidiary's Subsidiary's Subsidiary Company	Subsidiary's Subsidiary's Subsidiary Company	Subsidiary's Subsidiary Company	Subsidiary's Subsidiary Company
10	NSE Academy Limited	Subsidiary's Subsidiary Company	Subsidiary's Subsidiary Company (w.e.f. 12.03.2016)	-	-	-	-
11	National Securities Depository Limited	Associate Company	Associate Company	Associate Company	Associate Company	Associate Company (w.e.f. 01.04.2012)	-
12	NSDL e-Governance Infrastructure Limited (formerly known as National Securities Depository Limited)	Subsidiary's Associate	Subsidiary's Associate	Subsidiary's Associate	Associate Company (upto 29.09.2013) Subsidiary's Associate (w.e.f. 30.09.2013)	Associate Company	Associate Company
13	Omnesys Technologies Private Limited	-	-	-	Subsidiary's Associate (upto 11.09.2013)	Subsidiary's Associate	Subsidiary Associate
14	Market Simplified India Limited (formerly known as INXS Technologies Limited)	Subsidiary's Joint Venture	Subsidiary's Joint Venture	Subsidiary's Joint Venture	Subsidiary's Joint Venture	Subsidiary's Joint Venture	Subsidiary's Joint Venture
15	BFSI Sector Skill Council of India	Associate Company	Associate Company	Associate Company	Associate Company (w.e.f. 21.05.2013)	-	-
16	Power Exchange India Limited	Subsidiary's Associate	Subsidiary's Associate	Subsidiary's Associate	Associate Company (upto 21.07.2013) Subsidiary's Associate (w.e.f. 22.07.2013)	Associate Company	Associate Company
17	Computer Age Management Services Private Limited	Subsidiary's Associate	Subsidiary's Associate	Subsidiary's Associate	Subsidiary's Associate (w.e.f. 07.01.2014)	-	-
18	Receivables Exchange Of India Limited	Subsidiary's Associate (w.e.f. 29.06.2016)	Subsidiary's Joint Venture (w.e.f. 25.02.2016)	-	-	-	-
19	Key Management Personnel						
	(1) Dr.Vijay L Kelkar - Chairman (upto August 31, 2012)						
	(2) Mr.Ravi Narain - Managing Director (upto March 31, 2013) **						
	(3) Mr.Chitra Ramkrishna - Managing Director ***						
	** Non-Executive Vice Chairman effective April 1, 2013						
	*** Managing Director (from April 1, 2013 to December 2, 2016)						

(₹ in million)

Particulars	30.09.2016	31.03.2016	31.03.2015 Proforma	31.03.2014 Proforma	31.03.2013 Proforma	31.03.2012 Proforma
National Securities Clearing Corporation Ltd.						
Nature of Transactions						
Usage charges received	83.9	162.5	134.3	81.4	69.3	50.7
Space and Infrastructure usage charges received	24.9	42.3	39.7	56.1	62.3	61.2
Reimbursement received for expenses on staff on deputation	94.6	120.5	128.9	109.4	121.9	103.2
Reimbursement received for other expenses incurred	213.1	411.9	338.5	296.9	259.8	223.0
Dividend received	1,575.0	1,462.5	1,125.0	1,462.5	2,025.0	900.0
Clearing and Settlement charges paid	551.6	1,120.4	1,024.5	849.8	810.0	1,277.1
Contribution to NSCCL Core SGF expenses	1,340.7	2,343.3	2,229.7	2,548.2	2,194.0	-
Contribution to NSCCL Core SGF liability	(2,843.9)	(6,905.2)	(5,271.9)	(4,742.2)	(2,194.0)	-
Purchase of Investment	-	9.3	-	-	-	-
Closing balance (Credit)/Debit						
Closing balance (Credit)/Debit (* - net of provision for expense of ₹ 85.91 million)	* 153.7	333.1	246.5	236.9	185.2	71.4
Investment in Equity Share Capital	56.4	56.4	56.4	56.4	56.4	56.4

NSE.IT Ltd.						
Nature of Transactions						
Reimbursement received for other expenses incurred	0.4	0.4	6.7	2.2	12.5	2.9
Software Development Charges paid	18.5	16.8	11.9	0.7	5.7	1.2
Software Expenses	4.4	0.0	8.3	-	-	-
Repairs and maintenance – Computer trading , Telecommunication systems	142.5	342.6	341.2	322.9	287.6	231.7
STP Charges received	0.2	0.4	0.1	0.1	0.1	0.1
Rent Received	-	-	-	-	0.1	1.9
NCFM Test expenses paid	19.9	72.8	65.2	78.9	74.8	60.3
CTCL Empanelment charges received	-	0.9	1.1	0.9	0.7	0.3
IT management and consultancy charges paid	27.7	53.8	40.8	39.0	37.6	41.7
Installation commissioning & warranty charges for trading system	-	-	3.5	2.2	2.0	2.5
Dividend received	-	-	-	21.0	37.0	40.0
Closing balance (Credit)/Debit						
Closing balance (Credit)/Debit	(82.7)	(48.3)	(10.5)	(21.9)	(37.4)	(49.1)
Investment in Equity Share Capital	-	-	-	-	100.0	100.0

DotEx International Ltd.						
Nature of Transactions						
Space and Infrastructure usage charges received	4.5	8.5	7.4	9.5	9.6	9.9
Reimbursement received for expenses on staff on deputation	14.3	23.5	20.7	21.0	30.0	25.5
Reimbursement for expenses incurred	1.0	44.0	20.3	242.4	96.0	103.7
Empanelment charges received	0.6	0.6	0.6	0.5	0.6	0.4
Purchase of Asset	-	-	-	-	0.1	-
Data Subscription Charges Paid	-	-	-	-	1.3	-
Amount received towards revenue sharing on account of info feed services	100.4	172.5	134.7	105.6	79.9	79.1
Web trading related expenses	84.6	195.1	190.7	200.6	245.1	260.4
Dividend received	-	-	-	24.0	24.0	18.0
Closing balance (Credit)/Debit						
Closing balance (Credit)/Debit	8.7	1.5	(8.9)	8.2	(16.9)	(141.9)
Investment in Equity Share Capital	-	-	-	-	6.9	6.9

(₹ in million)

Particulars	30.09.2016	31.03.2016	31.03.2015 Proforma	31.03.2014 Proforma	31.03.2013 Proforma	31.03.2012 Proforma
India Index Services & Products Ltd.						
Nature of Transactions						
License fees paid	55.5	114.6	89.5	79.7	62.3	84.7
Usage Charges received	8.6	8.4	8.4	8.4	-	-
Space and Infrastructure usage charges received	3.8	5.6	5.0	5.4	5.8	5.2
Reimbursement received for expenses on staff on deputation	13.2	18.7	14.4	8.6	12.0	14.3
Reimbursement received for other expenses incurred	2.2	78.5	11.9	97.3	81.3	75.2
Dividend received	-	-	-	-	8.0	6.0
Closing balance (Credit)/Debit						
Closing balance (Credit)/Debit (* - net of advances of ₹ 10.5 million)	* (1.4)	(0.8)	2.3	3.6	11.8	5.0
Investment in Equity Share Capital	-	-	-	-	-	6.7
National Commodity Clearing Ltd						
Nature of Transactions						
License fees paid	-	-	-	-	-	-
Space and Infrastructure usage charges received	-	-	-	0.8	5.6	5.7
Reimbursement received for expenses on staff on deputation	-	-	-	0.9	9.2	13.0
Reimbursement received for other expenses incurred	-	-	-	1.1	8.1	8.9
Dividend received	-	-	-	-	-	-
Closing balance (Credit)/Debit						
Closing balance (Credit)/Debit	-	-	-	-	5.1	8.8
Investment in Equity Share Capital	-	-	-	-	30.9	30.9
NSE Infotech Services Ltd.						
Nature of Transactions						
IT management and consultancy charges paid	130.4	265.2	256.5	187.4	186.1	177.8
Repairs and maintenance – Computer trading , Telecommunication systems	84.9	179.1	191.2	162.6	180.5	196.8
Rent received	2.6	4.5	2.2	2.3	2.4	2.2
Reimbursement received for expenses incurred	60.9	137.7	124.4	93.7	106.0	93.1
Advance paid	51.8	-	-	-	-	49.6
Closing balance (Credit)/Debit						
Closing balance (Credit)/Debit	20.1	(72.3)	2.1	(3.1)	(11.6)	(14.5)
Investment in Equity Share Capital	-	-	-	-	-	0.5
NSE Strategic Investment Corporation Limited						
Nature of Transactions						
Investment in Preference Share Capital during the period	-	-	-	3,900.8	224.8	-
Investment in Equity Share Capital during the year	-	-	-	3,900.8	225.3	-
Sale of equity shares of India Index Services & Products Limited	-	-	-	-	333.5	-
Sale of equity shares of NSE InfotechServices Ltd.	-	-	-	-	37.5	-
Sale of Equity shares of Power Exchange India Limited	-	-	-	150.0	-	-
Sale of Preference shares of Power Exchange India Limited	-	-	-	50.0	-	-
Sale of Equity shares of Dotex International Limited	-	-	-	1,224.0	-	-
Sale of Equity Shares of NSDL e_ governance Infrastructure Ltd	-	-	-	551.0	-	-
Sale of Equity Shares of NSE.IT Ltd	-	-	-	600.0	-	-
Deposit Received	0.3	-	-	-	-	-
Reimbursement received for expenses incurred	5.6	28.6	0.6	3.9	20.7	-
Space and Infrastructure usage charges received	1.0	2.0	-	-	-	-
Reimbursement received for expenses on staff on deputation	7.7	15.3	-	-	-	-
Closing balance (Credit)/Debit						
Closing balance (Credit)/Debit	5.5	11.4	-	-	4.1	-
Investment in Preference Share Capital	4,129.7	4,129.7	4,125.6	4,125.6	224.8	-
Investment in Equity Share Capital	4,131.3	4,131.3	4,126.1	4,126.1	225.3	-

(₹ in million)

Particulars	30.09.2016	31.03.2016	31.03.2015 Proforma	31.03.2014 Proforma	31.03.2013 Proforma	31.03.2012 Proforma
NSE Academy Limited						
Nature of Transactions						
Assets transferred on slump sale	5.6	-	-	-	-	-
Reimbursement received for expenses on staff on deputation	12.9	-	-	-	-	-
Reimbursement received for expenses incurred	6.5	-	-	-	-	-
Space and Infrastructure usage charges received	4.3	-	-	-	-	-
Closing balance (Credit)/Debit						
Closing balance (Credit)/Debit	30.1	-	-	-	-	-

Power Exchange India Ltd						
Nature of Transactions						
Space and Infrastructure usage charges received	-	-	-	-	-	30.9
Repairs and maintenance – Computer trading , Telecommunication systems	-	-	-	-	-	-
Rent received	-	-	-	-	-	-
Investment in Equity Share Capital	-	-	-	-	20.0	-
Reimbursement received for other expenses incurred	-	-	11.5	-	-	2.9
Investment in Preference Shares	-	-	-	-	-	50.0
Closing balance (Credit)/Debit						
Closing balance (Credit)/Debit	-	-	-	11.5	14.2	19.3
Investment in Equity Share Capital	-	-	-	-	150.0	130.0
Investment in Preference Share Capital	-	-	-	-	50.0	50.0

NSDL e-Governance Infrastructure Limited (formerly known as National Securities Depository Limited)						
Nature of Transactions						
Reimbursement received for expenses incurred	-	-	-	-	-	0.3
Miscellaneous expenditure	-	0.0	-	-	-	-
Dividend received	-	-	-	55.1	80.1	50.1
Closing balance (Credit)/Debit						
Closing balance (Credit)/Debit	-	-	-	0.1	0.1	0.1
Investment in Equity Share Capital	-	-	-	-	354.2	969.0

National Securities Depository Limited						
Nature of Transactions						
Reimbursement received for expenses incurred	-	-	-	-	-	-
Dividend received	25.0	25.0	25.0	25.0	-	-
Other Charges received	-	-	-	-	-	-
STP Charges received	0.0	0.0	0.0	0.0	0.0	0.2
Miscellaneous expenditure	-	0.0	-	-	-	-
DP Validation Charges	3.1	-	-	-	-	-
Closing balance (Credit)/Debit						
Closing balance (Credit)/Debit	(0.7)	0.1	0.1	-	-	-
Investment in Equity Share Capital	614.9	614.9	614.9	614.9	614.9	-

Omnesys Technologies Private Limited						
Nature of Transactions						
CTCL Empanelment charges received	-	-	-	-	0.9	-
Closing balance (Credit)/Debit						
Closing balance (Credit)/Debit	-	-	-	-	-	-

(₹ in million)

Particulars	30.09.2016	31.03.2016	31.03.2015 Proforma	31.03.2014 Proforma	31.03.2013 Proforma	31.03.2012 Proforma
BFSI Sector Skill Council of India						
Nature of Transactions						
Amount paid towards PMKVY centres	-	0.9	-	-	-	-
Amount paid towards trainer certification fees	-	-	-	-	-	-
Investment in Equity Share Capital	-	-	-	10.0	-	-
Closing balance (Credit)/Debit						
Closing balance (Credit)/Debit	-	-	-	-	-	-
Investment in Equity Share Capital	10.0	10.0	10.0	10.0	-	-
Computer Age Management Services Private Limited						
Nature of Transactions						
Reimbursement paid for expenses incurred	-	-	-	1.2	-	-
Amount paid towards Rent	0.4	1.1	-	-	-	-
Reimbursement received for expenses incurred	-	-	-	0.4	-	-
Closing balance (Credit)/Debit						
Closing balance (Credit)/Debit	-	-	-	(0.8)	-	-
Market Simplified India Limited						
Nature of Transactions						
Consultancy Charges paid for software development	-	18.8	-	-	-	-
Closing balance (Credit)/Debit						
Closing balance (Credit)/Debit	-	-	-	-	-	-
Receivables Exchange Of India Limited						
Nature of Transactions						
Recoverable towards software development charges paid	-	1.5	-	-	-	-
Interest recoverable	-	0.0	-	-	-	-
Amount paid towards Rent	3.6	-	-	-	-	-
Closing balance (Credit)/Debit						
Closing balance (Credit)/Debit	5.1	1.5	-	-	-	-
Key Management Personnel						
Ms. Chitra Ramkrishna - Managing Director & CEO (from 01.04.2013 to 02.12.2016) (Jt. Managing Director upto 31.03.2013)						
Mr. Ravi Narain - Managing Director upto 31.03.2013						
Dr. Vijay L. Kelkar - Chairman upto 31.08.2012						
Nature of Transactions						
Short-term employee benefits	63.3	70.5	57.0	38.9	155.4**	128.6
Post-employment benefits #	4.5	8.2	6.5	5.7	10.6	9.2
Long-term employee benefits *	15.8	12.5	11.0	-	18.1	-
Total Remuneration	83.6	91.2	74.5	44.6	184.1	137.8
Housing Loan Closing Balances	-	-	-	-	-	0.1

* includes 50% of the variable pay payable after 3 years subject to certain conditions,

As the liabilities for defined benefit plan are provided on actuarial basis for the Company as a whole, the amount pertaining to key managerial persons are not included.

** Excludes ₹ 99.7 million pertaining to earlier year and payment towards retires.

:0.0 denotes amounts below the rounding off convention

33	Capital and other commitments					(₹ in million)	
		30.09.2016	31.03.2016	31.03.2015 Proforma	31.03.2014 Proforma	31.03.2013 Proforma	31.03.2012 Proforma
	Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided	578.0	711.4	357.0	526.7	428.8	265.2
	Network infrastructure charges	-	37.9	108.6	186.3	344.6	468.0
	Other commitments	228.1	471.5	128.4	95.2	54.8	19.0
34	Contingent liability:						
		30.09.2016	31.03.2016	31.03.2015 Proforma	31.03.2014 Proforma	31.03.2013 Proforma	31.03.2012 Proforma
a)	Claims against the company not acknowledged as debts amounts to	93.1	52.0	56.5	111.0	78.7	59.2
b)	In a complaint filed by a competitor against the Company, the Competition Commission of India directed the Company to pay a penalty. The Company had appealed against the order before the Hon'ble Competition Appellate Tribunal (COMPAT) which rejected the appeal. The Company has appealed against the said order and stay has been granted by the Hon'ble Supreme Court of India. In respect of the same subject matter, a compensation claim has been filed against the Company before the COMPAT by the competitor and the same is being disputed by the Company. Based on the legal advice, the Company is of the view that there are strong grounds that the Hon'ble Supreme Court of India will over turn the decision of the COMPAT. In view of the same no provision has been made in respect of penalty and compensation claimed.						
							(₹ in million)
		30.09.2016	31.03.2016	31.03.2015 Proforma	31.03.2014 Proforma	31.03.2013 Proforma	31.03.2012 Proforma
	Penalty amount	555.0	555.0	555.0	555.0	555.0	555.0
	Compensation claimed	8,569.9	8,569.9	8,569.9	-	-	-
c)	A suit has been filed, jointly and severally against the Company and National Securities Clearing Corporation Limited for damages / compensation along with interest thereon and has been disputed by the Company. As per the legal opinion received, the possibility of the claim being awarded against the Company is remote. In view of the same no provision has been made in respect of damages / compensation claimed.						
							(₹ in million)
		30.09.2016	31.03.2016	31.03.2015 Proforma	31.03.2014 Proforma	31.03.2013 Proforma	31.03.2012 Proforma
	Damages / compensation claimed	1525.7	1525.7	1525.7	1,525.70	-	-
d)	On account of disputed demand of:						(` in million)
		30.09.2016	31.03.2016	31.03.2015 Proforma	31.03.2014 Proforma	31.03.2013 Proforma	31.03.2012 Proforma
	Income tax matters	378.7	378.1	459.9	533.6	529.8	551.2
	Fringe Benefit Tax matters	22.1	22.1	22.1	22.1	22.1	22.1
	Wealth tax matters	0.85	19.4	19.4	19.4	19.4	19.4
	Services tax matters	397.5	392	392	392	392	281
	Securities Transaction Tax matters (refer note 7)	67.6	67.6	67.6	67.6	67.6	67.6
							(₹ in million)
		30.09.2016	31.03.2016	31.03.2015 Proforma	31.03.2014 Proforma	31.03.2013 Proforma	31.03.2012 Proforma
e)	Bank guarantees	40.0	40.0	40.1	40.1	49	49
35	Details under the MSMED Act, 2006 for dues to micro and small, medium enterprises						(₹ in million)
		30.09.2016	31.03.2016	31.03.2015 Proforma	31.03.2014 Proforma	31.03.2013 Proforma	31.03.2012 Proforma
	Outstandings	0.1	1.1	0.5	1.7	2.4	3.7

Lease

The Company has taken land on finance lease. The following is the summary of future minimum lease rental payment under finance lease arrangement entered into by the Company.

(₹ in million)						
Minimum lease payments	30.09.2016	31.03.2016	31.03.2015 Proforma	31.03.2014 Proforma	31.03.2013 Proforma	31.03.2012 Proforma
	Minimum lease	Minimum lease	Minimum lease payments	Minimum lease	Minimum lease	Minimum lease
- Not later than one year	9.3	9.3	9.3	9.3	9.3	9.3
- Later than one year and not later than five years	62.5	58.1	49.0	37.8	37.7	37.6
- Later than five years	1,311.8	1,321.0	1,339.3	1,363.9	1,373.1	1,382.3
Total minimum lease commitments	1,383.6	1,388.4	1,397.6	1,411.0	1,420.1	1,429.2
Less: future finance charges	1,285.7	1,293.4	1,307.9	1,326.0	1,339.0	1,351.5
Present value of minimum lease premium	97.9	95.0	89.6	85.0	81.1	77.8
Other financial liabilities - current	9.3	9.3	9.3	9.3	9.3	9.3
Other financial liabilities - non current	88.6	85.7	80.3	75.7	71.8	68.5

(₹ in million)						
Present value of minimum lease payments	30.09.2016	31.03.2016	31.03.2015 Proforma	31.03.2014 Proforma	31.03.2013 Proforma	31.03.2012 Proforma
	Present value of minimum lease payments	Present value of minimum lease payments	Present value of minimum lease payments	Present value of minimum lease payments	Present value of minimum lease payments	Present value of minimum lease payments
- Not later than one year	9.3	9.3	9.3	9.3	9.3	9.3
- Later than one year and not later than five years	37.0	31.7	27.0	22.8	22.7	22.7
- Later than five years	51.6	54.0	53.3	52.9	49.1	45.8
Total minimum lease commitments	97.9	95.0	89.6	85.0	81.1	77.8

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On June 20, 2012, Securities Exchange Board of India ('SEBI') notified Securities Contracts (Regulations) (Stock Exchanges and Clearing Corporations) Regulations, 2012 ("the Regulations") to regulate recognition, ownership and governance in stock exchanges and clearing corporations in India. In accordance with Regulation 33 of the Regulations, every recognized stock exchange was required to transfer twenty five percent (25%) of its annual profits every year to a Settlement Guarantee Fund ("SGF") of the recognized clearing corporation(s) which clears and settles trades executed on that stock exchange to guarantee settlement of trades. Subsequently, SEBI in its press release No.66/2012 dated June 21, 2012 made an announcement about expert committee being formed to inter-alia look into the norms for adequacy of the core corpus of the SGF and its sourcing, including transfer of profits by stock exchanges to SGF in the long run. As a matter of prudence, the Company had recorded the provisional appropriation from reserves at 25% of its annual profit after tax in its financial statements.

On August 27, 2014, SEBI vide its circular no. CIR/MRD/DRMNP/25/2014 issued norms relating to Core Settlement Guarantee Fund ("Core SGF") and contribution requirements by recognised stock exchange to Core SGF maintained by clearing corporations. As per the circular, stock exchange contribution to Core SGF shall be at least 25% of the Minimum Required Contribution ("MRC") determined by clearing corporation. The contribution towards Core SGF is eligible to be adjusted against twenty five percent transfer of profits by stock exchange under the Regulations. Accordingly, the Company had recorded a provisional appropriation of ₹ 5271.9 million as at March 31, 2015 (net of ₹ 1700 million for contribution to MRC of Core SGF for the year ended March 31, 2015) from reserves and the same had been disclosed as provision in the balance sheet of the Company as on April 1, 2015.

On May 4, 2016, SEBI in its circular no. SEBI/HO/MRD/DRMNP/CIR/2016/54 notified that the provisions made by stock exchange towards the transfer of profits to SGF until March 31, 2015 shall be transferred to the Core SGF maintained by the clearing corporation within one month of the date of issuance of the notification. Further, as per the circular, SEBI will notify the amounts to be transferred by the stock exchange to the Core SGF maintained by the clearing corporation in respect of the period from April 01, 2015 till the date of amendment of the Regulations by SEBI. Accordingly, the provisional appropriations made out of reserves aggregating to ₹ 5271.9 million disclosed as provision in the balance sheet of the Company as on March 31, 2015 was reversed and an expense of ₹ 5271.9 million was recorded in the statement of profit and loss for the year ended March 31, 2016. During the year ended March 31, 2016, the Company had also recorded an expense of ₹ 1633.0 million (net of ₹ 710 million for contribution to MRC of Core SGF for the year ended March 31, 2016) in its statement of profit and loss and other current liability of ₹ 6905.2 million in its condensed balance sheet as of March 31, 2016.

For the purpose of Restated Standalone Statement of Profit and Loss, the Company has recorded the contribution to Core SGF related to the years ended March 31, 2016, 2015, 2014 and 2013 as an expense in each the respective years to which such contribution relates to. Refer also annexure VII for restatement adjustment in preparing these restated standalone financial information.

Effective August 29, 2016, SEBI has amended Regulation 33 of SECC Regulations, 2012 and the Company is now required to contribute only towards the MRC of Core SGF. Accordingly, during the half year ended September 30, 2016, the Company has recorded an expense of ₹ 1210.7 million (pro-rata based on profits till the date of amendment of the Regulation) (net of ₹ 130 million for contribution to MRC of Core SGF for the half year ended September 30, 2016) in its statement of profit and loss and disclosed ₹ 2843.9 million as the amount payable to Core SGF as other current liability in its balance sheet as of September 30, 2016.

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Exceptional item for the year ended March 31, 2014 represents profit of ₹ 1913.1 millions on sale of equity shares held in two subsidiary companies and an associate company to another subsidiary company and ₹ 33.5 millions on sale of equity shares of a subsidiary company and for the year ended March 31, 2013 ₹ 363.8 millions on sale of equity shares held in two subsidiary companies to another subsidiary company.

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Other events after the reporting period

The Board of Directors of the Company at their meeting held on October 4, 2016, inter alia

- (i) Declared an interim dividend of ₹ 79.50 (795%) per equity share of ₹ 10/- each. The record date to determine the eligibility for payment of the interim dividend was fixed as October 17, 2016 and the interim dividend has been paid to the shareholders of the Company on October 18 and October 19, 2016.
- (ii) Recommended issue of Bonus equity shares in the proportion of 1 (one) bonus share of ₹ 10/- (Rupees Ten each) for every existing 10 (Ten) fully paid up equity shares of ₹ 10 each, which is approved by the shareholders in the general meeting held on November 10, 2016. The record date for issue of bonus shares was November 23, 2016.
- (iii) Recommended sub-division of equity shares of ₹ 10 each, into equity shares having a face value of ₹ 1. The same is approved by the shareholders in the general meeting held on November 10, 2016, approved by SEBI on November 27, 2016 and notified in the gazette on December 10, 2016. The record date for stock split was December 13, 2016.

NATIONAL STOCK EXCHANGE OF INDIA LIMITED
Annexure VI - Notes to the Restated Standalone financial information
Note 40 - Financial Instruments by category

Note 40 – Financial Instruments by category

	(₹ in million)																	
	30-09-2016			31-03-2016			31-03-2015 Proforma			31-03-2014 Proforma			31-03-2013 Proforma			31-03-2012 Proforma		
	FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost
Financial Assets																		
Investments																		
Equity Instruments	-	1,653.6	-	-	1,602.8	-	-	1,387.1	-	-	900.6	-	-	1,905.6	-	-	2,190.6	-
Preference Shares	-	-	-	-	-	-	-	-	-	-	-	-	50.0	-	-	50.0	-	-
Debentures	-	-	12,966.7	-	-	13,567.8	-	-	11,042.5	-	-	4,869.9	-	-	2,016.3	-	-	1,198.5
Taxable Bonds	-	-	1,164.6	-	-	1,503.8	-	-	1,478.9	-	-	3,894.1	-	-	755.9	-	-	21.0
Taxfree Bonds	-	-	7,694.6	-	-	4,622.5	-	-	647.6	-	-	843.6	-	-	1,674.4	-	-	1,693.5
Commercial Paper	-	-	-	-	-	-	-	-	3,416.1	-	-	2,574.4	-	-	8,265.5	-	-	4,510.8
Certificate of Deposits	-	-	-	-	-	-	-	-	-	-	-	1,392.0	-	-	3,188.8	-	-	1,280.5
Fixed Deposits	-	-	4,861.1	-	-	15,376.4	-	-	21,225.2	-	-	35,579.1	-	-	33,234.5	-	-	34,473.4
Inter Corporate Deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	169.9	-	-	317.5
Government Securities	-	5,384.3	-	-	12,671.2	-	-	6,475.8	-	-	350.2	-	-	154.5	-	-	-	-
Mutual Funds	25,249.0	-	-	6,869.5	-	-	8,750.0	-	-	1,193.6	-	-	344.2	-	-	1,188.6	-	-
Exchange Traded Funds	4,005.2	-	-	3,433.9	-	-	685.8	-	-	-	-	-	-	-	-	-	-	-
Trade receivables	-	-	2,380.7	-	-	2,249.4	-	-	1,694.2	-	-	1,515.2	-	-	1,220.3	-	-	1,384.8
Cash and Cash equivalents	-	-	815.3	-	-	506.5	-	-	327.0	-	-	261.9	-	-	276.0	-	-	274.6
Security deposit for utilities and premises	-	-	21.4	-	-	21.6	-	-	18.3	-	-	17.3	-	-	21.6	-	-	20.8
Other receivables	-	-	139.0	-	-	50.8	-	-	34.9	-	-	42.2	-	-	44.4	-	-	85.3
Total financial assets	29,254.2	7,037.9	30,043.4	10,303.4	14,274.0	37,898.8	9,435.8	7,862.9	39,884.7	1,193.6	1,250.8	50,989.7	394.2	2,060.1	50,867.5	1,238.6	2,190.6	45,260.7
Financial liabilities																		
Obligations under Finance Lease	-	-	97.9	-	-	95.0	-	-	89.6	-	-	85.0	-	-	81.1	-	-	77.7
Deposits	-	-	11,159.1	-	-	11,041.9	-	-	11,264.7	-	-	11,514.5	-	-	11,841.0	-	-	12,154.3
Trade payables	-	-	1,012.3	-	-	875.2	-	-	615.1	-	-	561.1	-	-	669.0	-	-	627.8
Other liabilities	-	-	780.4	-	-	769.0	-	-	766.7	-	-	1,281.2	-	-	1,213.5	-	-	593.2
Total financial liabilities	-	-	13,049.7	-	-	12,781.0	-	-	12,736.2	-	-	13,441.8	-	-	13,804.6	-	-	13,453.0

NATIONAL STOCK EXCHANGE OF INDIA LIMITED
Annexure VI - Notes to the Restated Standalone financial information

Note 40 - Fair Value Measurements

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 explanation of each level follows underneath the table.

(₹ in million)

Financial Assets measured at Fair Value - recurring fair Value measurements at 30.09.2016	Notes	Level 1	Level 2	Total
Financial Assets				
Financial Investments at FVPL				
Mutual Fund - Growth Plan	9	25,249.0	-	25,249.0
Exchange Traded Funds	4	4,005.2	-	4,005.2
Financial Investments at FVOCI				
Debt Instrument at FVOCI - Government Securities	4	-	5,384.3	5,384.3
Unquoted Equity Investments - National Commodity & Derivative Exchange Ltd.	4	-	1,646.8	1,646.8
Quoted Equity Investments - MCX Limited	4	6.8	-	6.8
Total Financial Assets		29,261.0	7,031.1	36,292.1

Assets and Liabilities which are measured at Amortised Cost for which fair value are disclosed at 30 Sept, 2016	Notes	Level 1	Level 2	Total 30 Sept, 2016
Financial Assets				
Investments				
Debentures	40(ii)	-	13,412.9	13,412.9
Taxable Bonds	40(ii)	-	1,229.8	1,229.8
Taxfree Bonds	40(ii)	-	7,958.5	7,958.5
Fixed Deposit	40(ii)	-	4,909.7	4,909.7
Total Financial Assets		-	27,510.9	27,510.9
Financial Liabilities				
Obligations under Finance Lease	40(ii)	-	177.2	177.2
Total Financial Liabilities		-	177.2	177.2

Financial Assets measured at Fair Value - recurring fair Value measurements At 31.03.2016	Notes	Level 1	Level 2	Total
Financial Assets				
Financial Investments at FVPL				
Mutual Fund - Growth Plan	9	6,869.5	-	6,869.5
Exchange Traded Funds	4	3,433.9	-	3,433.9
Financial Investments at FVOCI				
Debt Instrument at FVOCI - Government Securities	4	-	12,671.2	12,671.2
Unquoted Equity Investments - National Commodity & Derivative Exchange Ltd.	4	-	1,598.6	1,598.6
Quoted Equity Investments - MCX Limited	4	4.2	-	4.2
Total Financial Assets		10,307.6	14,269.8	24,577.4

Assets and Liabilities which are measured at Amortised Cost for which fair value are disclosed at 31 March, 2016	Notes	Level 1	Level 2	Total 31 March, 2016
Financial Assets				
Investments				
Debentures	40(ii)	-	13,635.6	13,635.6
Taxable Bonds	40(ii)	-	1,528.5	1,528.5
Taxfree Bonds	40(ii)	-	4,621.8	4,621.8
Fixed Deposit	40(ii)	-	15,480.6	15,480.6
Total Financial Assets		-	35,266.5	35,266.5
Financial Liabilities				
Obligations under Finance Lease	40(ii)	-	173.5	173.5
Total Financial Liabilities		-	173.5	173.5

Financial Assets measured at Fair Value - recurring fair Value measurements At 31.03.2015	Notes	Level 1	Level 2	Total
Financial Assets				
Financial Investments at FVPL				
Mutual Fund - Growth Plan	9	8,750.0	-	8,750.0
Exchange Traded Funds	4	685.8	-	685.8
Financial Investments at FVOCI				
Debt Instrument at FVOCI - Government Securities	4	-	6,475.8	6,475.8
Unquoted Equity Investments - National Commodity & Derivative Exchange Ltd.	4	-	1,381.5	1,381.5
Quoted Equity Investments - MCX Limited	4	5.6	-	5.6
Total Financial Assets		9,441.4	7,857.3	17,298.7

Note 40 - Fair Value Measurements

Assets and Liabilities which are measured at Amortised Cost for which fair value are disclosed at 31 March, 2015	Notes	Level 1	Level 2	Total 31 March, 2015
Financial Assets				
Investments				
Debentures	40(ii)	-	11,085.2	11,085.2
Taxable Bonds	40(ii)	-	1,495.8	1,495.8
Taxfree Bonds	40(ii)	-	677.7	677.7
Commercial Paper	40(ii)	-	3,416.1	3,416.1
Fixed Deposit	40(ii)	-	21,250.3	21,250.3
Total Financial Assets		-	37,925.1	37,925.1
Financial Liabilities				
Obligations under Finance Lease	40(ii)	-	156.1	156.1
Total Financial Liabilities		-	156.1	156.1

Financial Assets measured at Fair Value - recurring fair Value measurements At 31.03.2014	Notes	Level 1	Level 2	Total
Financial Assets				
Financial Investments at FVPL				
Mutual Fund - Growth Plan	9	1,193.6	-	1,193.6
Financial Investments at FVOCI				
Debt Instrument at FVOCI - Government Securities	4	-	350.2	350.2
Unquoted Equity Investments - National Commodity & Derivative Exchange Ltd.	4	-	898.1	898.1
Quoted Equity Investments - MCX Limited	4	2.5	-	2.5
Total Financial Assets		1,196.1	1,248.3	2,444.4

Assets and Liabilities which are measured at Amortised Cost for which fair value are disclosed at 31 March, 2014	Notes	Level 1	Level 2	Total 31 March, 2014
Financial Assets				
Investments				
Debentures	40(ii)	-	4,872.1	4,872.1
Taxable Bonds	40(ii)	-	3,798.9	3,798.9
Taxfree Bonds	40(ii)	-	933.9	933.9
Commercial Paper	40(ii)	-	2,576.0	2,576.0
Certificate of Deposits	40(ii)	-	1,433.5	1,433.5
Fixed Deposit	40(ii)	-	37,144.7	37,144.7
Total Financial Assets		-	50,759.1	50,759.1
Financial Liabilities				
Obligations under Finance Lease	40(ii)	-	150.0	150.0
Total Financial Liabilities		-	150.0	150.0

Financial Assets measured at Fair Value - recurring fair Value measurements At 31.03.2013	Notes	Level 1	Level 2	Total
Financial Assets				
Financial Investments at FVPL				
Mutual Fund - Growth Plan	9	344.2	-	344.2
Preference Shares	4	-	50.0	50.0
Financial Investments at FVOCI				
Debt Instrument at FVOCI - Government Securities	4	-	154.5	154.5
Unquoted Equity Investments - National Commodity & Derivative Exchange Ltd.	4	-	867.3	867.3
Quoted Equity Investments - MCX Limited	4	1,038.3	-	1,038.3
Total Financial Assets		1,382.5	1,071.8	2,454.3

Assets and Liabilities which are measured at Amortised Cost for which fair value are disclosed at 31 March, 2013	Notes	Level 1	Level 2	Total 31 March, 2013
Financial Assets				
Investments				
Debentures	40(ii)	-	2,015.4	2,015.4
Taxable Bonds	40(ii)	-	736.6	736.6
Taxfree Bonds	40(ii)	-	1,731.4	1,731.4
Commercial Paper	40(ii)	-	8,266.2	8,266.2
Certificate of Deposits	40(ii)	-	3,199.7	3,199.7
Fixed Deposit	40(ii)	-	34,046.5	34,046.5
Inter Corporate Deposits	40(ii)	-	163.5	163.5
Total Financial Assets		-	50,159.2	50,159.2
Financial Liabilities				
Obligations under Finance Lease	40(ii)	-	144.5	144.5
Total Financial Liabilities		-	144.5	144.5

NATIONAL STOCK EXCHANGE OF INDIA LIMITED
Annexure VI - Notes to the Restated Standalone financial information

Note 40 - Fair Value Measurements

Financial Assets measured at Fair Value - recurring fair Value measurements At 31.03.2012	Notes	Level 1	Level 2	Total
Financial Assets				
Financial Investments at FVPL				
Mutual Fund - Growth Plan	9	1,188.6	-	1,188.6
Preference Shares	4	-	50.0	50.0
Financial Investments at FVOCI				
Debt Instrument at FVOCI - Government Securities	4	-	-	-
Unquoted Equity Investments - National Commodity & Derivative Exchange Ltd.	4	-	602.8	602.8
Quoted Equity Investments - MCX Limited	4	1,587.8	-	1,587.8
Total Financial Assets		2,776.4	652.8	3,429.2

Assets and Liabilities which are measured at Amortised Cost for which fair value are disclosed at 31 March, 2012	Notes	Level 1	Level 2	Total 31 March, 2012
Financial Assets				
Investments				
Debentures	40(ii)	-	1,197.7	1,197.7
Taxable Bonds	40(ii)	-	20.7	20.7
Taxfree Bonds	40(ii)	-	1,696.4	1,696.4
Commercial Paper	40(ii)	-	4,489.4	4,489.4
Certificate of Deposits	40(ii)	-	1,300.1	1,300.1
Fixed Deposit	40(ii)	-	34,964.5	34,964.5
Inter Corporate Deposits	40(ii)	-	298.1	298.1
Total Financial Assets		-	43,966.9	43,966.9
Financial Liabilities				
Obligations under Finance Lease	40(ii)	-	131.4	131.4
Total Financial Liabilities		-	131.4	131.4

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 hierarchy gives the highest priority to quoted prices in active market for identical assets or liabilities (level 1 measurements) and lowest priority to unobservable inputs (level 3 measurements). The categories used are as follows :

- Level 1:

This hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, exchange traded funds and mutual funds that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing Net Assets Value (NAV). NAV represents the price at which the issuer will issue further units and will redeem such units of mutual fund to and from the investors.

- Level 2:

The fair value of financial instruments that are not traded in an active market (such as traded bonds, debentures, government securities and commercial papers) is determined using Fixed Income Money Market and Derivatives Association of India (FIMMDA) inputs and valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. Considering that all significant inputs required to fair value such instruments are observable, these are included in level 2.

The fair value of investments in equity shares of NCDEX has been classified within Level 2 of the fair value hierarchy.

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.

The Management has considered Price to Book (P/B) multiple under the Market Approach to arrive at the fair value of investment in NCDEX as at each reporting date. The P/B is computed based on the price of recent investment transaction available in market and applied to the book value of NCDEX to arrive at the fair value of Company's investment in NCDEX at each reporting date.

- 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 hierarchy 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).

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Annexure VI - Notes to the Restated Standalone financial information

ii) Fair value of financial assets and liabilities measured at amortised cost :

(₹ in million)													
		30-09-16		31-03-16		31-03-15		31-03-14		31-03-13		31-03-12	
	Notes	Carrying Amount	Fair Value	Carrying Amount	Fair Value	Carrying Amount	Fair Value	Carrying Amount	Fair Value	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets													
Debentures	4 , 9	12,966.7	13,412.9	13,567.8	13,635.6	11,042.5	11,085.2	4,869.9	4,872.1	2,016.3	2,015.4	1,198.5	1,197.7
Taxable Bonds	4 , 9	1,164.6	1,229.8	1,503.8	1,528.5	1,478.9	1,495.9	3,894.1	3,798.9	755.9	736.6	21.0	20.7
Taxfree Bonds	4 , 9	7,694.6	7,958.5	4,622.5	4,621.8	647.6	677.7	843.6	933.9	1,674.4	1,731.4	1,693.5	1,696.4
Commercial Paper	9	-	-	-	-	3,416.1	3,416.1	2,574.4	2,576.0	8,265.5	8,266.2	4,510.8	4,489.4
Certificate of Deposits	11 , 12	-	-	-	-	-	-	1,392.0	1,433.5	3,188.8	3,199.7	1,280.5	1,300.1
Fixed Deposits (including accrued interest)	5 , 6 , 12	4,861.1	4,909.7	15,376.4	15,480.6	21,225.2	21,250.3	35,579.1	37,144.7	33,234.5	34,046.5	34,473.4	34,964.5
Inter Corporate Deposits	9	-	-	-	-	-	-	-	-	169.9	163.5	317.5	298.2
Total Financial Assets		26,687.0	27,510.9	35,070.5	35,266.5	37,810.3	37,925.2	49,153.1	50,759.2	49,305.3	50,159.2	43,495.2	43,967.0
Financial Liabilities													
Obligations under Finance Lease	15 , 16	97.9	177.2	95.0	173.5	89.6	156.1	85.0	150.0	81.1	144.5	77.7	131.4
Total Financial Liabilities		97.9	177.2	95.0	173.5	89.6	156.1	85.0	150.0	81.1	144.5	77.7	131.4

The carrying amounts of trade receivables, trade payables, other receivables, cash and cash equivalent including other current bank balances and other liabilities including deposits, creditor for capital expenditure, etc. are considered to be the same as their fair values, due to current and short term nature of such balances.

The fair value of finance lease obligation is based on discounted cash flow.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

Significant estimates

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Company uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period. For details of the key assumptions used and the impact of changes to these assumptions see note (i).

Note 40 - FINANCIAL RISK MANAGEMENT

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

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

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

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

A MANAGEMENT OF LIQUIDITY RISK

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's approach to managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions. A material and sustained shortfall in our cash flow could undermine the Company's credit rating and impair investor confidence.

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

(₹ in million)					
	Notes	Carrying amount	Less than 12 months	More than 12 months	Total
As at September 30, 2016					
Obligations under Finance Lease	15 , 16	97.9	9.3	88.6	97.9
Deposits	16 , 24	11,159.1	11,159.1		11,159.1
Trade payables	14 , 16	1,012.3	1,012.3		1,012.3
Other liabilities	16	780.4	780.4		780.4
As at March 31, 2016					
Obligations under Finance Lease	15 , 16	95.0	9.3	85.7	95.0
Deposits	16 , 24	11,041.9	11,041.9		11,041.9
Trade payables	14 , 16	875.2	875.2		875.2
Other liabilities	16	769.0	769.0		769.0
As at March 31, 2015 (Proforma)					
Obligations under Finance Lease	15 , 16	89.6	9.3	80.3	89.6
Deposits	16 , 24	11,264.7	11,264.7		11,264.7
Trade payables	14 , 16	615.1	615.1		615.1
Other liabilities	16	766.7	766.7		766.7
As at March 31, 2014 (Proforma)					
Obligations under Finance Lease	15 , 16	85.0	9.3	75.7	85.0
Deposits	16 , 24	11,514.5	11,514.5		11,514.5
Trade payables	14 , 16	561.1	561.1		561.1
Other liabilities	16	1,281.2	1,281.2		1,281.2
As at March 31, 2013 (Proforma)					
Obligations under Finance Lease	15 , 16	81.1	9.3	71.8	81.1
Deposits	16 , 24	11,841.0	11,841.0		11,841.0
Trade payables	14 , 16	669.0	669.0		669.0
Other liabilities	16	1,213.5	1,213.5		1,213.5
As at March 31, 2012 (Proforma)					
Obligations under Finance Lease	15 , 16	77.7	9.3	68.4	77.7
Deposits	16 , 24	12,154.3	12,154.3		12,154.3
Trade payables	14 , 16	627.8	627.8		627.8
Other liabilities	16	593.2	593.2		593.2

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, exchange traded funds and investments in equity instruments. The price risk arises due to uncertainties about the future market values of these investments. At September 30, 2016, the exposure to price risk due to investment in mutual funds amounted to Rs. 25,249.0 million (March 31, 2016: Rs. 6,869.4 million, March 31, 2015 : Rs. 8,750 million, March 31, 2014 : Rs.1,193.7 million, March 31, 2013 : Rs. 344.3 million , and March 31,2012 : Rs. 1,188.5 million). At September 30, 2016, the exposure to price risk due to investment in exchange traded fund amounted to Rs. 4,005.3 million (March 31, 2016: Rs. 3,433.9 million, and March 31, 2015 : Rs. 685.8 million,). Equity Price Risk is related to the change in market reference price of the investments in equity securities. The fair value of some of the Company's investments in fair value through other comprehensive income securities exposes the Company to equity price risks. In general, these securities are not held for trading purposes. These investments are subject to changes in the market price of securities. The fair value of quoted equity instruments classified as fair value through other comprehensive income as at September 30, 2016 was Rs.6.8 million (March 31, 2016, 2015, 2014, 2013 and 2012, was Rs. 4.2 million, Rs. 5.6 million, Rs. 2.5 million, Rs. 1038.3 million and Rs. 1587.8 million, respectively.) As at September 30, 2016, the Company has investments in unquoted equity shares of Rs. 1,646.8 million (Rs. 1,598.6 million, Rs. 1,381.5 million, Rs. 898.1 million, Rs. 867.3 million and Rs. 602.8 million as at March 31, 2016, 2015, 2014, 2013 and 2012, respectively), the fair value of which is determined using valuation techniques.	In order to manage its price risk arising from investments in mutual funds, the Company diversifies its portfolio in accordance with the limits set by the risk management policies. The Treasury department maintains a list of approved financial instruments. The use of any new investment must be approved by the Chief Financial Officer.	As an estimation of the approximate impact of price risk, with respect to mutual funds, exchange traded funds and investments in equity instruments, the Company has calculated the impact as follows. For mutual funds, a 0.25% increase in prices would have led to approximately an additional Rs. 63.1 million gain in the Statement of Profit and Loss (2015-16: Rs. 17.2 million, 2014-15: Rs. 21.9 million, 2013-14: Rs. 3.0 million, 2012-13: Rs. 0.9 million, 2011-12: Rs. 3.0 million). A 0.25% decrease in prices would have led to an equal but opposite effect. For exchange traded fund, a 10% increase in prices would have led to approximately an additional Rs. 400.5 million gain in the Statement of Profit and Loss (2015-16: Rs. 343.4 million, and 2014-15: Rs. 68.6 million). A 10% decrease in prices would have led to an equal but opposite effect. For equity instruments, a 10% increase in prices would have led to approximately an additional Rs. 165.4 million gain in Other comprehensive income (2015-16: Rs. 160.3 million gain, 2014-15: Rs. 138.7 million, 2013-14: Rs. 90.1 million, 2012-13: Rs. 190.6 million, 2011-12: Rs. 219.1 million). A 10% decrease in prices would have led to an equal but opposite effect.
2. INTEREST RATE RISK		
The Company is mainly exposed to the interest rate risk due to its investment in government securities. The interest rate risk arises due to uncertainties about the future market interest rate of these investments. Other than above, the Company does not designate any fixed rate financial assets as at fair value through profit or loss nor as at fair value through other comprehensive income. Therefore, changes in interest rates of fixed rate instruments would not affect profit or loss or equity. As at September 30, 2016, the exposure to interest rate risk due to investment in government securities amounted to Rs. 5,384.3 million (March 31, 2016: Rs. 12,671.1 million, March 31, 2015: Rs. 6,475.6 million, March 31, 2014 : Rs. 350.2 million and March 31, 2013: Rs. 154.5 million).	In order to manage its interest rate risk arising from investments in treasury bills and government securities, the Company diversifies its portfolio in accordance with the limits set by the risk management policies. The Treasury department maintains a list of approved financial instruments. The use of any new investment must be approved by the Chief Financial Officer.	As an estimation of the approximate impact of the interest rate risk, with respect to financial instruments, the Company has calculated the impact of a 0.25% change in interest rates. A 0.25% increase in interest rates would have led to approximately an additional Rs. 85.7 million loss in Other Comprehensive income (2015-16: Rs. 226.2 million, 2014-15 : Rs. 128.7 million, 2013-14 : Rs. 5.6 million, 2012-13: Rs. 3.1 million.) A 0.25% decrease in interest rates would have led to an equal but opposite effect.

C MANAGEMENT OF CREDIT RISK

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

Trade receivables

Concentrations of credit risk with respect to trade receivables are limited, due to the Company's customer base being large and diverse and also on account of member's deposits kept by the company as collaterals which can be utilised in case of member default. All trade receivables are reviewed and assessed for default on a quarterly basis.

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

Other financial assets

The Company maintains exposure in cash and cash equivalents, term deposits with banks, investments in commercial papers, government securities, investments in mutual funds and exchange traded funds. The Company has 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 September 30, 2016, March 31, 2016, 2015, 2014, 2013 and 2012 is the carrying value of each class of financial assets as disclosed in note 4,5,6,9,10,11 and 12.

D CAPITAL MANAGEMENT

The Company considers the following components of its Balance Sheet to be managed capital:

Total equity as shown in the balance sheet includes retained profit, other reserves, share capital, share premium.

The Company aim to manages its capital efficiently 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 Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure. Company is not subject to financial covenants in any of its significant financing agreements.

The management monitors the return on capital as well as the level of dividends to shareholders. The Company's goal is to continue to be able to provide return by the Company to shareholders by continuing to distribute dividends in future periods. Refer annexure X for the final and interim dividends declared and paid.

Compliance with externally imposed capital requirments:

In accordance with regulation 14 of Securities Contracts (regulation) (stock exchanges and clearing corporations) Regulations, 2012, the Company shall have a minimum networth of ₹ 1,000 million at all times.

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Annexure VI – Notes to the Restated Standalone financial information

Note 41 - Statement of Reconciliation between the Indian GAAP and Ind AS

Note 1 First time adoption of Ind AS

The accounting policies set out in Annexure V have been applied in preparing the Restated Standalone Financial Information statements for the half year ended September 30, 2016 and for the years ended March 31, 2016, 2015, 2014, 2013 and 2012. The Company has followed the same accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 101) as initially adopted on transition date i.e. April 1, 2015 while preparing Restated Standalone Financial Information for the years ended March 31, 2015, 2014, 2013 and 2012. Accordingly, suitable restatement adjustments in the accounting heads are made to the financial statements as of and for the years ended March 31, 2015, 2014, 2013 2012 and April 1, 2011.

An explanation of how the transition from Indian GAAP to Ind AS has affected the Company's Restated Financial Information 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 Deemed cost

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the Previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets and Investment Property covered by Ind AS 40 Investment Properties.

Accordingly, the Company has elected to measure all of its property, plant and equipment, intangible assets and investment property at their Previous GAAP carrying value.

A.1.2 Investment in Subsidiaries, Associate and Joint Venture

Ind AS 101 permits a first time adopter to measure its 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 its 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, associates and joint ventures at the Previous GAAP carrying amount as its deemed cost on the transition date.

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Annexure VI – Notes to the Restated Standalone financial information

A.1.3 Designation of previously recognised financial instruments

Ind AS 101 allows an entity to designate investments in equity instruments at FVOCI on the basis of the facts and circumstances at the date of transition to Ind AS.

The Company has elected to apply this exemption for its investment in equity instruments.

A.1.4 Leases

Appendix C to Ind AS 17 requires an entity to assess whether a contract or arrangement contains a lease. In accordance with Ind AS 17, this assessment should be carried out at the inception of the contract or arrangement. Ind AS 101 provides an option to make this assessment on the basis of facts and circumstances existing at the date of transition to Ind AS, except where the effect is expected to be not material.

The Company has elected to apply this exemption for such contracts/arrangements.

A.2 Ind AS mandatory exceptions

A.2.1 Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made in for the same date in accordance with Previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at 1 April 2015 are consistent with the estimates as at the same date made in conformity with Previous GAAP. The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under Previous GAAP:

- Investment in mutual funds / ETFs carried at FVPL;
- Investment in equity instruments carried at FVOCI;
- Investment in debt instruments carried at FVOCI; and
- Fair value of the Investment property.

A.2.2 Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets (investment in debt instruments) on the basis of the facts and circumstances that exist at the date of transition to Ind AS. Accordingly, classification and measurement of bonds, debentures, government securities, commercial papers, certificate of deposits has been based on the facts and circumstances that exist at the date of transition to Ind AS.

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Annexure VI – Notes to the Restated Standalone financial information

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, 2011 and as at March 31, 2016, 2015, 2014, 2013 and 2012;
- B. Reconciliation of Statement of Profit and Loss for the years ended March, 2016, 2015, 2014, 2013 and 2012; and
- C. The impact on cash flows from operating, investing and financing activities for the year March 31, 2016, 2015, 2014, 2013 and 2012 on transition to Ind AS is as follows.

Rs. In Millions		
Financial Year ended March 31, 2016	Indian GAAP	Ind AS
Net cash inflow from operating activities	4,729.9	4,680.6
Net cash outflow from investing activities	(495.9)	(493.0)
Net cash outflow from financing activities	(4,054.5)	(4,008.1)
Net increase in cash and cash equivalents	179.5	179.5
Financial Year ended March 31, 2015	Indian GAAP	Ind AS
Net cash inflow from operating activities	4,184.7	4,143.0
Net cash outflow from investing activities	(631.0)	(689.0)
Net cash outflow from financing activities	(3,488.6)	(3,388.9)
Net increase in cash and cash equivalents	65.1	65.1
Financial Year ended March 31, 2014	Indian GAAP	Ind AS
Net cash inflow from operating activities	4,043.6	3,708.3
Net cash outflow from investing activities	(3,732.7)	(3,730.9)
Net cash outflow from financing activities	(2,709.8)	(2,376.2)
Net decrease in cash and cash equivalents	(2,398.9)	(2,398.9)
Financial Year ended March 31, 2013	Indian GAAP	Ind AS
Net cash inflow from operating activities	2,383.0	2,214.8
Net cash inflow from investing activities	1,517.5	1,484.3
Net cash outflow from financing activities	(2,001.4)	(1,800.0)
Net increase in cash and cash equivalents	1,899.1	1,899.1
Financial Year ended March 31, 2012	Indian GAAP	Ind AS
Net cash inflow from operating activities	4,034.4	4,220.8
Net cash outflow from investing activities	(3,129.5)	(3,267.2)
Net cash outflow from financing activities	(896.3)	(945.0)
Net increase in cash and cash equivalents	8.6	8.6

The key reason for differences comprise of reclassification of cash flows related to the member deposits.

A: Reconciliations between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

Reconciliation of equity as at March 31, 2011

						(₹ in millions)
	Notes to first-time adoption	Previous GAAP*	Adjustments	Ind AS	Restatements	Restated Ind AS
ASSETS						
Non-current assets						
Property, plant and equipment		4,058.5	-	4,058.5		4,058.5
Capital work-in-progress		62.1	-	62.1		62.1
Intangible assets		251.5	-	251.5		251.5
Intangible assets under development		54.8	-	54.8		54.8
Investment in subsidiaries, associates		1,300.4	-	1,300.4		1,300.4
Financial assets						
- Investments	2	1,561.4	1,300.3	2,861.7		2,861.7
- Other financial assets						
Non-current bank balances		4,638.2	-	4,638.2		4,638.2
Others		32.6	-	32.6		32.6
Income tax assets (net)		827.0	-	827.0		827.0
Other non-current assets		279.3	-	279.3		279.3
Total non-current assets		13,065.8	1,300.3	14,366.2	-	14,366.2
Current assets						
Financial assets						
- Investments	2	3,775.9	83.0	3,859.0		3,859.0
- Trade receivables		1,487.3	-	1,487.3		1,487.3
- Cash and cash equivalents		753.1	-	753.1		753.1
- Bank balances other than cash and cash equivalents		26,818.8	-	26,818.8		26,818.8
- Other financial assets		921.1	-	921.1		921.1
Other current assets		387.8	-	387.8		387.8
Total current assets		34,144.0	83.0	34,227.1	-	34,227.1
TOTAL ASSETS		47,209.8	1,383.3	48,593.3	-	48,593.3
EQUITY AND LIABILITIES						
EQUITY						
Equity share capital		450.0	-	450.0		450.0
Other equity	2,3,4,5,7,8	29,234.0	2,679.9	31,913.9		31,913.9
TOTAL EQUITY		29,684.0	2,679.9	32,363.9	-	32,363.9
LIABILITIES						
Non-current liabilities						
Other financial liabilities	4	-	65.6	65.6		65.6
Provisions		64.9	-	64.9		64.9
Deferred tax liabilities (Net)	3	127.6	(57.5)	70.1		70.1
Other non-current liabilities		53.9	-	53.9		53.9
Total non-current liabilities		246.4	8.0	254.5	-	254.5
Current liabilities						
Financial Liabilities						
- Deposits		11,857.6	-	11,857.6		11,857.6
- Trade payables	7,8	502.1	4.1	506.1		506.1
- Other financial liabilities	4	1,014.5	9.3	1,023.8		1,023.8
Provisions	5	1,362.6	(1,098.3)	264.3		264.3
Income tax liabilities (net)	7	733.2	(219.5)	513.7		513.7
Other current liabilities		1,809.5	-	1,809.5		1,809.5
Total current liabilities		17,279.4	(1,304.5)	15,975.0	-	15,975.0
TOTAL LIABILITIES		17,525.9	(1,296.4)	16,229.4	-	16,229.4
TOTAL EQUITY AND LIABILITIES		47,209.8	1,383.3	48,593.3	-	48,593.3

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

A: Reconciliations between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

Reconciliation of equity as at March 31, 2012

						(₹ in millions)
	Notes to first-time adoption	Previous GAAP*	Adjustments	Ind AS	Restatements	Restated Ind AS
ASSETS						
Non-current assets						
Property, plant and equipment		3,745.0	-	3,745.0		3,745.0
Capital work-in-progress		73.3	-	73.3		73.3
Intangible assets		424.9	-	424.9		424.9
Intangible assets under development		81.5	-	81.5		81.5
Investment in subsidiaries, associates		1,300.4	-	1,300.4		1,300.4
Financial assets						-
- Investments	2	1,945.1	2,029.0	3,974.1		3,974.1
- Other financial assets						-
Non-current bank balances		6,262.2	-	6,262.2		6,262.2
Others		268.6	-	268.6		268.6
Income tax assets (net)		716.0	-	716.0		716.0
Deferred tax assets (net)	3	(73.5)	254.2	180.7		180.7
Other non-current assets		150.3	-	150.3		150.3
Total non-current assets		14,893.8	2,283.2	17,177.0	-	17,177.0
Current assets						
Financial assets						
- Investments	2	7,107.2	89.0	7,196.2		7,196.2
- Trade receivables	7	1,374.9	9.9	1,384.8		1,384.8
- Cash and cash equivalents		761.7	-	761.7		761.7
- Bank balances other than cash and cash equivalents		27,502.7	-	27,502.7		27,502.7
- Other financial assets		1,339.5	-	1,339.5		1,339.5
Other current assets		320.6	-	320.6		320.6
Total current assets		38,406.6	98.9	38,505.5	-	38,505.5
TOTAL ASSETS		53,300.4	2,382.1	55,682.5	-	55,682.5
EQUITY AND LIABILITIES						
EQUITY						
Equity share capital		450.0	-	450.0		450.0
Other equity	2,3,4,5,7,8	34,338.4	4,604.4	38,942.8		38,942.8
TOTAL EQUITY		34,788.4	4,604.4	39,392.8	-	39,392.8
LIABILITIES						
Non-current liabilities						
Other financial liabilities	4	-	68.5	68.5		68.5
Provisions		9.6	-	9.6		9.6
Other non-current liabilities		53.9	-	53.9		53.9
Total non-current liabilities		63.5	68.5	132.0	-	132.0
Current liabilities						
Financial Liabilities						
- Deposits		11,858.6	-	11,858.6		11,858.6
- Trade payables	7,8	521.9	11.5	533.4		533.4
- Other financial liabilities	4	983.2	9.3	992.5		992.5
Provisions	5	2,476.9	(2,092.0)	384.9		384.9
Income tax liabilities (net)	7	680.3	(219.5)	460.8		460.8
Other current liabilities		1,927.5	-	1,927.5		1,927.5
Total current liabilities		18,448.5	(2,290.7)	16,157.7	-	16,157.7
TOTAL LIABILITIES		18,512.0	(2,222.3)	16,289.7	-	16,289.7
TOTAL EQUITY AND LIABILITIES		53,300.4	2,382.1	55,682.5	-	55,682.5

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

A: Reconciliations between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

Reconciliation of equity as at March 31, 2013

		(₹ in millions)				
	Notes to first-time adoption	Previous GAAP*	Adjustments	Ind AS	Restatements	Restated Ind AS
ASSETS						
Non-current assets						
Property, plant and equipment		4,301.7	-	4,301.7		4,301.7
Capital work-in-progress		158.0	-	158.0		158.0
Intangible assets		373.2	-	373.2		373.2
Intangible assets under development		109.7	-	109.7		109.7
Investment in subsidiaries, associates		1,732.5	-	1,732.5		1,732.5
Financial assets						-
- Investments	2	1,770.1	1,742.5	3,512.6		3,512.6
- Other financial assets						-
Non-current bank balances		6,867.0	-	6,867.0		6,867.0
Others		214.4	-	214.4		214.4
Income tax assets (net)		722.2	-	722.2		722.2
Deferred tax assets (net)	3, Annexure VII	(53.7)	149.2	95.5	711.8	807.3
Other non-current assets		146.8	-	146.8		146.8
Total non-current assets		16,341.9	1,891.7	18,233.6	711.8	18,945.4
Current assets						
Financial assets						
- Investments	2	11,849.2	5.4	11,854.6		11,854.6
- Trade receivables		1,220.3	-	1,220.3		1,220.3
- Cash and cash equivalents		2,660.8	-	2,660.8		2,660.8
- Bank balances other than cash and cash equivalents		24,976.2	-	24,976.2		24,976.2
- Other financial assets		2,046.8	-	2,046.8		2,046.8
Other current assets		688.1	-	688.1		688.1
Total current assets		43,441.4	5.4	43,446.8	-	43,446.8
TOTAL ASSETS		59,783.3	1,897.1	61,680.4	711.8	62,392.2
EQUITY AND LIABILITIES						
EQUITY						
Equity share capital		450.0	-	450.0		450.0
Other equity	2,3,4,5,7,8	41,030.4	4,355.2	45,385.6	(1,482.2)	43,903.4
TOTAL EQUITY		41,480.4	4,355.2	45,835.6	(1,482.2)	44,353.4
LIABILITIES						
Non-current liabilities						
Other financial liabilities	4	-	71.8	71.8		71.8
Provisions		26.7	-	26.7		26.7
Other non-current liabilities		53.9	-	53.9		53.9
Total non-current liabilities		80.6	71.8	152.4	-	152.4
Current liabilities						
Financial Liabilities						
- Deposits		11,530.5	-	11,530.5		11,530.5
- Trade payables	7,8	387.3	56.5	443.8		443.8
- Other financial liabilities	4	1,749.2	9.3	1,758.5		1,758.5
Provisions	5	2,560.1	(2,376.2)	183.9		183.9
Income tax liabilities (net)	7	699.4	(219.5)	479.9		479.9
Other current liabilities	Annexure VII	1,295.8	-	1,295.8	2,194.0	3,489.8
Total current liabilities		18,222.3	(2,529.9)	15,692.4	2,194.0	17,886.4
TOTAL LIABILITIES		18,302.9	(2,458.1)	15,844.8	2,194.0	18,038.8
TOTAL EQUITY AND LIABILITIES		59,783.3	1,897.1	61,680.4	711.8	62,392.2

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

A: Reconciliations between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

Reconciliation of equity as at March 31, 2014

					(₹ in millions)
	Notes to first-time adoption	Previous GAAP*	Adjustments	Ind AS	Restated Ind AS
ASSETS					
Non-current assets					
Property, plant and equipment		4,384.1	-	4,384.1	4,384.1
Capital work-in-progress		103.8	-	103.8	103.8
Intangible assets		327.1	-	327.1	327.1
Intangible assets under development		57.4	-	57.4	57.4
Investment in subsidiaries, associates		8,933.0	-	8,933.0	8,933.0
Financial assets		-	-	-	-
- Investments	2	6,466.4	732.0	7,198.3	7,198.3
- Other financial assets		-	-	-	-
Non-current bank balances		6,123.6	-	6,123.6	6,123.6
Others		535.3	-	535.3	535.3
Income tax assets (net)		726.1	-	726.1	726.1
Deferred tax assets (net)	3, Annexure VII	(89.8)	(120.0)	(209.8)	1,402.1
Other non-current assets		194.3	-	194.3	194.3
Total non-current assets		27,761.3	611.9	28,373.2	29,985.1
Current assets					
Financial assets		-	-	-	-
- Investments	2	7,426.6	1.6	7,428.1	7,428.1
- Trade receivables		1,515.2	-	1,515.2	1,515.2
- Cash and cash equivalents		261.9	-	261.9	261.9
- Bank balances other than cash and cash equivalents		28,204.9	-	28,204.9	28,204.9
- Other financial assets		2,166.9	-	2,166.9	2,166.9
Other current assets		790.1	-	790.1	790.1
Total current assets		40,365.6	1.6	40,367.1	40,367.1
TOTAL ASSETS		68,126.9	613.5	68,740.4	70,352.2
EQUITY AND LIABILITIES					
EQUITY					
Equity share capital		450.0	-	450.0	450.0
Other equity	2,3,4,5,7,8	43,092.1	4,134.6	47,226.7	48,838.5
TOTAL EQUITY		43,542.1	4,134.6	47,676.7	49,288.5
LIABILITIES					
Non-current liabilities					
Other financial liabilities	4	-	75.7	75.7	75.7
Provisions		84.2	-	84.2	84.2
Other non-current liabilities		53.9	-	53.9	53.9
Total non-current liabilities		138.1	75.7	213.8	213.8
Current liabilities					
Financial Liabilities		-	-	-	-
- Deposits		11,209.2	-	11,209.2	11,209.2
- Trade payables	7,8	430.4	2.3	432.7	432.7
- Other financial liabilities	4	1,715.0	9.3	1,724.2	1,724.2
Provisions	5	3,699.1	(3,388.9)	310.2	310.2
Income tax liabilities (net)	7	501.2	(219.5)	281.7	281.7
Other current liabilities		6,891.9	-	6,891.9	6,891.9
Total current liabilities		24,446.7	(3,596.8)	20,849.9	20,849.9
TOTAL LIABILITIES		24,584.8	(3,521.1)	21,063.7	21,063.7
TOTAL EQUITY AND LIABILITIES		68,126.9	613.5	68,740.4	70,352.2

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

A: Reconciliations between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

Reconciliation of equity as at March 31, 2015

	Notes to first-time adoption	Previous GAAP*	Adjustments	Ind AS	Restatements	(₹ in millions) Restated Ind AS
ASSETS						
Non-current assets						
Property, plant and equipment		4,874.5	-	4,874.5		4,874.5
Capital work-in-progress		51.5	-	51.5		51.5
Intangible assets		317.1	-	317.1		317.1
Intangible assets under development		113.9	-	113.9		113.9
Investment in subsidiaries, associates		8,933.0	-	8,933.0		8,933.0
Financial assets						-
- Investments	2	11,853.8	729.9	12,583.7		12,583.7
- Other financial assets						-
Non-current bank balances		5,482.2	-	5,482.2		5,482.2
Others		171.3	-	171.3		171.3
Income tax assets (net)		676.6	-	676.6		676.6
Deferred tax assets (net)	3, Annexure VII	(124.5)	(125.3)	(249.8)	1,824.5	1,574.7
Other non-current assets		238.3	-	238.3		238.3
Total non-current assets		32,587.7	604.6	33,192.3	1,824.5	35,016.8
Current assets						
Financial assets						
- Investments	2	21,272.3	27.8	21,300.0		21,300.0
- Trade receivables		1,694.2	-	1,694.2		1,694.2
- Cash and cash equivalents		327.0	-	327.0		327.0
- Bank balances other than cash and cash equivalents		14,291.8	-	14,291.8		14,291.8
- Other financial assets		1,333.2	-	1,333.2		1,333.2
Other current assets		527.2	-	527.2		527.2
Total current assets		39,445.6	27.8	39,473.4	-	39,473.4
TOTAL ASSETS		72,033.3	632.4	72,665.7	1,824.5	74,490.2
EQUITY AND LIABILITIES						
EQUITY						
Equity share capital		450.0	-	450.0		450.0
Other equity	2,3,4,5,7,8	46,285.2	4,743.0	51,028.2	1,824.5	52,852.7
TOTAL EQUITY		46,735.2	4,743.0	51,478.2	1,824.5	53,302.7
LIABILITIES						
Non-current liabilities						
Other financial liabilities	4	-	80.3	80.3		80.3
Provisions		93.1	-	93.1		93.1
Other non-current liabilities		53.9	-	53.9		53.9
Total non-current liabilities		147.0	80.3	227.3	-	227.3
Current liabilities						
Financial Liabilities						
- Deposits		10,934.7	-	10,934.7		10,934.7
- Trade payables	7,8	449.9	27.5	477.4		477.4
- Other financial liabilities	4	1,234.5	9.3	1,243.8		1,243.8
Provisions	5	4,351.2	(4,008.1)	343.1		343.1
Income tax liabilities (net)	7	584.9	(219.5)	365.4		365.4
Other current liabilities		7,595.8	-	7,595.8		7,595.8
Total current liabilities		25,150.9	(4,190.9)	20,960.2	-	20,960.2
TOTAL LIABILITIES		25,297.9	(4,110.6)	21,187.5	-	21,187.5
TOTAL EQUITY AND LIABILITIES		72,033.2	632.4	72,665.7	1,824.5	74,490.2

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

A: Reconciliations between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

Reconciliation of equity as at March 31, 2016

		Notes to first-time adoption	Previous GAAP*	Adjustments	Ind AS	Restatements	(₹ in millions) Restated Ind AS
ASSETS							
Non-current assets							
Property, plant and equipment			4,985.1	-	4,985.1		4,985.1
Capital work-in-progress			144.3	-	144.3		144.3
Intangible assets			426.0	-	426.0		426.0
Intangible assets under development			231.1	-	231.1		231.1
Investment in subsidiaries, associates			8,942.3		8,942.3		8,942.3
Financial assets							-
- Investments	2		27,517.2	774.2	28,291.4		28,291.4
- Other financial assets							-
Non-current bank balances			2,808.6	-	2,808.6		2,808.6
Others			231.5	-	231.5		231.5
Income tax assets (net)			2,576.5	-	2,576.5		2,576.5
Other non-current assets			138.9	-	138.9		138.9
Total non-current assets			48,001.5	774.2	48,775.7	-	48,775.7
Current assets							
Financial assets							
- Investments	2		15,915.5	64.5	15,980.1		15,980.1
- Trade receivables			2,249.4	-	2,249.4		2,249.4
- Cash and cash equivalents			506.5	-	506.5		506.5
- Bank balances other than cash and cash equivalents			11,409.6	-	11,409.6		11,409.6
- Other financial assets			999.1	-	999.1		999.1
Other current assets			728.3	-	728.3		728.3
Total current assets			31,808.5	64.5	31,873.0	-	31,873.0
TOTAL ASSETS			79,810.0	838.7	80,648.7	-	80,648.7
EQUITY AND LIABILITIES							
EQUITY							
Equity share capital			450.0	-	450.0		450.0
Other equity	2,3,4,5,7,8		52,317.1	4,440.2	56,757.3		56,757.3
TOTAL EQUITY			52,767.1	4,440.2	57,207.3	-	57,207.3
LIABILITIES							
Non-current liabilities							
Other financial liabilities	4		-	85.7	85.7		85.7
Provisions			102.5	-	102.5		102.5
Deferred tax liabilities (Net)	3		170.3	148.9	319.3		319.3
Other non-current liabilities			53.9	-	53.9		53.9
Total non-current liabilities			326.7	234.6	561.4	-	561.4
Current liabilities							
Financial Liabilities							
- Deposits			10,984.5	-	10,984.5		10,984.5
- Trade payables	8		660.8	7.2	668.0		668.0
- Other financial liabilities	4		1,033.5	9.3	1,042.7		1,042.7
Provisions	5		4,069.1	(3,633.1)	436.0		436.0
Income tax liabilities (net)	7		240.1	(219.5)	20.5		20.5
Other current liabilities			9,728.3	-	9,728.3		9,728.3
Total current liabilities			26,716.3	(3,836.1)	22,880.0	-	22,880.0
TOTAL LIABILITIES			27,043.0	(3,601.5)	23,441.4	-	23,441.4
TOTAL EQUITY AND LIABILITIES			79,810.0	838.7	80,648.7	-	80,648.7

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

B: Reconciliations between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

Reconciliation of total comprehensive income for the year 2011-12

		(₹ in millions)		
	Notes to first-time adoption	Previous GAAP*	Adjustments	Ind AS
Income				
Revenue from operations	9	10,688.0	(61.0)	10,627.0
Other income	2	4,479.6	(47.2)	4,432.4
Total Income		15,167.6	(108.2)	15,059.4
Expenses				
Employee benefits expense	6	713.6	-	713.6
Clearing & Settlement charge		1,157.7	-	1,157.7
Depreciation and amortisation expense		890.2	-	890.2
Other expenses	2,4,8	2,737.3	(57.9)	2,679.4
Total expenses (excluding contribution to Core Settlement Guarantee Fund)		5,498.8	(57.9)	5,440.9
Profit before prior period, exceptional item and contribution to Core Settlement Guarantee Fund and tax		9,668.8	(50.3)	9,618.5
Add/(Less) : Prior-period adjustments	7	(4.1)	4.1	-
Profit before exceptional item and contribution to Core Settlement Guarantee Fund and tax		9,664.7	(46.2)	9,618.5
Add : profit on sale of investment in equity instruments in subsidiaries and associates				-
Profit before contribution to Core Settlement Guarantee Fund and tax		9,664.7	(46.2)	9,618.5
Less : Contribution to Core Settlement guarantee fund (Core SGF)		-	-	-
Profit before tax		9,664.7	(46.2)	9,618.5
Less : Tax expenses				
Current tax		2,670.0	-	2,670.0
Deferred tax	3	(54.1)	0.2	(53.9)
Total tax expenses		2,615.9	0.2	2,616.1
Profit after tax (A)		7,048.8	(46.5)	7,002.4
Total Other Comprehensive Income (B), net of tax	2,11	-	925.4	925.4
Total Comprehensive Income (A+B)		7,048.8	878.9	7,927.8

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

B: Reconciliations between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

Reconciliation of total comprehensive income for the year 2012-13

		(₹ in millions)		
	Notes to first-time adoption	Previous GAAP*	Adjustments	Ind AS
Income				
Revenue from operations	9	10,008.5	(31.6)	9,976.9
Other income	2	6,472.7	(86.3)	6,386.4
Total Income		16,481.2	(117.9)	16,363.3
Expenses				
Employee benefits expense	6	775.2	(24.6)	750.6
Clearing & Settlement charge		720.9	-	720.9
Depreciation and amortisation expense		770.3	-	770.3
Other expenses	2,4,8	3,005.4	25.7	3,031.2
Total expenses (excluding contribution to Core Settlement Guarantee Fund)		5,271.8	1.1	5,273.0
Profit before prior period, exceptional item and contribution to Core Settlement Guarantee Fund and tax		11,209.4	(119.0)	11,090.3
Add/(Less) : Prior-period adjustments	7	(1.7)	1.7	-
Profit before exceptional item and contribution to Core Settlement Guarantee Fund and tax		11,207.7	(117.3)	11,090.3
Add : profit on sale of investment in equity instruments in subsidiaries and associates		363.8	-	363.8
Profit before contribution to Core Settlement Guarantee Fund and tax		11,571.5	(117.3)	11,454.1
Less : Contribution to Core Settlement guarantee fund (Core SGF)		-	-	-
Profit before tax		11,571.5	(117.3)	11,454.1
Less : Tax expenses				
Current tax		2,815.1	-	2,815.1
Deferred tax	3	(19.8)	59.6	39.8
Total tax expenses		2,795.3	59.6	2,854.9
Profit after tax (A)		8,776.2	(176.9)	8,599.2
Total Other Comprehensive Income (B), net of tax	2,11	-	(356.4)	(356.4)
Total Comprehensive Income (A+B)		8,776.2	(533.4)	8,242.8

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

B: Reconciliations between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

Reconciliation of total comprehensive income for the year 2013-14

		(₹ in millions)		
	Notes to first-time adoption	Previous GAAP*	Adjustments	Ind AS
Income				
Revenue from operations	9	10,790.6	6.5	10,797.1
Other income	2	5,907.1	(5.3)	5,901.8
Total Income		16,697.7	1.2	16,698.9
Expenses				
Employee benefits expense	6	812.7	3.9	816.6
Clearing & Settlement charge		756.3	-	756.3
Depreciation and amortisation expense		769.7	-	769.7
Other expenses	2,4,8	3,147.0	12.6	3,159.6
Total expenses (excluding contribution to Core Settlement Guarantee Fund)		5,485.7	16.5	5,502.2
Profit before prior period, exceptional item and contribution to Core Settlement Guarantee Fund and tax		11,212.0	(15.3)	11,196.7
Add/(Less) : Prior-period adjustments	7	(56.5)	56.5	-
Profit before exceptional item and contribution to Core Settlement Guarantee Fund and tax		11,155.5	41.2	11,196.7
Add : profit on sale of share of long term equity investment	2	2,273.4	(326.8)	1,946.6
Profit before contribution to Core Settlement Guarantee Fund and tax		13,428.9	(285.6)	13,143.3
Less : Contribution to Core Settlement guarantee fund (Core SGF)		-	-	-
Profit before tax		13,428.9	(285.6)	13,143.3
Less : Tax expenses				
Current tax	7	3,200.0	(0.7)	3,199.3
Deferred tax	3	36.1	263.2	299.3
Total tax expenses		3,236.1	262.5	3,498.6
Profit after tax (A)		10,192.8	(548.1)	9,644.7
Total Other Comprehensive Income (B), net of tax	2,11	-	(1,012.1)	(1,012.1)
Total Comprehensive Income (A+B)		10,192.8	(1,560.2)	8,632.6

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

B: Reconciliations between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

Reconciliation of total comprehensive income for the year 2014-15

		(₹ in millions)		
	Notes to first-time adoption	Previous GAAP*	Adjustments	Ind AS
Income				
Revenue from operations	9	13,636.7	6.7	13,643.4
Other income	2	5,544.6	6.5	5,551.1
Total Income		19,181.2	13.2	19,194.4
Expenses				
Employee benefits expense	6	917.9	(22.1)	895.8
Clearing & Settlement charge		911.8	-	911.8
Depreciation and amortisation expense		857.9	-	857.9
Other expenses	2,4,8	3,626.1	38.3	3,664.4
Total expenses (excluding contribution to Core Settlement Guarantee Fund)		6,313.6	16.2	6,329.8
Profit before prior period, exceptional item and contribution to Core Settlement Guarantee Fund and tax		12,867.6	(3.0)	12,864.6
Add/(Less) : Prior-period adjustments	7	(2.2)	2.2	-
Profit before exceptional item and contribution to Core Settlement Guarantee Fund and tax		12,865.4	(0.7)	12,864.6
Add : profit on sale of investment in equity instruments in subsidiaries and associates		-	-	-
Profit before contribution to Core Settlement Guarantee Fund and tax		12,865.4	(0.7)	12,864.6
Less : Contribution to Core Settlement guarantee fund (Core SGF)		(1,700.0)	-	(1,700.0)
Profit before tax		11,165.4	(0.7)	11,164.6
Less : Tax expenses				
Current tax		3,300.0	-	3,300.0
Deferred tax	3	68.7	14.2	82.9
Total tax expenses		3,368.7	14.2	3,382.9
Profit after tax (A)		7,796.7	(14.9)	7,781.8
Total Other Comprehensive Income (B), net of tax	2,11	-	4.4	4.4
Total Comprehensive Income (A+B)		7,796.7	(10.6)	7,786.1

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

B: Reconciliations between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

Reconciliation of total comprehensive income for the year 2015-16

		(₹ in millions)		
	Notes to first-time adoption	Previous GAAP*	Adjustments	Ind AS
Income				
Revenue from operations	9	14,804.2	(74.5)	14,729.7
Other income	2	5,641.2	(67.5)	5,573.7
Total Income		20,445.4	(142.0)	20,303.4
Expenses				
Employee benefits expense	6	1,083.9	(21.0)	1,062.9
Clearing & Settlement charge		985.4	-	985.4
Depreciation and amortisation expense		1,030.9	-	1,030.9
Other expenses	2,4,8,9	3,808.1	(76.2)	3,732.0
Total expenses (excluding contribution to Core Settlement Guarantee Fund)		6,908.4	(97.2)	6,811.2
Profit before prior period, exceptional item and contribution to Core Settlement Guarantee Fund and tax		13,537.0	(44.8)	13,492.2
Add/(Less) : Prior-period adjustments	7	(25.8)	25.8	-
Profit before exceptional item and contribution to Core Settlement Guarantee Fund and tax		13,511.2	(19.0)	13,492.2
Add : profit on sale of investment in equity instruments in subsidiaries and associates		-		-
Profit before contribution to Core Settlement Guarantee Fund and tax		13,511.2	(19.0)	13,492.2
Less : Contribution to Core Settlement guarantee fund (Core SGF)		(7615.2)	-	(7615.2)
Profit before tax		5,896.0	(19.0)	5,877.0
Less : Tax expenses				
Current tax		1,450.0	-	1,450.0
Deferred tax	3	52.8	17.5	70.3
Total tax expenses		1,502.8	17.5	1,520.3
Profit after tax (A)		4,393.2	(36.5)	4,356.7
Total Other Comprehensive Income (B), net of tax	11	-	108.5	108.5
Total Comprehensive Income (A+B)		4,393.2	72.0	4,465.2

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

Reconciliation of total equity
(₹ in millions)

	Note to first-time adoption	As at 31.03.2016	As at 31.03.2015	As at 31.03.2014	As at 31.03.2013	As at 31.03.2012	As at 31.03.2011
Total equity (shareholder's fund) as per previous GAAP		52,767.1	46,735.2	43,542.1	41,480.4	34,788.4	29,684.0
Ind AS Adjustments:							
Proposed dividend	5	3,633.1	4,008.1	3,388.9	2,376.2	2,092.0	1,098.3
Fair valuation of financial instruments through profit and loss account	2	(61.8)	8.8	3.0	4.1	88.0	83.0
Fair valuation of debt instruments through Other Comprehensive Income	2	(121.9)	(42.3)	(16.6)	(1.6)	-	-
Maintenance charges recognised on straightline basis	8	(7.2)	(1.7)	-	-	-	-
Amortisation of debt instruments	2	15.0	(0.6)	(1.5)	1.8	1.0	-
Obligations under finance lease	4	(95.0)	(89.7)	(85.0)	(81.1)	(77.7)	(74.8)
Fair valuation of equity investments through Other Comprehensive Income	2	1,007.4	791.9	748.6	1,743.6	2,029.0	1,300.3
Prior period adjustments	7	-	(25.8)	(2.3)	(56.5)	(1.7)	(4.1)
Reversal of excess provision of Income tax	7	219.5	219.5	219.5	219.5	219.5	219.5
Tax effects of above adjustments	3	(149.1)	(125.3)	(120.1)	149.2	254.2	57.5
Total Ind AS adjustments		4,440.1	4,743.0	4,134.5	4,355.2	4,604.3	2,679.9
Total equity as per Ind AS before restatement adjustments		57,207.3	51,478.2	47,676.7	45,835.6	39,392.8	32,363.9
Add: Restatement adjustment		-	1,824.5	1,611.9	(1,482.2)	-	-
Total equity as per restated financial information		57,207.3	53,302.7	49,288.5	44,353.4	39,392.8	32,363.9

Reconciliation of total comprehensive income
(₹ in millions)

	Note to first-time adoption	As at 31.03.2016	As at 31.03.2015	As at 31.03.2014	As at 31.03.2013	As at 31.03.2012
Profit after tax as per previous GAAP		4,393.2	7,796.7	10,192.8	8,776.2	7,048.8
Ind AS Adjustments:						
Fair valuation of financial instruments through profit and loss account	2	(70.6)	5.8	(1.0)	(84.3)	5.3
Profit on sale of financial instruments through FVOCI transferred to retained earnings	2	-	-	(326.8)	-	(51.8)
Amortisation of debt instruments	2	15.6	0.9	(3.3)	0.8	0.8
Re-measurement of the defined benefit obligation	6	21.0	22.1	(3.9)	24.6	(0.1)
Maintenance charges recognised on straightline basis	8	(5.5)	(1.7)	-	-	-
Obligations under Finance Lease	4	(5.3)	(4.6)	(3.9)	(3.4)	(2.9)
Prior period adjustments	7	25.8	(23.6)	54.3	(54.8)	2.4
Tax effects of adjustments on Profit & Loss	3	(17.5)	(13.8)	(263.4)	(59.8)	(0.2)
Profit after tax as per Ind AS		4,356.7	7,781.8	9,644.7	8,599.2	7,002.4
Other Comprehensive Income						
Total Other Comprehensive Income, net of tax		108.5	4.4	(1,012.1)	(356.4)	925.4
Total Comprehensive Income as per Ind AS		4,465.2	7,786.1	8,632.6	8,242.8	7,927.8

NATIONAL STOCK EXCHANGE INDIA LIMITED

Annexure VI – Notes to the Restated Standalone financial information

Note 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 i.e. April 1, 2011 for the purpose of Restated Financial Information and subsequently in the profit or loss during the years ended March 31, 2016, 2015, 2014, 2013 and 2012.

Fair value changes with respect to investments in equity instruments designated as at FVOCI have been recognised in FVOCI equity instruments reserve as at the date of transition and subsequently in the other comprehensive income.

(₹ in millions)

Mutual funds and equity instruments:	Balance Sheet Impact - Increase/(Decrease)				
	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012
Investments (Current)	70.6	30.2	3.0	4.1	88.0
Investments (Non - Current)	875.0	770.5	748.6	1743.6	2029.0
Total	945.6	800.7	751.6	1747.7	2117.0
Other Equity (Retained earnings)	(61.8)	8.8	3.0	4.1	88.0
Other Equity instruments at FVOCI)	1007.4	791.9	748.6	1743.6	2029.0
Total	945.6	800.7	751.6	1747.7	2117.0

(₹ in millions)

Mutual funds and equity instruments:	Total Comprehensive Income Impact - Increase/(Decrease)				
	For the year 31.03.2016	For the year 31.03.2015	For the year 31.03.2014	For the year 31.03.2013	For the year 31.03.2012
Net gain/ loss on financial assets measured at FVTPL	(70.6)	5.8	(1.0)	(84.3)	5.3
Transfer to retained earnings of FVOCI equity instruments	-	-	(326.8)	-	(51.8)
Other comprehensive income (net of tax)	174.4	35.7	(1004.2)	(338.8)	925.4

NATIONAL STOCK EXCHANGE INDIA LIMITED

Annexure VI – Notes to the Restated Standalone financial information

Investments in Debt instruments

Under Previous GAAP, the investments in debentures, government securities (G-Sec), commercial papers and bond are measured at cost or fair value, whichever is lower, if classified as current investment. Long-term investments were carried at cost less provision for other than temporary decline in the value of such investments.

- Investments in Government Securities - Under Ind AS, the Company has designated Government Securities (G-Sec) as fair value through other comprehensive income (FVOCI). Accordingly, these investments are required to be measured at fair value. At the date of transition to Ind AS i.e. April 1, 2011 for the purpose of Restated Financial Information, difference between the instrument's fair value and Previous GAAP carrying amount has been recognised in other equity (Retained earnings for interest income component and Debt instruments through Other Comprehensive Income for fair value change). Interest income and fair value changes are recognised in the statement of profit and loss and other comprehensive income, respectively.
- Under Ind AS, the Company has designated debenture, commercial papers, certificate of deposits and bonds at amortised cost. Difference between the instruments's amortised value and Previous GAAP carrying amount has been recognised in other reserves and subsequently in the statement of profit or loss.

(₹ in millions)

Investments in Debt instruments:	Balance Sheet Impact - Increase/(Decrease)				
	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012
Investments (Current)	(6.0)	(2.3)	(1.5)	1.3	0.8
Investments (Non - Current)	(100.7)	(40.5)	(16.6)	(1.1)	0.2
Total	(106.8)	(42.8)	(18.1)	0.2	1.0
Other Equity (Retained earnings)	15.0	(0.6)	(1.5)	1.8	1.0
Debt instrument at FVOCI	(121.9)	(42.2)	(16.6)	(1.6)	-
Total	(106.8)	(42.8)	(18.1)	0.2	0.1

(₹ in millions)

Investments in Debt instruments:	Total Comprehensive Income Impact - Increase/(Decrease)				
	For the year 31.03.2016	For the year 31.03.2015	For the year 31.03.2014	For the year 31.03.2013	For the year 31.03.2012
Other income (Profit and loss)	15.7	0.9	0.3	0.8	0.7
Other comprehensive income (net of tax)	(52.1)	(16.7)	(9.9)	(1.0)	-

NATIONAL STOCK EXCHANGE INDIA LIMITED

Annexure VI – Notes to the Restated Standalone financial information

Note 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 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.

The Company has recognized a deferred tax asset on the unused capital losses on investments amounting to ₹ 347.6 millions in the Restated Statement of Assets and Liabilities as at April 1, 2011. Additionally, deferred tax has also been recognised on the adjustments made on transition to Ind AS i.e. April 1, 2011 for the purpose of Restated Financial Information.

Note 4: Leasehold land

Under Previous GAAP, all leasehold lands are classified as property, plant and equipment. Under Ind AS, leasehold land is to be recognised as an operating or a finance lease as per the definition and classification criteria under Ind AS 17. Accordingly, leasehold land has been classified as finance lease and future rent payable has been recognised as finance lease obligation. Accordingly, deemed cost of the leasehold land has been disclosed as property plant and equipment and the annual leases payments has been disclosed as a lease obligation. Consequent to the above, following is the impact on the total comprehensive income and total equity for each of the respective years:

(₹ in millions)

	Impact on Total equity and Total comprehensive income - Increase/(Decrease)				
	For the year 31.03.2016	For the year 31.03.2015	For the year 31.03.2014	For the year 31.03.2013	For the year 31.03.2012
Total Comprehensive income	(5.3)	(4.6)	(3.9)	(3.4)	(2.9)
Non-Current – Finance lease obligation	85.7	80.3	75.7	71.8	68.5
Current - Finance lease obligation	9.3	9.3	9.3	9.3	9.3
Total Equity	(95.0)	(89.7)	(85.0)	(81.1)	(77.7)

NATIONAL STOCK EXCHANGE INDIA LIMITED

Annexure VI – Notes to the Restated Standalone financial information

Note 5: Proposed dividend

Under the Previous GAAP, dividends proposed by the board of directors after the balance sheet date but before the approval of the financial statements were considered as adjusting events. Accordingly, provision for proposed dividend including dividend distribution tax was recognised as a liability. Under Ind AS, such dividends are recognised when the same is approved by the shareholders in the general meeting. Accordingly, the liability for proposed dividend including dividend distribution tax included under provisions has been reversed with corresponding adjustment in other equity. Consequent to the above, Total equity has increased for each of the respective years as follows:

(₹ in millions)

	For the year 31.03.2016	For the year 31.03.2015	For the year 31.03.2014	For the year 31.03.2013	For the year 31.03.2012
Total Equity	3633.1	4008.1	3388.9	2376.2	2092.0

Note 6: Re-measurement of post-employment benefit obligations

Under Ind AS, re-measurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss. Under the Previous GAAP, these re-measurements were forming part of the profit or loss for the year. Consequent to the above, following is the impact on the Total comprehensive income for each of the respective years:

(₹ in millions)

	For the year 31.03.2016	For the year 31.03.2015	For the year 31.03.2014	For the year 31.03.2013	For the year 31.03.2012
Total Comprehensive income (Increase/(Decrease))	21.0	22.1	(3.9)	24.6	(0.1)

Note 7: Prior Period Items:

Under Previous 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 are accounted retrospectively by restating the comparative period. Consequent to the above, following is the impact on the total comprehensive income and total equity for each of the respective years:

(₹ in millions)

(Increase/(Decrease))	Impact on Total equity and Total comprehensive income - Increase/(Decrease)				
	31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012
Network infrastructure charges adjusted in the respective years	-	-	56.3	(56.3)	-
Others	25.8	(23.6)	(2.0)	1.5	2.4
Total	25.8	(23.6)	54.3	(54.8)	2.4

NATIONAL STOCK EXCHANGE INDIA LIMITED

Annexure VI – Notes to the Restated Standalone financial information

Comprehensive income						
	31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
Excess Income tax provision written back	219.5	219.5	219.5	219.5	219.5	219.5
Others	-	(25.90)	(2.30)	(56.50)	(1.60)	(4.10)
Total Equity	219.5	193.6	217.2	163.0	217.9	215.4

Note 8: Other adjustments

Under Previous GAAP, the maintenance and operational charges paid to a service provider for generation of the electricity, has been charged to profit and loss accounts in the year in which it is contractually payable. Under Ind AS, such charges paid have been recognized on a straight line basis over the contractual term. Consequent to the above, following is the impact on the total comprehensive income and total equity for each of the respective years:

(₹ in millions)

	Impact on Total equity and Total comprehensive income - Increase/(Decrease)				
	For the year 31.03.2016	For the year 31.03.2015	For the year 31.03.2014	For the year 31.03.2013	For the year 31.03.2012
Total Comprehensive income	(5.5)	(1.7)	-	-	-
Total Equity	(7.2)	(1.7)	-	-	-

Note 9: Revenue

Under Previous GAAP, revenue is recognised net of discounts and rebates. Under Ind AS, revenue is recognised at the fair value of the consideration received or receivable, after the deduction of any incentive and any taxes or duties collected on behalf of the government such as services tax. Incentives given to customers have been reclassified from 'other expense' under Previous GAAP and deducted from revenue under Ind AS for each of the respective years:

(₹ in millions)

	Reclassification of expenses to revenue from operations				
	For the year 31.03.2016	For the year 31.03.2015	For the year 31.03.2014	For the year 31.03.2013	For the year 31.03.2012
Customer incentives	74.5	-	-	31.6	71.0

NATIONAL STOCK EXCHANGE INDIA LIMITED

Annexure VI – Notes to the Restated Standalone financial information

Note 10: Retained Earnings

Retained earnings as at April 1, 2011 has been adjusted consequent to the above Ind AS transition adjustments.

Note 11: Other comprehensive income

Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss includes re-measurements of defined benefit plans, and fair value gains or (losses) on FVOCI equity instruments and debt instruments. The concept of other comprehensive income did not exist under Previous GAAP.

- 42** In view of the complaints received by SEBI relating to unfair access of NSE's Colocation facility, SEBI directed the Company to carry out an investigation including forensic examination by an independent external agency. Accordingly, the Company has appointed an independent external agency to carry out an investigation in the form of forensic examination into the co-location facilities of the Company. Pending investigation and submission of the final report, as advised by SEBI, the Company has subsequently deposited an amount of Rs. 65.3 millions towards rack charges and connectivity charges for the month of September 2016 and has been deposited an amount of Rs.476.7 million for the month of September 2016 towards revenues generated from the co-location facility in the nature of transaction charges on trade orders placed through the co-location facility, in respect of the co-location facility in a separate bank account effective September 1, 2016. (Refer also note 25)
- 43** Previous period / years' figures are regrouped, reclassified and rearranged wherever necessary.

As per our report attached

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

For and on behalf of the Board of Directors

Narendra Jain
Partner
Membership No.: 048725

Ashok Chawla
Chairman

Dinesh Kanabar
Director

For Price Waterhouse & Co Chartered Accountants LLP
Chartered Accountants
Firm's Registration no : 304026E / E-300009

Sumit Seth
Partner
Membership No.: 105869

J. Ravichandran
Chief Executive Officer In-Charge

Yatrik Vin
Chief Financial Officer

S. Madhavan
Company Secretary

Place : Mumbai
Date : December 20, 2016

Date : December 19, 2016

NATIONAL STOCK EXCHANGE OF INDIA LIMITED
Annexure VII - Restated statement of adjustments to audited standalone financial statements

Summarized below are the restatement adjustments made to the audited standalone financial statements for the years ended March 31, 2016, 2015, 2014, 2013, 2012 and period ended September 30, 2016 and their impact on the profit / (loss) of the Company:

(₹ in million)						
Particulars	Notes/ Annexure	For the year ended 31.03.2016	For the year ended 31.03.2015	For the year ended 31.03.2014	For the year ended 31.03.2013	For the year ended 31.03.2012
(A) Net profit after tax as per audited financial statements prepared under Previous GAAP		4,393.2	7,796.7	10,192.8	8,776.2	7,048.8
(B) Ind AS Adjustments:						
Fair valuation of financial instruments through profit and loss account		(70.6)	5.8	(1.0)	(84.3)	5.3
Profit on sale of financial instruments through FVOCI transferred to retained earnings		-	-	(326.8)	-	(51.8)
Amortisation of debt instruments		15.6	0.9	(3.3)	0.8	0.8
Re-measurement of the defined benefit obligation	Note 43	21.0	22.1	(3.9)	24.6	(0.1)
Obligations under Finance Lease	Annexure VI	(5.3)	(4.6)	(3.9)	(3.4)	(2.9)
Maintenance charges recognised on straightline basis		(5.5)	(1.7)	-	-	-
Prior period adjustment		25.8	(23.6)	54.3	(54.8)	2.4
Tax effects of adjustments on Profit & Loss		(17.5)	(13.8)	(263.4)	(59.8)	(0.2)
Total Ind AS adjustments		(36.5)	(14.9)	(548.1)	(176.9)	(46.5)
(C) Net profit after tax as per Ind AS (A-B)		4,356.7	7,781.8	9,644.7	8,599.2	7,002.4
(D) Adjustments:						
Material Restatement Adjustments						
(Excluding those on account of changes in accounting policies):						
(i) Audit Qualifications	Note (1)	-	-	-	-	-
Total:		-	-	-	-	-
(ii) Other material adjustments						
Contribution to Core Settlement guarantee fund (Core SGF)	Note (2)	5,271.9	(529.7)	(2,548.2)	(2,194.0)	-
Total:		5,271.9	(529.7)	(2,548.2)	(2,194.0)	-
(iii) Deferred Tax Adjustments	Note (4)	(1,824.5)	212.6	900.0	711.8	-
Total:		(1,824.5)	212.6	900.0	711.8	-
Total Adjustments (D):		3,447.4	(317.1)	(1,648.2)	(1,482.2)	-
(E) Adjustments on account of changes in accounting policies :	Note (3)	-	-	-	-	-
Total (E):		-	-	-	-	-
(F) Total impact of Adjustments (D+E)		3,447.4	(317.1)	(1,648.2)	(1,482.2)	-
Net profit as restated (C-F)		7,804.1	7,464.7	7,996.5	7,117.0	7,002.4

(G) There were no restatement adjustment for the six month period ended September 30, 2016 as the stadalone financial statements has been prepared under Ind AS

Notes to Adjustments

1 **Adjustments for Audit Qualifications:** None

2 Other Material Adjustments

For the purpose of Restated Standalone Statement of Profit and Loss, the Company has recorded the contribution to Core SGF at 25% of its annual profits after tax (per Previous GAAP financial statements) as an expense in each of the years ended March 31, 2016, 2015, 2014 and 2013 to which such contribution relates. (Refer Annexure VI - Note: 37)

3 **Changes in Accounting Policy under Previous GAAP:** None

4 Tax Adjustments :

The tax rate applicable for the respective periods/years has been used to calculate the deferred tax impact on other material adjustments.

5 Reconciliation of total equity as at 1 April 2011

		(₹ in million)
	Notes	01.04.2011
Total equity (shareholder's fund) as per previous GAAP		29,684.0
Ind AS Adjustments:		
Proposed dividend		1,098.3
Fair valuation of equity instruments through profit and loss account		83.0
Obligations under finance lease		(74.8)
Fair valuation of equity investments through Other Comprehensive Income	Note 41	1,300.3
Reversal of excess provision of income tax	Annexure VI	219.5
Prior period adjustment		(4.1)
Tax effects of above adjustments		57.5
Total Ind AS Adjustments:		2,679.9
Adjustments towards restatement:		-
Total adjustments towards restatement		-
Total equity as restated		32,363.9

National Stock Exchange of India Limited

Annexure VII - Restatement Statement of Adjustments to Audited Standalone Financial Statements

II) Auditor's Comment in Company Auditor's Report Order -

Statutory Auditors have made the following comments in terms with the requirements of the Companies (Auditor's Report) Order, 2015, issued by the Central Government of India in terms of sub-section 11 of Section 143 of the Companies act, 2013 of India for Financial Year 2015-16 and 2014-15 and in terms with the requirements of the Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditor's Report) (Amendment) Order, 2004, issued by the Central Government of India in terms of sub-section 4A of Section 127 of the Companies act. 1956 of India for Financial Year 2013-14. 2012-13 and 2011-12:

For the financial year ended March 31, 2016

Clause (vii) (b)

According to the information and explanations given to us, the dues of sales-tax, income-tax, duty of customs, wealth-tax, service tax, securities transaction tax and duty of excise which have not been deposited on account of disputes and the forum where the dispute is pending are as under:

Sr. No.	Name of the Statute	Nature of the Dues	Period to which amount relates (Financial year)	(₹ in million)	Forum where dispute is Pending
1	Income Tax Act, 1961	Income Tax	1995-1996	0.8	High Court, Mumbai
			1999-2000	3.4	High Court, Mumbai
			2007-2008	0.0	Income Tax Appellate Tribunal, Mumbai
2	Wealth Tax Act, 1957	Wealth Tax	2000-2001	1.1	Income Tax Appellate Tribunal, Mumbai Wealth Tax Bench
3	Finance (No.2) Act, 2004- Chapter VII	Securities Transaction Tax	2006-2007	15.7	Income Tax Appellate Tribunal, Mumbai
			2007-2008	9.7	Income Tax Appellate Tribunal, Mumbai
			2008-2009	4.8	Income Tax Appellate Tribunal, Mumbai
4	Chapter V of Finance Act, 1994	Service Tax	2004-2005 to 2008-2009	281.0	Commissioner of Service Tax, Mumbai
			2010-2011	0.0	Commissioner of Central Excise (Appeal), Mumbai
			2011-2012	0.0	Commissioner of Central Excise (Appeal), Mumbai
			2008-2009 to 2011-2012	110.9	Commissioner of Service Tax, Mumbai
5	The Competition Act, 2002	Penalty	2007-2008 to 2009-2010	555.0	Supreme Court of India

For the financial year ended March 31, 2015

Clause (vii) (b)

According to the information and explanations given to us, the dues of sales-tax, income-tax, duty of customs, wealth-tax, service tax, securities transaction tax, duty of excise, cess which have not been deposited on account of disputes and the forum where the dispute is pending are as under:

Sr. No.	Name of the Statute	Nature of Dues	Period to which amount relates (Financial year)	(₹ in million)	Forum where dispute is Pending
1	Income Tax Act, 1961	Income Tax	1995-1996	0.8	High Court, Mumbai
			1999-2000	3.4	High Court, Mumbai
			2007-2008	0.0	Income Tax Appellate Tribunal, Mumbai
			2011-2012	2.4	Commissioner of Income Tax (Appeal), Mumbai
2	Wealth Tax Act, 1957	Wealth Tax	2000-2001	1.1	Income Tax Appellate Tribunal, Mumbai - Wealth Tax Bench
3	Finance (No.2) Act, 2004-Chapter VII	Securities Transaction Tax	2006-2007	15.7	Income Tax Appellate Tribunal, Mumbai
			2007-2008	9.7	Income Tax Appellate Tribunal, Mumbai
			2008-2009	4.8	Income Tax Appellate Tribunal, Mumbai
4	Chapter V of Finance Act, 1994	Service Tax	2004-2005 to 2008-2009	281.0	Commissioner of Service Tax, Mumbai
			2010-2011	0.0	Commissioner of Central Excise (Appeal), Mumbai
			2011-2012	0.0	Commissioner of Central Excise (Appeal), Mumbai
			2008-2009 to 2011-2012	110.9	Commissioner of Service Tax, Mumbai
5	The Competition Act, 2002	Penalty	2007-2008 to 2009-2010	555.0	Supreme Court of India

For the financial year ended March 31, 2014

Clause (viii) (a)

According to the information and explanations given to us and the records examined by us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service-tax, custom duty, excise duty, cess and any other statutory dues wherever applicable

Clause (viii) (b)

According to the information and explanations given to us, the dues of sales-tax, income-tax, customs, wealth-tax, service tax, securities transaction tax, excise duty, cess which have not been deposited on account of disputes and the forum where the dispute is pending are as under:

Sr. No.	Name of the Statute	Nature of the Dues	Period to which amount relates (Financial year)	(₹ in million)	Forum where dispute is Pending
1	Income Tax Act, 1961	Income Tax	1995-1996	0.8	High Court, Mumbai
			1999-2000	3.4	High Court, Mumbai
			2002-2003	5.5	High Court, Mumbai
			2007-2008	0.0	Income Tax Appellate Tribunal, Mumbai
			2008-2009	1.9	Income Tax Appellate Tribunal, Mumbai
			2010-2011	22.0	Commissioner of Income Tax (Appeal), Mumbai
2	Wealth Tax Act, 1957	Wealth Tax	2000-2001	1.1	Income Tax Appellate Tribunal, Mumbai - Wealth Tax Bench
3	Finance (No.2) Act, 2004-Chapter VII	Securities Transaction Tax	2006-2007	15.7	Income Tax Appellate Tribunal, Mumbai
			2007-2008	9.7	Income Tax Appellate Tribunal, Mumbai
			2008-2009	4.8	Income Tax Appellate Tribunal, Mumbai
4	Chapter V of Finance Act, 1994	Service Tax	2004-2005 to 2008-2009	281.0	Commissioner of Service Tax, Mumbai
			2010-2011	0.0	Commissioner of Central Excise (Appeal), Mumbai
			2011-2012	0.0	Commissioner of Central Excise (Appeal), Mumbai
			2008-2009 to 2011-2012	110.9	Commissioner of Service Tax, Mumbai
5	The Competition Act, 2002	Penalty	2007-2008 to 2009-2010	550.0	Competition Appellate Tribunal

For the financial year ended March 31, 2013

Clause (viii) (b)

According to the records of the Company, the dues of sales-tax, income-tax, customs, wealth-tax, service tax, securities transaction tax, excise duty, cess which have not been deposited on account of disputes and the forum where the dispute is pending are as under:

Sr. No.	Name of the Statute	Nature of Dues	Period to which amount relates (Financial year)	(₹ in million)	Forum where dispute is Pending
1	Income Tax Act, 1961	Income Tax	1995-1996	0.8	High Court, Mumbai
			1999-2000	3.4	High Court, Mumbai
			2002-2003	5.5	High Court, Mumbai
			2007-2008	0.0	Income Tax Appellate Tribunal, Mumbai
			2008-2009	1.9	Income Tax Appellate Tribunal, Mumbai
			2010-2011	22.0	Commissioner of Income Tax (Appeal), Mumbai
2	Wealth Tax Act, 1957	Wealth Tax	2000-2001	1.1	Income Tax Appellate Tribunal, Mumbai - Wealth Tax Bench
3	Finance (No.2) Act, 2004-Chapter VII	Securities Transaction Tax	2006-2007	15.7	Income Tax Appellate Tribunal, Mumbai
			2007-2008	9.7	Income Tax Appellate Tribunal, Mumbai
			2008-2009	4.8	Income Tax Appellate Tribunal, Mumbai
4	Chapter V of Finance Act, 1994	Service Tax	2004-2005 to 2008-2009	281.0	Commissioner of Service tax, Mumbai
			2010-11	0.0	Assistant Commissioner of Service tax, Mumbai
			2011-12	0.0	Assistant Commissioner of Service tax, Mumbai
			2008-09 to 2011-12	110.9	Commissioner of Service tax, Mumbai
5	The Competition Act, 2002	Penalty	2007-2008 to 2009-2010	550.0	Competition Appellate Tribunal

For the financial year ended March 31, 2012

Clause (viii) (b)

According to the records of the Company, the dues of sales-tax, income-tax, customs, wealth-tax, service tax, securities transaction tax, excise duty, cess which have not been deposited on account of disputes and the forum where the dispute is pending are as under:

Sr. No.	Name of the Statute	Nature of the Dues	Period to which amount relates (Financial year)	(₹ in million)	Forum where dispute is Pending
1	Income Tax Act, 1961	Income Tax	2002-2003	59.6	High Court, Mumbai
			2007-2008	0.0	Income Tax Appellate Tribunal, Mumbai
			2008-2009	1.9	Commissioner of Income Tax, (Appeal) Mumbai
2	Wealth Tax Act, 1957	Wealth Tax	2000-2001	1.1	Income Tax Appellate Tribunal, Mumbai - Wealth Tax Bench
3	Finance (No.2) Act, 2004-Chapter VII	Securities Transaction Tax	2006-2007	50.9	Income Tax Appellate Tribunal, Mumbai
			2007-2008	9.7	Commissioner of Income Tax, (Appeal) Mumbai
			2008-2009	4.8	Commissioner of Income Tax, (Appeal) Mumbai
4	Chapter V of Finance Act, 1994	Service Tax	2004-2005 to 2008-2009	281.0	Commissioner of Service tax, Mumbai
			2010-11	0.0	Commissioner of Service tax, Mumbai
5	The Competition Act, 2002	Penalty	2007-2008 to 2009-2010	550.0	Competition Appellate Tribunal

NATIONAL STOCK EXCHANGE OF INDIA LIMITED

Annexure VIII - Restated Standalone Statement of Accounting Ratios

Table 1 - Restated Standalone Statement of Accounting Ratios

(₹ in million) (Unless Otherwise Stated)						
Particulars	For the half year ended 30.09.2016	For the year ended 31.03.2016	For the year ended 31.03.2015 Proforma	For the year ended 31.03.2014 Proforma	For the year ended 31.03.2013 Proforma	For the year ended 31.03.2012 Proforma
Earnings per equity share before contribution to Core Settlement Guarantee Fund (Face Value of ₹ 1/- each)						
Basic and Diluted EPS (₹) *	13.13	18.86	17.99	19.48	17.37	14.15
Earnings per equity share after contribution to Core Settlement Guarantee Fund (Face Value of ₹ 1/- each)						
Basic and Diluted EPS (in ₹) *	11.36	15.77	15.08	16.15	14.38	14.15
Return on Net Worth % *	9.46%	13.64%	14.00%	16.22%	16.05%	17.78%
Net asset value per equity share (₹) *	120.04	115.57	107.68	99.57	89.60	79.58
Weighted average number of equity shares for Basic and Diluted Earnings Per Equity Share (Refer note 39(ii), 39 (iii) and 29)	495.0	495.0	495.0	495.0	495.0	495.0
Net Profit after tax, as restated	5,622.6	7,804.1	7,464.6	7,996.5	7,117.0	7,002.4
Share Capital	450.0	450.0	450.0	450.0	450.0	450.0
Reserves (Other equity), as restated	58,970.0	56,757.3	52,852.7	48,838.5	43,903.4	38,942.8
Net worth, as restated	59,420.0	57,207.3	53,302.7	49,288.5	44,353.4	39,392.8

* presented in two decimals

Notes:

1. The ratios on the basis of Restated financial information have been computed as below:

Basic Earnings per share (·) =
$$\frac{\text{Net profit as restated, attributable to equity shareholders}}{\text{Weighted average number of equity shares}}$$

Diluted Earnings per share (·) =
$$\frac{\text{Net profit as restated, attributable to equity shareholders}}{\text{Weighted average number of dilutive equity shares}}$$

Return on net worth (%) =
$$\frac{\text{Net profit after tax, as restated}}{\text{Net worth at the end of the year / period}}$$

Net Asset Value (NAV) per equity share (·) =
$$\frac{\text{Net worth, as restated at the end of the year / period}}{\text{Number of equity shares outstanding at the end of the year / Period (Refer note 5)}}$$

2. Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the year adjusted by the number of equity shares issued during the year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year. This has been adjusted for all periods presented by giving effect to bonus and subdivision subsequent to the balance sheet date. (Refer note 39(ii), 39 (iii) and 29)

3. Net Worth = Equity share capital + Other equity (including Securities Premium and Surplus/ (Deficit))

4. The above ratios have been computed on the basis of the Restated Standalone Financial Information - Annexure I to Annexure IV.

5. Net Asset value per equity share has been determined by adjusting additional shares on account of bonus and subdivision. For all periods presented (Refer note 39(ii), 39 (iii) and 29)

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Annexure IX - Restated standalone statement of capitalisation

(₹ in million)		
Particulars	Pre offer for half year ended September 30, 2016	Pre offer for year ended March 31, 2016
Debt	-	-
Shareholders' Fund		
Share Capital	495.0	495.0
Reserves (Other equity), as restated	58,925.0	56,712.3
Total Shareholders' fund	59,420.0	57,207.3
Debt/Equity Ratio	NA	NA

Notes:

i) The above has been computed on the basis of the Restated Standalone Financial Information - Annexure I to Annexure IV.

ii) The issue price and number of shares are being finalised and as such the post- capitalisation statement cannot be presented.

iii) Since September 30, 2016 (which is the last date as of which financial information has been given in this document) the share capital has increased from ₹ 450 million to ₹ 495 million by the issue of bonus shares in the proportion of 1 (one) bonus share of ₹ 10/- (Rupees Ten each) for every existing 10 (Ten) fully paid up equity shares of ₹ 10 each by capitalising securities premium.

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Annexure X - Restated Standalone statement of dividend paid

(₹ in million)						
Particulars	Paid during the period 30.09.2016	Paid during the year 31.03.2016 *	Paid during the year 31.03.2015 Proforma	Paid during the year 31.03.2014 Proforma	Paid during the year 31.03.2013 Proforma	Paid during the year 31.03.2012 Proforma
Number of equity shares outstanding (in million)	45.0	45.0	45.0	45.0	45.0	45.0
Dividend paid (in ₹ million)	3,285.0	3,577.5	3,060.0	2,250.0	1,800.0	945.0
Rate of Dividend (%)	730.0%	795.0%	680.0%	500.0%	400.0%	210.0%
Dividend per equity share (in ₹)	73.0	79.5	68.0	50.0	40.0	21.0

* includes one time special dividend of Rs 7.50/- per share.

The above information has not been restated to give effect for issue of bonus share and sub division of equity shares subsequent to 30th September 2016 and represents historical information.

Annexure XI - Restated Standalone Statement of Tax Shelters

Particulars	For the six months ended 30.09.2016	31.03.2016	31.03.2015	31.03.2014	31.03.2013	(₹ in million)
						31.03.2012
Profit before tax- as restated (A)	7,382.0	11,148.9	10,634.9	10,595.1	9,260.1	9,618.5
Notional tax rate (B)	34.608%	34.608%	33.990%	33.990%	32.445%	32.445%
Tax as per notional rate on profit (C)	2,554.8	3,858.4	3,614.8	3,601.3	3,004.5	3,120.7
ADJUSTMENTS						
Tax Impact of Permanent Differences due to:						
Dividend income	(562.9)	(519.5)	(394.8)	(565.9)	(756.0)	(378.1)
Interest on tax free bonds	(74.3)	(58.4)	(21.0)	(37.1)	(36.8)	(31.3)
Expenditure related to exempt income	67.0	24.6	17.0	11.7	5.5	4.8
Net gain / (loss) on financial assets mandatorily measured at fair value through profit or loss - ETF	(197.8)	38.4	7.4	-	-	-
Profit / (Loss) on sale of investments taxed at other than Statutory rate	-	-	-	(453.4)	(73.4)	(86.2)
Specific tax deductions	(7.4)	(20.8)	(51.4)	(52.1)	(48.9)	(48.8)
Others	(20.0)	22.1	(1.7)	94.1	48.2	35.0
Total Tax impact on Permanent Difference (D)	(795.4)	(513.6)	(444.5)	(1,002.7)	(861.4)	(504.6)
Tax impact on Timing Difference due to:						
Provision for leave encashment	17.3	5.5	(1.0)	5.5	8.9	4.1
Property, plant and equipment and investment property	54.8	(74.2)	(44.8)	(49.1)	(11.6)	44.9
Financial Assets at Fair Value through profit and Loss	(146.6)	(13.9)	(9.4)	0.3	27.3	(1.7)
Contribution to Core Settlement Guarantee Fund	-	(1,824.5)	212.6	900.1	711.8	-
Adjustment in other equity	-	-	(34.0)	-	-	-
Others	(14.9)	12.3	6.3	(256.1)	(64.4)	6.6
Total Tax impact of Timing Difference (E)	(89.4)	(1,894.8)	129.7	600.7	672.0	53.9
Net Adjustment F= (D+E)	(884.8)	(2,408.4)	(314.8)	(402.0)	(189.4)	(450.7)
Tax Liability G = (C-F)	1,670.0	1,450.0	3,300.0	3,199.3	2,815.1	2,670.0

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion of our financial condition and results of operations together with our consolidated Restated Financial Information as of and for the half year ended September 30, 2016, and the fiscal years ended March 31, 2016, 2015, 2014, 2013 and 2012, including the significant accounting policies and notes thereto and report thereon beginning on page 215. Our fiscal year ends on March 31 of each year, and all references to a particular fiscal year are to the twelve-month period ended March 31 of that year.

This discussion contains forward-looking statements that reflect our current views with respect to future events and financial performance. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of factors such as those set forth under "Risk Factors" beginning on page 19 and elsewhere in this Draft Red Herring Prospectus.

Our consolidated Restated Financial Information has been prepared under Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013 to the extent applicable. Our consolidated Restated Financial Information has been compiled by the Company from the audited consolidated financial statements of the Company for the respective years under the previous generally accepted accounting principles followed in India ("Indian GAAP") and from the audited condensed consolidated financial statements as of and for the half year ended September 30, 2016 prepared under Ind AS. The consolidated Restated Financial Information, as of and for the years ended March 31, 2015, 2014, 2013 and 2012, are referred to as "proforma" and are prepared after making adjustments and in accordance with applicable rules, regulations and the ICAI Guidance Note on Reports in Company Prospectuses (Revised 2016). For further information, please see the consolidated Restated Financial Information which begin on page 215 of this Draft Red Herring Prospectus.

We have presented a reconciliation between Indian GAAP and Ind AS in accordance with Ind AS 101 First-time Adoption of Indian Accounting Standard; please see Note 41 to the consolidated Restated Financial Information beginning on page 312 of this Draft Red Herring Prospectus.

Overview

We are the leading stock exchange in India and the fourth largest in the world by equity trading volume in 2015, according to WFE. We own and manage the NIFTY 50 index, a leading benchmark for the Indian capital markets. We offer comprehensive coverage of the Indian capital markets across asset classes, including equity, fixed income and derivative securities. We have a fully-integrated business model comprising our exchange listings, trading services, clearing and settlement services, indices, market data feeds, technology solutions and financial education offerings. We also oversee compliance by our trading and clearing members and listed companies with the rules and regulations of our exchange.

We ranked first among exchanges globally in terms of stock index option and currency option trading volumes in 2015, according to WFE. We also ranked second among exchanges globally in terms of single stock future contracts trading volume and currency future contracts trading volume in 2015, according to WFE.

We began operations in 1994 and have ranked as the largest stock exchange in India in terms of total turnover and average daily turnover for equity shares every year since 1995, based on annual reports of SEBI. We have leading market shares by total turnover of 85% in equity cash trading, 94% in equity derivatives trading, 59% in currency derivatives trading, 79% in interest rate derivatives trading, 77% in ETFs trading, 80% in corporate bonds trading for fiscal 2016, according to the Oliver Wyman Report.

Securities are listed and traded on two markets within our exchange: our cash market and our derivatives market. Our cash market can be categorized into our equity cash market for equities and equity-linked securities and our debt cash market for fixed income securities. There were 1,822 companies with a combined market capitalization of ₹ 108,660,631.3 million listed on our equity cash market as of September 30, 2016. Trading in our cash market represented 5.7% and 5.2% of total trading volume on our exchange in fiscal 2016 and the six months ended September 30, 2016, respectively.

Our derivatives market offers trading in various forms of derivatives, such as futures and options on stocks and domestic and global indices, currency futures and options and interest rate futures. Trading in derivatives represented 94.3% and 94.8% of total trading volume on our exchange in fiscal 2016 and the six months ended September 30, 2016, respectively.

Our vertically-integrated business model includes our post-trade and non-trading businesses, which are intended to serve the investment community's diverse needs and provide us with complementary sources of revenue. Our clearing corporation and Subsidiary, the National Securities Clearing Corporation Limited, or NSCCL, provides clearing and settlement services for our exchange to support our members throughout the lifecycle of a trade. NSCCL was the first clearing corporation established in India, according to the Oliver Wyman Report.

Our Subsidiary, India Index Services and Products Limited, or IISL, owns and manages a portfolio of 67 indices under our NIFTY brand as of September 30, 2016, including our flagship index, the NIFTY 50. Our NIFTY indices are used as benchmarks for products traded on our exchange and globally and as indicators of the Indian economy and capital markets. NIFTY indices served as the benchmark index for 38 ETFs listed in India and 12 ETFs listed abroad as of September 30, 2016. Derivatives benchmarked to NIFTY indices were also available for trading on four international stock exchanges as of November 30, 2016, pursuant to cross-listing arrangements and license agreements that we have entered into with the Singapore Exchange, the Chicago Mercantile Exchange, the TAIEX and the Osaka Exchange.

Our Subsidiary, DotEx International Limited, or DotEx, operates our data feed business, which distributes real-time and proprietary market information to global data vendors, as well as to financial institutions and individual investors. We offer outsourced IT services and financial education through our wholly-owned Subsidiaries, NSEIT Limited, or NSEIT, and NSE Academy Limited, or NSE Academy, respectively. We also have investments in complementary businesses, including mutual fund registry services, back-end exchange support services for our platforms, depository services, e-corporate governance, mobile trading solutions and commodity, power and receivables exchanges.

Our total income has grown at a rate of 31.0% to ₹ 23,591.7 million in fiscal 2016 compared to ₹ 18,010.1 million in fiscal 2012. Our net profit after tax attributable to equity shareholders increased 10.2% to ₹ 9,752.1 million in fiscal 2016 compared to ₹ 8,848.7 million in fiscal 2012. Our EBITDA increased to ₹ 16,040.3 million in fiscal 2016 compared to ₹ 13,792.7 million, in fiscal 2012. In the six months ended September 30, 2016, we had total income of ₹ 13,435.1 million, net profit after tax attributable to equity shareholders of ₹ 5,883.2 million and EBITDA of ₹ 9,151.4 million. Reflecting the increased diversification of our business, our revenues from operations (excluding transaction charges from trading on our exchange) increased 16.6% from ₹ 5,967.5 million in fiscal 2012 to ₹ 6,959.7 million in fiscal 2016 and income from investments (excluding operating investment income) increased 18.6% from ₹ 3,914.3 million in fiscal 2012 to ₹ 4,643.9 million in fiscal 2016. For a reconciliation of EBITDA, which is a non-GAAP measure, to our net profit after tax as restated, see “– Results of Operations” beginning on page 439.

Our consolidated net worth attributable to equity shareholders was ₹ 68,676.7 million and ₹ 70,574.7 million as of March 31, 2016 and September 30, 2016, respectively, compared to ₹ 52,660.0 million as of March 31, 2012. We had cash and cash equivalents and bank balances other than cash and cash equivalents (including other non-current bank balances, earmarked deposits and balance in escrow account) aggregating to ₹ 74,383.6 million, ₹ 50,287.5 million and ₹ 89,377.3 million as of March 31, 2012 and 2016 and September 30, 2016, respectively. We had no outstanding loans or borrowings as of March 31, 2016 and September 30, 2016.

Factors Affecting Our Financial Condition and Results of Operations

Our business and results of operations have been affected by a number of important factors that are expected to continue to affect our business and results of operations in the future. These factors include the following:

Trading Volumes & Market Activity

The volume and value of equities, derivatives and other products traded on our exchange and, the number of new entity and product listings on our exchange, largely determines revenue from trading activity on our exchange. As a result, trading volumes and the level of general market activity on our exchange directly affects our level of profitability.

Liquidity migrates between international capital markets in response to changing market conditions, and greater market volatility in India generally increases trading volumes on our exchange, particularly in our derivatives market. Market volatility and trading volumes are dependent on macroeconomic factors and the financial prospects of companies whose securities are listed on our exchange and to which securities listed on our exchange are benchmarked. A significant amount of our trading revenues for derivatives are generated through algorithmic and high-volume trading at co-location facilities on our premises which provide direct market access connections to our trading systems. See “Risk Factors – Internal Risks – SEBI has initiated an examination and has directed our Company to also conduct an independent forensic examination by an external agency, into the co-location facilities of our Company and has also directed our Company to deposit the revenue generated from co-location in a separate bank account. Any adverse SEBI directive on this matter may materially and adversely affect our co-location business, results of operations, business and reputation” on pages 21 and 23.

We seek to expand and diversify the range of securities listed on our exchange to sustain trading activity on our exchange despite fluctuations in market volatility by company, sector or asset class. There can be no assurance that our efforts to create a market for a particular sector or asset class will succeed. The wholesale debt market was the first market offered by our exchange in 1994 and we continue to invest in this market although it does not currently generate significant revenue for us. Similarly, while our currency derivatives market and the interest rates futures market continue to see growth in trading volumes, the contributions from these markets to our revenue are currently minimal.

Increased trading volumes may also in turn benefit our post-trade and non-trading businesses. Market interest in our indices, data on our exchange and indices and demand for securities linked to our exchange and the Indian market typically increases

during periods of high trading activity or increased market volatility. See also “Risk Factors – Internal Risks – We may not be able to maintain or increase our trading volumes, which may result in loss of market share, a reduction in revenue from transaction charges or other adverse effects on our business, results of operations, financial condition and prospects and – Broad market trends and other factors beyond our control could significantly reduce demand for our products and services” on pages 20 to 21, respectively.

India’s Economic Conditions

Nearly all of the issuers of securities listed on our exchange and our trading and clearing members are located in India, and the majority of our lines of business are focused on the Indian capital markets. Therefore, general economic conditions in India can have a significant impact on our results of operations.

While relatively sudden declines to general economic conditions in India can result in market volatility and, therefore, increased short term trading volumes on our exchange, any such decline would have an adverse effect on our overall results of operations. The Indian economy and capital markets are influenced by economic conditions and stability in India and globally. See also “Risk Factors – Internal Risks – Broad market trends and other factors beyond our control could significantly reduce demand for our products and services” on pages 20 and 21.

India is projected to be among the fastest growing economies in the world between 2016 and 2020 and is expected to become the third largest economy in the world by 2030, with GDP approximately tripling to \$7 trillion by 2030, according to the Oliver Wyman Report. We anticipate that the growth of the Indian economy, together continued focus on economic liberalization by the GoI, will lead to an expansion of the Indian capital markets and opportunities for us to further expand our business in the future.

Regulatory Oversight and Governmental Policies

Regulatory changes relating to market structure or affecting particular types of securities traded on our exchange, transactions, pricing structures, exchange participants or reporting or compliance requirements can affect our business and the businesses of companies that issue securities listed on, or trade on, our exchange.

We operate in a highly regulated industry and are subject to extensive regulation. In particular, the SEBI regulates us and has broad powers to approve or consent to proposals made by us, whether with respect to rule amendments, product range or infrastructure or market development initiatives. The SEBI may also conduct periodic reviews, audits and inspections and issue suspension orders of our exchange. We face the risk of significant intervention by the SEBI and other regulatory authorities, including extensive examination and surveillance activity. See also “Risk Factors – Internal Risks – We operate in a highly regulated industry and any failure to comply with our legal and regulatory requirements or obligations may result in censures, fines and other penalties imposed on us” on pages 26 and 27.

The Indian central and state governments have traditionally exercised, and continue to exercise, significant influence over many aspects of the Indian economy. Since 1991, successive governments have pursued policies of economic liberalization and financial sector reforms. The current government has announced its general intention to continue India’s current economic and financial sector liberalization and deregulation policies. See also “Risk Factors – External Risks – Government and regulatory policies in India or abroad or changes to such policies could materially adversely affect our customers, leading to a reduction in trading volumes, transaction charges or demand for our products and services” on page 42.

The recent GoI action of demonetization has resulted in uncertainty which could lead to greater market volatility in the capital markets, potentially increasing our turnover, or negatively affect GDP growth, which could have a corresponding negative affect on capital markets, according to the Oliver Wyman Report. See also “Risk Factors – Internal Risks – There is uncertainty on the impact of currency demonetization in India on our business” on page 27.

Changes in policies by the GoI or foreign governments may relate to, among others, monetary or tax law or policy, tax treaties, regulatory changes in India regarding foreign portfolio investors, the listing requirements on competing stock exchanges, changes affecting the ability of investors to freely trade on our platforms, the taxation or repatriation of profits from trading on international exchanges, or changes to the manner in which securities are traded, cleared and settled. Legislative and regulatory changes may create potential for regulatory arbitrage if significant policy differences emerge. Such changes, if favorable may attract increased trading activity to our exchange, or if unfavorable may reduce the level of activity on our exchange or divert trading volumes to other exchanges.

Technology Advancements

The successful operation of our business and operating results are dependent on our use and deployment of technology to provide fast, reliable and secure trading services. Our advanced electronic systems for trade execution and post-trade services, including clearing, settlement and risk management, provide reliable and consistent transaction execution and settlement, which helps us to maintain our competitive position. We have an experienced team of IT professionals, supported by select third-party IT vendors, to operate and support our infrastructure and software and create and implement new technologies.

Many of the key systems and technology that support our “anytime, anywhere, any asset” platform were developed in house, including our screen-based trading system National Platform for Automated Trading, or NEAT.

We have rolled out co-location facilities on our premises and provide direct market access connections to our trading systems. We are in the process of further modernizing our trading infrastructure for algorithmic and high-volume trading and expanding our suite of derivative products. In addition, we plan to regularly update our traditional trading terminals and internet and mobile browser-based trading platforms to further improve reliability and trade execution.

We expect that advances in technology will enable us to expand access to our exchange for existing and new market participants, provide more efficient trade execution services and increase our economies of scale. The telecom sector in particular is poised for growth in the internet and mobile services, including the rise of fin-tech companies and mobile banking services, which would improve access to financial services in India, according to Oliver Wyman Report. We also face potential competition from fin-tech firms and financial institutions that could develop new products or services to compete with those that we provide, such as alternative trading, clearing and settlement systems and back-end services. See “Risk Factors – Internal Risks – We may be unable to keep up with rapid technological change” on page 28. Consequently, our ability to increase our revenues and profitability depends on our success in updating and improving our systems, platforms and technology infrastructure.

Global and Domestic Competition

We face competition globally and domestically in each of our primary lines of business and competition is a major factor in the determination of the pricing of our products and services. Our listing and trading businesses face competition from traditional trading venues in and outside of India. In our non-trading businesses, our index business competes with global index providers that maintain indices that track the Indian capital markets and domestic index providers who have entered alliances with global players. Our data feed business competes with domestic and global data providers who employ advanced data analytics solutions and our commercial technology business faces competition primarily from other key players in India. In each of our businesses, we compete primarily on pricing, but also increasingly in respect of types and range of product offerings in response to widening market demand. See also “Our Business – Competition” and “Risk Factors – Internal Risks – We operate in a competitive industry, and we may not be able to compete successfully” on pages 174 and 25, respectively.

Interest rates and funds available for investment

We earn a significant amount of income from investment activity, namely from revenue derived from investing deposits received from trading members, which we classify as investment income, and the revenue derived from investing our own surplus funds from treasury, which we classify as other income. We invest these funds primarily in bonds, mutual funds and bank deposits, and to a lesser extent, in equity ETFs. We follow our investment policy that is governed by the SEBI guidelines in investing these funds and earn interest income, dividend income and income from redemption of units in mutual funds.

The investment and treasury income that we receive depends primarily on two factors, namely (i) the prevailing interest rates in the case of investments we make in interest bearing assets (or on market rates of return in the case of investments that we make in non-interest bearing investments) and (ii) the levels of cash surplus that we have available for investment. These, in turn, depend on external factors such as the prevailing interest rate and macroeconomic environment in India, and levels of market activity. See also “Risk Factors – Internal Risks – Declines in interest rates may adversely affect our results of operations and financial position” on page 23.

The amount of cash that we receive as collateral for a transaction, and therefore have available for investment, depends primarily on the margin policy applicable to the particular trade and the settlement period of the trade. We invest our own funds, as well as cash that we receive from market participants and earn interest and dividend income on such investments. The deposits and collateral that we receive from market participants is interest free, so any income that we earn on investments made with such funds accrues to our benefit and we recognize income from such investments as income from operations on our statement of profit and loss.

For the six months ended September 30, 2016 and for fiscal 2016, fiscal 2015 and fiscal 2014, our investment income under revenue from operations and our treasury income under other income together accounted for 33.2%, 31.4%, 36.1% and 40.0% of our total income, respectively.

Significant Accounting Policies

Revenue recognition

Our revenue is measured at the fair value of consideration received or receivable. Amounts disclosed as revenue are net of allowances, incentives, service taxes and amounts collected on behalf of third parties. We recognize revenue when the amount of revenue can be reliably measured and it is probable that future economic benefits will flow to the entity. Revenue

is recognized in the period when the service is provided in accordance with our relevant arrangements and agreements with our customers.

While our revenues are largely transaction based, in particular our revenue from transaction charges related to trading on our exchange, we also receive recurring revenues such as annual listing fees, revenues from technology services, indices licensing fees and data feed subscriptions.

We recognize revenues as follows:

- Transaction charges – revenue is recognized on transactions in accordance with our fee scales as and when a transaction occurs;
- Subscription/ Datafeed services and other fees – revenue is recognized on a straight-line basis over the period to which the fee relates;
- Book building fees – revenue is recognized at the time of completion of the book building process;
- Revenue from the sale of software products (software product licenses, digital certificates and resale of hardware and software) is recognized when the buyer is transferred the significant risks and benefits of ownership of the products;
- Revenue from online examination services are recognized on the dates when exams are conducted and revenue from e-learning activity is recognized at the time of enrollment;
- Revenue from consulting services (software development) is recognized in the accounting period in which the services are rendered. For fixed-price contracts, revenue is recognized based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided (percentage of completion method). Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in statement of profit and loss in the period in which the circumstances that give rise to the revision become known by management.
- Revenues from information technology and process support charges and maintenance are recognized on time and material basis based on the terms agreed with the customers; and
- Others – all other revenue is recognized in the period in which the service is provided.

Income taxes

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

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

Deferred income tax is calculated using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from the initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction does not affect accounting profit or taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

The carrying amount of deferred tax assets are reviewed at the end of each reporting period and are recognized only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax liabilities are not recognized for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where we are able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets are not recognized 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 utilized.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities

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

Current and deferred tax is recognized in restated consolidated statement of profit and loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In such case, the tax is also recognized in other comprehensive income or directly in equity, respectively

Dividend distribution tax paid on dividends is recognized consistently with the presentation of the transaction that creates the income tax consequence. Dividend distribution tax is charged to restated consolidated profit and loss if the dividend itself is charged to statement of profit and loss. If the dividend is recognized in equity, the presentation of dividend distribution tax is recognized in equity.

Investments and other financial assets

Classification

We classify our financial assets into two categories: (i) those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and (ii) those measured at amortized cost. The classification depends on the business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses are either recorded in profit or loss or other comprehensive income. For investments in debt instruments, recognition depends on the business model in which the investment is held. For investments in equity instruments, recognition depends on whether we have made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. We reclassify debt investments when and only when our business model for managing those assets changes.

Measurement

At initial recognition, we measure 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. Subsequent measurement of debt instruments depends on our or our Subsidiary's business model for managing the asset and the cash flow characteristics of the asset. All equity investments are subsequently measured at fair value. For further details, see Note 1(III)(j) to our consolidated Restated Financial Information beginning on page 215.

Debt instruments

There are three measurement categories into which we classify our debt instruments.

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

Equity investments (other than investments in associates and joint venture)

We measure all equity investments at fair value. Where our management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to

statement of profit and loss. Dividends from such investments continue to be recognized in statement of profit and loss as other income when our right to receive payments is established.

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

Impairment of Financial Assets

We assess on a forward looking basis the expected credit losses associated with its assets carried at amortized cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables only, we apply the simplified approach permitted by Ind AS 109, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

A financial asset is de-recognized only when we have transferred the rights to receive cash flows from the financial asset or we retain 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 we have transferred an asset, we evaluate whether we have transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is de-recognized. Where we have not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognized.

Where we have neither transferred a financial asset nor retain substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognized if we have not retained control of the financial asset. Where we retain control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

Income Recognition

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

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

Core Settlement Guarantee Fund

Prior to August 29, 2016, SEBI rules required a recognized stock exchange, such as our exchange, to transfer 25% of its annual profits on a standalone basis every year to a settlement guarantee fund set up by a clearing corporation that clears and settles trades executed on that stock exchange in order to guarantee the settlement of trades executed on that stock exchange. In our case, our wholly-owned Subsidiary, NSCCL, which conducts the clearing and settlement of trades for all segments of our exchange, maintains a core settlement guarantee fund, or CSGF, for each segment of a recognized stock exchange to guarantee the settlement of trades executed in the respective segment. In the event that a clearing member fails to settle its obligations, funds in the CSGF would be used to complete the settlement. If and when the CSGF is required to be utilized in accordance with the SEBI guidelines, we record such amount as a loss in our statement of profit and loss.

The clearing corporation is required to contribute at least 50% of the minimum required corpus, whereas the recognized stock exchange is required to contribute at least 25% of the minimum required corpus. The remaining 25% is required to be contributed by clearing members. Contributions made by the stock exchanges to a CSGF can be offset against the requirement by a stock exchange to transfer 25% of its annual profits to the settlement guarantee fund described above. On August 29, 2016, SEBI removed the provision that requires a recognized stock exchange to transfer 25% of its annual profits every year to CSGF. Accordingly, we would be required to transfer 25% of our annual profits to CSGF only up to August 29, 2016. Going forward, we would only be required to contribute amounts to CSGF to make up any shortfalls based on certain stress tests. In addition to our requisite contributions, fines and penalties recovered from members and income from investing CSGF funds are each attributed to the CSGF balance. We invest amounts in the CSGF in categories of securities prescribed under SEBI's guidelines.

Contribution to the CSGF by our Company is recorded as an expense in our consolidated statement of profit and loss and contribution by NSCCL is recorded as an appropriation from our retained earnings. These amounts are separately disclosed as Core Settlement Guarantee Fund in our restated consolidated statement of assets and liabilities. In addition, we have been providing for the amount of our contribution to the CSGF maintained by NSCCL in our consolidated financial statements since fiscal 2013. On May 4, 2016, SEBI required that all amounts provided for until March 31, 2015 be transferred to the CSGF. We have accordingly recognized all the amounts we had provided for until March 31, 2015 as an expense in each respective year for which such amount was provided for.

On adoption of Ind AS, an alternative approach could be to record our contributions to the CSGF as an appropriation from reserves, instead of charging as an expense in our consolidated statement of profit and loss, based on the view that our Company, NSCCL and the CSGF are part of NSE Group, thereby eliminating intra-group transactions.

While we are in the process of seeking further clarification in this regard, we have decided to continue to treat the contributions by our Company to the CSGF as item of expenditure in our consolidated financial statements and in our consolidated Restated Financial Information (i) because contribution to CSGF is a regulatory requirement with restrictions on use and purpose and (ii) as a matter of accounting prudence and consistent with the accounting policy followed while preparing the financial statements in the earlier years under Indian GAAP.

If we were to record our contributions to the CSGF as an appropriation instead of charging such contributions as an expense, the impact of such adjustments on our consolidated Restated Financial Information would be as follows:

	Six months ended September 30,	Year ended March 31,				
		2016	2016	2015	2014	2013
	(₹ in millions, except per share data)					
Reduction in expense - Contribution to Core SGF and increase in Profit before tax	1,340.7	2,343.3	2,229.7	2,548.2	2,194.0	-
Increase in income tax expense – Deferred tax liability	(464.0)	(811.0)	(790.5)	(900.0)	(711.8)	-
Increase in Profit after tax and Total Comprehensive Income	876.7	1,532.3	1,439.2	1,648.2	1,482.2	-
Reported Profit before tax	8,552.8	14,951.1	14,836.6	11,477.5	10,420.3	12,810.8
Adjusted Profit before tax	9,893.5	17,294.4	17,066.3	14,025.7	12,614.3	12,810.8
Reported Profit after tax	5,883.2	9,752.1	9,938.1	7,521.2	7,137.1	8,919.4
Adjusted Profit after tax	6,759.9	11,284.4	11,377.4	9,169.4	8,619.3	8,919.4
Reported Total Comprehensive Income	6,091.3	9,853.9	9,917.8	6,514.5	6,777.8	9,838.2
Adjusted Total Comprehensive Income	6,968.0	11,386.2	11,357.1	8,162.7	8,260.0	9,838.2
Reported Earnings Per Share	11.9	19.7	20.1	15.1	14.2	17.9
Adjusted Earnings Per Share	13.7	22.8	23.0	18.5	17.2	17.9

The contributions paid and payable to the Core SGF have been accumulated and disclosed as Core Settlement Guarantee Fund separately from our equity and liabilities in our restated consolidated statement of assets and liabilities. Please see note 37 to our consolidated Restated Financial Information and “Risk Factors – Internal Risks – Our financial condition and results of operations could vary significantly from what has been presented in this Draft Red Herring Prospectus if our audited financial statements, including the consolidated Restated Financial Information, are restated with respect to how we record our Company’s contributions to the Core Settlement Guarantee Fund” beginning on pages 288 and 39 for further information.

Significant Accounting Estimates

The preparation of financial statements require the application of judgment by our management in selecting appropriate assumptions for calculating financial or accounting estimates, which inherently contain some degree of uncertainty and which, by definition, will seldom equal the actual results. 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 us and that are believed to be reasonable under the circumstances. Below are 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.

Estimation of fair value of unlisted securities

The finance department of our Company includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes. Where possible, the fair value of financial instruments that are not traded in an active market (such as bonds, debentures, government securities and commercial papers) is determined using Fixed Income Money Market and Derivatives Association of India inputs and valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. Other valuation methods are also used where required, for example the fair value of one of our investments is computed based on the price of recent investment transaction available in market and applied to the book value of that particular investment using a ‘Price to Book’ multiple.

Estimation of useful life of intangible asset

Management estimates the useful life of the software used in various business processes to be four years based on the expected technical obsolescence of such assets. However, the actual useful life may be shorter or longer than four years, depending on technical innovations and the need to maintain competitive technology. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by us are recognized as intangible assets when the following criteria are met:

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

Estimation of goodwill impairment

Goodwill and intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

For the purpose of impairment testing, goodwill is allocated to a cash generating unit, such as index licensing services. The recoverable amount of the cash generating unit is determined based on value in use. Value in use has been determined based on future cash flows, after considering current economic conditions and trends, estimated future operating results, growth rates and anticipated future economic conditions. There were no impairment recorded for fiscal 2016 as we carried out an annual goodwill impairment assessment as at March 31, 2016 and the carrying amount did not exceed the recoverable amount of the cash generating units.

Estimation of defined benefit obligation

Defined Contribution Plans

We have established the National Stock Exchange of India Limited Employee Provident Fund Trust and one of our Subsidiaries, NSE Infotech Services Limited, has established the NSE Infotech Services Limited Employee Provident Fund Trust, to which both the employee and the employer make monthly contribution equal to 12% of the employee's basic salary, respectively. Contributions to the provident fund for all employees are charged to profit and loss. In case of any liability arising due to shortfall between the return from its investments and the administered interest rate, a provision is made by our Company.

Gratuity Obligations

We provide for gratuity for employees in accordance with the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity that is payable on retirement or termination is determined based on of the employee's last drawn basic salary per month multiplied for the number of years of service. The gratuity plan is a funded plan and we make contribution to recognized funds with Life Insurance Corporation of India.

Management use assumptions concerning projected employee compensation levels and attrition rates to determine the present value of the interest rate guarantee for our employee provident fund. Gratuity is calculated by actuaries using the projected unit credit method.

Key Components of Our Restated Consolidated Statement of Profit & Loss

Income

We derive revenue from the following sources:

- (1) revenue from operations consisting primarily of revenue from (a) trading services, (b) listing services and processing fees, (c) licensing services, (d) data feed services, (e) technology services, (f) financial education business (which is accounted for as “registration and test enrolment fees” in our consolidated Restated Financial Information) and (g) income from investment of deposits received from trading members, and
- (2) other income comprising primarily of income from investments.

Revenue from operations

We derive our revenue from operations primarily from the fees that we charge to our trading members to trade on our exchange, which we record as revenue from “transaction charges” under “trading services” in our consolidated financial statements. Transaction charges are set according to our tiered fee structure and vary by type of product. Transaction charges include clearing and settlement charges, which our Company pays to NSCCL for the provision of clearing and settlement services for all of the cash and derivative products listed on our exchange. We also derive revenue, to a lesser extent, from initial and annual listing fees. In fiscal 2016 and the six months ended September 30, 2016, our revenue from transaction charges represented 62.7% and 63.2% of our revenue from operations, respectively.

In addition to income from investment of deposits received from trading members, our revenue from operations is composed of:

- income generated from our listing services, comprising of initial and annual listing fees (recorded as “listing fees” in our consolidated financial statements), book building fees and processing fees. Companies that list their securities on our exchange pay one-time initial listing fees, book building fees and processing fees at the time of listing. The initial listing fee is a fixed amount that is reviewed annually, while book building and processing fees are determined based on the size of a company’s proposed securities offering. In addition, companies pay a recurring annual listing fee at the beginning of each year that their securities remain listed on our exchange in an amount determined based on total paid up share, bond or debenture capital;
- income generated from our index licensing business that we operate through our subsidiary, India Index Services & Products Limited. We charge fee for licensing our NIFTY indices and ETFs linked to NIFTY indices to stock exchanges (including four international stock exchanges), financial institutions, asset managers, brokers, investors, foreign stock exchanges and other enterprises that monitor the equity capital markets, and derive revenue primarily from licensing these to customers outside India;
- income generated from our data feed business that we operate through our subsidiary, DotEx International Limited, selling trading data, including real-time market data, sourced from our exchange through our online data feed service and data subscription packages;
- income generated from our technology services that includes the commercial technology business that we operate through our wholly-owned subsidiary, NSEIT, comprising of technology consultancy and development services for the financial services industry, primarily in the Indian and the United States markets;
- income generated from data center charges. These comprise of the fee we receive from providing co-location facilities through rented servers inside our exchange premises to our institutional clients and other sophisticated traders; and
- income generated from our financial education business that we offer through our subsidiary, NSE Academy, which is accounted for as “registration and test enrolment fees” in our consolidated financial statements. NSE Academy offers online training programs in various aspects of banking, financial services, financial markets and financial literacy.

Income from investments

Income from investments includes income that we derive from investing deposits received from trading members (which we receive when they are admitted for trading) and our investments. We classify the income derived from investing deposits received from trading members as revenue from operations, and the revenue derived from our own investments as other income. We invest these funds primarily in bonds, mutual funds and bank deposits, and to a lesser extent, in equity ETFs. We follow our investment policy that is governed by the SEBI guidelines in investing these funds and earn interest income, dividend income and income from redemption of units in mutual funds. See also “Risk Factors – Internal Risks – Declines in interest rates may adversely affect our results of operations and financial position” on page 23.

The following table sets out the amount and percentage share of our revenue from operations from each of our primary lines

of business.

	Six Months Ended September 30,		Year ended March 31,					
	2016		2016		2015		2014	
	Amount	%	Amount	%	Amount	%	Amount	%
	(₹ in millions, except percentages)							
Transaction charges	6,535.3	63.2%	11,675.7	62.7%	10,752.1	62.2%	8,257.2	60.6%
Listing services	377.8	3.7%	588.6	3.2%	512.1	3.0%	386.9	2.8%
Technology services	513.4	5.0%	894.6	4.8%	766.5	4.4%	698.9	5.1%
Data Feed services	355.6	3.4%	592.1	3.2%	470.6	2.7%	368.6	2.7%
Licensing services	345.3	3.3%	640.2	3.4%	402.5	2.3%	203.9	1.5%
Processing fees	127.2	1.2%	215.2	1.2%	131.5	0.8%	67.0	0.5%
Data center charges	378.2	3.7%	708.4	3.8%	564.5	3.3%	431.9	3.2%
Sale of Products	9.0	0.1%	108.8	0.6%	112.9	0.7%	96.4	0.7%
Education business ⁽¹⁾	84.1	0.8%	190.1	1.0%	223.1	1.3%	204.8	1.5%
Income on investments	1,424.1	13.8%	2,757.7	14.8%	3,170.9	18.3%	2,708.1	19.9%
Others ⁽²⁾	187.2	1.8%	264.0	1.4%	189.3	1.1%	207.2	1.5%
Total	10,337.2	100.0%	18,635.4	100.0%	17,296.0	100.0%	13,630.9	100.0%

Notes:

(1) Comprises registration and test enrollment fees.

(2) Comprises (i) operating revenues – others, (ii) connectivity charges and (iii) other operating revenues – others.

Expenses

Employee benefits expense. Employee benefits expense is our largest single expense, comprising salaries, bonuses and allowances, as well as statutory mandatory contributions pursuant to provident and other funds, recruitment costs and staff welfare costs.

Depreciation and amortization expense. Depreciation and amortization expenses include depreciation of buildings, furniture and fixtures, office equipment, electrical equipment, computer systems (including office automation and others), computer software, telecommunications systems and trading and clearing systems.

Other expenses. Other expenses primarily include: (i) computer and telecommunication systems repairs and maintenance related expenses, (ii) software expenses, (iii) legal and professional fees, (iv) advertising and marketing expenses, (v) rental charges, (vi) water and electricity charges, (vii) contributions to the investors protection fund trust, (viii) SEBI regulatory fees, (ix) network infrastructure management charges, (x) lease line charges and (xi) miscellaneous other items.

The table below sets out the amounts of our expenses and percentage shares of certain of our key expenses for the periods indicated.

	Six months ended September 30,		Year ended March 31,					
	2016		2016		2015		2014	
	Amount	%	Amount	%	Amount	%	Amount	%
	(₹ in millions, except percentages)							
Employee benefits	1,222.1	22.5%	2,179.8	22.8%	1,891.4	21.5%	1,744.5	20.6%
Depreciation and amortization	598.6	11.0%	1,089.2	11.4%	932.9	10.6%	840.0	9.9%
Other	2,275.9	41.9%	3,939.8	41.3%	3,752.3	42.6%	3,352.1	39.5%
Contribution to Core Settlement Guarantee Fund	1,340.7	24.6%	2,343.3	24.5%	2,229.7	25.3%	2,548.2	30.0%
Total	5,437.3	100.0%	9,552.1	100.0%	8,806.3	100.0%	8,484.8	100.0%

Share of Net Profit of Associates and Joint Ventures

The table below summarizes our share of net profits of our associates and joint ventures for the periods indicated.

Name of Entity ⁽¹⁾	Relationship ⁽²⁾	Proportion of Interest ⁽²⁾ (%)	Six months ended September 30,	Year ended March 31,

			2016	2016	2015	2014
			(₹ in millions)			
National Securities Depository Limited	Associate	25.05	140.1	244.0	141.7	108.7
Power Exchange India Limited	Associate	30.95	-	-	-	(5.0)
NSDL e-Governance Infrastructure Limited	Associate	25.05	109.2	226.1	191.7	162.2
Market Simplified India Limited	Joint Venture	30.00	2.1	2.4	3.5	(18.7)
Computer Age Management Services Private Limited	Associate	44.99	303.6	439.0	395.6	64.4
BFSI Skill Sector Council of India	Associate	49.00	-	-	-	-
Omnesys Technologies Private Limited ⁽³⁾	Associate	-	-	-	-	2.6
Receivables Exchange of India Limited	Associate	30.00				
Total share of net profits			555.0	911.5	732.5	314.2

Notes:

(1) The place of business and country of incorporation of all entities is India.

(2) As of September 30, 2016.

(3) The proportion of interest held in Omnesys Technologies Private Limited until March 31, 2014 was 26.0% .

Contribution to Core Settlement Guarantee Fund

See “– Significant Accounting Policies – Core Settlement Guarantee Fund” beginning on page 434.

Tax expenses

Our tax expense includes current tax and deferred tax. Provisions for current tax are made on the basis of the estimated taxable income for the current accounting period in accordance with the provisions of the Income Tax Act, 1961. Deferred tax results from temporary differences (related to timing) between the book and the taxable profits for the period and is accounted for using the tax rates and laws that have been enacted or substantively enacted as on the balance sheet date. Deferred tax assets are recognized and carried forward only to the extent that there is reasonable certainty, except for carried forward losses and unabsorbed depreciation, which are recognized when it is probable that the difference will not reverse in the foreseeable future.

We strive to structure our operations, including our investment portfolio and treasury operations, in a tax efficient manner. For example, our investments in Public sector undertaking’s bonds are tax free.

Other Comprehensive Income

We include other comprehensive income in our consolidated financial statements, which primarily shows the impact of changes in fair value of debt and equity instruments held by us for such period.

Results of Operations

	Six Months Ended September 30,	Year ended March 31		
		2016	2015	2014
		(₹ in millions except percentages)		
Income				
Revenue from operations	10,337.2	18,635.4	17,296.0	13,630.9
Other income	3,097.9	4,956.3	5,614.4	5,575.4
Total income	13,435.1	23,591.7	22,910.4	19,206.3
Expenses				
Employee benefits expense	1,222.1	2,179.8	1,891.4	1,744.5
Depreciation and amortization expense	598.6	1,089.2	932.9	840.0
Other expenses	2,275.9	3,939.8	3,752.3	3,352.1

	Six Months Ended September 30,	Year ended March 31		
		2016	2015	2014
		(₹ in millions except percentages)		
Total expenses	4,096.6	7,208.8	6,576.6	5,936.6
Profit before exceptional item, share of net profits of investments accounted for using equity method and tax	9,338.5	16,382.9	16,333.8	13,269.7
Share of net profit of associates and joint ventures accounted by using equity method	555.0	911.5	732.5	314.2
Profit before exceptional item and tax	9,893.5	17,294.4	17,066.3	13,583.9
Add : Profit on sale of investment in equity instruments of associates/subsidiaries	-	-	-	441.8
Profit before contribution to Core Settlement Guarantee Fund and tax	9,893.5	17,294.4	17,066.3	14,025.7
Less: Contribution to Core Settlement guarantee fund	(1,340.7)	(2,343.3)	(2,229.7)	(2,548.2)
Profit before tax	8,552.8	14,951.1	14,836.6	11,477.5
Less: Tax expense				
Current tax	2,363.5	3,020.3	4,878.6	4,452.4
Deferred tax expense / (credit)	306.1	2,178.7	19.9	(496.1)
Total tax expenses	2,669.6	5,199.0	4,898.5	3,956.3
Net Profit after tax as restated	5,883.2	9,752.1	9,938.1	7,521.2
EBITDA ⁽¹⁾	9,151.4	16,040.3	15,769.5	12,317.5
EBITDA margin ⁽¹⁾	68.1%	68.0%	68.8%	64.1%

Notes:

- (1) EBITDA and EBITDA margin are non-GAAP financial measures and supplemental measures of our performance. We define EBITDA as net profit after tax as restated before (i) net interest cost for the current period, (ii) net interest cost recognized in the statement of consolidated profit and loss, (iii) current tax, (iv) deferred tax expense / (credit) and (v) depreciation and amortization expense. We define EBITDA margin as EBITDA divided by total income for the applicable period, expressed as a percentage.

As a measure of our operating performance, we believe that the most directly comparable Ind AS financial measure to EBITDA is our net profit after tax as restated. The following table reconciles our profit after tax as restated under Ind AS to our definition of EBITDA and EBITDA margin for the periods indicated.

	Six Months Ended September 30,	Year ended March 31		
		2016	2015	2014
		(₹ in millions except percentages)		
Net Profit after tax as restated	5,883.2	9,752.1	9,938.1	7,521.2
Plus: Net interest cost for the current period	-	-	-	-
Plus: Net interest cost recognized in the statement of consolidated profit and loss	-	-	-	-
Plus: Current tax	2,363.5	3,020.3	4,878.6	4,452.4
Plus: Deferred tax expense / (credit)	306.1	2,178.7	19.9	(496.1)
Plus: Depreciation and amortization expense	598.6	1,089.2	932.9	840.0
EBITDA	9,151.4	16,040.3	15,769.5	12,317.5
EBITDA margin	68.1%	68.0%	68.8%	64.1%

EBITDA and EBITDA margin are supplemental financial measures of our performance and are not required by, or

presented in accordance with, Ind AS, Indian GAAP or generally accepted accounting principles in certain other countries, including the United States. Furthermore, EBITDA and EBITDA margin are not measures of financial performance under Ind AS, Indian GAAP or any other generally accepted accounting principles and should not be considered as alternatives to profit after tax as restated, total income or any other performance measures derived in accordance with Ind AS or any other generally accepted accounting principles. You should not consider EBITDA and EBITDA margin in isolation from, or a substitute for, analysis of our financial condition or results of operations, as reported under Indian GAAP or restated under Ind AS. Further, EBITDA and EBITDA margin may not reflect all of our financial and operating results and requirements, and do not account for taxes, interest expense and other non-operating cash expenses.

Six Months Ended September 30, 2016

Revenue

Our total income was ₹ 13,435.1 million in the six months ended September 30, 2016.

Revenue from operations. Our revenue from operations was ₹ 10,337.2 million in the six months ended September 30, 2016, primarily comprising of transaction charges from our trading services, and interest income from our investments.

Our revenues from transaction charges was ₹ 6,535.3 million in the six months ended September 30, 2016, primarily due to equity options transaction fees and cash market transaction fees. Our revenue from trading services as a percentage of revenue from operations increased to 63.2% in the six months ended September 30, 2016 from 62.7% in fiscal 2016 primarily as a result of an increase in the average daily trading volume of equity options and futures resulting in higher transaction charges.

Our revenues from listing services were ₹ 377.8 million in the six months ended September 30, 2016. Revenue from our listing services as a percentage of revenue from operations increased to 3.7% in the six months ended September 30, 2016 from 3.2% in fiscal 2016 as we increased the annual listing fees in April 2016. Our revenues from processing fees were ₹ 127.2 million in the six months ended September 30, 2016.

Our revenues from the licensing services was ₹ 345.3 million during the six months ended September 30, 2016 as we experienced an increase in the number of ETFs benchmarked to NIFTY.

Our revenues from data feed services was ₹ 355.6 million during the six months ended September 30, 2016, as we expanded into new geographies and expanded the customer base during such period.

Our revenues from technology services was ₹ 513.4 million in the six months ended September 30, 2016 with additional tie-ups for e-learning solutions during the six months ended September 30, 2016.

Our revenues from data center charges was ₹ 378.2 million during the six months ended September 30, 2016 as we received higher co-location income due to an increase in co-location facilities rented and higher demand for connectivity by our customers at these co-location facilities.

Our revenues from our financial education business was ₹ 84.1 million during the six months ended September 30, 2016, primarily due to a lower sales of our online programs.

Others. Comprising (i) operating revenues - others, (ii) connectivity charges and (iii) other operating revenue - others was ₹ 187.2 million during the six months ended September 30, 2016.

Income from investments. Our income from investments included in revenue from operations, comprising income that we derive from investing deposits received from our trading members, was ₹ 1424.1 million, and our total other income, comprising primarily investments of our own funds, was ₹ 3041.1 million in the six months ended September 30, 2016, primarily due to interest income of ₹ 1095.8 million and net gain on sale of financial assets of ₹ 727.2 million and net fair value gain on asset measured at FVPL of ₹ 1,191.6 million.

Expenses

Employee benefits expense. Our employee benefits expense was ₹ 1,222.1 million in the six months ended September 30, 2016 primarily due to the salary, allowances and bonuses paid to our employees.

Depreciation and amortization expense. Our depreciation and amortization expense was ₹ 598.6 million in the six months ended September 30, 2016. This includes depreciation on tangible fixed assets of ₹ 488.7 million and amortization of intangible assets of ₹ 109.9 million.

Other expenses. Our other expenses was ₹ 2,275.9 million in the six months ended September 30, 2016, primarily due to technology expenses, administration and premises related expenses, and contribution to Investor protection fund trust.

Share of Net Profit of Associates and Joint Ventures accounted by using equity method.

Our share of net profit of associates and joint ventures accounted by using equity method was ₹ 555.0 million in the six months ended September 30, 2016, primarily due to our share of net profit of Computer Age Management Services.

Profit before contribution to Core Settlement Guarantee Fund and tax

For the foregoing reasons, our profit before contribution to Core Settlement Guarantee Fund and tax was ₹ 9,893.5 million in the six months ended September 30, 2016.

Contribution to Core Settlement Guarantee Fund

Our contribution to CSGF was ₹ 1,340.7 million in the six months ended September 30, 2016. Our profit after contribution to CSGF was ₹ 8,552.8 million.

Tax expense

Our total tax expense was ₹ 2,669.6 million in the six months ended September 30, 2016, comprising ₹ 2,363.5 million in current tax and ₹ 306.1 million in deferred tax expense.

Net profit after tax

For the foregoing reasons, our net profit after tax was ₹ 5,883.2 million in the six months ended September 30, 2016.

Fiscal 2016 Compared to Fiscal 2015

Revenue

Our total income increased by 3.0% to ₹ 23,591.7 million in fiscal 2016 from ₹ 22,910.4 million in fiscal 2015.

Revenue from operations. Our revenue from operations increased by 7.7% to ₹ 18,635.4 million in fiscal 2016 from ₹ 17,296.0 million in fiscal 2015. This was primarily due to increased transaction fees, index licensing fees and data center charges.

Our revenues from transaction charges increased by 8.6% to ₹ 11,675.7 million in fiscal 2016 from ₹ 10,752.1 million in fiscal 2015, primarily due to an increase in average daily trading volumes in equity options and futures resulting in higher transaction charges. We provided various pricing incentives to increase our market share in equity options. Our revenue from trading services accounted for 62.7% of total revenue from operations in fiscal 2016 compared to 62.2% of total revenue from operations in fiscal 2015.

Our revenues from listing services increased by 14.9% to ₹ 588.6 million in fiscal 2016 from ₹ 512.1 million in fiscal 2015, primarily due to an increase in the number of listings and volume of securities offered on our exchange resulting in higher initial listing fees and book building fees. It also resulted in an increase in revenue from our annual listing fees. Our revenues from listing services accounted for 3.2% of our revenues from operations in fiscal 2016 compared to 3.0% in fiscal 2015. Our revenues from processing fees increased 63.7% to ₹ 215.2 million in fiscal 2016 from ₹ 131.5 million in fiscal 2015 as we processed a higher number of listing applications in fiscal 2016.

Our revenues from licensing services increased by 59.0% to ₹ 640.2 million in fiscal 2016 from ₹ 402.5 million in fiscal 2015, primarily due to an increase in the number of customers to whom we licensed the NIFTY indices. We also increased the license fee in September 2014. The fee increase helped increase revenues for the remaining months of fiscal 2015 but for the full year in fiscal 2016, which also contributed to the increase in revenues from licensing services.

Our revenues from data feed services increased by 25.8% to ₹ 592.1 million in fiscal 2016 from ₹ 470.6 million in fiscal 2015 in line with the growth in this business as we took measures to reduce unauthorized data theft, leading to an increase in customers resulting in increased sales.

Our revenues from technology services increased by 16.7% to ₹ 894.6 million in fiscal 2016 from ₹ 766.5 million in fiscal 2015, primarily due to an increase in revenue from e-learning solutions which experienced a growth in tie-ups with customers in the insurance industry and government customers.

Our revenues from data center charges increased by 25.5% to ₹ 708.4 million in fiscal 2016 from ₹ 564.5 million in fiscal 2015 as we received higher co-location income due to an increase in co-location facilities rented and higher demand for connectivity by our customers at these co-location facilities.

Our revenues from our financial education business decreased by 14.8% to ₹ 190.1 million in fiscal 2016 from ₹ 223.1 million in fiscal 2015, primarily due to lower sales of our online programs.

Others. Comprising (i) operating revenues - others, (ii) connectivity charges and (iii) other operating revenues – others, was ₹ 264.0 million in fiscal 2016 compared to ₹ 189.3 million in fiscal 2015.

Income from investments

Our income on investments included in operating income decreased by 13.0% to ₹ 2,757.7 million in fiscal 2016 from ₹ 3,170.9 million in fiscal 2015, primarily due to declines in interest rates and deposits related to margins and settlement during fiscal 2016.

Our total other income decreased by 11.7% to ₹ 4,956.3 million in fiscal 2016 from ₹ 5,614.4 million in fiscal 2015, primarily due to a decline in interest rates, a decrease in the fair market value of ETFs that we had invested in and lower average amount of investments, as well as a decline in rental income.

Expenses

Employee benefits expense. Our employee benefits expense increased by 15.2% to ₹ 2,179.8 million in fiscal 2016 from ₹ 1,891.4 million in fiscal 2015, primarily due to an increase in the number of employees in fiscal 2016 and an annual wage increase in fiscal 2016.

Depreciation and amortization expense. Our depreciation and amortization expense increased by 16.8% to ₹ 1,089.2 million in fiscal 2016 from ₹ 932.9 million in fiscal 2015, primarily due to full year impact in fiscal 2016 of depreciation and amortization related to data center, network infrastructure and software that we added in fiscal 2015.

Other expenses. Our other expenses increased by 5.0% to ₹ 3,939.8 million in fiscal 2016 from ₹ 3,752.3 million in fiscal 2015, primarily due to an increase in repair and maintenance cost of computers, trading and telecommunication systems, higher software expenses, and increase in existing license fee for software as well for new licensed enterprise software.

Share of Net Profit of Associates and Joint Ventures accounted by using equity method

Our share of net profit of associates and joint ventures accounted by using equity method increased by 24.4% to ₹ 911.5 million in fiscal 2016 from ₹ 732.5 million in fiscal 2015 primarily due an increase in our share of net profit of Computer Age Management Services.

Profit before contribution to Core Settlement Guarantee Fund and tax

For the foregoing reasons, our profit before contribution to Core Settlement Guarantee Fund and tax was increased by 1.3% to ₹ 17,294.4 million in fiscal 2016 from ₹ 17,066.3 million in fiscal 2015.

Contribution to Core Settlement guarantee fund

Our contribution to CSGF increased by 5.1% to ₹ 2,343.3 million in fiscal 2016 from ₹ 2,229.7 million in fiscal 2015, primarily due to an increase in our Company's standalone profit before tax.

Tax expense

Our total tax expense increased by 6.1% to ₹ 5,199.0 million in fiscal 2016 compared to ₹ 4,898.5 million in fiscal 2015. This was primarily due to a decrease in current tax of 38.1% to ₹ 3,020.3 million in fiscal 2016 from ₹ 4,878.6 million in fiscal 2015 and increase in deferred tax from ₹ 19.9 million in fiscal 2015 to ₹ 2,178.7 million in fiscal 2016. During the six months ended September 2016, we expensed the contributions to CSGF that we had previously appropriated from reserves for until March 31, 2015 in accordance with the SEBI rules. The amounts have been recognized as expenses in each respective year for which such amount had been provide for. The resulting deferred tax in all those prior years was recognized in fiscal 2016. See “– Key Components of our Restated Consolidated Statement of Profit & Loss – Contribution to Core Settlement Guarantee Fund” on page 439.

Net profit after tax

For the foregoing reasons, our net profit after tax decreased by 1.9% to ₹ 9,752.1 million in fiscal 2016 from ₹ 9,938.1 million in fiscal 2015.

Fiscal 2015 Compared to Fiscal 2014

Revenue

Our total income increased by 19.3% to ₹ 22,910.4 million in fiscal 2015 from ₹ 19,206.3 million in fiscal 2014.

Revenue from operations. Our revenue from operations increased by 26.9% to ₹ 17,296.0 million in fiscal 2015 from ₹

13,630.9 million in fiscal 2014. This was primarily due to increase in transaction fees, listing fees, index licensing fees and data center charges.

Our revenues from transaction charges increased by 30.2% to ₹ 10,752.1 million in fiscal 2015 from ₹ 8,257.2 million in fiscal 2014, primarily due to an overall increase in trading volumes resulting in higher transaction charges in all our segments, including cash, equity and currency derivatives driven by strong macro-economic conditions in India during fiscal 2015. Our revenue from trading services accounted for 62.2% of total revenue from operations in fiscal 2015 compared to 60.6% of total revenue from operations in fiscal 2014.

Our revenues from listing services increased by 32.4% to ₹ 512.1 million in fiscal 2015 from ₹ 386.9 million in fiscal 2014, primarily due to an increase in the annual listing fees in April 2014. Our revenues from listing services accounted for 3.0% of our revenue from operations in fiscal 2015 compared to 2.8% in fiscal 2014. Our revenues from processing fees increased 96.3% to ₹ 131.5 million in fiscal 2015 from ₹ 67.0 million in fiscal 2014 as we processed a higher number of listing applications in fiscal 2015.

Our revenues from licensing services increased by 97.4% to ₹ 402.5 million in fiscal 2015 from ₹ 203.9 million in fiscal 2014, primarily due to higher trading volumes in our NIFTY indices and linked products on international stock exchanges resulting in higher index licensing fees for us, as well as price revisions.

Our revenues from data feed services increased by 27.7% to ₹ 470.6 million in fiscal 2015 from ₹ 368.6 million in fiscal 2014, primarily due to an increase in the number of customers and as we took measures to reduce unauthorized data theft, leading to an increase in customers resulting in increased sales.

Our revenues from technology services increased by 9.7% to ₹ 766.5 million in fiscal 2015 from ₹ 698.9 million in fiscal 2014, primarily due to an increase in revenue from application development services due to acquisition of new customers, partially offset by a marginal decrease in our revenues from e-learning solutions.

Our revenues from data center charges increased by 30.7% to ₹ 564.5 million in fiscal 2015 from ₹ 431.9 million in fiscal 2014, primarily due to higher co-location income due to an increase in demand for our co-location facilities and higher demand for connectivity by our customers at these co-location facilities.

Our revenues from our financial education business increased by 8.9% to ₹ 223.1 million in fiscal 2015 from ₹ 204.8 million in fiscal 2014, primarily due to higher sales of our online programs.

Others. Comprising (i) operating revenues - others, (ii) connectivity charges, (iii) other operating revenues was ₹ 189.3 million in fiscal 2015 as compared to ₹ 207.2 million in fiscal 2014.

Income from investments

Our income on investments included in operating income increased by 17.1% to ₹ 3,170.9 million in fiscal 2015 from ₹ 2,708.1 million in fiscal 2014, primarily due to an increase in the average amount of deposits, both from new members and due to higher cash margins.

Our total other income increased by 0.7% to ₹ 5,614.4 million in fiscal 2015 from ₹ 5,575.4 million in fiscal 2014, primarily due to gains from mutual fund investments due to portfolio rebalancing, partially offset by a decline in interest income as a result of lower interest rates.

Expenses

Employee benefits expense. Our employee benefits expense increased by 8.4% to ₹ 1,891.4 million in fiscal 2015 from ₹ 1,744.5 million in fiscal 2014. This increase was primarily due to an increase in salaries, allowances and bonuses as a result of annual increments and promotions.

Depreciation and amortization expense. Our depreciation and amortization expense increased by 11.1% to ₹ 932.9 million in fiscal 2015 from ₹ 840.0 million in fiscal 2014 primarily due to depreciation and amortization related to trading systems, computers and telecom infrastructure that we added in fiscal 2015.

Other expenses. Other expenses increased by 11.9% to ₹ 3,752.3 million in fiscal 2015 from ₹ 3,352.1 million in fiscal 2014, primarily due to increase in annual SEBI regulatory fees in fiscal 2015, repair and maintenance expenses relating to computers, trading and telecommunication systems, and IT management and consultancy charges, partially offset by a decrease in network infrastructure management charges.

Share of Net Profit of Associates and Joint Ventures accounted by using equity method

Our share of net profit of associates and joint ventures accounted by using equity method increased by 133.1% to ₹ 732.5

million in fiscal 2015 from ₹ 314.2 million in fiscal 2014 primarily due to increased share of net profit of Computer Age Management Services Limited of ₹ 395.6 million.

Profit before contribution to Core Settlement Guarantee Fund and tax

For the foregoing reasons, our profit before contribution to Core Settlement Guarantee Fund and tax increased by 21.7% to ₹ 17,066.3 million in fiscal 2015 from ₹ 14,025.7 million in fiscal 2014.

Contribution to Core Settlement Guarantee Fund

Our contribution to CSGF decreased by 12.5% to ₹ 2,229.7 million in fiscal 2015 from ₹ 2,548.2 million in fiscal 2014, primarily due to a decrease in our Company's standalone profit before tax due to a one-time gain from the sale of a subsidiary and an associate in fiscal 2014.

Tax expense

Our total tax expense increased by 23.8% to ₹ 4,898.5 million in fiscal 2015 compared to ₹ 3,956.3 million in fiscal 2014. This was primarily due to an increase in current tax of 9.6% to ₹ 4,878.6 million in fiscal 2015 compared to ₹ 4,452.4 million in fiscal 2014 and an increase in deferred tax expense to ₹ 19.9 million in fiscal 2015 from deferred tax income of ₹ 496.1 million in fiscal 2014.

Net profit after tax

For the foregoing reasons, our net profit increased by 32.1% to ₹ 9,938.1 million in fiscal 2015 from ₹ 7521.2 million in fiscal 2014.

Liquidity and Capital Resources

Our liquidity requirements relate primarily to working capital needs and capital expenditure.

We believe that we have sufficient liquidity for our present and anticipated working capital needs and other cash requirements for the next 12 months following the date of this Draft Red Herring Prospectus.

The following table shows a selected summary of our statement of cash flows for the periods indicated:

	Six Months Ended September 30,	Year ended March 31		
	2016	2016	2015	2014
	(₹ in millions)			
Net cash from / (used in) operating activities	51,241.3	16,393.4	(13,980.4)	25,941.8
Net cash (used in) / from investing activities	(6,712.5)	(5,585.0)	(2,469.2)	(5,654.7)
Net cash used in financing activities	(3,950.6)	(4,306.7)	(3,580.2)	(3,012.6)
Net increase / (decrease) in cash and cash equivalents	40,578.2	6,501.7	(20,029.8)	17,274.5
Cash and cash equivalents at beginning of financial year/period	29,447.4	22,945.7	42,975.5	25,701.0
Cash and cash equivalents at end of financial year/period	70,025.6	29,447.4	22,945.7	42,975.5

We prepare our statement of cash flows under the indirect method. Our cash and cash equivalents on the first and last day of the period are largely comprised of amounts received from members in payment for securities trades which we have received in advance of, and which are payable to the seller of the securities on, the T+2 settlement date. As a result, each of our cash from operating activities and our cash used from investing activities on the first or last day of the financial year or period is largely dependent on the turnover of trades on the trade date reflected in the settlement value on the last settlement date before such date. These values can vary considerably, which has significant effect on the calculation of our cash flows from operating activities and used in investing activities. For example, the settlement value on the last settlement day of fiscal 2014 was substantially higher than the settlement value on the last settlement day of either fiscal 2015 or fiscal 2013. We account for funds which we hold for settlement obligations as "other financial liabilities" and describe the effect of settlement value on our cash flows as "movement in pay in obligation at reporting date".

Net Cash Flows From / (Used In) Operating Activities

Our net cash from operating activities was ₹ 51,241.3 million for the six months ended September 30, 2016. Our cash flows from operating activities for the six months ended September 30, 2016 are calculated by adjusting our net profit before tax of ₹ 8,552.8 million to exclude non-cash and other items of ₹ 5,399.3 million (including net gain on financial assets mandatorily measured at fair value through profit or loss and net gain on sale of investments) and include income taxes paid and an increase in operating assets and liabilities of ₹ 48,087.9 million (including ₹ 39,576.4 million due to movement in pay in obligation at reporting date and in margin money received from members).

Our net cash from operating activities was ₹ 16,393.4 million for fiscal 2016 compared to net cash used in operating activities of ₹ 13,980.4 million for fiscal 2015. Our cash flows from operating activities for fiscal 2016 are calculated by adjusting our net profit before tax of ₹ 14,951.1 million to exclude non-cash and other items of ₹ 9,731.0 million (including net gain on financial assets mandatorily measured at fair value through profit or loss and net gain on sale of investments) and include income taxes paid and an increase in operating assets and liabilities of ₹ 11,173.3 million (including ₹ 5,793.7 million due to movement in pay in obligation at reporting date and in margin money received from members).

Our net cash used in operating activities was ₹ 13,980.4 million for fiscal 2015 compared to net cash from operating activities of ₹ 25,941.8 million for fiscal 2014. Our cash flows used in operating activities for fiscal 2015 are calculated by adjusting our net profit before tax of ₹ 14,836.6 million to exclude non-cash and other items of ₹ 9,628.6 million (including net gain on financial assets mandatorily measured at fair value through profit or loss and net gain on sale of investments) and include income taxes paid and a decrease in operating assets and liabilities of ₹ 19,188.3 million (including ₹ 22,656.8 million due to movement in pay in obligation at reporting date and in margin money received from members).

Net Cash Flows Used In Investing Activities

Our net cash flows used in investing activities was ₹ 6,712.5 million for the six months ended September 30, 2016, which related primarily to movement in Flexi Fixed deposits, cash generated from operation, rebalancing of portfolio and purchases of property, plant & equipment.

Our net cash flows used in investing activities was ₹ 5,585.0 million for fiscal 2016 compared to cash used in investing activities of ₹ 2,469.2 million for fiscal 2015, which related primarily to investments and cash generated from operation.

Our net cash flows used in investing activities was ₹ 2,469.2 million for fiscal 2015 compared to cash used in investing activities of ₹ 5,654.7 million for fiscal 2014, which related primarily to movement in pay in obligation at reporting date and corresponding investments and Flexi Fixed deposits.

Net Cash Flows Used In Financing Activities

Our net cash flows used in financing activities was ₹ 3,950.6 million for the six months ended September 30, 2016, which related primarily to dividend paid (inclusive of dividend distribution tax) of ₹ 3,950.6 million.

Our net cash flows used in financing activities was ₹ 4,306.7 million for fiscal 2016 compared to ₹ 3,580.2 million for fiscal 2015, which related primarily to dividend paid (inclusive of dividend distribution tax) of ₹ 4,306.7 million as compared to dividend paid of ₹ 3,580.2 million for fiscal 2015.

Our net cash flows used in financing activities was ₹ 3,580.2 million for fiscal 2015 compared to ₹ 3,012.6 million for fiscal 2014, which related primarily to dividend paid (inclusive of dividend distribution tax) of ₹ 3,580.2 million as compared to dividend paid (inclusive of dividend distribution tax) of ₹ 2,632.5 million for fiscal 2014.

Capital Expenditures

During fiscal 2015, fiscal 2016 and the six months ended September 30, 2016, our capital expenditures were ₹ 1,525.3 million, ₹ 1,479.7 million and ₹ 576.3 million, respectively. Our capital expenditures in these periods were primarily incurred on technology used for our operations.

We currently expect to incur capital expenditures of ₹ 2,912.8 million for the fiscal year ending March 31, 2017 primarily for technology including block chain, Big Data analytics and cloud risk management. This amount does not include our planned capital expenditures in relation to our proposed international exchange and clearing corporation in GIFT City, in respect of which we expect to spend ₹ 500.0 million to capitalize a clearing corporation and ₹ 250.0 million to capitalize a stock exchange, in addition to any amounts spend on operating expenditures.

We expect to fund the above planned capital expenditures through our internal cash flows.

Our actual capital expenditures may differ from the amounts set out above due to various factors, including our future cash flows, results of operations and financial condition, changes in our technology plans, changes in the local economy in India, the availability of financing on terms acceptable to us, problems in relation to possible construction/development delays, defects or cost overrun, delays in obtaining or receipt of governmental approval, changes in the legislative and regulatory

environment and other factors that are beyond our control.

Borrowings

We had no outstanding loans or borrowings as of March 31, 2016 and September 30, 2016.

Contractual Obligations

Our contractual obligations with definitive payment terms as of September 30, 2016 were comprised solely of lease payments, primarily pertaining to our Registered Office and Corporate Office located at Exchange Plaza, Bandra Kurla Complex, Bandra (East) Mumbai 400 051 on land owned by the Mumbai Metropolitan Region Development Authority which has been leased to us for a period of 80 years with effect from December 11, 1998. Our contractual obligations concerning our lease payments are set forth in the table below.

	As of September 30, 2016			
	Total	Not later than 1 year	Later than 1 year and not later than 5 years	Later than 5 years
	(₹ in millions)			
Lease rent	1,383.6	9.3	62.5	1,311.8

Capital and Other Commitments

The estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for by us was ₹ 817.8 million and our other commitments were ₹ 228.3 million as of September 30, 2016.

Contingent Liabilities

As of September 30, 2016, our contingent liabilities were primarily related to two litigation matters. See also “Outstanding Litigation and Material Developments” and “Risk Factors – Internal Risks – Any increase in or realization of our contingent liabilities could have a material adverse effect on our financial condition” beginning on pages 450 and 41, respectively.

Our competitor, the Metropolitan Stock Exchange of India Limited, or MSI, had filed an information with the CCI alleging that our Company had abused a dominant market position under Section 4 of the Competition Act, by engaging in predatory pricing in the newly established currency derivatives segment, where our Company had waived various fees. In June 2011, the CCI, held that our Company abused its dominance by engaging in unfair pricing and directed our Company to cease and desist from unfair pricing and pay a penalty of 5% of the average turnover for the last three years, which amounted to ₹ 555.0 million. On appeal, this penalty was upheld by the COMPAT in August 2014. Our appeal of this order is pending before the Supreme Court of India, which had granted an interim stay on the penalty. MSI has filed a compensation application which is pending before the COMPAT, claiming an amount of ₹ 8,569.9 million along with interest at the rate of 18% per annum until realization of the claim.

In October 2013, a ₹ 1,525.7 million claim for damages was filed against our Company and our clearing corporation and Subsidiary, NSCCL.

Based on legal advice, our management has assessed the possibility that these lawsuits will not be decided in our favor as remote and no provision has been made in respect of the compensation claimed or penalty assessed.

We also have contingent liabilities for an aggregate of ₹ 1,050.9 million as of September 30, 2016, on account of disputes between us and various tax authorities, most notably ₹ 496.5 million relating to income taxes and ₹ 483.0 million relating to service taxes.

We also have bank guarantees of ₹ 49.3 million as of September 30, 2016.

Off-Balance Sheet Transactions

We do not have any off-balance sheet transactions.

Quantitative and Qualitative Disclosures About Market Risk

We are exposed to a variety of market risks, which are described in detail below. Our overall risk management program focuses on minimizing the adverse effects of market volatility and unpredictability on our financial performance and condition. Our risk management approach focuses is to minimize the potential material adverse effects from these exposures. Our risk management policies and guidelines set out our tolerance for risk and our general risk management philosophy. Accordingly, risk management framework and process and prudential norms are established to identify, evaluate and monitor

the exposures and implement appropriate measures in a timely manner.

Credit Risk

We provide a performance and settlement guarantee to each party to every trade executed on our exchange. This guarantee exposes us to risks associated with any failure by our members to make payment or delivery of securities in accordance with the terms of the relevant trade. We manage our credit risks through the margin and collateral requirements that we have established for our members, the maintenance of our Core Settlement Guarantee Fund and our insurance policy. See “Our Business — Risk and Collateral Management” on page 168.

Interest Rate Risk

We are exposed to the effects of fluctuations in the prevailing levels of market rates on our financial position and cash flows, which primarily arises out of fluctuations on the yield of debt investments we hold. In the long term, the yield on debt investments we hold is primarily affected by interest rates set by Indian banks, the interest rates on Indian government securities and the condition of India's financial markets. Given that our investment portfolio constitute a significant portion of our assets, our exposure to long-term fluctuations in the yield on debt instruments we hold is material, and we expect that any changes in such yield may have a material impact on our financial condition and results of operations.

For the six months ended September 30, 2016, our interest income from financial assets at amortized cost was ₹770.0 million and interest income from financial assets designated at fair value through other comprehensive income was ₹ 325.8 million. A sensitivity analysis shows that if interest rates had been 25 basis points higher, with all other variables held constant, our income from financial assets designated at FVOCI would have decreased by ₹ 85.7 million. Similarly, a decrease of 25 basis points for the six months ended September 30, 2016, would have increased our income from financial assets designated at FVOCI by ₹ 85.7 million.

Foreign Exchange Risk

We derive most of our income in Indian Rupees and incur most of our expenses in Indian Rupees. Our investment portfolio is concentrated in Indian securities and is also denominated in Indian Rupees. As such, we are not subject to material foreign exchange risk and are only subject to foreign exchange for export of licensing of our indices, sale of exchange data products and procurement of commercial technology products and services.

Unusual or Infrequent Events or Transactions

To our knowledge, except as disclosed in this Draft Red Herring Prospectus, there have been no transactions or events which, in our judgment, would be considered unusual or infrequent.

Known Trends or Uncertainties

Our business has been affected and we expect that it will continue to be affected by the trends identified above in “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and the uncertainties described in “Risk Factors” beginning on pages 428 and 19, respectively. To our knowledge, except as disclosed in this Draft Red Herring Prospectus, there are no known factors which we expect to have a material adverse effect on our income.

Future Relationship between Cost and Revenue

Other than as described in “Risk Factors” beginning on page 19 and this section, there are no known factors that might affect the future relationship between cost and revenue.

Competitive Conditions

We expect competition in our industry from existing and potential competitors to intensify. For details, please refer to the discussions of our competition in the sections “Risk Factors – Internal Risks – We operate in a competitive industry, and we may not be able to compete successfully” and “Our Business – Competition” on pages 25 and 174 to 175, respectively.

Seasonality of Business

Our business is not seasonal in nature.

Dependence on a Few Customers

Our index business is subject to concentration risks. Our index business revenues are highly concentrated among our exchange customers and in particular our top exchange customer which accounted for a significant portion of our licensing fees outside of India in fiscal 2016. See “Risk Factors – Internal Risks – We may not be able to increase our revenues from

our non-trading businesses, which are subject to numerous operational risks” on pages 31 and 32.

New Products or Business Segments

We intend to further diversify our product and service offerings in our trading and non-trading businesses. Our business strategies seek to further diversify our product and service offerings through strategic innovation and investment in high-growth areas of our businesses, additional partnerships and collaborations and the establishment of an international exchange and clearing corporation in Gujarat International Finance Tech City – International Financial Service Centre, or GIFT City. For more information, see “Our Business – Our Business Strategies” and “Risk Factors – Internal Risks – We may be unsuccessful in implementing, or fail to realize the expected benefits from, our growth strategies” beginning on pages 156 and 25, respectively.

Recent Accounting Pronouncements

As of the date of this Draft Red Herring Prospectus, there are no recent accounting pronouncements which would have a material effect on our financial condition or results of operations.

Significant Developments Subsequent to September 30, 2016

Except as otherwise disclosed elsewhere in this Draft Red Herring Prospectus, there have been no significant developments after September 30, 2016 which materially affect, or are likely to materially affect, our financial condition or results of operations within the next 12 months.

SECTION VI: LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

The details of outstanding litigation or proceedings relating to our Company, our Subsidiaries, our Group Companies and our Directors are described in this section in the manner as detailed below.

Disclosure of litigation involving our Company and/or our Subsidiaries:

Except as disclosed below there are no (i) criminal proceedings involving our Company and/or our Subsidiaries, (ii) actions taken by regulatory or statutory authorities involving our Company and/or our Subsidiaries (pending actions or any actions taken in the past five years), (iii) other matters involving our Company and/or our Subsidiaries which are identified as material in terms of the materiality policy (as disclosed herein below), (iv) matters involving our Company and/or our Subsidiaries, whose outcome could have material adverse effect on the position of our Company, (v) matters initiated against our Company for economic offences, (vi) acts of material fraud committed against our Company in the last five years preceding the date of this Draft Red Herring Prospectus (including action taken by our Company, if so), (vii) default and non-payment of statutory dues by our Company, (viii) inquiry, inspections or investigations initiated or conducted under the Companies Act or any previous companies law in the last five years preceding the date of this Draft Red Herring Prospectus against our Company and/or our Subsidiaries, prosecutions filed (whether pending or not), fines imposed or compounding of offences done in the last five years preceding the date of this Draft Red Herring Prospectus against our Company and/or our Subsidiaries, (ix) matters involving our Company and/or our Subsidiaries pertaining to violations of securities law, and (x) all matters filed against our Company and/or our Subsidiaries which are in the nature of winding up petitions.

In relation to (iii) above, given the nature and extent of operations of our Company and our Subsidiaries, the outstanding litigation involving our Company and/or our Subsidiaries which exceed an amount being lesser of 1% of the profit after tax or 1% of the net worth of our Company, as per the restated financial statements of our Company (as at and for the Financial Year 2016), on a consolidated basis would be considered material for our Company. The total consolidated profit after tax and net worth of our Company as per the Restated Financial Information, on a consolidated basis, as of and for the Financial Year 2016, was ₹ 9,752.1 million and ₹68,676.7 million, respectively. Accordingly, we have disclosed all outstanding litigation involving our Company and/or our Subsidiaries where (i) the aggregate amount involved exceeds ₹ 97.5 million (being an amount which is less than 1% of the total consolidated net profit after tax and 1% of the consolidated net worth of our Company as per the Restated Financial Information of our Company (as of and for the Financial Year 2016), individually, (ii) the decision in one case is likely to affect the decision in similar cases, even though the amount involved in that individual litigation may not exceed ₹ 97.5 million, and (iii) all other outstanding litigation which may not meet the specific threshold and parameters as set out in (i) or (ii) above, but where an adverse outcome would materially and adversely affect the business, operations or financial position or reputation of our Company.

Our Board has also approved that dues owed by our Company on a standalone basis to the small scale undertakings and other creditors exceeding 1% of the total dues owed to the small scale undertakings and other creditors would be considered as material dues for our Company and accordingly, we have disclosed consolidated information of outstanding dues owed to small scale undertakings and other creditors, separately giving details of number of cases and amount for all dues where each of the dues exceed ₹ 8.1 million (being less than approximately 1% of total dues owed by our Company to the small scale undertakings and other creditors as of September 30, 2016).

For details of the manner of disclosure of litigation relating to our Group Companies, see “Outstanding Litigation and Material Developments – Litigation involving our Group Companies” on page 460. For details of the manner of disclosure of litigation relating to our Directors, see “Outstanding Litigation and Material Developments – Litigation involving our Directors” on page 461. For details of the litigation in relation to direct and indirect taxes involving our Company, our Subsidiaries, our Group Companies and our Directors, see “Outstanding Litigation and Material Developments –Tax proceedings” on page 462.

I. Litigation involving our Company

A. Litigation filed against our Company

Criminal matters

1. Our Company and one of our Subsidiaries, NSCCL, one of our Directors, Ravi Narain, our Chief Executive Officer In-charge J Ravichandran, along with other officials, have filed special leave petitions dated December 21, 2011 and November 22, 2011, respectively, before the Supreme Court in relation to the alleged dishonest disposition of security deposits, bank guarantees and shares of Rusoday Securities Limited (“**Rusoday**”), the then trading member of our Company, by our Company and NSCCL. Surendra Kumar Jain, on behalf of Rusoday had filed a complaint dated May 18, 2002 before the Chief Metropolitan Magistrate, Calcutta (the “**Magistrate**”) against our Company,

NSCCL, Ravi Narain, J Ravichandran and others (collectively, the “**Accused**”) under Sections 406, 511 and 34 of the IPC alleging that the properties entrusted by Rusoday in the form of security deposits, bank guarantees and shares have been dishonestly disposed of by our Company and NSCCL in violation of the provisions of SCRA. The Accused filed a discharge application before the Magistrate, which was allowed for Ravi Narain but the Magistrate continued proceedings against our Company through a discharge order (the “**Discharge Order**”). Subsequently, Rusoday filed a revision application before the Sessions Court, Calcutta against the Discharge Order. Our Company and NSCCL also filed a revision application before the Calcutta High Court against the Discharge Order to the extent it disallowed their prayer for discharging our Company and NSCCL. Rusoday’s revision application was transferred to the Calcutta High Court, which set aside the Discharge Order and also rejected the revision application filed by our Company and NSCCL pursuant to order dated July 29, 2011 (the “**High Court Order**”). Accordingly, our Company and NSCCL filed the aforesaid special leave petitions dated December 21, 2011. In addition, J Ravichandran and Ravi Narain also filed the special leave petitions dated November 22, 2011 and an interim stay was granted by the Supreme Court on further proceedings before the Magistrate, pursuant to order dated December 12, 2011. The aforesaid interim stay is continuing as on date and the matters are currently pending before the Supreme Court.

2. Our Company, one of our Directors, Ravi Narain and our Chief Executive Officer In-charge J Ravichandran, along with other officials have filed a criminal revision application in 2011 (“**Revision Application**”) before the Calcutta High Court in relation to the alleged criminal breach of trust and criminal conspiracy by our Company. Surendra Kumar Jain, on behalf of Rusoday, the then trading member of our Company (the “**Complainant**”) had filed a complaint in 2003 before the Metropolitan Magistrate, Calcutta (the “**Magistrate**”) against, *inter alia*, our Company, Ravi Narain, J Ravichandran, Oriental Insurance Company Limited (“**OICL**”) and others (collectively, the “**Accused**”) for criminal breach of trust and criminal conspiracy under Sections 406 and 120B of the IPC. Rusoday had lost a parcel containing scripts worth ₹ 0.6 million approximately and it filed a claim which was accepted by OICL to the extent of ₹ 0.6 million approximately (the “**Claim**”). However, the file was later closed by OICL as our Company failed to issue a ‘no objection certificate’ in respect of the disbursement of the Claim, thereby allegedly dishonestly misappropriating the said sum in collusion with OICL. The Magistrate issued process against the Accused under Sections 406 and 120B of the IPC (the “**Order**”). Thereafter, our Company filed the Revision Application before the Calcutta High Court under Section 482 of CrPC praying for, *inter alia*, quashing of the Order and to direct stay of all further proceedings in the Order. Subsequently, a stay order dated June 29, 2011 was granted by the Calcutta High Court directing stay of further proceedings and thereafter was extended and an ad-interim order of stay was passed for a limited period. Thereafter, an application for extension of the ad-interim order was filed by the Company (“**Extension Application**”). The Revision application and the Extension Application are currently pending.
3. Raman Kumar Ohri and Ramesh Chandra Bhardwaj (collectively, the “**Complainants**”) have filed two complaints dated June 25, 2012 and July 3, 2012, respectively, before the Metropolitan Magistrate, Delhi (the “**Magistrate**”) against certain officers in charge of inspection department of our Company, Religare Securities Limited (“**Religare**”), a trading member of our Company and others (collectively, the “**Accused**”) in relation to offences committed under Sections 120B, 191, 406, 409, 415, 420 and 471 of the IPC alleging, *inter alia*, that the inspection department of our Company conspired with Religare and overlooked the fraudulent illegal trading and violations done by them and validated the alleged illegal authorisations and forgery by Religare. The Complainants have also filed applications in September 2011 and May 2012 under Section 156(3) of CrPC before the DCP, Economic Offence Wing, New Delhi seeking to direct the local police of DCP, Economic Offence Wing, New Delhi to investigate the matter and lodge an FIR. The matters are currently pending.
4. Elegant Industries Private Limited (the “**Complainant**”) has filed a criminal revision application in January, 2008 before the Bombay High Court in relation to the alleged criminal breach of trust and criminal conspiracy with respect to possession of property by our Company, one of the Directors of our Company, Ravi Narain and others (collectively, the “**Accused**”). The Complainant had filed a complaint dated April 16, 2004 before the Metropolitan Magistrate, Mumbai (the “**Magistrate**”) against the Accused, *inter alia*, for alleged criminal breach of trust and criminal conspiracy, in relation to using the property of the Complainant rented by the Accused (the “**Property**”), without making the required payments, wherein the Magistrate issued process against the Accused under Sections 406, 447, 341 and 34 of the IPC (the “**Magistrate Order**”). The Accused challenged the Magistrate Order by filing a criminal revision application before the Additional Sessions Judge, Mumbai, which set aside the Magistrate Order (the “**Discharge Order**”). Accordingly, the Complainant has filed the aforesaid criminal revision application before the Bombay High Court praying, *inter alia*, to set aside the Discharge Order and restore the Magistrate Order. The matter is currently pending. The Complainant has also filed a suit against our Company with respect to recovery of possession. For further details, see “Outstanding Litigation and Material Developments - Litigation involving our Company - Litigation filed against our Company - Other matters involving an amount exceeding ₹ 97.5 million” on page 456.

Actions by regulatory / statutory authorities

1. SEBI, by way of an ex-parte interim order dated May 26, 2014 prohibited Unickon Securities Private Limited (“**Unickon**”), a stock broker functioning on our Company’s exchange, and its directors from accessing the securities market and dealing in securities for indulging in activities detrimental to the interests of investors. On similar grounds, by way of an ex-parte interim order dated March 19, 2015, SEBI prohibited Kassa Finvest Private Limited (“**Kassa**”), a stock broker functioning on our Company’s exchange, and its directors and promoter from accessing the securities market and dealing in securities. Pursuant to the aforesaid SEBI interim orders, our Company expelled Unickon and Kassa, respectively from the trading membership of our Company. SEBI advised our Company to take immediate steps to avoid recurrence of such instances in future, sensitise members, give a strict warning to the market participants in this regard and submit to SEBI a preliminary as well as comprehensive report with respect to the steps taken by our Company. SEBI issued show cause notice dated November 10, 2015 to our Company under Section 11B of the SEBI Act and Section 12A of the SCRA for the alleged non-compliance of the aforesaid directions. Our Company submitted a reply stating that it has been in constant interaction with SEBI on the matter and has acted in accordance with the directives of SEBI including disbursal of amounts, and providing details of the specific measures taken against Unickon and Kassa, general preventive measures, awareness initiatives initiated by our Company on safety of client funds and securities and training programs with members. The matter is currently pending and no order has been passed by SEBI in this regard.
2. SEBI received certain complaints against our Company’s co-location facility, including among others, allegations that our Company had provided unfair access to the co-location facility to select trading members. SEBI forwarded the complaints to our Company in early 2015 and advised us to examine the issues highlighted and furnish a report to SEBI after placing the same before the Company’s standing committee on technology. We undertook the exercise and submitted the report to SEBI. Subsequently, SEBI pursuant to its letter dated December 29, 2015 assigned the task of comprehensive examination of complaints to a team headed by professors of the Indian Institute of Technology, Bombay and advised our Company to extend all co-operation to the team. Subsequently, by its letter dated March 29, 2016, SEBI forwarded the interim observations of the team under the report (the “**CFT/IIT Interim Report**”) to our Company and required our Company to submit responses to the observations of the CFT/IIT Interim Report within a period of 15 days, which was subsequently extended. The CFT/IIT Interim Report contained the following observations, among others:
 - a. our Company’s TCP-IP based tick by tick (“**TBT**”) architecture was prone to market abuse and thereby compromised with market fairness and integrity by providing quicker order dissemination to those who managed to login early;
 - b. one of the members consistently logged in early and crowded out other members and gained materially from the exploitation of the TBT architecture;
 - c. certain members were given preferential access to the backup servers of the TBT system;
 - d. our Company was not fully co-operative with the team in providing complete and / or timely responses; and
 - e. our Company was in violation of our internal policy by permitting entities that are not internet service provider to lay fibre optic cables at our co-location facility.

Our Company submitted its response to the findings of the CFT/IIT Interim Report, through letters dated May 12, 2016 and June 29, 2016, wherein it had disputed the findings of the CFT/IIT Interim Report, particularly stating the following key points: (i) trading members logging in early would not necessarily receive data ahead of other trading members or any material advantage; (ii) our Company had provided a level-playing field to all trading members and consistent early login per-se would not amount to market abuse; (iii) no limit had been placed on the number of IP connections available to any trading member and accordingly disputed the observation that one member was crowding out others; (iv) no trading members was given preferential access to the back up server; (v) our Company had fully cooperated with the team; and (vi) our Company was not in violation of any internal policy, and did not regulate the choice of internet service providers of trading members while establishing connectivity.

Thereafter, a meeting was held among the Technical Advisory Committee of SEBI and the NSE Standing Committee on Technology, a committee of our Company, to discuss various technical issues involved in the TBT architecture and co-location facility of our Company.

SEBI through its letter dated September 9, 2016 (“**Observation Letter**”), among other things, observed (i) that the architecture of our Company with respect to dissemination of TBT through transmission control protocol was prone to manipulation and market abuse; (ii) preferential access was given to certain stock brokers; and (iii) violated our own policies by permitting entities that are not internet service provider to lay fibre optic cables at our co-location facility for various stock brokers and (iv) the possibility of collusion between our officials and stock broker(s). Further, SEBI advised our Board: (i) to immediately initiate an independent examination (including forensic examination by an external agency) of the concerns highlighted in the CFT/IIT Interim Report, including lack of

processes and collusion, if any, and fix accountability for the breaches of the entities involved including our Company, stock brokers, vendors and outsourced entities; (ii) as an interim measure, pending investigation and submission of the report to the satisfaction of SEBI, to place all revenues generated from the co-location facility, including from any fibre optic cable connectivity from stock broker's co-location facility to such stock broker's offices, in a separate bank account and submit details of such account to SEBI; and (iii) to submit a comprehensive report to SEBI within a period of three months from the date of the Observation Letter.

Our Company appointed an independent agency (the "**Independent Agency**") to conduct an examination of all the concerns highlighted in the CFT/IIT Interim Report, including, particularly whether norms of fair access were breached, whether some brokers unduly benefitted and if there were any collusion or misconduct by our employees. Our Company, through its letters dated November 10, 2016 and November 17, 2016 intimated SEBI of (i) appointment of the Independent Agency and the commencement of their investigation from September 24, 2016 and (ii) details of the separate bank account and transfer of an amount of ₹ 65.33 million for the month of September, 2016 (that is the month of the Observation Letter), being the amount collected towards colocation charges in the nature of rack charges and connectivity charges. Further, in view of the extension sought by the Independent Agency to submit its report, our Company sought an extension until December 31, 2016 to submit the comprehensive report to SEBI. Subsequently, SEBI through its letter dated November 28, 2016, observed that our Company has not complied with certain observations as indicated in the Observation Letter, including (i) the transfer of all revenues emanating from the co-location facility, including those generated from the trading activity; and (ii) granted an extension until December 31, 2016 to our Board to submit its report pursuant to the independent examination of the matter. Our Board in its meeting held on November 29, 2016 took note of the same and decided to comply with SEBI's letter and deposit in the separate bank account not only the rack charges (that is the rental for rack space) and connectivity charges in respect to the co-location facility but also the transaction charges resulting from the trading activity at the co-location facility. Accordingly, in addition to the rack charges and connectivity charges, an amount of ₹ 1,455.23 million, representing the transaction charges on trade orders placed through our co-location facility for the months of September 2016, October 2016 and November 2016 has been transferred to the separate bank account described above. We intend to deposit the rack charges, connectivity charges and transaction charges to the separate bank account, for each month going forward until SEBI directs us otherwise.

The Independent Agency has submitted its report to the Company, which in turn has been filed with SEBI on December 23, 2016. The report has made the following observations:

- a. The system architecture of the Company's TCP-IP based TBT system was prone to manipulation. The Independent Agency's analysis highlighted trends for certain periods where a few stock brokers appear to be the first to connect to specific servers significantly more often than others. The TCP-IP based TBT system architecture indicated that data was disseminated in a sequential manner whereby the stock broker who connected first to the server received ticks (market feed) before the stock broker who connected later;
- b. The Independent Agency observed indications of potential preferential treatment to a few stock brokers. Different stock brokers were treated differently and there was no uniform approach applied across stock brokers with respect to allocation of new IPs across ports on existing servers and movement from one server to another. Ticks were disseminated faster to members connected to less crowded servers, thereby giving an advantage to such stock brokers;
- c. The Independent Agency's analysis indicated that one particular stock broker almost consistently connected first to the fall back or secondary server during the period from December 10, 2012 to May 30, 2014 and was very often also the second stock broker to connect during this period. The Independent Agency observed that the particular stock broker's continuous access to the fall back or secondary server during the period from December 10, 2012 to May 30, 2014 may not have been possible without the knowledge of certain employees identified in the report, who did not take any action despite consistent connections to the fall back servers against protocol;
- d. In order to ensure that norms of fair access were not breached, it was possible for our Company to negate the advantage of connecting first by implementing a randomiser which would randomly pick a connection to begin dissemination of data through the random function was applied to other process but was not implemented for TBT systems;
- e. The Independent Agency has observed that while it has not validated the performance of the Multicast TBT system (which was introduced in April 2014) in an operating environment, on the basis of a review of the architecture of the Multicast TBT, the issues related to benefits from early connectivity and sequential dissemination of ticks appears to have been addressed;
- f. In relation to the question of whether we breached our own policies by permitting entities that are not internet service provider to lay fibre optic cables at our co-location facility for various stock brokers, The Independent

Agency has observed that in the absence of a specific policy and operating procedure, it appears that our Company relied on such entities' undertakings rather than satisfying itself about the entities' status as a licensed provider of point to point connectivity;

- g. While the Independent Agency observed indications of differential behaviour being shown towards a few stock brokers by certain employees identified in the report, the Independent Agency has stated that it is not in a position to comment on whether this would amount to collusion or connivance;
- j. The Independent Agency observed lack of documented policies and protocols with respect to various aspects of the functioning of the TBT system and certain historical information was not available due to absence of protocols related to data retention; and
- h. After our Company confirmed completion of the data restoration exercise for all TBT servers, the Independent Agency came across additional TBT servers which had not been put through the restoration process, and the NSE team was unaware of them.

The Independent Agency has also made observations that due to absence of protocols related to data retention, email and other information for certain former employees of our Company was unavailable.

Our Board, in its meeting held on December 19, 2016, has taken the report on record and decided to initiate a review of the Multicast TBT systems of our Company including the processes and procedures, data retention, job rotation, mandatory leave, segregation of duties. We have forwarded the report to SEBI on December 23, 2016. We have not commented on the observations made by the Independent Agency in its report. Additionally, we have also requested SEBI, pursuant to our letter dated December 26, 2016, that its decision be communicated to us as early as possible, and that once the decision is taken, to take a view on the decision on the freezing of the revenues accruing to us from the co-location facility.

Additionally, in relation to the allegations against our Company's co-location facility as describe above, Moneywise Media Private Limited and its editors had, in June and July, 2015 published certain articles against our Company's co-location facility, in response to which, our Company had filed a defamation suit in July, 2015, wherein interim reliefs sought by our Company was dismissed by the Single Judge of the Bombay High Court. For details, see "Outstanding Litigation and Material Developments - Litigation involving our Company- Litigation filed by our Company- Other matters involving an amount exceeding ₹ 97.5 million" on pages 457 and 458.

- 2. Pursuant to a letter issued by the Ministry of Finance, SEBI conducted an examination of modification of client codes that had taken place in the derivatives segment of our Company during 2010. SEBI sought information from our Company, including details of the volumes of the transactions where modification of client codes by our Company and details of mechanism to verify the genuineness of modification of such client codes. Subsequently, SEBI issued a show cause notice dated February 11, 2011 to our Company alleging that our Company has failed to provide the requisition information and clarifications sought by SEBI, to which our Company filed a reply. SEBI passed an order dated April 10, 2012 observing, *inter alia*, that there was high volume of instances of client code modification and thereby warned our Company to be more cautious and perceptive in discharge of its regulatory duties.
- 3. SEBI conducted a special purpose inspection of our Company to ascertain whether our Company was in compliance with the provisions of SEBI circulars dated January 31, 2000 and June 28, 2001, including in relation to mechanism of monitoring the risk management practices of its trading members. Subsequently, SEBI issued a show cause notice dated April 18, 2013 to our Company requiring our Company to show cause as to why appropriate directions under Section 12A of the SCRA should not be issued against it, to which our Company had filed a reply. SEBI, through its order dated October 10, 2014 (the "**Order**"), censured our Company for its conduct and directed our Company to be more careful and cautious while dealing in securities and comply with legal requirements that governs its functions as a stock exchange. Further, SEBI directed our Company to carry out a comprehensive review by an independent expert on the processes followed, checks and systems employed by our Company for maintaining stability of markets. Subsequently, our Company had appointed an external consultant, which suggested a robust securities trading system in its report submitted to SEBI on April 17, 2015 along with an action plan.
- 4. SEBI had received anonymous complaints questioning the re-designation of Anand Subramanian as the Group Operating Officer and Advisor to our Managing Director. SEBI, by its letter dated September 15, 2016, advised us to place the complaint letters before our Board and to decide whether there has been any violation of code of conduct or principle of avoidance of conflict of interest while appointing Anand Subramanian as the Group Operating Officer and Advisor to the Managing Director and submit a report to SEBI. Anand Subramanian has foreclosed his consultancy assignment with effect from October 21, 2016 and SEBI has been informed of the same through our e-mail dated December 21, 2016. The Nomination and Remuneration Committee of our Board was at its meeting dated November 9, 2016 advised that consultants with responsibilities be considered for absorption as employees after

taking into consideration the current and future requirements, suitability, fitment, feedback, performances, age, etc or the consultancy contract be foreclosed as soon as possible.

Other matters involving an amount exceeding ₹ 97.5 million

1. On November 16, 2009, MCX Stock Exchange Limited, now the Metropolitan Stock Exchange of India Limited (“**MSI**”), filed an information with the Competition Commission of India (“**CCI**”) against our Company and DotEx, principally alleging that our Company is in a dominant position in the stock exchange services market (including the equity, futures and options, wholesale debt market and currency derivatives segments) and that it has abused its dominance under Section 4 of the Competition Act by engaging in, among other things, predatory pricing in the newly established currency derivatives segment, where our Company had waived various fees. The CCI, through a majority decision of 4-2 dated June 23, 2011 (the “**CCI Order**”) held, *inter alia*, that our Company enjoyed a dominant position in the market for stock exchange services in the currency derivatives segment and that our Company abused its dominance by engaging in “unfair pricing” (not specifically “predatory pricing”) *vis-a-vis* MSI. The CCI Order under Section 27 of the Competition Act directed our Company to, *inter alia*, cease and desist from unfair pricing and levied a penalty of 5% of the average turnover for the last three years, which amounted to ₹ 555.0 million. The CCI order also observed that DotEx, being a wholly owned subsidiary of our Company had little independence of action in the matter and did not levy any separate penalty on it.

Our Company challenged the CCI Order, before the COMPAT. The COMPAT, by an order dated August 5, 2014, while setting aside certain parts of the CCI Order, nevertheless upheld the finding of abuse of dominance. The COMPAT held that our Company engaged in “predatory pricing” in the stock exchange services market and upheld the 5% penalty levied by the CCI (the “**COMPAT Order**”).

On September 16, 2014, our Company filed a civil appeal before the Supreme Court of India under Section 53T of the Competition Act, against the COMPAT Order, along with an interim application seeking a stay on the operation and effect of the COMPAT Order. The Supreme Court of India granted an interim stay on the penalty (₹ 555.0 million). The matter is currently pending before the Supreme Court of India. MSI has also filed a compensation application before the COMPAT, claiming an amount of ₹ 8,569.9 million along with interest at the rate of 18% *per annum* until realization of the claim. The matter is currently pending.

2. Prabhudas Lilladher Private Limited, a trading member of our Company and Arun Sheth, managing director and shareholder of Prabhudas Lilladher Private Limited (together, the “**Petitioners**”) have filed a writ petition in April 2004 against our Company and one of our Subsidiaries, NSCCL (together, the “**Respondents**”) before the Bombay High Court alleging that the Respondents have wrongfully annulled certain trades in respect of shares of Cyberspace Infosys Limited and forfeited the payout of funds carried out by the Petitioners on behalf of Shivam Multi Services Private Limited under the authority of its circular dated August 19, 2002 (the “**Circular**”) and the bye-laws of our Company. The Petitioners have further alleged that the Circular is discriminatory, unreasoned, unsubstantiated and does not give any valid reason for such annulment and that the said bye-laws are arbitrary and therefore violative of Articles 14, 19(1)(g) and 300A of the Constitution of India. The Petitioners have also sought for a writ of certiorari calling for records leading to the decision of annulment and a writ of mandamus directing the Respondents to withdraw or cancel the Circular in so far as it annuls the trades. The amount involved in the matter is ₹ 28.5 million and interest at the rate of 18% per annum from March 2001 until the date of payment or realisation. The matter is currently pending.
3. Stanley Credit Capital Limited, a trading member of our Company (the “**Plaintiff**”) filed a suit dated July 12, 1999 before the Calcutta High Court against our Company, one of our Subsidiaries, NSCCL and others (collectively, the “**Defendants**”), in relation to the securities withheld by our Company and NSCCL. The Plaintiff had failed to fulfil its obligations towards our Company and NSCCL due to short payment by one of the entities carrying out investment and trading activities, through the Plaintiff. The Plaintiff alleged that it was compelled to instruct our Company and NSCCL to close out its position in respect of securities withheld by our Company and NSCCL. Further, the Plaintiff alleged that our Company and NSCCL had wrongfully disconnected the online trading connection granted to the Plaintiff. Accordingly, the Plaintiff has claimed an amount of ₹ 34.9 million, along with interim interest and interest on the judgment at the rate of 21% per annum. Further, the Plaintiff has also sought for a mandatory injunction directing our Company and NSCCL to make over the unsold shares of a certain entity to the Plaintiff. The amount involved in the matter is ₹ 34.9 million, along with interim interest and interest on the judgment at the rate of 21% per annum. The matter is currently pending.
4. Prime Broking Company (India) Limited (“**Prime**”), a trading and clearing member of our Company, has filed a suit dated October 18, 2013 (the “**Suit**”) before the Bombay High Court against our Company and one of our Subsidiaries, NSCCL (together, the “**Defendants**”) seeking a monetary decree of ₹ 1,525.7 million along with interest from April 2013 at the rate of 18% per annum or any other rate until such payment is made against our Company and NSCCL by way of damages for loss caused due to NSCCL’s declaration of Prime as a defaulter. NSCCL required Prime to replace the ineligible securities for margin purposes in respect of long term option

contracts and NSCCL had indicated to sell the securities held by Prime to meet the pay-in obligation of Prime. Pursuant to this, the Defendants sold 297,731 shares of Gitanjali Gems Limited (“**Gitanjali**”). Thereafter the Defendants received a letter dated March 23, 2013 from the Economic Offences Wing, Mumbai Police (“**EOW**”) stating that the shares of Gitanjali which were pledged by Prime with one of our Subsidiaries, NSCCL, belonged to Sarvin Mercantile Private Limited and Trusha Infrastructure Private Limited and directed NSCCL to freeze these shares. Meanwhile, the Defendants called upon Prime to meet their pay-in obligations to the tune of ₹ 940.0 million, failing which the Defendants issued a show cause notice to Prime and thereafter declared Prime as a defaulter under the bye-laws of our Company (the “**Declaration**”). Aggrieved by the same, Prime filed the aforesaid Suit before the Bombay High Court and sought a decree of ₹ 1,525.7 million along with interest at the rate of 18% per annum or any other rate until such payment is made. Prime also filed an appeal before the Securities and Appellate Tribunal (“**SAT**”) challenging the Declaration and SAT upheld the Declaration through its order dated June 30, 2015. Subsequently, Prime filed an appeal dated August 14, 2015 before the Supreme Court challenging the aforesaid order of SAT, which is currently pending. The Suit is also currently pending before the Bombay High Court. The amount involved in the matter is ₹ 1,525.7 million.

5. Elegant Industries Private Limited (“**Elegant**”) has filed a suit dated December 3, 2004 against our Company before the Small Causes Court, Bombay (“**Court**”) for recovery of possession of property. Elegant alleged that there was no agreement between Elegant and our Company after October 2002 and demanded that our Company return possession of the suit premises and pay charges for illegal occupation thereof. Elegant *inter alia*, claimed the following reliefs before the Court: (i) vacant possession of the suit premises and damages of ₹ 32.4 million along with interest at 18% per annum until realization, (ii) mesne profits of a total of ₹ 13.3 million and ₹ 15,000 per day along with interest at 18% per annum, municipal taxes of ₹ 1.5 million maintenance charges of ₹ 0.2 million, compensation for hindrance caused to Elegant for ₹ 5.6 million, cost of repairs for ₹ 2.5 million, (iii) injunction restraining our Company from handing over the suit premises to any third person and creating any third party right over it and (iv) pay an amount of ₹ 10,000 per day along with interest at 18% per annum as compensation for losses suffered due to physical hindrance caused to Elegant to offer services, facilities or amenities in the suit premises to other customers. The matter is currently pending. Elegant has also filed a criminal complaint against our Company and certain Directors of our Company. For further details, see “Outstanding Litigation and Material Developments - Litigation involving our Company- Litigation filed against our Company- Criminal matters” on page 451.

Matters involving our Company, whose outcome could have material adverse effect on the position of our Company

1. Our Company has filed a letters patent appeal dated April 30, 2010 before the Delhi High Court in relation to the application filed by K. Lall under the Right to Information Act, 2005 (“**RTI Act**”) seeking information from our Company. K. Lall filed an application under the RTI Act seeking information from our Company. Our Company informed him that RTI Act is not applicable to our Company as it is not a public authority under the RTI Act. The matter was heard by the Central Information Commission (“**CIC**”), whereby the CIC through its order dated June 7, 2007 held that our Company was a “public authority” under the RTI Act (“**Order 1**”). Aggrieved by Order 1, our Company filed a writ petition before the Delhi High Court. The Delhi High Court through its order dated April 15, 2010 dismissed the writ petition and upheld our Company as a public authority on grounds that it is an authority or institution established by notification or order issued by the appropriate government and is controlled by the appropriate government and thus falls within the ambit of the definition of “public authority” (“**Order 2**”). Aggrieved by Order 2, our Company filed a letters patent appeal dated April 30, 2010 before the Delhi High Court seeking to quash Order 2. The Delhi High Court by its interim order dated May 4, 2010 (“**Order 3**”) imposed a stay on Order 1 and Order 2. Thereafter, the Delhi High Court by its order dated August 21, 2012 made Order 3 absolute until the disposal of the appeal. The matter is currently pending.

Matters involving our Company pursuant to our regulatory function

We are involved as a party in certain proceedings pursuant to our regulatory function. These matters are in relation to (i) cases challenging the validity of SEBI directives or the bye-laws of our Company, (ii) cases challenging the validity of the arbitral awards / arbitration petitions filed under section 34 of the Arbitration and Conciliation Act, 1996, where such arbitration proceedings have been conducted in accordance with the bye-laws of our Company, (iii) cases challenging the attachment of assets of trading members available with our Company by courts or official liquidator or any other authority on the ground that such assets are required to be dealt in the manner stipulated by the bye-laws of our Company, (iv) cases filed before various consumer forums for deficiency of services and (v) cases challenging the actions taken by our Company against various complainants such as disciplinary action, suspension of trading.

Other matters involving an amount below ₹ 97.5 million

Other matters involving our Company (other than matters involving our Company pursuant to our regulatory function) relate to, *inter alia*, claims filed by investors relating to recovery of amount from the collaterals of members deposited with our Company or out of the investor protection fund. The matters are filed before various

forums and are currently pending at various stages.

Default and non-payment of statutory dues etc. by our Company

There have been no instances of defaults or non-payment of statutory dues by our Company. Our Company is in the process of updating the data/errors displayed on TDS Reconciliation Analysis and Correction Enabling System TRACES website for short / non-deduction of TDS.

Litigation filed by our Company

Criminal matters

1. An ex-employee, who was the Assistant Vice President of our Company, on behalf of our Company (the “**Complainant**”) has filed an FIR dated July 5, 1997 against the directors and promoters of Vipul Securities Limited (“**VSL**”) (collectively, the “**Accused**”) at N.M. police station, Mumbai, *inter alia*, under Sections 465, 467, 468, 471, 411, 420 and 120B of the IPC in respect of alleged criminal conspiracy by delivering forged and stolen shares to our Company and causing wrongful loss to our Company to the tune of ₹ 221.9 million. Subsequently, the investigating officer filed a discharge application dated January 20, 2005 before the Additional Chief Metropolitan Magistrate, Mumbai (the “**Magistrate**”) seeking discharge of one of the directors of VSL, Mr. Vipul Maheshwari, which was dismissed by the Magistrate. The matter is currently pending. Our Company and NSCCL have also filed a recovery suit against Vipul Securities Limited, Mirage Services Private Limited (formerly known as Vipul Holdings Limited) and others before the Bombay High Court in relation to recovery of amount for delivery of fake, forged or stolen shares. For further details, see “Outstanding Litigation and Material Developments - Litigation involving our Company - Litigation filed by our Company - Other matters involving an amount exceeding ₹ 97.5 million” on page 457.
2. Our Company filed two appeals dated April 30, 2016 and July 8, 2016 before the Delhi High Court in relation to misappropriation of shares by Maxwell Securities Private Limited, a trading member of our Company (“**MSPL**”), Tarun Goyal, director of MSPL and others (collectively, the “**Accused**”). Our Subsidiary, NSCCL had entrusted certain shares to MSPL, which upon request, MSPL failed to return these shares to NSCCL despite several reminders. Subsequently, our Company filed an FIR dated September 4, 1997 before the Defence Colony Police Station, Delhi against the Accused under Sections 406, 419, 420, 468, 471, 477A and 120B of the IPC in relation to misappropriation of shares by manipulating the records of MSPL and fraudulently selling these shares in the open market via bogus companies for personal benefit thereby causing loss to our Company. Thereafter, the matter was heard by Chief Metropolitan Magistrate, New Delhi which framed charges against the Accused under Sections 120B and 409 of the IPC (the “**Magistrate Order**”). Subsequently, the Accused had filed a criminal revision petition before the Additional Sessions Judge, Saket district which set aside the Magistrate Order and discharged the Accused (the “**Sessions Order**”). Accordingly, our Company has filed the aforesaid appeals before the Delhi High Court. The matters are currently pending.

Other matters involving an amount exceeding ₹ 97.5 million

1. Our Company and our Subsidiary, NSCCL (collectively, the “**Plaintiffs**”) have filed a recovery suit dated July 29, 1998 (the “**Suit**”) against Vipul Securities Limited, Mirage Services Private Limited (formerly known as Vipul Holdings Limited) and others (collectively, the “**Defendants**”) before the Bombay High Court in relation to recovery of amount from the Defendants. The Plaintiffs at various instances received shares which were returned by various brokers/ members to the Plaintiffs. Such brokers/ members had alleged that the shares delivered by the Defendants, who were acting as the selling brokers and trading members, were fake, forged or stolen. The Defendants had replaced certain of such returned shares, whilst the shares which were not replaced were purchased by the Plaintiffs in an auction. Since the Defendants did not have sufficient funds, the shares which were not replaced were to be purchased by the Plaintiffs at their own account. Accordingly, the Plaintiffs filed the Suit to recover the claim of ₹ 205.4 million from the Defendants along with interest and sought for an injunction order restraining the Defendants from alienating their assets. The Bombay High Court, through its order dated June 10, 2014, observed that since the Defendants had not filed their written statement, the Plaintiffs were entitled to an ex parte order. Further, in respect of a winding up petition filed against Vipul Securities Limited, our Company has filed a company application before the Bombay High Court seeking permission to proceed with the recovery suit, which has been admitted by the Bombay High Court. The amount involved in the matter is ₹ 205.4 million. The matters are currently pending before the Bombay High Court. Our Company has also filed an FIR against the directors and promoters of Vipul Securities Limited in respect of alleged criminal conspiracy by delivering forged and stolen shares at our Company and causing wrongful loss to our Company. For further details, see “Outstanding Litigation and Material Developments - Litigation involving our Company- Litigation filed by our Company- Criminal matters” on page 457.
2. Our Company has filed an appeal in September 2015 before the Division bench of the Bombay High Court in relation to certain articles published against our Company. Our Company had filed a defamation suit dated July 21,

2015 (the “**Suit**”), along with notice of motion (the “**Notice of Motion**”) before the single bench of the Bombay High Court against Moneywise Media Private Limited and its editors, namely, Sucheta Dalal and Debashish Basu (collectively, the “**Respondents**”) seeking interim reliefs in relation to certain articles published by the Respondents in June and July, 2015 which contained allegations that our Company facilitated high frequency trades in an illegal manner and allowed select brokers to receive market data earlier than others, thereby allowing such brokers to make illegal profits. The interim reliefs sought included an order of injunction directing the Respondents to cease and desist from publishing of such articles and sought damages from the Respondents amounting to ₹ 1,000 million along with interest at the rate of 12% from July 8, 2015 till the payment of the said amount. A single judge of the Bombay High Court, through its order (the “**Order**”) dismissed the Notice of Motion and ordered our Company to pay ₹ 0.2 million to each of the two editors and ₹ 4.7 million as punitive and exemplary costs towards public causes within a period of two weeks. Subsequently, our Company filed an appeal against the Order along with a notice of motion seeking interim stay on the Order before the Division Bench of the Bombay High Court (“**Division Bench**”). The Division Bench through its order dated September 21, 2015 granted an interim stay (“**Stay Order**”) on the imposition of costs through the Order. Thereafter, the Division Bench through its order dated March 3, 2016 directed that the Stay Order shall continue until the matter is heard next. The amount involved in the matter is ₹ 1,180 million. The matter is currently pending.

Other matters involving an amount below ₹ 97.5 million

Two matters have been filed by our Company in relation to the recovery and winding-up petitions against defaulter members. The matters are filed before various forums and are currently pending at various stages.

II. Litigation involving our Subsidiaries

A. Litigation involving NSCCL

Litigation filed against NSCCL

Criminal matters

1. Surendra Kumar Jain, on behalf of Rusoday Rusoday had filed a complaint dated May 18, 2002 before the Chief Metropolitan Magistrate, Calcutta against our Company, one of our Subsidiaries, NSCCL, J Ravichandran, Ravi Narain and others under Sections 406, 511 and 34 of the IPC alleging that the properties entrusted by Rusoday in the form of security deposits, bank guarantees and shares have been dishonestly disposed of by our Company and NSCCL in violation of the provisions of SCRA. For further details, see “Outstanding Litigation and Material Developments - Litigation involving our Company- Litigation filed against our Company- Criminal matters” on pages 450 and 451.

Other matters involving an amount exceeding ₹ 97.5 million:

1. Stanley Credit Capital Limited has filed a suit before the Calcutta High Court against our Company, our Subsidiary, NSCCL and others, in relation to the securities withheld by our Company and NSCCL. For further details, see “Outstanding Litigation and Material Developments - Litigation involving our Company- Litigation filed against our Company- Other matters involving an amount exceeding ₹ 97.5 million” on page 455.
2. Prabhudas Lilladher Private Limited and Arun Sheth, managing director and shareholder of Prabhudas Lilladher Private Limited have filed a writ petition in April 2004 against our Company and one of our Subsidiaries, NSCCL (together, the “**Respondents**”) before the Bombay High Court alleging wrongful annulment of trades by the Respondents. For further details, see “Outstanding Litigation and Material Developments - Litigation involving our Company - Litigation filed against our Company- Other matters involving an amount exceeding ₹ 97.5 million” on page 455.
3. Prime Broking Company (India) Limited (“**Prime**”), a trading and clearing member of our Company, has filed a suit dated October 18, 2013 before the Bombay High Court against our Company and one of our Subsidiaries, NSCCL seeking a monetary decree of ₹ 1,525.7 million along with interest by way of damages for loss caused due to NSCCL’s declaration of Prime as a defaulter. For further details, see “Outstanding Litigation and Material Developments - Litigation involving our Company- Litigation filed against our Company - Other matters involving an amount exceeding ₹ 97.5 million” on pages 455 and 456.

Actions by regulatory / statutory authorities

SEBI through its letter dated May 7, 2015 required NSCCL to clarify *inter alia*, as to (i) why loss caused to NSCCL due to default of Prime Broking Company (India) Limited (“**Prime**”), a trading and clearing member of our Company was not written off as bad debts, as mentioned in the notes to financial statements for the Financial year 2013-14 and instead directly appropriated against the amount receivable from our Company towards contribution of

settlement guarantee fund (the “SGF”); and (ii) how the allocation of loss arising due to default by NSCCL was in consonance with the default waterfall mechanism contained in the bye-laws of NSCCL. NSCCL, through its reply dated May 25, 2015 *inter alia* stated that (i) in terms of Regulation 39(5) of the SECC Regulations, the appropriation of loss from the contribution of SGF is a valid security for NSCCL, in case of settlement default by members that (ii) allocation of loss was in accordance the waterfall mechanism as contained in the applicable bye-laws of NSCCL as NSCCL had utilised the amount paid in the form of margin and deposits by Prime and dues amounting to ₹ 723.8 million were appropriated from the contribution to the SGF, which was provisionally receivable by the Company under the SECC Regulations. Subsequently, SEBI through its letter dated November 10, 2015 sought additional clarifications from NSCCL, *inter alia*, on the accounting treatment and compliance with the default waterfall mechanism under the bye-laws of NSCCL. NSCCL through its reply dated November 26, 2015, *inter alia* submitted that the provisions of the bye-laws pertaining to the utilisation of the settlement fund are subject to the relevant provisions of the SECC Regulations and that it has complied with the same. Thereafter, SEBI through its letter dated December 6, 2016 issued to NSCCL observed that the allocation of loss due to default of Prime was not in conformity with the bye-laws of NSCCL. Further, NSCCL was advised to bring the SGF up to the level that is required by allocating the loss according to its bye-laws. In addition, as regards transfer of penalties of ₹ 593.7 million to SGF, SEBI required NSCCL to transfer the balance amount of ₹ 241 million to the SGF from its reserves by December 31, 2016 and intimate compliance of the same to SEBI within 7 days thereof. SEBI further advised NSCCL to exercise caution and ensure full compliance with the rules, regulations and circulars issued by SEBI to avoid recurrence of such instances. The amount involved in the matter is ₹ 241 million.

Litigation filed by NSCCL

Criminal matters

1. Our Subsidiary, NSCCL (the “**Petitioner**”) has filed a special leave petition (“**SLP**”) dated October 17, 2013 before the Supreme Court against the order passed by the Bombay High Court on August 22, 2013 dismissing the criminal application filed by the Petitioner against, *inter alia*, Economic Offence Wing, Mumbai (the “**EOW**”), Prime Broking Company (India) Limited (“**Prime**”) and others (collectively, the “**Accused**”). Prime, a trading and clearing member on the Future and Options segment of NSCCL failed to perform its obligations owed to the Petitioner, pursuant to which the Petitioner started liquidating shares of Gitanjali Gems Limited pledged with the Petitioner by Prime (the “**Pledged Shares**”). Consequently, the EOW had issued an order under Section 102 of the CrPC directing our Company to freeze the sale of the Pledged Shares on the basis of complaints received from Sarvin Mercantile Private Limited and Trusha Infrastructure Private Limited, claiming that the Pledged Shares belonged to them (the “**EOW Order**”). Aggrieved by the EOW Order, the Petitioner filed a criminal application dated May 8, 2013 under Section 482 of CrPC before the Bombay High Court which was dismissed stating that the Petitioner had an alternate remedy existing and there was no requirement to invoke inherent power of the Bombay High Court. Accordingly, the Petitioner has filed the SLP. Subsequently, the Supreme Court by an order dated September 18, 2015 permitted the Petitioner to dispose of the Pledged Shares, which would be without prejudice to the rights and contentions of the parties in the SLP, and directed that the sale proceeds be deposited with the registry of the Supreme Court in the form of a fixed deposit for a period of one year in the first instance. Accordingly, the Petitioner sold the Pledged Shares and has realized approximately ₹ 61.9 million and deposited the said amount as directed. The SLP will be listed for the final hearing in due course. The matter is currently pending. Prime has also filed a suit before the Bombay High Court against our Company and NSCCL. For further details, see “Outstanding Litigation and Material Developments - Litigation involving our Company - Litigation filed against our Company - Other matters involving an amount exceeding ₹ 97.5 million” on pages 455 and 456. Further, NSCCL has also filed a suit before the commercial division of the Bombay High Court against Prime. For further details, see “Outstanding Litigation and Material Developments - Litigation involving our Subsidiaries - Litigation involving NSCCL - Litigation filed by NSCCL - Other matters involving an amount exceeding ₹ 97.5 million” on pages 459 and 460.

Other matters involving an amount exceeding ₹ 97.5 million:

1. Our Subsidiary, NSCCL (the “**Plaintiff**”) has filed a suit dated June 28, 2016 before the commercial division of the Bombay High Court against Prime Broking Company (India) Limited (“**Prime**”), a trading and clearing member of our Company for recovery of losses caused to the Plaintiff on account of defaults by Prime. Prime had a settlement shortfall of ₹ 947.9 million in respect of option contracts, which it could not pay and consequently, the Plaintiff issued a show cause notice to Prime for declaring it as a defaulter. Prime admitted liability to the extent of ₹ 909.0 million. Accordingly, the Plaintiff has claimed an amount of ₹ 1,804.3 million along with interest by way of damages along with an injunction restraining Prime from alienating its assets and a direction to appoint receiver including the power to take possession and undertake sale of the assets of Prime. The amount involved in this matter is ₹ 1,804.3 million. Since Prime had become commercially insolvent, the Plaintiff also filed a winding up petition before the Bombay High Court against Prime and the same was admitted by the Bombay High Court. Aggrieved by the same, Prime filed an appeal before the Bombay High Court seeking a stay on the proceedings in the winding up petition pending the disposal of the appeal. The matters are currently pending. NSCCL has also filed a special leave petition before the Supreme Court against Prime and others. For further details, see “Outstanding Litigation and

Material Developments - Litigation involving our Subsidiaries - Litigation involving NSCCL - Litigation filed by NSCCL – Criminal Matters” on page 459. Further, Prime has filed a suit before the Bombay High Court against our Company and NSCCL. For further details, see “Outstanding Litigation and Material Developments - Litigation involving our Company - Litigation filed against our Company - Other matters involving an amount exceeding ₹ 97.5 million” on page 455 and 456.

2. Our Company and our Subsidiary, NSCCL have filed a recovery suit against Vipul Securities Limited, Mirage Services Private Limited (formerly known as Vipul Holdings Limited) and others before the Bombay High Court. For further details, see “Outstanding Litigation and Material Developments - Litigation involving our Company- Litigation filed by our Company- Other matters involving an amount exceeding ₹ 97.5 million” on page 457.

III. Litigation involving our Group Companies

Disclosure of litigation involving our Group Companies: Our Board has approved that the outstanding litigation involving our Group Companies which exceed an amount being lesser of 1% of the total net profit after tax or 1% of the net worth of our Company, as per the restated financial statements of our Company (as at and for the Financial Year 2016), on a consolidated basis would be considered material for our Group Companies. Accordingly, we have disclosed all material outstanding litigation involving our Group Companies where (i) the aggregate amount involved exceeds ₹ 97.5 million (being an amount which is less than 1% of the total net profit after tax and 1% of the net worth of our Company as per the Restated Financial Information of our Company (as of and for the Financial Year 2016) individually, (ii) the decision in one case is likely to affect the decision in similar cases, even though the amount involved in that individual litigation may not exceed ₹ 97.5 million; and (iii) all other outstanding litigation which may not meet the specific threshold and parameters as set out in (i) or (ii) above, but where an adverse outcome would materially and adversely affect the business, operations or financial position or reputation of our Company.

On basis of the above, the following litigation involving our Group Companies have been disclosed: (i) outstanding litigation above the materiality threshold or any other outstanding litigation involving such Group Company whose outcome could have a material and adverse effect on our Company’s consolidated results of operations or financial position; (ii) outstanding criminal proceeding; (iii) actions taken by statutory or regulatory authorities; (iv) outstanding litigation involving taxation matters; and (v) other pending litigation in a consolidated summary and indicative manner.

A. Litigation involving Power Exchange India Limited

Litigation filed against PXIL

Actions by regulatory / statutory authorities

1. SEBI (erstwhile Forward Market Commission (“FMC”)) issued a show cause notice (the “Notice”) in October, 2009 to Rupa Devi Singh, the former managing director of PXIL in relation to launching term ahead electricity deliverable contracts (the “Contracts”) on PXIL platform without complying with the provisions of the Forward Contract (Regulation) Act, 1952 (“FCRA”). PXIL had intimated FMC that the Contracts were commenced on the PXIL platform pursuant to receipt of necessary approval from the Central Electricity Regulatory Commission, being the regulatory body for power market. However, upon receipt of the Notice, PXIL immediately withdrew the Contracts. FMC alleged that the Contracts, being in the nature of forward contracts, fall within its jurisdiction and accordingly, the provisions of the FCRA are required to be complied with. The matter is currently pending.

Other matters

There are no outstanding litigations involving PXIL exceeding ₹ 97.5 million.

Other matters involving PXIL are pending before various forums including the Supreme Court, the Bombay High Court, the Central Electricity Regulatory Commission and the Maharashtra Electricity Regulatory Commission including in relation to the jurisdiction of statutory authorities over futures and forward contracts in electricity and permission to carry on the operations of web-based over the counter market under the provisions of the Electricity Act. The matters are currently pending.

Litigation filed by PXIL

Other matters

There are no outstanding litigations involving PXIL exceeding ₹ 97.5 million.

Other matters involving PXIL are pending before various forums including the Supreme Court and the Maharashtra

Electricity Regulatory Commission including in relation to the jurisdiction of statutory authorities over futures and forward contracts in electricity and permission to commence and operate intra-State power market in the State of Maharashtra.

B. Litigation involving Computer Age Management Services Private Limited

Litigation filed against Computer Age

Criminal matters

1. The centre head of Computer Age (the “**Accused**”) has filed a revision petition dated July 29, 2016 before the District Judge, Chattisgarh in relation to revision of admission of criminal complaint filed by Gaya Prasad (the “**Complainant**”). The Complainant has filed a criminal complaint dated August 8, 2016 before the Judicial Magistrate, Chattisgarh (“**Magistrate**”) against the Accused and four officials of SBI Mutual Fund in relation to offences committed under Sections 418, 420, 467, 468 and 34 of IPC alleging unauthorised redemption of investments in SBI Mutual Fund for ₹ 0.5 million without the knowledge of the investor. The Magistrate initiated prosecution proceedings against the Accused and others. Accordingly, the Accused had filed a revision petition against the prosecution proceedings. The matter is currently pending.

Other matters

There are no outstanding litigations involving Computer Age exceeding ₹ 97.5 million.

Other matters involving Computer Age relate to consumer complaints pending before various district and state consumer dispute redressal forums in relation to alleged deficiency of services. The matters are currently pending.

Litigation filed by Computer Age

Criminal matters

1. Computer Age (the “**Complainant**”) has filed an FIR dated April 27, 2016 before the Andheri Police Station, Mumbai against Hamish (the “**Accused**”) in relation to the forgery done by the Accused by redeeming the investments of the deceased investor under Sections 420, 465, 467, 468 and 34 of IPC. The matter is currently pending.

Other matters

There are no outstanding litigations involving Computer Age exceeding ₹ 97.5 million.

Other matters involving Computer Age relate to, *inter alia*, arbitration proceeding for refund of security deposit and damages from the licensor due to early termination on account of unauthorized construction, and defamation suit in relation to publishing defamatory materials against Computer Age. The matters are currently pending.

C. Litigation involving NSDL e-Governance

Litigation filed against NSDL e-Governance

Other matters

There are no outstanding litigations involving NSDL e-Governance exceeding ₹ 97.5 million.

Other matters involving NSDL e-Governance relate to, *inter alia*, consumer complaints pending before various district and state consumer dispute redressal forums in relation to alleged deficiency of services, civil matters in relation to seeking release of the retirement benefits (gratuity and pension) and/or terminal benefits from the government before the Central Administrative Tribunal. The matters are currently pending.

IV. Litigation involving our Directors

Disclosure of litigation involving our Directors: Our Board has approved that the outstanding litigation involving our Directors which exceed an amount being lesser of 1% of the profit after tax and 1% of the net worth of our Company, as per the restated financial statements of our Company (as at and for the Financial Year 2016), on a consolidated basis would be considered material for our Directors. Accordingly, we have disclosed all material outstanding litigation involving our Directors where (i) the aggregate amount involved exceeds ₹ 97.5 million (being an amount which is less than 1% of the total consolidated net profit after tax and 1% of the consolidated net worth of our Company as per the Restated Financial Information of our Company (as of and for the Financial Year 2016) individually, (ii) the decision in one case is likely to affect the decision in similar cases, even though the amount

involved in that individual litigation may not exceed ₹ 97.5 million; and (iii) all other outstanding litigation which may not meet the specific threshold and parameters as set out in (i) or (ii) above, but where an adverse outcome would materially and adversely affect the business, operations or financial position or reputation of our Company.

On basis of the above, the following litigation involving our Directors have been disclosed: (i) outstanding litigation above the materiality threshold or any other outstanding litigation involving such Director whose outcome could have a material and adverse effect on our Company's consolidated results of operations or financial position; (ii) outstanding criminal proceeding; (iii) actions taken by statutory or regulatory authorities; (iv) outstanding litigation involving taxation matters; and (v) other pending litigation in a consolidated summary and indicative manner.

A. Litigation filed against our Directors

Litigation filed against Ravi Narain

Criminal matters

1. Surendra Kumar Jain, on behalf of Rusoday, the then trading member of our Company, had filed a complaint dated May 18, 2002 before the Chief Metropolitan Magistrate, Calcutta against our Company, one of our Subsidiaries, NSCCL, Ravi Narain, J Ravichandran and others under Sections 406, 511 and 34 of the IPC alleging that the properties entrusted by Rusoday in the form of security deposits, bank guarantees and shares have been dishonestly disposed of by our Company and NSCCL in violation of the provisions of SCRA. For further details, see "Outstanding Litigation and Material Developments - Litigation involving our Company- Litigation filed against our Company- Criminal matters" on page 451.
2. Surendra Kumar Jain, on behalf of Rusoday Securities Limited, the then trading member of our Company had filed a complaint in 2003 before the Metropolitan Magistrate, Calcutta against, *inter alia*, our Company, Ravi Narain, J Ravichandran, Oriental Insurance Company Limited and others for criminal breach of trust and criminal conspiracy under Sections 406 and 120B of the IPC. For further details, see "Outstanding Litigation and Material Developments - Litigation involving our Company- Litigation filed against our Company- Criminal matters" on pages 450 and 451.
3. Elegant Industries Private Limited has filed a criminal revision application in January, 2008 before the Bombay High Court in relation to the alleged criminal breach of trust and criminal conspiracy with respect to possession of property by our Company, one of the Directors of our Company, Ravi Narain and others. For further details, see "Outstanding Litigation and Material Developments - Litigation involving our Company- Litigation filed against our Company- Criminal matters" on page 451.

Tax Proceedings:

We have disclosed claims relating to direct and indirect taxes involving our Company, Subsidiaries, Group Companies and Directors, in a consolidated manner giving details of the number of cases and total amount involved in such claims:

Nature of Case	Number of Cases	Amounts Involved (in ₹ million)
Company		
Direct Tax*	31	503.8
Indirect Tax	4	397.5
Subsidiaries		
Direct Tax	18	92.6
Indirect Tax	4	5.1
Group Companies		
Direct Tax	13	95.4
Indirect Tax	8	792.5
Directors		
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil

*As regards fringe benefit tax and securities transaction tax, although the number of cases is mentioned as nil but as the time for filing appeal by the income tax department has not been expired, the contingent tax claim has been considered.

V. Small scale undertakings or any other creditors

Company, in its ordinary course of business, has outstanding dues aggregating to ₹ 1,012.4 million as of September 30, 2016. Company owes the following amounts, whereby material dues to creditors are identified as each creditor exceeding ₹ 8.1 million (being less than 1% of total dues owed by our Company to the small scale undertakings and

creditors as of September 30, 2016).

Particulars	Number of Cases	(₹ in million)
Dues to small scale undertakings	1	1.0
Material dues to creditors	23	718.7
Other dues to creditors	713	292.7
Total	737	1,012.4

The details pertaining to material dues to creditors are available on the website of our Company at www.nseindia.com/global/content/investor_rel/nseil_disc_others.htm. It is clarified that such details available on our website do not form a part of this Draft Red Herring Prospectus. Anyone placing reliance on any other source of information, including our Company's website, would be doing so at their own risk.

VI. Material Developments

For details of material developments since last balance sheet date, see "Management's Discussion and Analysis of Financial Condition and Results of Operations" on page 449.

GOVERNMENT AND OTHER APPROVALS

We have set out below an indicative list of material approvals obtained by our Company and our Subsidiaries. The indicative approvals set out below are obtained by our Company and our Subsidiaries, as applicable, for the purposes of undertaking their respective business. This also includes certain approvals issued by SEBI to stock exchanges by way of circulars. In view of these approvals, our Company can undertake this Offer and our Company and its Subsidiaries can undertake their respective current business activities. We have disclosed below pending approvals which have been applied for by our Company and our Subsidiaries and approvals that are required but not obtained.

I. Approval for the Offer

For the approvals and authorisations obtained by our Company in relation to the Offer, see “Other Regulatory and Statutory Disclosures – Authority for the Offer” on page 470.

II. Incorporation details of our Company

1. Certificate of incorporation dated November 27, 1992 issued by the RoC to our Company.
2. Certificate for commencement of business dated March 2, 1993 issued by the RoC to our Company.

III. Business related approvals obtained by our Company

Our Company requires various approvals to carry on its business in India. Our Company has received the following significant approvals pertaining to its business:

(a) Regulatory approvals

A. Recognition approval

1. SEBI approval dated April 17, 2008 for renewal of recognition as a stock exchange on a permanent basis under Section 3 of the SCRA with effect from April 26, 2008. Prior to this, our Company was granted recognition as a stock exchange on April 26, 1993, which was subsequently renewed with effect from April 26, 1998 and April 23, 2003, each time for a period of five years.

B. Listing approval

1. SEBI approval dated November 21, 2016 permitting listing of the Equity Shares on a recognised stock exchange, in terms of Regulation 45(1)(c) of the SECC Regulations.

C. Segment related approvals

Approvals obtained by our Company

i. Debt Segment

1. SEBI approval for introduction and maintenance of corporate bond market-reporting platform, pursuant to the SEBI circular dated March 1, 2007.
2. SEBI approval for maintaining corporate bond market-trading platform, pursuant to the SEBI circular dated April 13, 2007.
3. SEBI approval for clearing and settlement of trades in corporate bonds through clearing corporations, pursuant to the SEBI circular dated October 16, 2009.

Approvals obtained by our Company and NSCCL

While the approvals mentioned below were applied for in relation to our Company and NSCCL, our wholly-owned Subsidiary, a majority of these approvals have been received in the name of our Company.

ii. Futures and Options Segment

1. SEBI approval dated April 19, 2000 for launching Futures Contracts on S&P CNX Nifty Index.

2. SEBI approval dated May 25, 2000 for introduction of Futures & Options segment.
3. SEBI approval dated February 1, 2001 for launching European style, cash settled option contract on S&P CNX Nifty Index.
4. SEBI approval dated June 28, 2001 for launching American style individual stock option contract on 31 stocks.
5. SEBI approval dated November 7, 2001 for introduction of single stock Futures contracts on 31 stocks.
6. SEBI approval dated March 5, 2004 for introduction of interest rate derivatives contracts on a notional bond priced off a basket of government securities on the Futures & Options segment of our Company.
7. SEBI approval dated May 17, 2005 for introduction of European style, cash settled options contracts and cash settled futures contracts on CNX Bank Index.
8. SEBI approval dated September 5, 2007 to launch Futures & Options contracts on 'Nifty Midcap 50' Index.
9. SEBI approval dated February 8, 2008 for introduction of long term Options Contracts on S&P CNX Nifty Index.
10. SEBI approval dated August 26, 2008 for setting up of exchange traded Currency Derivatives segment (currency futures).
11. RBI approval dated August 27, 2008 to undertake activities relating to trading of currency futures contracts.
12. RBI approval dated October 26, 2010 to undertake activities in relation to trading of currency options contracts.
13. SEBI approval dated March 18, 2011 to launch Futures & Options contracts on CNX PSE Index.
14. SEBI approval dated May 16, 2011 for introduction of Futures contracts on Dow Jones Industrial Average and S&P 500 indices.
15. SEBI approval dated August 10, 2011 for introduction of options contracts on S&P 500 Index.
16. SEBI approval dated March 7, 2012 for introduction of Futures and options contracts on FTSE 100 Index.
17. SEBI approval dated January 20, 2014 for introduction of Futures contracts on India VIX.
18. SEBI approval dated April 27, 2016 for introduction of weekly derivatives on Nifty Bank Index.
19. SEBI approval dated December 9, 2016 for introduction of Futures and options contracts on Nifty CPSE Index.

iii. *Currency derivatives segment*

1. SEBI approval dated January 29, 2010 for introduction of currency Futures on Euro-INR, Pound Sterling-INR and Japanese Yen-INR.
2. SEBI approval dated October 11, 2010 for introduction of options on USD-INR Spot Rate, an exchange traded currency option.
3. SEBI approval dated May 10, 2011 for introduction of Futures contracts on 91-day GoI Treasury bill in Currency Derivative segment.

4. SEBI approval dated January 9, 2014 for introduction of cash settled interest rate Futures contracts on 10-year GoI security.
5. SEBI approval dated July 28, 2015 for introduction of cash settled interest rate Futures contracts on 6-year and 13- year GoI security.

D. *Platforms related approvals*

Approvals obtained by our Company

1. SEBI approval dated October 14, 2011 for setting up SME platform.
2. SEBI approval for listing of specified securities of SME on the institutional trading platform in a SME Exchange without making an IPO, pursuant to the SEBI circular dated October 24, 2013.
3. Letter dated March 22, 2016 issued by SEBI indicating its no objection to our Company acting as a receiving office for sovereign gold bonds schemes.
4. SEBI approval dated June 20, 2016 for registration as an electronic book provider for issuance of debt securities on a private placement basis.

Approvals obtained by our Company and NSCCL

1. SEBI approval for allowing the offer of sale of shares by promoters through the stock exchange mechanism, pursuant to the SEBI circular dated February 1, 2012.

E. *Mutual Funds related approvals*

Approvals obtained by our Company and NSCCL

1. SEBI approval for facilitating transactions in mutual fund schemes for trading members through the stock exchange infrastructure, pursuant to the SEBI circular dated November 13, 2009.
2. SEBI approval for facilitating transactions in mutual fund schemes for clearing members through the stock exchange infrastructure, pursuant to the SEBI circular dated November 9, 2010.
3. SEBI approval for allowing mutual fund distributors to use recognised stock exchanges' infrastructure to purchase and redeem mutual fund units directly from mutual fund/ asset management companies on behalf of their clients, pursuant to the SEBI circular dated October 4, 2013.

F. *Others*

1. SEBI approval dated April 27, 2016 for introduction of market making in corporate bonds.

(b) *Other Approvals*

1. Our Company has obtained various tax related approvals including, permanent account number, service tax registration issued by the Central Board of Excise and Customs.
2. Our Company has obtained shops and establishments certificates and other labour related approvals under relevant state legislations, which may be subject to periodic renewals, as per applicable law.

Certain records of our regulatory approvals, including key approvals received from SEBI in relation to exchange traded interest rate futures segment, NIFTY IT and NIFTY Infrastructure futures and options segment are not traceable. For further details, see "Risk Factors - Some of the records of our regulatory approvals are not traceable" on page 40.

Pending approvals of our Company

Our Company and NSCCL are involved in the introduction of new products from time to time. Accordingly, our

Company and NSCCL file applications with the SEBI and/ or the RBI for introduction of such new products. As of the date of this Draft Red Herring Prospectus, our Company and NSCCL have, individually and jointly, filed applications with SEBI for obtaining approvals for introduction of various products, including in relation to introduction of futures and options on certain indices and segments. Such applications are pending receipt of approval from SEBI. Accordingly, our Company and NSCCL shall launch these products and introduce the segments upon receipt of requisite approvals from SEBI.

In addition to the above, as regards, incorporation of NSE IFSC Limited, our Company has filed an application dated October 25, 2016 filed by our Company with SEBI for receiving an in-principle approval for setting up of stock exchange in the International Financial Service Center in Gujarat International Finance Tech-City (GIFT) Special Economic Zone.

IV. Approvals in relation to our Subsidiaries

1. NSCCL

A. Incorporation

1. Certificate of incorporation dated August 31, 1995 issued by the RoC.
2. Certificate of commencement of business dated September 19, 1995 issued by the RoC.

B. Recognition approval

1. Renewal of recognition dated September 30, 2016 to act as a clearing corporation issued by SEBI under SECC Regulations for a period of one year commencing October 3, 2016 and valid until October 2, 2017.
2. Certificate of registration dated July 27, 2012 to act as a depository participant issued by SEBI.
3. Renewal of registration dated June 20, 2016 to act as an approved intermediary under the Securities Lending Scheme, 1997 issued by SEBI for a period of three years commencing June 21, 2016 and valid until June 20, 2019.

C. Segment related approvals

1. For further details, see approvals in “Government and Other Approvals - Business Related Approvals of our Company - Regulatory approvals - Segment related approval s- Approvals obtained by our Company and NSCCL”.

D. Platforms related approvals

1. For further details, see the SEBI circular in “Government and Other Approvals - Business Related Approvals of our Company - Regulatory approvals - Platforms related approvals - Approvals obtained by our Company and NSCCL”.

E. Mutual Funds related approvals

1. For further details, see the SEBI circular in “Government and Other Approvals - Business Related Approvals of our Company - Regulatory approvals - Mutual Funds related approvals - Approvals obtained by our Company and NSCCL”.

Pending approvals of NSCCL

1. Application dated October 25, 2016 filed by NSCCL with SEBI for receiving an in-principal approval for setting up of NSE IFSC Clearing Corporation in Gujarat International Finance Tech-City (GIFT) Special Economic Zone.

2. NSE Strategic Investment Corporation Limited

1. Certificate of incorporation dated January 31, 2013 issued by the RoC.
2. Certificate for commencement of business dated February 12, 2013 issued by the RoC.
3. RBI approval dated December 2, 2015 to set up and operate trade receivables discounting system

under the Payment and Settlement Systems Act, 2007.

3. **India Index Services and Products Limited**

1. Certificate of incorporation dated May 18, 1998 issued by the RoC.
2. Certificate for commencement of business dated July 14, 1998 issued by the RoC.

4. **DotEx International Limited**

1. Certificate of incorporation dated June 2, 2000 issued by the RoC.
2. Certificate for commencement of business dated July 4, 2000 issued by the RoC.
3. Certificate of registration dated February 28, 2012 to act as a KYC Registration Agency issued by SEBI for a period of five years commencing February 28, 2012 and valid until February 27, 2017.

5. **NSE Academy Limited**

1. Certificate of incorporation as NSE Educational Facilities Limited dated March 12, 2016 issued by the RoC.
2. Fresh certificate of incorporation dated May 17, 2016 issued by the MCA upon change of its name from 'NSE Educational Facilities Limited' to 'NSE Academy Limited'.

6. **NSEIT Limited**

1. Certificate of incorporation as NSE.IT Limited dated October 29, 1999 issued by the RoC.
2. Certificate for commencement of business dated November 5, 1999 issued by the RoC.
3. Fresh certificate of incorporation dated March 10, 2016 issued by the MCA upon change of its name from 'NSE.IT Limited' to 'NSEIT Limited'.

7. **NSEIT (US) Inc.**

1. Certificate of formation as NSE.IT (US) Inc. dated December 4, 2006 issued by the Secretary of State.
2. Certificate for filing dated April 29, 2016 issued by the Secretary of State upon change of its name from 'NSE.IT (US) Inc.' to 'NSEIT (US) Inc.'.

8. **NSE Infotech Services Limited**

1. Certificate of incorporation dated August 2, 2006 issued by the RoC.
2. Certificate for commencement of business dated August 17, 2006 issued by the RoC.

9. **NSE IFSC Limited**

1. Certificate of incorporation dated November 29, 2016 issued by the Registrar of Companies, Gujarat situated at Ahmedabad.
2. Approval dated December 23, 2016 issued by Development Commissioner, Kandla Special Economic Zone for setting up of IFSC Exchange in Gujarat International Finance Tech-City (GIFT) multi services Special Economic Zone. The approval is valid for a period of one year from the date of issue, within which the project is to be commenced, and is valid for a period of five years from the date of commencement of business or operation. The approval is subject to all required approvals/permissions of SEBI, as required under the relevant IFSC guidelines and regulations.

10. **NSE IFSC Clearing Corporation Limited**

1. Certificate of incorporation dated December 2, 2016 issued by the Registrar of Companies, Gujarat situated at Ahmedabad.

2. Approval dated December 23, 2016 issued by Development Commissioner, Kandla Special Economic Zone for setting up of IFSC Exchange in Gujarat International Finance Tech-City (GIFT) multi services Special Economic Zone. The approval is valid for a period of one year from the date of issue, within which the project is to be commenced, and is valid for a period of five years from the date of commencement of business/operation. The approval is subject to all required approvals/permissions of SEBI, as required under the relevant IFSC guidelines and regulations.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Offer

SEBI, through its letter dated November 21, 2016, has granted its approval for listing of the Equity Shares on a recognised stock exchange subject to compliance with all the applicable provisions of the SECC Regulations, the SEBI circular no. CIR/MRD/DSA/ 01/2016 dated January 1, 2016 and SEBI circular no. SEBI/HO/MRD/DSA/CIR/P/2016/30 dated January 22, 2016.

Our Board of Directors and our Shareholders have approved the Offer pursuant to the resolutions dated October 4, 2016 and November 10, 2016, respectively.

The Selling Shareholders have approved their participation in the Offer pursuant to the Selling Shareholders' Consent Letters.

The Selling Shareholders have confirmed that the Equity Shares proposed to be offered and sold by them are free from any lien, charge, encumbrance or contractual transfer restrictions. Further, the Selling Shareholders, severally and not jointly, specifically confirm that the portion of the Equity Shares Offered by each of the Selling Shareholders are eligible for the Offer in accordance with the SEBI ICDR Regulations. The Selling Shareholders have also confirmed that they are the legal and beneficial owners of the Equity Shares being offered under the Offer.

Our Company, through its application dated November 21, 2016, had sought an approval from the RBI to operate and maintain a share escrow account with a SEBI authorised depository participant for the deposit of the Equity Shares offered by the Selling Shareholders for a period beyond six months until (i) the termination of the Share Escrow Agreement on account of an event of failure or (ii) until such time that the Equity Shares held by the Selling Shareholders (Non-Residents), are Allotted to successful Bidders (including Non-Residents) or returned to the Selling Shareholders (including Non-Residents) to the extent such Equity Shares remain unsold in the Offer. The RBI, through its letter dated December 21, 2016, informed us that indefinite permission for extension of escrow account is not provided under FEMA and advised us to approach the RBI again for an extension beyond six months on the expiry of initial six months of the opening of the share escrow account.

Our Company has received an in – principle approval from the Stock Exchange for listing of Equity Shares, pursuant to letter dated [●].

Prohibition by SEBI or other Governmental Authorities

Our Company, our Directors and our Group Companies are not prohibited or debarred from accessing or operating in capital markets or restrained from buying, selling or dealing in securities for any reasons by SEBI or any other authorities.

Each of the Selling Shareholders specifically confirm that it is not prohibited or debarred from accessing the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other authorities.

The companies, with which our Directors are or were associated as promoter, directors or persons in control are not prohibited or debarred from accessing capital markets under any order or direction passed by SEBI or any other regulatory authority.

Our Directors are associated with the securities market in their capacity as Directors on our Board. Further, Ravi Narain and Anshula Kant are associated with the securities market in their capacity as directors on companies operating in the securities market and T.V. Mohandas Pai is associated with the securities market in his capacity as a partner in an alternative investment fund registered with SEBI.

Prohibition with respect to Wilful Defaulters

Neither our Company, nor our Directors, Group Companies, or the Selling Shareholders have been identified as Wilful Defaulters.

Eligibility for the Offer

Our Company is eligible for the Offer in accordance with the Regulation 26(1) of the SEBI ICDR Regulations as explained below:

- Our Company has had net tangible assets of at least ₹ 30 million in each of the preceding three full years (of 12 months each). As the Offer is being made entirely through an offer for sale, the limit of not more than 50% of net tangible assets being monetary assets, is not applicable;
- Our Company has a minimum average pre-tax operating profit of ₹ 150 million calculated on a restated consolidated

basis, during the three most profitable years out of the immediately preceding five years;

- Our Company has a net worth of at least ₹ 10 million in each of the preceding three full years (of 12 months each);
- The aggregate size of the proposed Offer and all previous issues made in the same financial year is not expected to exceed five times the pre-Offer net worth as per the audited balance sheet of our Company for the year ended March 31, 2016; and
- Our Company has not changed its name within the last one year.

Our Company's pre-tax operating profit, as restated, net worth and net tangible assets derived from the Restated Financial Information included in this Draft Red Herring Prospectus as at, and for the last five years ended March 31 are set forth below:

(In ₹ million, unless otherwise stated)

Particulars	Financial Year ended March 31, 2016		Financial Year ended March 31, 2015		Financial Year ended March 31, 2014		Financial Year ended March 31, 2013		Financial Year ended March 31, 2012	
	Standal one	Consolid ated	Standal one	Consolid ated	Standal one	Consolid ated	Standal one	Consolid ated	Standal one	Consolid ated
Net tangible assets	56,550.2	67,311.3	52,871.8	63,108.3	48,904.0	60,349.2	43,870.5	56,739.3	38,886.4	52,116.8
Pre-tax Operating Profit	5,575.2	9,994.8	5,083.8	9,222.2	4,693.3	5,902.1	2,873.7	5,086.0	5,186.1	8,415.1
Net Worth	57,207.3	68,676.7	53,302.7	64,227.7	49,288.5	61,431.8	44,353.4	57,261.3	39,392.8	52,660.0

Notes:

- "Net tangible assets" mean the sum of all net assets of the issuer, excluding intangible assets as defined in Accounting Standard 26 (AS 26) issued by the Institute of Chartered Accountants of India.
- 'Pre – tax Operating Profits' means operating profit as restated for change in accounting policy.

Further, in accordance with Regulation 26(4) of the SEBI ICDR Regulations, our Company shall ensure that the number of prospective Allottees to whom the Equity Shares will be Allotted will be not less than 1,000 failing which the entire application monies shall be refunded forthwith.

Our Company is in compliance with the conditions specified in Regulation 4(2) of the SEBI ICDR Regulations, to the extent applicable.

DISCLAIMER CLAUSE OF SEBI

AS REQUIRED, A COPY OF THE DRAFT RED HERRING PROSPECTUS HAS BEEN SUBMITTED TO SEBI. IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT RED HERRING PROSPECTUS TO SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT RED HERRING PROSPECTUS. THE JOINT GCBRLMS, CITIGROUP GLOBAL MARKETS INDIA PRIVATE LIMITED, JM FINANCIAL INSTITUTIONAL SECURITIES LIMITED, KOTAK MAHINDRA CAPITAL COMPANY LIMITED AND MORGAN STANLEY INDIA COMPANY PRIVATE LIMITED AND THE BRLMS, HDFC BANK LIMITED, ICICI SECURITIES LIMITED, IDFC BANK LIMITED, IIFL HOLDINGS LIMITED HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THIS DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED OFFER.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING PROSPECTUS AND THE SELLING SHAREHOLDERS WILL BE RESPONSIBLE ONLY FOR THE STATEMENTS SPECIFICALLY CONFIRMED OR UNDERTAKEN BY THEM IN THIS DRAFT RED HERRING PROSPECTUS IN RELATION TO ITSELF OR FOR THE EQUITY SHARES OFFERED BY THEM BY WAY OF THE OFFER FOR SALE, THE MANAGERS ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY AND THE SELLING SHAREHOLDERS

DISCHARGE THEIR RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE MANAGERS HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED DECEMBER 28, 2016 WHICH READS AS FOLLOWS:

WE, THE MANAGERS TO THE ABOVE MENTIONED FORTHCOMING OFFER, STATE AND CONFIRM AS FOLLOWS:

1. WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL DOCUMENTS IN CONNECTION WITH THE FINALISATION OF THE DRAFT RED HERRING PROSPECTUS PERTAINING TO THE OFFER;
2. ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE COMPANY, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE OFFER, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE COMPANY AND THE SELLING SHAREHOLDERS, WE CONFIRM THAT:
 - (A) THE DRAFT RED HERRING PROSPECTUS FILED WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA ("SEBI") IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE OFFER;
 - (B) ALL THE LEGAL REQUIREMENTS RELATING TO THE OFFER AS ALSO THE REGULATIONS, GUIDELINES, INSTRUCTIONS, ETC. FRAMED/ISSUED BY SEBI, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND
 - (C) THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED OFFER AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 1956 TO THE EXTENT NOT REPLACED BY THE COMPANIES ACT, 2013, THE COMPANIES ACT, 2013, TO THE EXTENT IN FORCE, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, AS AMENDED ("SEBI ICDR REGULATIONS") AND OTHER APPLICABLE LEGAL REQUIREMENTS
3. WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE DRAFT RED HERRING PROSPECTUS ARE REGISTERED WITH SEBI AND THAT TILL DATE SUCH REGISTRATIONS ARE VALID. COMPLIED WITH AND NOTED FOR COMPLIANCE
4. WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFIL THEIR UNDERWRITING COMMITMENTS. NOTED FOR COMPLIANCE
5. WE CERTIFY THAT WRITTEN CONSENT FROM THE PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF THEIR EQUITY SHARES AS PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE EQUITY SHARES PROPOSED TO FORM PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED/SOLD/TRANSFERRED BY THE PROMOTERS DURING THE PERIOD STARTING FROM THE DATE OF FILING THE DRAFT RED HERRING PROSPECTUS WITH THE SEBI TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRAFT RED HERRING PROSPECTUS. NOT APPLICABLE
6. WE CERTIFY THAT REGULATION 33 OF THE SEBI ICDR REGULATIONS, WHICH RELATES TO EQUITY SHARES INELIGIBLE FOR COMPUTATION OF PROMOTER'S CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS. NOT APPLICABLE
7. WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SEBI ICDR REGULATIONS SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE OFFER. WE UNDERTAKE THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO SEBI. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW

ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE COMPANY ALONG WITH THE PROCEEDS OF THE PUBLIC OFFER. NOT APPLICABLE

8. WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE COMPANY FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT OFFER FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE COMPANY. NOT APPLICABLE

AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION. COMPLIED WITH

9. WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE OFFER ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE OFFER, THE COMPANY AND THE SELLING SHAREHOLDERS SPECIFICALLY CONTAINS THIS CONDITION. NOTED FOR COMPLIANCE

10. WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE. NOT APPLICABLE. IN TERMS OF SECTION 29 OF THE COMPANIES ACT, 2013, EQUITY SHARES TO BE TRANSFERRED IN THE OFFER ARE AND WILL BE TRANSFERRED IN DEMATERIALIZED FORM ONLY

11. WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SEBI ICDR REGULATIONS HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION. COMPLIED WITH

12. WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS: COMPLIED WITH

(A) AN UNDERTAKING FROM THE COMPANY THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE COMPANY; AND

(B) AN UNDERTAKING FROM THE COMPANY THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE SEBI FROM TIME TO TIME.

13. WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SEBI ICDR REGULATIONS WHILE MAKING THE OFFER. NOTED FOR COMPLIANCE

14. WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OF THE COMPANY, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTER'S EXPERIENCE, ETC. COMPLIED WITH

15. WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SEBI ICDR REGULATIONS, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE DRAFT RED HERRING PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY. COMPLIED WITH

16. WE ENCLOSE A STATEMENT ON 'PRICE INFORMATION OF PAST ISSUES HANDLED BY THE MERCHANT BANKERS (WHO ARE RESPONSIBLE FOR PRICING THE OFFER)', AS PER FORMAT SPECIFIED BY THE SEBI THROUGH CIRCULAR. COMPLIED WITH

17. WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS. COMPLIED WITH TO THE EXTENT OF THE RELATED PARTY TRANSACTIONS OF THE COMPANY, AS PER THE IND AS 24 AND INCLUDED IN THE DRAFT RED HERRING PROSPECTUS AND AS CERTIFIED BY KHANDELWAL JAIN & CO., CHARTERED ACCOUNTANTS BY WAY OF CERTIFICATE DATED DECEMBER 23, 2016

18. WE CERTIFY THAT THE ENTITY IS ELIGIBLE UNDER 106Y (1)(A) OR (B) (AS THE CASE MAY BE) TO LIST ON THE INSTITUTIONAL TRADING PLATFORM, UNDER CHAPTER XC OF THE SEBI ICDR REGULATIONS (IF APPLICABLE) NOT APPLICABLE

The filing of this Draft Red Herring Prospectus does not, however, absolve our Company from any liabilities under Section 34 or Section 36 of the Companies Act, 2013 or from the requirement of obtaining such statutory or other clearances as may be required for the purpose of the Offer. SEBI further reserves the right to take up, at any point of time, with the Managers any irregularities or lapses in this Draft Red Herring Prospectus, the Red Herring Prospectus, and the Prospectus.

The filing of this Draft Red Herring Prospectus does not absolve the Selling Shareholders from any liabilities to the extent of the statements made by them in respect of themselves and the Equity Shares offered by the Selling Shareholders, as part of the offer for sale, under Section 34 or Section 36 of the Companies Act, 2013.

All legal requirements pertaining to the Offer will be complied with at the time of filing of the Red Herring Prospectus with the RoC in terms of Section 32 of the Companies Act, 2013. All legal requirements pertaining to the Offer will be complied with at the time of registration of the Prospectus with the RoC in terms of Sections 26, 30 and 32 of the Companies Act, 2013.

Caution - Disclaimer from our Company, the Selling Shareholders, the Managers

Our Company, our Directors, the Selling Shareholders and the Managers accept no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at our Company's instance. Anyone placing reliance on any other source of information, including on our Company's website www.nseindia.com or the respective websites of our Group Companies, would be doing so at his or her own risk.

The Selling Shareholders, its directors, affiliates (other than our Company), associates and officers accept/ undertake no responsibility for any statements made other than those made in relation to the Selling Shareholders and to the Equity Shares offered by the Selling Shareholders, by way of the offer for sale.

The Managers accept no responsibility, save to the limited extent as provided in the Offer Agreement and the Underwriting Agreement to be entered into between the Underwriters, the Selling Shareholders and our Company.

All information shall be made available by our Company, the Selling Shareholders and the Managers to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at Bidding Centres or elsewhere.

None among our Company, the Selling Shareholders or any member of the Syndicate is liable for any failure in uploading the Bids due to faults in any software/ hardware system or otherwise.

Each Bidder will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholders, Underwriters and their respective directors, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not issue, sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Selling Shareholders, Underwriters and their respective directors, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

The Managers and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, the Selling Shareholders and their respective group companies, affiliates or associates or third parties in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with or become customers to our Company, the Selling Shareholders and their respective group companies, affiliates or associates or third parties, for which they have received, and may in the future receive, compensation. As used herein, the term 'affiliate' means any person or entity that controls or is controlled by or is under common control with another person or entity.

Price information of past issues handled by the Managers

A. Citigroup Global Markets India Private Limited

Table 1: Price information of past issues handled

Sr. No.	Issue Name	Issue size (in ₹ Cr)	Issue price (₹)	Listing date	Opening price on listing date	+/- % change in closing price, [+/- % change in closing benchmark]-30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]-90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]-180th calendar days from listing
1.	UFO Moviez India Ltd.	600.00	625.00	May 14, 2015	600.00	(-)11.68% [(-)2.93 %]	(-) 3.18% [+2.90%]	(-) 18.27% [(-)3.76%]
2.	Coffee Day Enterprise Limited	1,150.00	328.00	November 2, 2015	317.00	(-) 21.42% [(-)1.19%]	(-) 19.73% [(-)6.05%]	(-) 20.98% [(-)2.50%]
3.	InterGlobe Aviation Limited	3,008.50	765.00	November 10, 2015	855.80	+32.39% [(-)2.20%]	+9.41% [(-)3.78%]	+40.59% [(-)0.64%]
4.	Dr. Lal Pathlabs Limited	631.91	550.00	December 23, 2015	720.00	+32.54% [(-)7.49%]	+66.95% [(-)2.06%]	+63.13% [(+)3.87%]
5.	Mahanagar Gas Ltd. ⁽³⁾	1,038.88	421.00	July 1, 2016	540.00	+20.86% [+3.72%]	+57.15% [+5.00%]	+83.71% [(-) 3.55%]
6.	L&T Infotech Ltd	1,236.38	710.00	July 21, 2016	667.00	(-) 6.39% [+1.84%]	(-) 12.44% [+1.97%]	N/A
7.	RBL Bank Limited	1,212.97	225.00	August 31, 2016	274.20	+ 27.07% [(-) 2.22%]	+ 56.98% [(-) 7.50%]	N/A
8.	Endurance Technologies	1,161.74	472.00	October 19, 2016	572.00	+ 16.06%	NA	NA

Sr. No.	Issue Name	Issue size (in ₹ Cr)	Issue price (₹)	Listing date	Opening price on listing date	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
	Limited					[(-) 6.69%]		
9.	Laurus Labs Limited	1,330.51	428.00	December 19, 2016	489.90	NA	NA	NA

Source: www.nseindia.com

Notes:

1. Nifty is considered as the benchmark index.
2. In case 30th/ 90th/180th day is not a trading day, closing price on the NSE of a trading day immediately prior to the 30th/ 90th/180th day, is considered
3. Since the listing date of L&T Infotech Ltd. was July 21, 2016, information relating to closing prices and benchmark index as on 180th calendar day from listing date is not available
4. Since the listing date of RBL Bank Limited. was August 31, 2016, information relating to closing prices and benchmark index as on 180th calendar day from listing date is not available
5. Since the listing date of Endurance Technologies Limited. was October 19, 2016, information relating to closing prices and benchmark index as on 90th / 180th calendar day from listing date is not available
6. Since the listing date of Laurus Labs Limited. was December 19, 2016, information relating to closing prices and benchmark index as on 30th / 90th / 180th calendar day from listing date is not available

Table 2: Summary statement of disclosure

Fiscal Year	Total No. of IPOs	Total Funds Raised (₹in cr.)	No. of IPOs trading at discount - 30th calendar days from listing			No. of IPOs trading at premium - 30th calendar days from listing			No. of IPOs trading at discount - 180th calendar days from listing			No. of IPOs trading at premium - 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2016-17	5	5,980.48	-	-	1	-	1	2	-	-	-	1	-	-
2015-16	4	5,390.41	-	-	2	-	2	-	-	-	2	1	1	-
2015	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Notes:

1. Since the listing date of L&T Infotech Ltd. was July 21, 2016, information relating to closing prices and benchmark index as on 180th calendar day from listing date is not available
2. Since the listing date of RBL Bank Limited. was August 31, 2016, information relating to closing prices and benchmark index as on 180th calendar day from listing date is not available
3. Since the listing date of Endurance Technologies Limited. was October 19, 2016, information relating to closing prices and benchmark index as on 180th calendar day from listing date is not available
4. Since the listing date of Laurus Labs Limited. was December 19, 2016, information relating to closing prices and benchmark index as on 30th / 180th calendar day from listing date is not available

B. JM Financial Institutional Securities Limited

Table 1: Price information of past issues handled

Sr. No.	Issue Name	Issue Size (₹ in Mn.)	Issue Price (₹)	Listing Date	Opening Price on Listing Date (₹) ⁽²⁾	+/- % change in closing price ⁽³⁾ , [+/- % change in closing benchmark] ⁽⁴⁾ - 30 th calendar days from listing	+/- % change in closing price ⁽³⁾ , [+/- % change in closing benchmark] ⁽⁴⁾ - 90 th calendar days from listing	+/- % change in closing price ⁽³⁾ , [+/- % change in closing benchmark] ⁽⁴⁾ - 180 th calendar days from listing
1	PNB Housing Finance Limited	30,000.00	775.00	November 7, 2016	860.00	+11.70%[-4.16%]	NA	NA
2	ICICI Prudential Life Insurance Company Limited	60,567.91	334.00	September 29, 2016	330.00	-7.60%[+0.54%]	-11.54%[-6.50%]	NA
3	L&T Technology Services Limited	8,944.00	860.00	September 23, 2016	920.00	-0.85%[-1.57%]	-8.54%[-8.72%]	NA
4	Dilip Buildcon Limited	6,539.80	219.00	August 11, 2016	240.00	+5.11%[+3.20%]	+1.53%[-0.57%]	NA
5	Parag Milk Foods Limited	7,505.40	215.00 ⁽¹⁾	May 19, 2016	217.50	+17.07%[+4.97%]	+48.67%[+11.04%]	+38.93%[+6.59%]
6	Thyrocare Technologies Limited	4,792.10	446.00	May 9, 2016	665.00	+36.85% [+5.09%]	+23.48%[+10.39%]	+39.09%[+7.22%]
7	S H Kelkar and Company Limited	5,081.70	180.00	November 16, 2015	223.70	+21.69% [-1.35%]	+20.78% [-10.58%]	+24.97%[+0.11%]

Source: www.nseindia.com; for price information and prospectus/ basis of allotment for issue details

Notes:

1. Issue Price for Anchor Investors was ₹227 per Equity Share and a discount of ₹ 12 per Equity Share had been offered to Eligible Employees and Retail Individual Bidders
2. Opening Price information as disclosed on the website of NSE
3. Change in closing price over the issue/offer price as disclosed on NSE
4. Change in closing price over the closing price as on the listing date for benchmark index viz. NIFTY 50
5. In case of reporting dates falling on a trading holiday, values for the trading day immediately preceding the trading holiday have been considered.
6. 30th calendar day has been taken as listing date plus 29 calendar days; 90th calendar day has been taken as listing date plus 89 calendar days; 180th calendar day has been taken as listing date plus 179 calendar days.

Table 2: Summary statement of disclosure

Financial Year	Total no. of IPOs	Total amount of funds raised (₹ in Mn.)	No. of IPOs trading at discount - 30 th calendar days from listing			No. of IPOs trading at premium - 30 th calendar days from listing			No. of IPOs trading at discount - 180 th calendar days from listing			No. of IPOs trading at premium - 180 th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2016-2017	6	118,349.21	-	-	2	-	1	3	-	-	-	-	2	-
2015-2016	1	5,081.70	-	-	-	-	1	-	-	-	-	-	-	1
2014-2015	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Source: www.nseindia.com

C. Kotak Mahindra Capital Company Limited

Table 1: Price information of past issues handled

Sr. No.	Issue Name	Issue Size (₹ Cr.)	Issue Price (₹)	Listing Date	Opening Price on Listing Date (Rs.)	+/- % change in closing price, [+/- % change in closing benchmark]- 30 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180 th calendar days from listing
1.	Laurus Labs Limited ⁽¹⁾	1,330.51	428	19-Dec-16	489.90	-	-	-
2.	Varun Beverages Limited	1,112.50	445	8-Nov-16	430.00	-7.72%[-5.17%]	-	-
3.	PNB Housing Finance Limited ⁽²⁾	3,000.00	775	7-Nov-16	860.00	+11.70%[-4.16%]	-	-
4.	L&T Technology Services Limited	894.40	860	23-Sep-16	920.00	-0.85%[-1.57%]	-8.54%[-8.72%]	-
5.	RBL Bank Limited	1,212.97	225	31-Aug-16	274.20	+27.07%[-2.22%]	+56.98%[-7.50%]	-
6.	Larsen & Toubro Infotech Limited ⁽³⁾	1,236.38	710	21-Jul-16	667.00	-6.39%[+1.84%]	-12.44%[+1.97%]	-
7.	Mahanagar Gas Limited ⁽⁴⁾	1,038.88	421	1-Jul-16	540.00	+20.86%[+3.72%]	+57.15%[+5.00%]	+83.71%[-3.55%]
8.	Parag Milk Foods Limited ⁽⁵⁾	750.54	215	19-May-16	217.50	+17.07%[+4.97%]	+48.67%[+11.04%]	+38.93%[+6.59%]
9.	Ujjivan Financial Services Limited	882.50	210	10-May-16	231.90	+72.38%[+4.88%]	+120.90%[+10.08%]	+98.31%[+6.92%]

Sr. No.	Issue Name	Issue Size (₹ Cr.)	Issue Price (₹)	Listing Date	Opening Price on Listing Date (Rs.)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
10	Healthcare Global Enterprises Limited	649.64	218	30-Mar-16	210.20	-15.32%[+1.45%]	-19.98%[+4.65%]	-1.31%[+14.17%]
11	Dr. Lal PathLabs Limited ⁽⁶⁾	631.91	550	23-Dec-15	720.00	+32.54%[-7.49%]	+66.95%[-2.06%]	+63.13% [+3.87%]
12	S H Kelkar and Company Limited	508.17	180	16-Nov-15	223.70	+21.69%[-1.35%]	+20.78%[-10.58%]	+24.97% [+0.11%]
13	Interglobe Aviation Limited ⁽⁷⁾	3,008.50	765	10-Nov-15	855.80	+32.39%[-2.20%]	+9.41%[-3.78%]	+40.59% [-0.64%]
14	Coffee Day Enterprises Limited	1,150.00	328	2-Nov-15	317.00	-21.42%[-1.19%]	-19.73%[-6.05%]	-20.98% [-2.50%]
15	Sadbhav Infrastructure Project Limited	491.66	103	16-Sep-15	111.00	-2.28% [+3.55%]	-5.63%[-3.15%]	-12.67% [-4.92%]
16	Power Mech Projects Limited	273.22	640	26-Aug-15	600.00	-9.36% [+0.98%]	-4.63%[+0.74%]	-10.65% [-7.15%]
17	Manpasand Beverages Limited	400.00	320	9-Jul-15	300.00	+23.20% [+2.83%]	+36.53% [-2.11%]	+58.34% [-6.45%]
18	Adlabs Entertainment Limited ⁽⁸⁾	374.59	180	6-Apr-15	162.20	-18.36% [-3.87%]	-12.08% [-2.02%]	-38.39% [-8.19%]
19	Ortel Communications Limited	173.65	181	19-Mar-15	160.05	-3.67% [-0.33%]	-5.91% [-6.80%]	+12.21% [-8.83%]

Source: www.nseindia.com

Notes:

1. In Laurus Labs Limited, the issue price to employees was ₹ 388 per equity share after a discount of ₹ 40 per equity share. The Anchor Investor Issue price was ₹ 428 per equity share.
2. In PNB Housing Finance Limited, the issue price to employees was ₹ 700 per equity share after a discount of ₹ 75 per equity share. The Anchor Investor Issue price was ₹ 775 per equity share.
3. In Larsen & Toubro Infotech Limited , the issue price to retail individual investor was ₹ 700 per equity share after a discount of ₹ 10 per equity share. The Anchor Investor Issue price was ₹ 710 per equity share.
4. In Mahanagar Gas Limited, the issue price to employees was ₹ 383 per equity share after a discount of ₹ 38 per equity share. The Anchor Investor Issue price was ₹ 421 per equity share.
5. In Parag Milk Foods Limited , the issue price to retail individual investor and employees was ₹ 203 per equity share after a discount of ₹ 12 per equity share. The Anchor Investor Issue price was ₹ 227 per equity share.
6. In Dr. Lal PathLabs Limited, the issue price to retail individual investor was ₹ 535 per equity share after a discount of ₹ 15 per equity share. The Anchor Investor Issue price was ₹ 550 per equity share.

7. In Interglobe Aviation Limited, the issue price to employees was ₹ 688.50 per equity share after a discount of ₹ 76.5 per equity share. The Anchor Investor Issue price was ₹ 765 per equity share.
8. In Adlabs Entertainment Limited, the issue price to retail individual investor was ₹ 168 per equity share after a discount of ₹ 12 per equity share. The Anchor Investor Issue price was ₹ 221 per equity share.
9. In the event any day falls on a holiday, the price/index of the immediately preceding working day has been considered.
10. Nifty is considered as the benchmark index.

Table 2: Summary statement of disclosure

Financial Year	Total no. of IPOs	Total amount of funds raised (Rs. Cr.)	No. of IPOs trading at discount - 30th calendar days from listing			No. of IPOs trading at premium - 30th calendar days from listing			No. of IPOs trading at discount - 180th calendar days from listing			No. of IPOs trading at premium - 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2016-2017*	9	11,458.67	-	-	3	1	1	3	-	-	-	2	1	-
2015-2016	9	7,487.69	-	-	5	-	2	2	-	1	4	2	1	1
2014-2015	1	173.65	-	-	1	-	-	-	-	-	-	-	-	1

*The information is as on the date of this Draft Red Herring Prospectus

D. Morgan Stanley India Company Private Limited

Table 1: Price information of past issues handled

Serial Number	Issue Name	Issue Size (₹ Mn.)	Issue Price (₹)	Listing Date	Opening Price on Listing Date	% Change in closing price, (% change in closing benchmark) - 30th calendar day from listing (2) (3) (4)	% Change in closing price, (% change in closing benchmark) - 90th calendar day from listing ⁽²⁾ (3) (5)	% Change in closing price, (% change in closing benchmark) - 180th calendar day from listing ^{(2) (3) (6)}
1.	PNB Housing Finance Limited ⁽⁶⁾	30,000	775.00	November 7, 2016	897.00	11.7%(-3.4%)	-	-
2.	RBL Bank Limited	12,130	225.00	August 31, 2016	274.20	27.1% (-1.8%)	57.0% (-7.1%)	-
3.	InterGlobe Aviation Limited ⁽⁷⁾	30,090	765.00	November 10, 2015	855.80	32.4% (-3.8%)	7.8% (-6.7%)	40.8% (-0.6%)

Serial Number	Issue Name	Issue Size (₹ Mn.)	Issue Price (₹)	Listing Date	Opening Price on Listing Date	% Change in closing price, (% change in closing benchmark) - 30th calendar day from listing ^{(2) (3) (4)}	% Change in closing price, (% change in closing benchmark) - 90th calendar day from listing ^{(2) (3) (5)}	% Change in closing price, (% change in closing benchmark) - 180th calendar day from listing ^{(2) (3) (6)}
4.	Coffee Day Enterprises Limited	11,500	328.00	November 2, 2015	317.00	-21.4% (-1.4%)	-20.8% (-6.3%)	- 21.0% (-2.7%)

Source: www.nseindia.com; for price information and prospectus/ basis of allotment for issue details.

Notes:

1. Benchmark index considered is NIFTY50
2. Issue Size is as per the prospectus filed with SEBI with the figures rounded off to the nearest decimal point
3. If the 30th/90th/180th day falls on a trading holiday then pricing information on the immediate next trading day has been considered
4. Pricing Performance for the company is calculated as per the final offer price
5. Pricing Performance for the benchmark index is calculated as per the close on the day prior to the listing date
6. A discount of INR 75.0 was offered to employee investors.
7. A discount of INR 76.5 was offered to employee investors.

Table 2: Summary statement of disclosure

Financial Year	Total number of IPOs ⁽¹⁾	Total amount of funds raised (₹ Mn.)	Number of IPOs trading at discount - 30th calendar day from listing			Number of IPOs trading at premium - 30th calendar day from listing			Number of IPOs trading at discount - 180th calendar day from listing			Number of IPOs trading at premium - 180th calendar day from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2016-2017	2	42,130	-	-	-	-	1	1	-	-	-	-	-	-
2015-2016	2	41,590	-	-	1	-	1	-	-	-	1	-	1	-
2014-2015	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Source: www.nseindia.com

E. HDFC Bank Limited

Table 1: Price information of past issues handled

S. No.	Issue name	Issue size (₹ million)	Issue price (₹)	Listing date	Opening price on listing date	+/- % change in closing price, [+/- % change in closing benchmark] – 30 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] – 90 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] – 180 th calendar days from listing
1.	RBL Bank Limited	12,129.67	225	August 31, 2016	274.2	+27.07% [-2.22%]	+56.98% [-7.50%]	-
2.	Precision Camshafts Limited	4,101.90	186	February 8, 2016	165.00	-14.57% [+1.33%]	-20.32% [+6.48%]	-20.11% [+17.54%]
3.	Snowman Logistics Limited	1,974.00	47	September 12, 2014	76.00	+79.36% [-2.73%]	+117.66% [+3.09%]	+79.79% [+7.48%]

Source: www.nseindia.com for price information and prospectus for issue details

1. Opening price information as disclosed on the website of NSE
2. Change in closing price over the issue/offer price as disclosed on NSE
3. Change in closing price over the closing price as on the listing date for benchmark index i.e. NIFTY 50
4. In case of reporting dates falling on a trading holiday, values for the trading day immediately after the trading holiday have been considered
5. 30th calendar day has been taken as listing date plus 29 calendar days; 90th calendar day has been taken as listing date plus 89 calendar days; 180th calendar day has been taken as listing date plus 179 calendar days

Table 2: Summary statement of disclosure

Financial Year	Total no. of IPOs	Total amount of funds raised (₹ million)	No. Of IPOs trading at discount - 30 th calendar days from listing			No. Of IPOs trading at discount - 180 th calendar days from listing			No. Of IPOs trading at premium - 30 th calendar days from listing			No. Of IPOs trading at premium - 180 th calendar days from listing		
			Over 50%	Between 25-50 %	Less than 25%	Over 50%	Between 25-50 %	Less than 25%	Over 50%	Between 25-50 %	Less than 25%	Over 50%	Between 25-50 %	Less than 25%
2016-2017*27, 2016	1	12,129.67	-	-	-	-	-	-	-	1	-	-	-	-
2015 – 2016	1	4,101.90	-	-	1	-	-	1	-	-	-	-	-	-
2014 – 2015	1	1,974.00	-	-	-	-	-	-	1	-	-	1	-	-

*The information is as on the date of this Draft Red Herring Prospectus.

F. ICICI Securities Limited

Table 1: Price information of past issues handled

S. No.	Issue name	Issue size (₹ million)	Issue price (₹)	Listing date	Opening price on listing date	+/- % change in closing price, [+/- % change in closing benchmark] – 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] – 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] – 180th calendar days from listing
1.	Sheela Foam Limited	5,100.00	730.00	December 9, 2016	988.00	-	-	-
2.	HPL Electric & Power Limited	3,610.00	202.00	October 4, 2016	190.00	-14.75%, [-2.91%]	-	-
3.	ICICI Prudential Life Insurance Company Limited	60,567.91	334.00	September 29, 2016	330.00	-7.60%, [+0.54%]	-11.54%, [-6.50%]	-
4.	RBL Bank Limited	12,129.67	225.00	August 31, 2016	274.20	+27.78%, [-2.22%]	+56.98%, [-7.50%]	-
5.	Advanced Enzyme Technologies Limited	4,114.88	896.00 ⁽¹⁾	August 1, 2016	1,210.00	+56.24%, [+1.24%]	+148.91%, [-0.13%]	-
6.	Larsen & Toubro Infotech Limited	12,363.75	710.00 ⁽²⁾	July 21, 2016	667.00	-6.39%, [+1.84%]	-12.44%, [+1.97%]	-
7.	Qess Corp Limited	4,000.00	317.00	July 12, 2016	500.00	+73.60%, [+0.64%]	+94.59%, [+2.20%]	-
8.	Ujjivan Financial Services Limited	8,824.96	210.00	May 10, 2016	231.90	+72.38%, [+4.88%]	+115.38%, [+10.44%]	+103.93%, [+7.72%]
9.	Thyrocare Technologies Limited	4,792.14	446.00	May 9, 2016	665.00	+36.85%, [+5.09%]	+22.57%, [+10.75%]	+39.09%, [+7.22%]
10.	Equitas Holdings Limited	21,766.85	110.00	April 21, 2016	145.10	+34.64%, [-2.05%]	+57.91%, [+7.79%]	+63.77%, [+7.69%]
11.	Quick Heal Technologies Limited	4,512.53	321.00	February 18, 2016	305.00	-31.56%, [+5.74%]	-20.05%, [+9.72%]	-24.21%, [+20.17%]
12.	Teamlease Services Limited	4,236.77	850.00	February 12, 2016	860.00	+15.34%, [+7.99%]	+5.38%, [+12.43%]	+35.35%, [+24.31%]
13.	Sadbhav Infrastructure Project Limited	4,916.57	103.00	September 16, 2015	111.00	-2.28%, [+3.55%]	-5.63%, [-3.15%]	-14.56%, [-4.56%]
14.	Manpasand Beverages Limited	4,000.00	320.00	July 9, 2015	300.00	+23.20%, [+2.83%]	+36.53%, [-2.11%]	+58.34%, [-6.45%]
15.	PNC Infratech Limited	4,884.41	378.00	May 26, 2015	387.00	+0.32%, [+0.26%]	+14.66%, [-6.36%]	+42.72%, [-5.88%]
16.	VRL Logistics Limited	4,678.78	205.00	April 30, 2015	288.00	+50.90%, [+3.08%]	+85.49%, [+1.90%]	+100.90%, [+0.97%]
17.	Shemaroo Entertainment Limited	1,200.00	170.00 ⁽³⁾	October 1, 2014	180.00	-5.74%, [+2.81%]	-5.88%, [+3.79%]	+5.85%, [+6.88%]

S. No.	Issue name	Issue size (₹ million)	Issue price (₹)	Listing date	Opening price on listing date	+/- % change in closing price, [+/- % change in closing benchmark] – 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] – 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] – 180th calendar days from listing
18.	Wonderla Holidays Limited	1,812.50	125.00	May 9, 2014	160.00	+72.92%, [+11.60%]	+78.96%, [+11.86%]	+162.32%, [+21.57%]

(1) Discount of ₹ 86 per equity share offered to Eligible Employees. All calculations are based on Issue Price of ₹896.00 per equity share.

(2) Discount of ₹ 10 per equity share offered to retail investors. All calculations are based on Issue Price of ₹710.00 per equity share.

(3) Discount of ₹ 17 per equity share offered to retail investors. All calculations are based on Issue Price of ₹170.00 per equity share.

Notes:

1. All data sourced from www.nseindia.com.
2. Benchmark index considered is NIFTY.
3. 30th, 90th, 180th calendar day from listed day have been taken as listing day plus 29, 89 and 179 calendar days, except wherever 30th, 90th, 180th calendar day is a holiday, in which case we have considered the closing data of the next trading day.

Table 2: Summary statement of disclosure

Financial Year	Total no. of IPOs	Total amount of funds raised (₹ Mn.)	No. of IPOs trading at discount - 30 th calendar days from listing			No. of IPOs trading at premium - 30 th calendar days from listing			No. of IPOs trading at discount - 180 th calendar days from listing			No. of IPOs trading at premium - 180 th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2016-17	9	132,170.16	-	-	3	3	3	-	-	-	-	2	1	-
2015-16	6	27,229.06	-	1	1	1	-	3	-	-	2	2	2	-
2014-15	2	3,012.50	-	-	1	1	-	-	-	-	-	1	-	1

G. IDFC Bank Limited

Table 1: Price information of past issues handled

Sr. No.	Issuer Name	Issue Size (₹ Million)	Issue Price (₹)	Listing Date	Opening Price on Listing Date (₹)	+/- % change in closing price, [+/- % change in closing benchmark] - 30th calendar day from listing	+/- % change in closing price, [+/- % change in closing benchmark] - 90th calendar day from listing	+/- % change in closing price, [+/- % change in closing benchmark] - 180th calendar day from listing
1.	HPL Electric & Power Limited	3,610.00	202.00	October 4, 2016	190.00	-14.75% [-2.91%]	Not available	Not available

Notes:

- Source: www.nseindia.com for the price information and prospectus/finalised basis of allotment for issue details.
- NSE was the designated stock exchange for the issue listed as item 1 therefore price information and benchmark index values have been/will be shown only for designated stock exchange. NIFTY has been used as the benchmark index.
- Since 90 and 180 calendar days, as applicable, from listing date has not elapsed for HPL Electric & Power Limited, data for the same is not available.

Table 2: Summary statement of disclosure

Financial Year	Total no. of IPOs	Total amount of funds raised (₹ Million)	No. of IPOs trading at discount - 30th calendar days from listing			No. of IPOs trading at premium - 30th calendar days from listing			No. of IPOs trading at discount - 180th calendar days from listing			No. of IPOs trading at premium - 180th calendar days from listing		
			Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2016-2017*	1	3,610.00			1									

* As on the date of DRHP

Notes:

- Date of listing of equity shares has been considered for calculating total no. of IPOs in a particular financial year.
- The discount/premium has been/will be calculated based on the closing stock price.
- Since 180 calendar days from listing date has not elapsed for HPL Electric & Power Limited, data for the same is not available. Hence the same is not considered while calculating no. of IPOs trading at discount/premium on 180th calendar day from listing.

H. IIFL Holdings Limited

Table 1: Price information of past issues handled

S. No.	Issue name	Issue size (₹ million)	Issue price (₹)	Listing date	Opening price on listing date	+/- % change in closing price, [+/- % change in closing benchmark] – 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] – 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] – 180th calendar days from listing
1.	ICICI Prudential Life Insurance Company Limited	60,567.91	334.00	September 29, 2016	333.00	-7.6%, [-1.2%]	NA	NA
2.	RBL Bank Limited	12,129.67	225.00	August 31, 2016	274.20	+29.4%, [-1.5%]	59.8%, [-6.9%]	NA
3.	Dilip Buildcon Limited	6,539.77	219.00	August 11, 2016	240.00	+5.1%, [3.4%]	-3.9%, [-1.7%]	NA
4.	Qess Corp Limited	4,000.00	317.00	July 12, 2016	500.00	+67.9%, [+1.5%]	+94.6%, [+2.8%]	NA
5.	Ujjivan Financial Services Limited	8,824.96	210.00	May 10, 2016	231.90	+74.1%, [+4.3%]	+115.4%, [+10.7%]	+98.3%, [+7.2%]
6.	Healthcare Global Enterprises Limited	6,496.40	218.00	March 30, 2016	210.20	-15.9%, [+3.3%]	-17.4%, [+7.0%]	-1.3%, [+14.8%]
7.	Precision Camshafts Limited	4,101.90	186.00	February 8, 2016	165.00	-15.0%, [+0.6%]	-20.8%, [+3.3%]	-20.1%, [+15.9%]
8.	Power Mech Projects Limited	2,732.16	640.00	August 26, 2015	600.00	-9.4%, [-0.2%]	-2.8%, [-0.6%]	-10.6%, [-8.2%]
9.	Manpasand Beverages Limited	4,000.00	320.00	July 9, 2015	300.00	+23.2%, [+2.4%]	+31.5%, [-2.2%]	+58.6%, [-6.9%]

Source: www.nseindia.com

Note: Benchmark Index taken as CNX NIFTY. Price on NSE is considered for all of the above calculations. The 30th, 90th and 180th calendar day from listed day have been taken as listing day plus 30, 90 and 180 calendar days, except wherever 30th /90th/180th calendar day from listing day is a holiday, the closing data of the previous trading day has been considered. % change taken against the Issue Price in case of the Issuer. % change taken against closing CNX NIFTY Index a day prior to the listing date. NA means Not Applicable.

Table 2: Summary Statement of Disclosure

Financial Year	Total No. of	Total Funds Raised	No. of IPOs trading at discount - 30th calendar days from listing	No. of IPOs trading at premium - 30th calendar days from listing	No. of IPOs trading at discount - 180th calendar days from listing	No. of IPOs trading at premium - 180th calendar days from listing

	IPO's	(in ₹ Mn)	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2014-15	NA	NA	-	-	-	-	-	-	-	-	-	-	-	-
2015-16	4	17,330.46	-	-	3	-	-	1	-	-	3	1	-	-
2016-17	5	92,062.31	-	-	1	2	1	1	-	-	-	1	-	-

Source: www.nseindia.com

Note: Data for number of IPOs trading at premium/discount taken at closing price on NSE on the respective date. In case any of the days falls on a non-trading day, the closing price on the previous trading day has been considered.

Track record of past issues handled by the Managers

For details regarding the track record of the Managers, as specified in Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by SEBI, see the websites of the Managers, as set out in the table below:

Serial Number	Name of the Managers	Website
1.	Citi	http://www.online.citibank.co.in/rhtm/citigroupglobalscreen1.htm
2.	HDFC	www.hdfcbank.com
3.	I-sec	www.icicisecurities.com
4.	IDFC	www.idfcbank.com
5.	IIFL	www.iiflcap.com
6.	JM Financial	www.jmfl.com
7.	Kotak	http://www.investmentbank.kotak.com
8.	Morgan Stanley	http://www.morganstanley.com/about-us/global-offices/india/

Disclaimer in respect of Jurisdiction

This Offer is being made in India to persons resident in India (including Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, Indian Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorised under their constitution to hold and invest in shares, insurance companies registered with the IRDAI, permitted provident funds and pension funds, insurance funds set up and managed by the army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India) and to Eligible NRIs, FPIs and other eligible foreign investors (viz. bilateral and multilateral development financial institution). This Draft Red Herring Prospectus does not, however, constitute an invitation to subscribe to shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of the Offer will be subject to the jurisdiction of appropriate court(s) in Mumbai only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Draft Red Herring Prospectus has been filed with SEBI for its observations. Accordingly, the Equity Shares represented thereby may not be offered or sold, directly or indirectly, and this Draft Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Red Herring Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company, our Subsidiaries or the Selling Shareholders since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

The Equity Shares have not been and will not be registered under the U.S. Securities Act, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons as defined in Regulation S under the U.S. Securities Act (“U.S. Persons”) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. The Company has not registered and does not intend to register under the U.S. Investment Company Act in reliance upon section 3(c)(7) thereof. Accordingly, the Equity Shares are only being offered and sold (i) to persons in the United States or to or for the account or benefit of, U.S. Persons in each case that are both “qualified institutional buyers” (as defined in Rule 144A under the U.S. Securities Act (“Rule 144A”) and referred to in the Draft Red Herring Prospectus as “U.S. QIBs”; for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in the Draft Red Herring Prospectus as “QIBs”) in transactions exempt from or not subject to the registration requirements of the U.S. Securities Act, that are also “qualified purchasers” (as defined under the U.S. Investment Company Act) in reliance upon section 3(c)(7) of the U.S. Investment Company Act and (ii) outside the United States to non-U.S. Persons in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction except in compliance with the applicable laws or such jurisdiction.

Disclaimer Clause of the Stock Exchange

[●]

Filing

A copy of this Draft Red Herring Prospectus has been filed with SEBI at Corporate Finance Department, Plot number C4-A, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051.

A copy of the Red Herring Prospectus, along with the documents required to be filed under Section 32 of the Companies Act, 2013 would be delivered for registration to the RoC and a copy of the Prospectus to be filed under Section 26 of the Companies Act, 2013 would be delivered for registration with RoC at the office of the Registrar of Companies, 100, Everest, Marine Drive, Mumbai 400 002.

Listing

Application has been made to the Stock Exchange for permission to deal in and for an official quotation of the Equity Shares. [●] will be the Designated Stock Exchange with which the Basis of Allotment will be finalised.

If the permission to deal in and for an official quotation of the Equity Shares is not granted by the Designated Stock Exchange, our Company and the Selling Shareholders shall forthwith repay, without interest, all moneys received from the Bidders / Applicants in pursuance of the Red Herring Prospectus / the Prospectus. If such money is not repaid within the prescribed time after our Company and the Selling Shareholders become liable to repay it, then our Company and every Director of our Company who is an officer in default may, on and from such expiry of such period, be liable to repay the money, with interest, as disclosed in the Red Herring Prospectus or the Prospectus.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchange are taken within six Working Days from the Bid/Offer Closing Date. Further, the Selling Shareholders confirm that they shall provide reasonable assistance to our Company, the Managers as may be reasonably required and necessary, for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchange where the Equity Shares are proposed to be listed within six Working Days from the Bid/Offer Closing Date.

If our Company does not Allot Equity Shares pursuant to the Offer within six Working Days from the Bid/Offer Closing Date or within such timeline as prescribed by SEBI, it shall repay, without interest, all monies received from Bidders, failing which interest shall be due to be paid to the Bidders at the rate of 15% per annum for the delayed period.

The Selling Shareholders confirm that they shall reimburse our Company for any interest payments made by our Company on behalf of the Selling Shareholders in this regard.

Our Company has filed an application dated December 13, 2016 seeking approval of SEBI for trading of Equity Shares, as permitted securities on the trading platform of our Company in addition to the trading platform of the Designated Stock Exchange.

Our Company has submitted a letter dated September 16, 2016 to SEBI setting out proposals for our seamless listing on other competitor stock exchanges to address the risk of conflict of interest.

Consents

Consents in writing of the Selling Shareholders, our Directors, our Company Secretary and Compliance Officer, our Chief Financial Officer, legal advisors, Bankers to our Company, Bankers to the Offer, the Managers, the Syndicate Members and the Registrar to the Offer to act in their respective capacities, have been obtained / will be obtained prior to filing of the Red Herring Prospectus with the RoC and filed along with a copy of the Red Herring Prospectus with the RoC as required under the Companies Act and such consents shall not be withdrawn up to the time of delivery of the Red Herring Prospectus for registration with the RoC.

In accordance with the Companies Act, 2013 and the SEBI ICDR Regulations, our Joint Auditors, M/s. Khandelwal Jain & Co., Chartered Accountants and Price Waterhouse & Co Chartered Accountants LLP have given their written consent to the inclusion of their examination reports on Restated Standalone Financial Information and Restated Consolidated Financial Information, each dated December 20, 2016 and Khandelwal Jain & Co., Chartered Accountants has given its written consent to the inclusion of the statement of tax benefits dated December 26, 2016 included in this Draft Red Herring Prospectus and such consents have not been withdrawn as on the date of this Draft Red Herring Prospectus.

Experts

Except as stated below, our Company has not obtained any expert opinions:

Our Company has received written consent from the Joint Auditors, namely, Khandelwal Jain & Co., Chartered Accountants and Price Waterhouse & Co Chartered Accountants LLP, to include their names as an expert under Section 26(1)(a)(v) of the Companies Act, 2013 in this Draft Red Herring Prospectus in relation to the reports of the Joint Auditors dated December 20,

2016, on the Restated Standalone Financial Information and Restated Consolidated Financial Information of our Company, included in this Draft Red Herring Prospectus and such consent has not been withdrawn up to the time of delivery of this Draft Red Herring Prospectus. A written consent under the provisions of Companies Act, 2013, is different from a consent filed with the U.S. Securities and Exchange Commission under Section 7 of the U.S. Securities Act, which is applicable only to transactions involving securities registered under the U.S. Securities Act. As the Equity Shares are proposed to be offered as a part of an initial public offering in India and the Equity Shares have not been and will not be registered under the U.S. Securities Act, Khandelwal Jain & Co., Chartered Accountants and Price Waterhouse & Co Chartered Accountants LLP have not given consent under Section 7 of the U.S. Securities Act. In this regard, the Joint Auditors have given consent to be referred to as “experts” in this Draft Red Herring Prospectus in accordance with the requirements of the Companies Act, 2013.

Our Company has also received a written consent from Khandelwal Jain & Co., Chartered Accountants to include their name as an “expert” for the statement of tax benefits dated December 26, 2016 included in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

The term “experts” as used in this Draft Red Herring Prospectus is different from those defined under the U.S. Securities Act which is applicable only to transactions involving securities registered under the U.S. Securities Act. The reference to the Joint Auditors as “experts” in this Draft Red Herring Prospectus is not made in the context of the U.S. Securities Act but solely in the context of this initial public offering in India.

Offer Expenses

The expenses of this Offer include, among others, underwriting and management fees, selling commissions, printing and distribution expenses, legal fees, statutory advertisement expenses, registrar and depository fees and listing fees. For further details of Offer expenses, see “Objects of the Offer” on page 101.

The Offer related expenses will be paid by the Selling Shareholders, except the listing fees, which shall be borne by our Company.

Fees Payable to the Syndicate

The total fees payable to the Syndicate (including underwriting commission and selling commission and reimbursement of their out-of-pocket expense) will be as per the appointment letter dated September 16, 2016 and November 3, 2016 with the Managers and the Syndicate Agreement. For further details of Offer expenses, see “Objects of the Offer” on page 101.

Commission payable to SCSBs, Registered Brokers, RTAs and CDPs

For details of the commission payable to SCSBs, Registered Brokers, RTAs and CDPs, see “Objects of the Offer” on page 101.

Fees Payable to the Registrar to the Offer

The fees payable by the Selling Shareholders to the Registrar to the Offer for processing of application, data entry, printing of Allotment Advice/CAN/refund order, preparation of refund data on magnetic tape, printing of bulk mailing register will be as per the agreement dated December 19, 2016 entered into, between our Company, the Selling Shareholders and the Registrar to the Offer, a copy of which will be available for inspection at the Registered Office.

The Registrar to the Offer will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty and communication expenses. Adequate funds will be provided to the Registrar to the Offer to enable it to send refund orders or Allotment advice by registered post/speed post.

Particulars regarding public or rights issues by our Company during the last five years

Our Company has not made any public or rights issues during the five years preceding the date of this Draft Red Herring Prospectus.

Previous issues of Equity Shares otherwise than for cash

Except as disclosed in “Capital Structure” beginning on page 93, our Company has not issued any Equity Shares for consideration otherwise than for cash.

Commission and Brokerage paid on previous issues

Since this is an initial public offer of Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for the Equity Shares since our Company’s inception.

Capital issue during the previous three years by listed Group Companies and Subsidiaries of our Company

None of our Group Companies nor our Subsidiaries have their equity shares listed on any stock exchange.

Performance vis-à-vis objects – Public/rights issue of our Company and/or listed Group Companies and associates of our Company

Other than as disclosed in “Capital Structure”, beginning on page 93, our Company has not undertaken any previous public or rights issue. None of our Group Companies and Subsidiaries have undertaken any public or rights issue of their equity shares in the last ten years preceding the date of this Draft Red Herring Prospectus.

Outstanding Preference Shares or other convertible instruments issued by our Company

Our Company does not have any outstanding preference shares or other convertible instruments or debentures or bonds as on date of this Draft Red Herring Prospectus.

Partly Paid-up Shares

Our Company does not have any partly paid-up Equity Shares as on the date of this Draft Red Herring Prospectus.

Stock Market Data of Equity Shares

This being an initial public offer of our Company, the Equity Shares are not listed on any stock exchange.

Redressal of Investor Grievances

The agreement between the Registrar to the Offer, our Company and the Selling Shareholders dated December 19, 2016 provides for retention of records with the Registrar to the Offer for a period of at least three years from the last date of despatch of the letters of Allotment, demat credit and refund orders to enable the investors to approach the Registrar to the Offer for redressal of their grievances.

All grievances may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary to whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or first Bidder, Bid cum Application Form number, Bidder DP ID, Client ID, PAN, date of submission of the Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder.

The Selling Shareholders will assist our Company in redressal of investor grievances, if any, in relation to the transfer of Equity Shares offered by the Selling Shareholders in the Offer (including providing all necessary documents and information sought from the Selling Shareholders by our Company and the Managers and facilitating any due diligence process that may be required to be undertaken in this regard).

Further, the investor shall also enclose a copy of the Acknowledgment Slip or specify the application number duly received from the Designated Intermediary in addition to the documents/information mentioned hereinabove.

The Registrar to the Offer shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders. Our Company, the Managers and the Registrar to the Offer accept no responsibility for errors, omissions, commission or any acts of SCSBs, Syndicate, RTA, CDPs including any defaults in complying with its obligations under the SEBI ICDR Regulations.

Disposal of Investor Grievances by our Company

Our Company estimates that the average time required by our Company or the Registrar to the Offer or the Designated Intermediary, for the redressal of routine investor grievances shall be 10 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has constituted a Stakeholders’ Relationship Committee comprising (i) Ashok Chawla, Chairman (Public Interest Director), (ii) Ravi Narain (Shareholder Director), and (iii) T.V. Mohandas Pai (Public Interest Director). For details, see “Our Management - Committees of our Board – Stakeholders’ Relationship Committee” on page 204.

Our Company has also appointed S. Madhavan, as the Compliance Officer for the Offer and may be contacted in case of any pre-Offer or post-Offer related problems at the following address:

S. Madhavan
“Exchange Plaza”

C-1, Block G
Bandra Kurla Complex
Bandra (East)
Mumbai 400 051
Tel: (91 22) 2659 8100
Fax: (91 22) 2659 8120
E-mail: nseipo@nse.co.in

Investor grievance mechanism and investor complaints for the listed companies (whose equity shares are listed on stock exchanges) under the same management within the meaning of section 370 (1B) of the Companies Act, 1956

There are no listed companies under the same management within the meaning of section 370 (1B) of the Companies Act, 1956.

Changes in Auditors

Except as described below, there has been no change in our Auditors for the last three years:

Name of Auditors	Date of Appointment	Date of Resignation	Reason for change
Price Waterhouse & Co Chartered Accountants LLP	September 16, 2016	-	Appointment as Joint Auditors with Khandelwal Jain & Co., Chartered Accountants

Capitalisation of Reserves or Profits

Except for the bonus issuance, as disclosed in “Capital Structure” beginning on page 93, our Company has not capitalised its reserves or profits at any time during the last five years.

Revaluation of Assets

There has been no revaluation of assets by our Company.

SECTION VII: OFFER INFORMATION

TERMS OF THE OFFER

The Equity Shares being Offered pursuant to the Offer shall be subject to the provisions of the Companies Act, and the rules and regulations made thereunder, the SECC Regulations, the SEBI ICDR Regulations, SCRA, SCRR, the Memorandum of Association and Articles of Association, the terms of the Red Herring Prospectus, the Prospectus, the abridged prospectus, Bid cum Application Form, the Revision Form, the CAN, the Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advices and other documents/certificates that may be executed in respect of the Offer. The Equity Shares shall also be subject to laws, as applicable, guidelines, rules, notifications and regulations relating to the offer of capital and listing and trading of securities issued from time to time by SEBI, the Government, the FIPB, the Stock Exchange, the RBI, RoC and/or other authorities, as in force on the date of the Offer and to the extent applicable or such other conditions as may be prescribed by SEBI, the RBI, the Government, the FIPB, the Stock Exchange, the RoC and any other authorities while granting their approval for the Offer.

Offer for Sale

All expenses with respect to the Offer will be borne by the Selling Shareholders, except the listing fees, which shall be borne by our Company. Payments, if any, made by our Company in relation to the Offer shall be on behalf of the Selling Shareholders and such payments will be reimbursed by the Selling Shareholders to our Company.

Selling Shareholders' Committee:

In accordance with the Offer Scheme, our Board of Directors has constituted the Selling Shareholders' Committee. The Selling Shareholders' Committee shall be an advisory committee by nature. The Selling Shareholders' Committee shall be consulted by our Company (through our Board of Directors) prior to determination of the Offer Price. The Price Band will be decided by our Company (through the Board), in consultation with the Managers and upon due consideration of the recommendation of the Selling Shareholders' Committee.

The members or the constitution of the Selling Shareholders' Committee may be altered by our Board of Directors, at its discretion, in the manner it may deem fit in the interest of our Company, the Selling Shareholders and our Shareholders in accordance with the OFS Notice.

Ranking of the Equity Shares

The Equity Shares being offered pursuant to the Offer shall be subject to the provisions of the Companies Act, the SECC Regulations, the Memorandum of Association and Articles of Association and shall rank *pari passu* in all respects with the existing Equity Shares including rights to receive dividend. The Allottees, upon Allotment, of the Equity Shares under the Offer, will be entitled to dividend and other corporate benefits, if any, declared by our Company after the date of Allotment. For further details, see "Main Provisions of the Articles of Association" beginning on page 547.

Mode of Payment of Dividend

Our Company shall pay dividends, if declared, to our Shareholders in accordance with the provisions of Companies Act, the SECC Regulations, the Memorandum of Association and the Articles of Association and provisions of the Listing Regulations. For further details in relation to dividends, see "Dividend Policy" and "Main Provisions of the Articles of Association" beginning on pages 213 and 547, respectively.

Face Value, Offer Price, Floor Price and Price Band

The face value of each Equity Share is ₹ 1 per Equity Share and the Offer Price is ₹ [●] per Equity Share. The Floor Price is ₹ [●] and the Price Band is ₹ [●] - ₹ [●]. The Anchor Investor Offer Price is ₹ [●] per Equity Share.

The minimum Bid Lot will be decided by our Company in consultation with the Managers and the Price Band will be decided by our Company in consultation with the Managers and upon due consideration of the recommendation of the Selling Shareholders' Committee, and will be advertised in all editions of the English national newspaper [●], all editions of the Hindi national newspaper [●], and [●] editions of the Marathi newspaper [●] (Marathi being the regional language of Maharashtra, where our Registered Office is located), each with wide circulation at least five Working Days prior to the Bid/Offer Opening Date with the relevant financial ratios calculated at the Floor Price and at the Cap Price and such advertisement shall be made available to the Stock Exchange for the purpose of uploading the same on their websites.

At any given point of time there shall be only one denomination of Equity Shares.

Compliance with disclosure and accounting norms

Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

Rights of our Shareholders

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, our Shareholders shall have the following rights:

- Right to receive dividends, if declared;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy, in accordance with the provisions of the Companies Act;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- Right of free transferability, subject to applicable laws including any RBI rules and regulations; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, the terms of the Listing Regulations, the SECC Regulations and the Memorandum of Association and the Articles of Association of our Company.

For a detailed description of the main provisions of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/or consolidation/splitting, see “Main Provisions of the Articles of Association” on page 547.

Option to Receive Securities in Dematerialised Form

In terms of Section 29 of the Companies Act, 2013, the Equity Shares shall be Allotted only in dematerialised form. As per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form. Further, pursuant to the SECC Regulations, the Equity Shares are required to be in dematerialised form. In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar to the Offer:

- Tripartite agreement dated October 11, 2007, between NSDL, our Company and the Registrar to the Offer; and
- Tripartite agreement dated November 25, 2016, between CDSL, our Company and the Registrar to the Offer.

Market Lot and Trading Lot

Since trading of the Equity Shares is in dematerialised form, the tradable lot is one Equity Share. Allotment in the Offer will be only in electronic form in multiples of one Equity Share subject to a minimum Allotment of [●] Equity Shares subject to the restrictions under the SECC Regulations.

Nomination Facility to Bidders

In accordance with Section 72 of the Companies Act, 2013, the sole Bidder, or the first Bidder along with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to equity share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of Equity Share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or to the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013, shall upon the production of such evidence as may be required by our Board, elect either:

- a) to register himself or herself as the holder of the Equity Shares; or
- b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, our Board may, at any time, give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, our Board may, thereafter, withhold payment of all dividends, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Offer will be made only in dematerialised form, there is no need to make a separate nomination with our Company. Nominations registered with respective depository participant of the applicant would prevail. If the Bidders require changing of their nomination, they are requested to inform their respective depository participant.

Period of operation of subscription list

See “Offer Structure – Bid/Offer Programme” on page 504.

Minimum Subscription

The requirement of minimum subscription is not applicable to the Offer in accordance with the SEBI ICDR Regulations since it is entirely through an Offer for Sale. However, if our Company does not make the minimum Allotment specified under terms of Rule 19(2)(b) of the SCRR, including devolvement of Underwriters, if any, within 60 days from the date of Bid/Offer Closing Date, our Company and the Selling Shareholders shall forthwith refund the entire subscription amount received. If there is a delay beyond the prescribed time, our Company and the Selling Shareholders shall pay interest prescribed under the applicable law.

Further, our Company and the Selling Shareholders shall ensure that the number of prospective Allottees to whom the Equity Shares will be Allotted shall not be less than 1,000 in compliance with Regulation 26(4) of the SEBI ICDR Regulations.

Arrangement for Disposal of Odd Lots

There are no arrangements for disposal of odd lots.

Restrictions on Transfer and Transmission of Equity Shares

Except for lock-in of the pre-Offer Equity Share capital of our Company and the Anchor Investor lock-in of Equity Shares as detailed in “Capital Structure” beginning on page 93 and except as provided in the Articles of Association, there are no restrictions on transfer of Equity Shares. Further, there are no restrictions on transmission of Equity Shares and on their consolidation or splitting, except as provided in the Articles of Association. For details, see “Risk Factors” and “Main Provisions of the Articles of Association” beginning on page 19 and 547.

Compliance with the SECC Regulations

Fit and proper criteria

In terms of Regulation 19 of the SECC Regulations, no person shall, directly or indirectly, acquire or hold shares in a recognised stock-exchange unless he is a ‘fit and proper’ person. The fit and proper criteria are set out under Regulation 20 of the SECC Regulations. Accordingly, in terms of the SEBI circular dated January 1, 2016 (the “**January Circular**”), a declaration will be included in the Bid cum Application Form confirming that the Bidder is a ‘fit and proper’ person under the SECC Regulations. Submission of the Bid cum Application Form will be deemed to be a confirmation by the Bidder that such Bidder satisfies the fit and proper criteria. The SECC Regulations also states that once the Equity Shares are listed, the text of the applicable regulation with regard to fit and proper criteria shall be made part of the contract note. The SECC Regulations states that if any question arises as to whether a person is a fit and proper person, SEBI’s decision on such question shall be final. For details in relation to the fit and proper criteria prescribed under Regulation 20, see “Offer Procedure – Part A – Fit and proper criteria” on pages 507 to 508.

In terms of the January Circular, in the event of acquisition of shares by persons who do not meet the fit and proper criteria, the voting rights and corporate benefits with respect to such shareholding shall be frozen by the depositories until the same is divested through the special window.

Restrictions on shareholding

1. Shareholding of “public” in our Company:

In terms of the SECC Regulations, at least 51% of the paid up equity share capital of a recognised stock exchange shall be held by public. The term ‘public’ has been defined under the SECC Regulations to include any member or section of the public but does not include any trading member or clearing member or their associates and agents. However, public sector banks, public financial institutions, insurance companies, mutual funds and alternative

investment funds in public sector, that have associates as trading members or clearing members are deemed to be public under the SECC Regulations (the “**Deemed Public Entities**”).

Accordingly, trading and clearing members or their associates and agents other than the Deemed Public Entities shall be considered for Allotment on a proportionate basis such that the total shareholding of trading members, clearing members, their associates and agents in our Company does not exceed 49% of the paid-up Equity Share capital, subject to valid Bids being received at or above the Offer Price. In this regard, each Bidder will be required to certify in the Bid cum Application Form if it is (i) a trading or (ii) clearing member or (iii) an associate or agent of a trading or clearing member or (iv) whether it is a Deemed Public Entity, and such certification shall be the sole responsibility of the Bidder. Please note that our Company, the Managers and the Registrar will rely strictly and solely on such a declaration.

In terms of the January Circular, the trading members or their associates and agents are required to obtain prior approval of our Company for further acquisition of Equity Shares, in the event the aggregate shareholding of the trading members or their associates and agents crosses the limit of 45% of the paid-up Equity Share capital.

2. Shareholding of persons resident in India:

Pursuant to the SECC Regulations, no person resident in India shall at any time, directly or indirectly, either individually or acting together with persons acting in concert, acquire or hold more than 5% of the paid-up Equity Share capital in our Company. However, stock exchanges, depositories, banking companies, insurance companies, and public financial institutions are permitted either directly or indirectly, either individually or together with persons acting in concert, to acquire or hold, up to 15% of the paid up Equity Share capital of our Company, provided that such entities are resident in India. Further, in the event the shareholding of such entities exceeds 5% of the paid-up Equity Share capital of our Company, prior approval of SEBI will be required.

3. Shareholding of persons resident outside India:

Pursuant to the SECC Regulations, no person resident outside India shall, directly or indirectly, either individually or acting together with persons acting in concert, acquire or hold more than 5% of the paid-up Equity Share capital of our Company. Further, the combined holding of all the persons resident outside India in the paid-up Equity Share capital of our Company shall not exceed 49% of the total paid-up Equity Share capital of our Company.

4. Acquisition of more than 2% of the paid-up Equity Share capital of our Company:

Any person who, directly or indirectly, either individually or acting together with persons acting in concert, acquires equity shares pursuant to which his shareholding exceeds 2% of the paid-up Equity Share capital of our Company, shall seek approval of SEBI within 15 days from the date of such acquisition. In the event SEBI approval is not obtained, such person will be required to forthwith divest his excess shareholding.

5. Acquisition of more than 5% of the paid-up equity share capital of our Company:

As stated above, only stock exchanges, depositories, banking companies, insurance companies, and public financial institutions can, directly or indirectly, either individually or together with any person acting in concert, acquire or hold up to 15% of the paid up Equity Share capital of our Company with the prior approval of SEBI.

Accordingly, in case of Bids representing for such number of Equity Shares, that may result in the shareholding of a Bidder either directly or indirectly, by himself or acting in concert with other persons and including existing shareholding, if any) exceeding 5% of the paid-up Equity Share capital of our Company, such Bidder is required to affix a clear legible certified copy of the approval obtained from SEBI along with the Bid cum Application Form and declare that it is eligible to own more than 5% of the paid-up equity share capital of our Company. The Bidders shall also deliver the self certified copy of the approval obtained from SEBI to the Registrar to the Offer within one Working Day of the Bid / Offer Closing Date. All Allotments to such Bidders shall be in accordance with and subject to the conditions contained in such SEBI approval.

In case of any failure by such Bidder to submit the requisite approval within the above time period, our Company may Allot such number of Equity Shares, as adjusted for the Bid Lot (and in case of over-subscription in the Offer, after making applicable proportionate allocation for the Equity Shares Bid for), that will limit the aggregate shareholding of the Bidder (either directly or indirectly, by itself or acting in concert with other persons and including existing shareholding, if any) to 5% of the paid-up Equity Share capital of our Company. Please note that our Company, the Managers and the Registrar will rely strictly and solely on the SEBI approvals received from the Bidders for making any Allotments to any Bidders together with persons acting in concert for more than 5% of the paid up Equity Share capital of our Company. Our Company, the Registrar and the Managers will not exercise any discretion or judgment in identifying the persons acting in concert in relation to any Bidder and will not be responsible, directly or indirectly, for the consequences of any Bidder and persons acting in concert with such

Bidder, acquiring any Equity Shares in excess of 5% of the paid-up equity share capital of our Company, without a valid and subsisting SEBI approval. Basis of Allotment as set out in “Offer Procedure - Part B - General Information Document” shall be to the aforementioned Allotment restrictions.

Additionally, the SECC Regulations restrict clearing corporations from holding any right, stake or interest, of whatsoever nature, in any recognised stock exchange. Accordingly, any Bids made by a clearing corporation will be rejected.

For further details in relation to fit and proper criteria and the restrictions on shareholding, see “Regulations and Policies” on page 177.

Eligibility and Transfer Restrictions

As described more fully below, there are certain restrictions regarding the Equity Shares that affect potential U.S. and non-U.S. investors. These restrictions are (i) prohibitions on participation in the Offer by persons in circumstances which would cause our Company to be required to be registered as an investment company under the U.S. Investment Company Act and (ii) restrictions on the ownership of Equity Shares by such persons following the offer.

The Equity Shares have not been and will not be registered under the U.S. Securities Act and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons as defined in Regulation S under the U.S. Securities Act (“U.S. Persons”) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Our Company has not registered and does not intend to register under the U.S. Investment Company Act. Accordingly, the Equity Shares are only being offered and sold (i) to persons in the United States or to, or for the account or benefit of, U.S. Persons, in each case that are both “qualified institutional buyers” (as defined in Rule 144A under the U.S. Securities Act and referred to in this Draft Red Herring Prospectus as “U.S. QIBs”; for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in this Draft Red Herring Prospectus as “QIBs”) and “qualified purchasers” (as defined under the U.S. Investment Company Act and referred to in this Draft Red Herring Prospectus as “QPs”) in transactions exempt from or not subject to the registration requirements of the U.S. Securities Act and in reliance upon section 3(c)(7) of the U.S. Investment Company Act; or (ii) outside the United States to investors that are not U.S. Persons nor persons acquiring for the account or benefit of U.S. Persons in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur. The Equity Shares may not be re-offered, re-sold, pledged or otherwise transferred except in an offshore transaction in accordance with Regulation S to a person outside the United States and not known by the transferor to be a U.S. Person by pre-arrangement or otherwise (including, for the avoidance of doubt, a bona fide sale on the [●] Stock Exchange or the [●] Stock Exchange). See “Offer Information – Terms of the Offer – Eligibility and Transfer Restrictions” beginning on page 497.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made, by persons in any such jurisdiction except in compliance with the applicable laws of such jurisdiction.

Until the expiry of 40 days after the commencement of the Offer, an offer or sale of Equity Shares within the United States by a dealer (whether or not it is participating in the Offer) may violate the registration requirements of the U.S. Securities Act.

The Equity Shares have not been recommended by any U.S. federal or state securities commission or regulatory authority. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of this Draft Red Herring Prospectus or approved or disapproved the Equity Shares. Any representation to the contrary is a criminal offence in the United States. In making an investment decision investors must rely on their own examination of our Company and the terms of the Offer, including the merits and risks involved.

Our Company is not and will not be registered under the U.S. Investment Company Act, and investors will not be entitled to the benefits afforded to investors under the U.S. Investment Company Act.

Investors may be required to bear the financial risk of an investment in the Equity Shares for an indefinite period. The Equity Shares are not transferable except in compliance with the restrictions described in “Offer Information – Terms of the Offer – Eligibility and Transfer Restrictions” beginning on page 497.

Eligible Investors

The Equity Shares are being offered and sold

- i. in the United States or to, or for the account or benefit of, U.S. Persons, in each case that are both U.S. QIBs and QPs, in transactions exempt from or not subject to the registration requirements of the U.S. Securities Act and in reliance on section 3(c)(7) of the U.S. Investment Company Act; and
- ii. outside the United States to investors that are not U.S. Persons, nor persons acquiring for the account or benefit of U.S. Persons, in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur;

and in each case who are deemed to have made the representations set forth immediately below.

Equity Shares Offered and Sold within the United States or to U.S. Persons

Each purchaser that is a U.S. Person or acquiring the Equity Shares issued pursuant to this Offer within the United States or for the account or benefit of U.S. Persons, by a declaration included in the Bid cum Application Form and its acceptance of this Draft Red Herring Prospectus and of the Equity Shares, will be deemed to have acknowledged, represented to and agreed, on behalf of itself and each person for which it is acting, with the Company and the Managers that it has received a copy of this Draft Red Herring Prospectus and such other information as it deems necessary to make an informed investment decision and that:

- (1) the purchaser is authorized to consummate the purchase of the Equity Shares issued pursuant to this Offer in compliance with all applicable laws and regulations;
- (2) the purchaser acknowledges that the Equity Shares issued pursuant to this Offer have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state of the United States and accordingly may not be offered or sold within the United States or to, or for the account or benefit of, U.S. Persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act;
- (3) the purchaser (i) is a U.S. QIB and a QP, (ii) is aware that the sale to it is being made in a transaction exempt from or not subject to the registration requirements of the U.S. Securities Act, (iii) was not formed for the purpose of investing in the Equity Shares and (iv) is acquiring such Equity Shares for its own account or for the account of one or more persons, each of which is a U.S. QIB and a QP, with respect to which it exercises sole investment discretion;
- (4) the purchaser acknowledges that the Company has not registered, and does not intend to register, as an “investment company” (as such term is defined under the U.S. Investment Company Act) and that the Company has imposed the transfer and offering restrictions with respect to persons in the United States and U.S. Persons described herein so that the Company will qualify for the exception provided under Section 3(c)(7) of the U.S. Investment Company Act and will have no obligation to register as an investment company. The purchaser, and each person for which it is acting, also understands and agrees that the Company and the Managers shall have the right to request and receive such additional documents, certifications, representations and undertakings, from time to time, as they may deem necessary in order to comply with applicable legal requirements;
- (5) the purchaser is not a broker-dealer which owns and invests on a discretionary basis less than US\$25 million in securities of issuers unaffiliated with such broker-dealer;
- (6) the purchaser understands that, subject to certain exceptions, to be a QP, entities must have U.S.\$25 million in “investments” (as defined in Rule 2a51-1 of the U.S. Investment Company Act);
- (7) the purchaser is not an affiliate of the Company or a person acting on behalf of an affiliate;
- (8) the purchaser is not a participant-directed employee plan, such as a 401(k) plan, or a trust holding the assets of such plan, unless the investment decisions with respect to such plan are made solely by the fiduciary, trustee or sponsor of such plan;
- (9) the purchaser is not managed as a device for facilitating individual investment decisions of beneficial owners, but rather is managed as a collective investment vehicle;
- (10) the purchaser, and each account for which it is purchasing or otherwise acquiring Equity Shares, will purchase, hold or transfer Equity Shares amounting to at least US\$250,000 or its equivalent in another currency;
- (11) it, and each person for which it is acting, was not formed, reformed or recapitalized for the purpose of investing in the Equity Shares and/or other securities of the Company;
- (12) if the purchaser, or any person for which it is acting, is an investment company excepted from the U.S. Investment Company Act pursuant to section 3(c)(1) or section 3(c)(7) thereof (or a foreign investment company under Section 7(d) thereof relying on section 3(c)(1) or 3(c)(7) with respect to its holders that are U.S. persons) and was formed on or before April 30, 1996, it has received the consent of its beneficial owners who acquired their interests on or before April 30, 1996, with respect to its treatment as a QP in the manner required by Section 2(a)(51)(C) of the U.S. Investment Company Act and the rules promulgated thereunder;
- (13) the purchaser, and each person for which it is acting, is not a partnership, common trust fund, or corporation, special trust, pension fund or retirement plan, or other entity, in which the partners,

- beneficiaries, beneficial owners, participants, shareholders or other equity owners, as the case may be, may designate the particular investments to be made, or the allocation thereof unless all such partners, beneficiaries, beneficial owners, participants, shareholders or other equity owners are both QIBs and QPs;
- (14) the purchaser, and each person for which it is acting, has not invested more than 40.0% of its assets in the Equity Shares (or beneficial interests therein) and/or other securities of the Company after giving effect to the purchase of the Equity Shares (or beneficial interests therein) (unless all of the beneficial owners of such entity's securities are both QIBs and QPs);
- (15) if, in the future, the purchaser decides to offer, resell, pledge or otherwise transfer such Equity Shares, or any economic interest therein, such Equity Shares or any economic interest therein may be offered, sold, pledged or otherwise transferred only outside the United States in an offshore transaction complying with Rule 903 or Rule 904 of Regulation S under the U.S. Securities Act to a person outside the United States and not known by the transferor to be a U.S. Person by pre-arrangement or otherwise (including, for the avoidance of doubt, a bona fide sale on the [●] Stock Exchange or the [●] Stock Exchange). The purchaser agrees not to effect any sale, pledge or other transfer unless the purchaser first executes a US Resale Letter in the form of Annexure B to this Draft Red Herring Prospectus and delivers such letter to the Company prior to the settlement if any sale, pledge or other transfer of the Equity Shares. The purchaser understands that the transfer restrictions will remain in effect until the Company determines, in its sole discretion, to remove them;
- (16) is not subscribing to, or purchasing, the Equity Shares with a view to, or for the offer or sale in connection with, any distribution thereof (within the meaning of the U.S. Securities Act) that would be in violation of the securities laws of the United States or any state thereof;
- (17) the Equity Shares are "restricted securities" within the meaning of Rule 144(a)(3) under the U.S. Securities Act and no representation is made as to the availability of the exemption provided by Rule 144 for resales of any such Equity Shares;
- (18) the purchaser will not deposit or cause to be deposited such Equity Shares into any depositary receipt facility established or maintained by a depositary bank other than a Rule 144A restricted depositary receipt facility, so long as such Equity Shares are "restricted securities" within the meaning of Rule 144(a)(3) under the U.S. Securities Act;
- (19) the purchaser agrees that neither the purchaser, nor any of its affiliates, nor any person acting on behalf of the purchaser or any of its affiliates, will make any "directed selling efforts" as defined in Regulation S under the U.S. Securities Act in the United States with respect to the Equity Shares or any "general solicitation" or "general advertising" (as defined in Regulation D under the U.S. Securities Act) in the United States in connection with any offer or sale of the Equity Shares;
- (20) the purchaser understands that such Equity Shares (to the extent they are in certificated form), unless the Company determines otherwise in accordance with applicable law, will bear a legend substantially to the following effect:

THIS SECURITY HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT") OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND THE ISSUER HAS NOT BEEN REGISTERED UNDER THE U.S. INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "U.S. INVESTMENT COMPANY ACT"). THIS SECURITY MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT TO A PERSON OUTSIDE THE UNITED STATES AND NOT KNOWN BY THE TRANSFEROR TO BE A US PERSON BY PRE-ARRANGEMENT OR OTHERWISE IN AN OFFSHORE TRANSACTION COMPLYING WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT, AND OTHERWISE IN A TRANSACTION EXEMPT FROM, OR NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT AND THE U.S. INVESTMENT COMPANY ACT

- THIS SECURITY IS NOT TRANSFERABLE EXCEPT IN ACCORDANCE WITH THE RESTRICTIONS DESCRIBED HEREIN. EACH TRANSFEROR OF THIS SECURITY AGREES TO PROVIDE NOTICE OF THE TRANSFER RESTRICTIONS SET FORTH HEREIN AND IN THE COMPANY'S OFFER DOCUMENTS TO THE TRANSFEREE AND TO ANY EXECUTING BROKER.
- (21) the purchaser agrees, upon a proposed transfer of the Equity Shares, to notify any purchaser of such Equity Shares or the executing broker, as applicable, of any transfer restrictions that are applicable to the Equity Shares being sold and agrees not to act as a swap counterparty or other type of intermediary whereby any other party will acquire an economic interest or beneficial interest in the Equity Shares acquired or reoffer, resell, pledge or otherwise transfer the Equity Shares or any beneficial interest therein, to any person except to a person that meets all of the requirements above and who agrees not to subsequently transfer the Equity Shares or any beneficial interest therein except in accordance with these transfer restrictions;
- (22) the purchaser understands and acknowledges that (i) the Company will not recognize any offer, sale, pledge or other transfer of such Equity Shares made other than in compliance with the above-stated restrictions; (ii) any acquisition of a beneficial interest in the Equity Shares by any U.S. Person or any person within the United States who is required under these restrictions to be a QP but is not a QP at the time it acquires a

- beneficial interest in the Equity Shares, shall be null and void ab initio and will not be honored by the Company and in no event will the Company, its directors, officers, employees or agents, including any broker or dealer, have any liability whatsoever to the purchaser by reason of any act or failure to act by any person authorized by the Company in connection with the foregoing;
- (23) the purchaser understands and acknowledges that our Company may be considered a "covered fund" for purposes of the Volcker Rule. The definition of "covered fund" in the Volcker Rule includes (generally) any entity that would be an investment company under the U.S. Investment Company Act, but for the exceptions provided under Section 3(c)(1) or 3(c)(7) thereunder. Because our Company relies on Section 3(c)(7) of the U.S. Investment Company Act for its exclusion from registration thereunder, it may be considered to be a covered fund. Accordingly, banking entities that are subject to the Volcker Rule may be prohibited under the Volcker Rule from, among other things, acquiring or retaining our Equity Shares, absent any applicable exclusion or exemption. Each purchaser must make its own determination as to whether it is a banking entity subject to the Volcker Rule and, if applicable, the potential impact of the Volcker Rule on its ability to purchase or retain our Equity Shares;
 - (24) the purchaser is knowledgeable, sophisticated and experienced in business and financial matters, fully understands the limitations on ownership and transfer and the restrictions on sales of the Equity Shares and is aware that there are substantial risks incidental to the purchase of the Equity Shares and is able to bear the economic risk of such purchase; and
 - (25) the purchaser acknowledges that the Company, the Managers, their respective affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations and agreements deemed to have been made by virtue of its purchase of such Equity Shares are no longer accurate, it will promptly notify the Company, and if it is acquiring any of such Equity Shares as a fiduciary or agent for one or more accounts, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of such account.

All Other Equity Shares Offered and Sold in this Offer

Each purchaser that is a non-U.S. Person and acquiring the Equity Shares sold pursuant to this Offer outside the United States, by a declaration included in the Bid cum Application Form and its acceptance of this Draft Red Herring Prospectus and of the Equity Shares sold pursuant to this Offer, will be deemed to have acknowledged, represented to and agreed with the Company and the Managers that it has received a copy of this Draft Red Herring Prospectus and such other information as it deems necessary to make an informed investment decision and that:

- (1) the purchaser is authorized to consummate the purchase of the Equity Shares sold pursuant to this Offer in compliance with all applicable laws and regulations;
- (2) the purchaser acknowledges that the Equity Shares issued pursuant to this Offer have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state of the United States and accordingly may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act;
- (3) the purchaser is purchasing the Equity Shares issued pursuant to this Offer in an offshore transaction meeting the requirements of Rule 903 of Regulation S under the U.S. Securities Act;
- (4) the purchaser and the person, if any, for whose account or benefit the purchaser is acquiring the Equity Shares issued pursuant to this Offer, is a non-U.S. Person and was located outside the United States at each time (i) the offer was made to it and (ii) when the buy order for such Equity Shares was originated, and continues to be a non-U.S. Person and located outside the United States and has not purchased such Equity Shares for the account or benefit of any U.S. Person or any person in the United States or entered into any arrangement for the transfer of such Equity Shares or any economic interest therein to any U.S. Person or any person in the United States;
- (5) the purchaser is not an affiliate of the Company or a person acting on behalf of an affiliate;
- (6) if, in the future, the purchaser decides to offer, resell, pledge or otherwise transfer such Equity Shares, or any economic interest therein, such Equity Shares or any economic interest therein may be offered, sold, pledged or otherwise transferred only outside the United States in an offshore transaction complying with Rule 903 or Rule 904 of Regulation S under the U.S. Securities Act to a person not known by the transferor to be a U.S. Person by pre-arrangement or otherwise (including, for the avoidance of doubt, a bona fide sale on the [●] Stock Exchange or the [●] Stock Exchange) . The purchaser understands that the transfer restrictions will remain in effect until the Company determines, in its sole discretion, to remove them, and confirms that the proposed transfer of the Equity Shares is not part of a plan or scheme to evade the

registration requirements of the U.S. Securities Act or the U.S. Investment Company Act;

- (7) the purchaser agrees that neither the purchaser, nor any of its affiliates, nor any person acting on behalf of the purchaser or any of its affiliates, will make any “directed selling efforts” as defined in Regulation S under the U.S. Securities Act in the United States with respect to the Equity Shares;
- (8) the purchaser understands that such Equity Shares (to the extent they are in certificated form), unless the Company determine otherwise in accordance with applicable law, will bear a legend substantially to the following effect:

THIS SECURITY HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “U.S. SECURITIES ACT”) OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND THE ISSUER HAS NOT BEEN REGISTERED UNDER THE U.S. INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE “U.S. INVESTMENT COMPANY ACT”). THIS SECURITY MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT TO A PERSON OUTSIDE THE UNITED STATES AND NOT KNOWN BY THE TRANSFEROR TO BE A US PERSON BY PRE-ARRANGEMENT OR OTHERWISE IN AN OFFSHORE TRANSACTION COMPLYING WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT AND OTHERWISE IN A TRANSACTION EXEMPT FROM, OR NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT AND THE U.S. INVESTMENT COMPANY ACT.

THIS SECURITY IS NOT TRANSFERABLE EXCEPT IN ACCORDANCE WITH THE RESTRICTIONS DESCRIBED HEREIN. EACH TRANSFEROR OF THIS SECURITY AGREES TO PROVIDE NOTICE OF THE TRANSFER RESTRICTIONS SET FORTH HEREIN AND IN THE COMPANY’S OFFER DOCUMENTS TO THE TRANSFEREE AND TO ANY EXECUTING BROKER.

- (9) the purchaser agrees, upon a proposed transfer of the Equity Shares, to notify any purchaser of such Equity Shares or the executing broker, as applicable, of any transfer restrictions that are applicable to the Equity Shares being sold;
- (10) the purchaser understands and acknowledges that (i) the Company will not recognize any offer, sale, pledge or other transfer of such Equity Shares made other than in compliance with the above-stated restrictions; (ii) any acquisition of a beneficial interest in the Equity Shares by any U.S. Person or any person within the United States who is required under these restrictions to be a QP but is not a QP at the time it acquires a beneficial interest in the Equity Shares, shall be null and void ab initio and will not be honored by the Company and in no event will the Company, its directors, officers, employees or agents, including any broker or dealer, have any liability whatsoever to the purchaser by reason of any act or failure to act by any person authorized by the Company in connection with the foregoing;
- (11) the purchaser understands and acknowledges that our Company may be considered a “covered fund” for purposes of the Volcker Rule. The definition of “covered fund” in the Volcker Rule includes (generally) any entity that would be an investment company under the U.S. Investment Company Act, but for the exceptions provided under Section 3(c)(1) or 3(c)(7) thereunder. Because our Company relies on Section 3(c)(7) of the U.S. Investment Company Act for its exclusion from registration thereunder, it may be considered to be a covered fund. Accordingly, banking entities that are subject to the Volcker Rule may be prohibited under the Volcker Rule from, among other things, acquiring or retaining our Equity Shares, absent any applicable exclusion or exemption. Each purchaser must make its own determination as to whether it is a banking entity subject to the Volcker Rule and, if applicable, the potential impact of the Volcker Rule on its ability to purchase or retain our Equity Shares; and
- (12) the purchaser acknowledges that the Company, the Managers, their respective affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations and agreements deemed to have been made by virtue of its purchase of such Equity Shares are no longer accurate, it will promptly notify the Company, and if it is acquiring any of such Equity Shares as a fiduciary or agent for one or more accounts, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of such account.

OFFER STRUCTURE

Public Offer of up to 111,411,970 Equity Shares for cash at a price of ₹ [●] per Equity Share, aggregating up to ₹ [●] million by way of the Offer of Sale by the Selling Shareholders. The Offer will constitute 22.5 % of the post-Offer paid-up Equity Share capital of our Company.

The Offer is being made through the Book Building Process.

Particulars	QIBs ⁽¹⁾	Non Institutional Investors	Retail Individual Bidders
Number of Equity Shares available for Allotment/allocation ⁽²⁾	Not more than 55,705,984 Equity Shares	Not less than 16,711,796 Equity Shares or the Offer less allocation to QIB Bidders and Retail Individual Bidders shall be available for allocation	Not less than 38,994,190 Equity Shares or the Offer less allocation to QIB Bidders and Non Institutional Investors shall be available for allocation
Percentage of Offer Size available for Allotment/allocation	Not more than 50% of the Offer However at least 5% of the QIB Portion net of the Anchor Investor Portion (“ Net QIB Portion ”) shall be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the 5% reservation in the Net QIB Portion will also be eligible for allocation in the remaining QIB Portion. Unsubscribed portion in the Mutual Fund Portion will be added to the Net QIB Portion.	Not less than 15% of the Offer or the Offer less allocation to QIB Bidders and Retail Individual Bidders shall be available for allocation	Not less than 35% of the Offer or the Offer less allocation to QIB Bidders and Non Institutional Investors shall be available for allocation
Basis of Allotment/allocation if respective category is oversubscribed	Proportionate as follows (excluding the Anchor Investor Portion): At least 1,114,120 Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only and 21,168,274 Equity Shares shall be available for allocation on a proportionate basis to all other QIBs, including Mutual Funds receiving allocation as above. Up to 33,423,590 Equity Shares may be allocated on a discretionary basis to Anchor Investors	Proportionate	Proportionate, subject to minimum Bid Lot. For details see, “Offer Procedure – Part B – Allotment Procedure and Basis of Allotment – Allotment to RIIs” on page 536.
Minimum Bid	Such number of Equity Shares that the Bid Amount exceeds ₹ 200,000 and in multiples of [●] Equity Shares thereafter	Such number of Equity Shares that the Bid Amount exceeds ₹ 200,000 and in multiples of [●] Equity Shares thereafter	[●] Equity Shares and in multiples of [●] Equity Shares thereafter
Maximum Bid	Such number of Equity Shares not exceeding the Offer size, subject to applicable limits	Such number of Equity Shares not exceeding the Offer size, subject to applicable limits	Such number of Equity Shares so that the Bid Amount does not exceed ₹ 200,000
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter		
Mode of Allotment	Compulsorily in dematerialised form		

Particulars	QIBs ⁽¹⁾	Non Institutional Investors	Retail Individual Bidders
Allotment Lot	A minimum of [●] Equity Shares and thereafter in multiples of [●] Equity Share		
Trading Lot	One Equity Share		
Who can apply ⁽³⁾	Public financial institutions as specified in Section 2(72) of the Companies Act, 2013, scheduled commercial banks, multilateral and bilateral development financial institutions, mutual funds registered with SEBI, FPIs other than Category III Foreign Portfolio Investors, VCFs, AIFs, FVCIs, state industrial development corporation, insurance company registered with IRDAI, provident fund with minimum corpus of ₹ 250 million and pension fund with minimum corpus of ₹ 250 million in accordance with applicable law and National Investment Fund set up by the Government, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India	Resident Indian individuals, Eligible NRIs, HUFs (in the name of Karta), companies, corporate bodies, societies and trusts, Category III Foreign Portfolio Investors, sub-accounts of FIIs which are foreign corporate or foreign individuals	Resident Indian individuals, Eligible NRIs and HUFs (in the name of Karta)
Terms of Payment	Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder that is specified in the ASBA Form at the time of submission of the ASBA Form. ⁽⁴⁾		

- (1) Our Company in consultation with the Managers may allocate up to 60% of the QIB Category to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being made to other Anchor Investors. For details, see "Offer Procedure" beginning on page 506.
- (2) Subject to valid Bids being received at or above the Offer Price. This Offer is being made in compliance with Regulation 45 of the SECC Regulations. Further, this is an Offer in terms of Rule 19(2)(b)(iii) of the SCRR for at least 10% of the post-Offer paid-up equity share capital of our Company. The Offer is being made through the Book Building Process wherein not more than 50% of the Offer shall be available for allocation on a proportionate basis to QIBs, provided that our Company in consultation with the Managers may allocate up to 60% of the QIB Category to Anchor Investors on a discretionary basis. 5% of the QIB Category (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Category shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price.
- (3) In case of joint Bids, the Bid cum Application Form should contain only the name of the first Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders. Our Company reserves the right to reject, in its absolute discretion or any or all multiple Bids in any or all categories.
- (4) Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Application Forms. For details of terms of payment applicable to Anchor Investors, see "Offer Procedure – Part B - Section 7: Allotment Procedure and Basis of Allotment" beginning on page 536.

Under-subscription, if any, in any category except the QIB Category, would be met with spill-over from the other categories at the discretion of our Company in consultation with the Managers and the Stock Exchange.

In terms of the SECC Regulations, no person shall, directly or indirectly, acquire or hold shares in a recognised stock-exchange unless he is a fit and proper person. Accordingly, in terms of the January Circular a declaration will be included in the Bid cum Application Form confirming that the Bidder is a fit and proper person. Submission of the Bid cum Application Form will be deemed to be a confirmation by the Bidder that such Bidder satisfies the fit and proper criteria. Bidders should ensure that they confirm to the fit and proper criteria prescribed under Regulation 20 of the SECC Regulations while subscribing for the Equity Shares under the Offer. Failing the satisfaction of fit and

proper criteria, our Company reserves the right to reject any Bid without assigning any reason thereof.

Withdrawal of the Offer

Our Company, in consultation with the Managers, reserve the right not to proceed with the Offer after the Bid/Offer Opening Date but before the Allotment. In such an event, our Company shall issue a public notice in the newspapers in which the pre-Offer advertisements were published, within two days of the Bid/Offer Closing Date, or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer. The Managers, through the Registrar to the Offer, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders within one Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchange on which the Equity Shares are proposed to be listed.

If our Company withdraws the Offer after the Bid/Offer Closing Date and thereafter determine that they will proceed with a fresh issue and/or offer for sale of the Equity Shares, our Company shall file a fresh draft red herring prospectus with SEBI. Notwithstanding the foregoing, the Offer is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment, and (ii) the final RoC approval of the Prospectus after it is filed with the RoC.

Bid/Offer Programme

BID/OFFER OPENS ON	[●] ⁽¹⁾
BID/OFFER CLOSES ON	[●] ⁽²⁾

⁽¹⁾ Our Company may, in consultation with the Managers, consider participation by Anchor Investors. The Anchor Investor Bid/Offer Period shall be one Working Day prior to the Bid/Offer Opening Date in accordance with the SEBI ICDR Regulations.

⁽²⁾ Our Company may, in consultation with the Managers, consider closing the Bid/Offer Period for QIBs one day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.

An indicative timetable in respect of the Offer is set out below:

Event	Indicative Date
Finalisation of Basis of Allotment with the Stock Exchange	On or about [●]
Initiation of refunds (if any, for Anchor Investors)/unblocking of funds from ASBA Account	On or about [●]
Credit of Equity Shares to demat accounts of Allottees	On or about [●]
Commencement of trading of the Equity Shares on the Stock Exchange	On or about [●]

The above timetable, other than the Bid/Offer Closing Date, is indicative and does not constitute any obligation on our Company or the Selling Shareholders or the Managers.

While our Company and the Selling Shareholders shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within six Working Days from the Bid/Offer Closing Date, the timetable may change due to various factors, such as extension of the Bid/Offer Period by our Company, revision of the Price Band or any delay in receiving the final listing and trading approval from the Stock Exchange. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws. The Selling Shareholders confirm that they shall extend complete co-operation required by our Company or the Managers for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchange within six Working Days from the Bid/Offer Closing Date.

Bids (other than Bids from Anchor Investors):

Bid/Offer Period (except the Bid/Offer Closing Date)	
Submission and Revision in Bids	Only between 10.00 a.m. and 5.00 p.m. IST
Bid/Offer Closing Date	
Submission and Revision in Bids	Only between 10.00 a.m. and 3.00 p.m. IST

On the Bid/Offer Closing Date, the Bids shall be uploaded until:

- (i) 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Investors, and
- (ii) until 5.00 p.m. IST or such extended time as permitted by the Stock Exchange, in case of Bids by Retail Individual Bidders.

On Bid/Offer Closing Date, extension of time will be granted by the Stock Exchange only for uploading Bids received by Retail Individual Bidders after taking into account the total number of Bids received and as reported by the Managers to the Stock Exchange.

It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs would be rejected.

Due to limitation of time available for uploading the Bids on the Bid/Offer Closing Date, Bidders are advised to submit their Bids one day prior to the Bid/Offer Closing Date and, in any case, no later than 1.00 p.m. IST on the Bid/Offer Closing Date. Bidders are cautioned that, in the event a large number of Bids are received on the Bid/Offer Closing Date, as is typically experienced in public offerings, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under the Offer. Bids will be accepted only on business days i.e. Monday to Friday (excluding any public/bank holiday). Our Company, the Selling Shareholders and the members of Syndicate are not liable for any failure in uploading Bids due to faults in any software/hardware system or otherwise. Any time mentioned in this Draft Red Herring Prospectus is Indian Standard Time.

In case of any discrepancy in the data entered in the electronic book *vis-à-vis* the data contained in the physical Bid cum Application Form, for a particular Bidder, the electronic book will be considered final.

Our Company in consultation with the Managers and upon due consideration of the recommendation of the Selling Shareholders' Committee, reserve the right to revise the Price Band during the Bid/Offer Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in the Price Band shall not exceed 20% on either side i.e. the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly.

In case of any revision to the Price Band, the Bid/Offer Period will be extended by at least three additional Working Days after such revision of the Price Band, subject to the Bid/Offer Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Offer Period, if applicable, will be widely disseminated by notification to the Stock Exchange, by issuing a press release, and also by indicating the change on the websites of the Managers and at the terminals of the Syndicate Members.

OFFER PROCEDURE

*All Bidders should review the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI ("General Information Document") and including SEBI circular bearing number CIR/CFD/POLICYCELL/11/ 2015 dated November 10, 2015 and SEBI circular bearing number SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016 included below under "**Part B – General Information Document**", which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations. The General Information Document has been updated to reflect the enactments and regulations, to the extent applicable to a public issue. The General Information Document is also available on the websites of the Stock Exchange, the Managers. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer.*

Our Company, the Selling Shareholders and the Managers do not accept any responsibility for the completeness and accuracy of the information stated in this section and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in this Draft Red Herring Prospectus.

PART A

Book Building Procedure

The Offer is being made through the Book Building Process wherein not more than 50% of the Offer shall be available for allocation to QIBs on a proportionate basis, provided that our Company in consultation with the Managers, may allocate up to 60% of the QIB Category to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from them at or above the Anchor Investor Allocation Price. In case of under-subscription or non allocation in the Anchor Investor Portion, the remaining Equity Shares will be added back to the QIB Category (other than Anchor Investor Portion) 5% of the QIB Category (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Category shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price.

Under-subscription, if any, in any category, except in the QIB Category, would be allowed to be met with spill over from any other category or combination of categories, at the discretion of our Company in consultation with the Managers and the Designated Stock Exchange.

The Equity Shares, on Allotment, shall be traded only in the dematerialised form.

Investors should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID and PAN, shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form.

Bid cum Application Form

Copies of the ASBA Form and the abridged prospectus will be available with the Designated Intermediaries at the Bidding Centres and the Registered Office. An electronic copy of the ASBA Form will also be available for download on the websites of NSE (www.nseindia.com) and BSE (www.bseindia.com), at least one day prior to the Bid/Offer Opening Date.

Copies of the Anchor Investor Application Form will be available at the offices of the Managers.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Offer only through the ASBA process. Anchor Investors are not permitted to participate in the Offer through the ASBA process.

ASBA Bidders must provide bank account details and authorisation to block funds in the relevant space provided in the ASBA Form and the ASBA Forms that do not contain such details will be rejected.

ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the Designated Intermediary, submitted at the Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected.

The prescribed colour of the Bid cum Application Form for the various categories is as follows:

Category	Colour of Bid cum Application Form *
Resident Indians and Eligible NRIs applying on a non-repatriation basis	White
Non-Residents including Eligible NRIs, FIIs, their sub-accounts (other than sub-accounts which are foreign corporates or foreign individuals Bidding under the QIB Category), FPI or FVCIs, registered multilateral and bilateral development financial institutions applying on a repatriation basis	Blue
Anchor Investors	White

* Excluding electronic Bid cum Application Form

Designated Intermediaries (other than SCSBs) shall submit/deliver the ASBA Forms to respective SCSBs where the Bidder has a bank account and shall not submit it to any non-SCSB or any Escrow Collection Bank.

Participation in the Offer by the category of Bidders set forth in “Offer Procedure - General Information Document for Investing in Public Issues – Category of Investors Eligible to Participate in an Issue” on page 518, are subject to certain additional conditions, prescribed under laws applicable to our Company, being a recognized stock exchange, including:

- (i) In accordance with the SECC Regulations, clearing corporations are not permitted to participated in this Offer;
- (ii) Bidders shall fulfill the criteria of being a ‘fit and proper’ person as defined in the SECC Regulations. For details, see “Offer Procedure - Fit and proper criteria” on pages 507 to 508.

Further, for details on investment restrictions on acquisition of Equity Shares, see “Terms of the Offer – Compliance with the SECC Regulations – Restrictions on shareholding” and “Restrictions on foreign ownership of Indian Securities” beginning on page 495 and 546.

Fit and proper criteria

In terms of Regulation 19 of the SECC Regulations, no person shall, directly or indirectly, acquire or hold shares in a recognised stock-exchange unless he is a ‘fit and proper’ person. The fit and proper criteria are set out under Regulation 20 of the SECC Regulations which states that, a person shall be deemed to be a fit and proper person if such person complies with the following:

- (a) such person has a general reputation and record of fairness and integrity, including but not limited to-
 - (i) financial integrity;
 - (ii) good reputation and character; and
 - (iii) honesty.
- (b) such person has not incurred any of the following disqualifications-
 - (i) the person, or any of its whole time directors or managing partners, has been convicted by a court for any offence involving moral turpitude or any economic offence or any offence against the securities laws;
 - (ii) an order for winding up has been passed against the person;
 - (iii) the person, or any of its whole time directors or managing partners, has been declared insolvent and has not been discharged;
 - (iv) an order, restraining, prohibiting or debarring the person, or any of its whole time directors or managing partners, from dealing in securities or from accessing the securities market, has been passed by our Board or any other regulatory authority, and a period of three years from the date of the expiry of the period specified in the order has not elapsed;
 - (v) any other order against the person, or any of its whole time directors or managing partners, which has a bearing on the securities market, has been passed by our Board or any other regulatory authority, and a period of three years from the date of the order has not elapsed;
 - (vi) the person has been found to be of unsound mind by a court of competent jurisdiction and the finding is in force; and
 - (vii) the person is financially not sound.

In terms of the SEBI circular dated January 1, 2016 (the “**January Circular**”), Bidders will be required to provide a declaration which will be included in the Bid cum Application Form confirming that the Bidder is a ‘fit and proper’ person under the SECC Regulations. Submission of the Bid cum Application Form will be deemed to be a confirmation by the Bidder that such Bidder satisfies the fit and proper criteria. The SECC Regulations also states that once the Equity Shares are listed, the applicable regulation in relation to fit and proper criteria shall be made part of the contract note. The SECC Regulations states that if any question arises as to whether a person is a fit and proper person, SEBI’s decision on such question shall be final.

Participation by the Managers, the Syndicate Members and persons related to them.

The Managers and Syndicate Members shall not be allowed to purchase Equity Shares in this Offer in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the Managers and the Syndicate Members may Bid for Equity Shares in the Offer, subject to such persons being eligible under applicable laws, either in the QIB Category or in the Non-Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of the Managers and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis, subject to applicable laws.

The Managers and any persons related to the Managers (other than Mutual Funds sponsored by entities related to the Managers, respectively) cannot apply in the Offer under the Anchor Investor Portion.

Bids by Mutual Funds

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form. Failing this, our Company and the Selling Shareholders reserve the right to reject any Bid without assigning any reason thereof.

Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid has been made.

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10% of any company’s paid-up share capital carrying voting rights.

Bids by Eligible NRIs

Eligible NRIs may obtain copies of Bid cum Application Form from the Designated Intermediaries. Eligible NRIs bidding on a repatriation basis by using the non-resident Bid cum Application Forms should authorise their SCSB to block their NRE Accounts, or FCNR Accounts, and Eligible NRIs bidding on a non-repatriation basis by using resident Bid cum Application Forms should authorise their SCSB to block their NRO Accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form.

Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents (white in colour).

Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents (blue in colour).

Bids by FIIs (including FIIIs)

In terms of the SEBI FPI Regulations, an FII which holds a valid certificate of registration from SEBI shall be deemed to be a registered FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations. Accordingly, such FIIs can participate in this Offer in accordance with Schedule 2 of the FEMA Regulations. An FII shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations.

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10% of our post-Offer Equity Share capital. In accordance with the foreign investment limits applicable to our Company, total foreign investment including FPI investment may be upto 49% of the total paid-up Equity Share capital of our Company. Further, in terms of the FEMA Regulations, the total holding by each FPI, an FII or sub account shall be below 10% of the total paid-up Equity Share capital

of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectoral cap by way of a resolution passed by our Board of Directors followed by a special resolution passed by our Shareholders and subject to prior intimation to RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included.

FPIs are permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

In terms of the SECC Regulations and the FEMA Regulations, no person resident outside India directly or indirectly, either individually or together with persons acting in concert shall acquire or hold more than 5% of the total paid-up Equity Share capital of our Company and the combined holding of all persons resident outside India cannot exceed 49% of the total paid-up Equity Share capital of our Company.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations and circulars issued in this regard, an FPI, other than Category III Foreign Portfolio Investors and unregulated broad based funds, which are classified as Category II Foreign Portfolio Investors by virtue of their investment manager being appropriately regulated, may issue, subscribe or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only if (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with 'know your client' norms. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by, or on behalf of, it to any persons that are not regulated by an appropriate foreign regulatory authority.

An FPI is also required to ensure that any transfer of offshore derivative instrument is made by, or on behalf of it subject to the following conditions:

- (a) such offshore derivative instruments are transferred to persons subject to fulfilment of SEBI FPI Regulations; and
- (b) prior consent of the foreign portfolio investor is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre-approved by the foreign portfolio investor.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason. An FII or sub-account may, subject to payment of conversion fees under the SEBI FPI Regulations, participate in the Offer, until the expiry of its registration as a FII or sub-account, or until it obtains a certificate of registration as FPI, whichever is earlier. Further, in case of Bids made by SEBI-registered FIIs or sub-accounts, which are not registered as FPIs, a certified copy of the certificate of registration as an FII issued by SEBI is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason.

Bids by SEBI registered VCFs, AIFs and FVCIs

The SEBI FVCI Regulations and the SEBI AIF Regulations *inter-alia* prescribe the investment restrictions on the VCFs, FVCIs and AIFs registered with SEBI.

The holding by any individual VCF registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering.

The category I and II AIFs cannot invest more than 25% of the investible funds in one investee company. A category III AIF cannot invest more than 10% of the investible funds in one investee company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all Bidders will be treated on the same basis with other categories for the purpose of allocation.

All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

Bids by limited liability partnerships

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid without assigning any reason thereof.

Bids by banking companies

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form, failing which our Company and the Selling Shareholders reserve the right to reject any Bid by a banking company without assigning any reason.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended ("**Banking Regulation Act**"), and the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company not being its subsidiary engaged in non-financial services or 10% of the banks' own paid-up share capital and reserves, whichever is lower. However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid up share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or (ii) the additional acquisition is through restructuring of debt / corporate debt restructuring / strategic debt restructuring, or to protect the banks' interest on loans / investments made to a company. The bank is required to submit a time bound action plan for disposal of such shares within a specified period to RBI. A banking company would require a prior approval of RBI to make (i) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exception prescribed), and (ii) investment in a non-financial services company in excess of 10% of such investee company's paid up share capital as stated in 5(a)(v)(c)(i) of the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016. Further, the aggregate investment by a banking company in subsidiaries and other entities engaged in financial and non-financial services company cannot exceed 20% of the investee company's paid-up share capital and reserves.

In terms of SECC Regulations, among others, banking companies are permitted either directly or indirectly, either individually or together with persons acting in concert, to acquire or hold, up to 15% of the paid up Equity Share capital of our Company, subject to prior approval of SEBI. For details, see "Terms of the Offer – Compliance with the SECC Regulations – Restrictions on shareholding" beginning on page 495.

Bids by SCSBs

SCSBs participating in the Offer are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

Bids by insurance companies

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid without assigning any reason thereof.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000 as amended are broadly set forth below:

- (a) equity shares of a company: the lower of 10*% of the outstanding Equity Shares (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
- (b) the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- (c) the industry sector in which the investee company belong to: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (a), (b) and (c) above, as the case may be.

*The above limit of 10% shall stand substituted as 15% of outstanding equity shares (face value) for insurance companies with investment assets of ₹ 2,500,000 million or more and 12% of outstanding equity shares (face value) for insurers with

investment assets of ₹ 500,000 million or more but less than ₹ 2,500,000 million.

Insurance companies participating in this Offer shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

In terms of SECC Regulations, among others, insurance companies are permitted either directly or indirectly, either individually or together with persons acting in concert, to acquire or hold, up to 15% of the paid up Equity Share capital of our Company subject to prior approval of SEBI. For details, see “Restrictions on Foreign Ownership of Indian Securities” on page 546.

Bids by provident funds/pension funds

In case of Bids made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹ 250 million, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid, without assigning any reason thereof.

Bids under Power of Attorney

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, eligible FPIs (including FIIs), Mutual Funds, insurance companies, insurance funds set up by the army, navy or air force of the India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹ 250 million (subject to applicable law) and pension funds with a minimum corpus of ₹ 250 million, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form, as the case may be. Failing this, our Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

Our Company in consultation with the Managers in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form.

General Instructions

Do's:

1. Check if you are eligible to apply as per the terms of this Draft Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;
2. Ensure that you have Bid within the Price Band;
3. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;
4. Read all the instructions carefully and complete the Bid cum Application Form, in the prescribed form;
5. Ensure that the details about the PAN, DP ID and Client ID are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in the dematerialised form only;
6. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Center within the prescribed time;
7. If the first applicant is not the bank account holder, ensure that the Bid cum Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Bid cum Application Form;
8. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;
9. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain the name of only the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;
10. Ensure that you request for and receive a stamped acknowledgement of the Bid cum Application Form in the form of a counterfoil or by specifying the application number for all your Bid options from the concerned Designated Intermediary;
11. Instruct your respective banks not to release the funds blocked in ASBA account until six Working Days from the Bid/Offer Closing Date.

12. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the Bid cum Application Form under the ASBA process to the respective member of the Syndicate (in the Specified Locations), the SCSBs, the Registered Broker (at the Broker Centres), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations);
13. Submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgement;
14. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) Bids by persons resident in the state of Sikkim, who, in terms of the SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
15. Ensure that the Demographic Details are updated, true and correct in all respects;
16. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
17. Ensure that the category and the investor status is indicated;
18. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust etc., relevant documents, including copy of power of attorney are submitted;
19. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
20. Bidders should note that in case the DP ID, Client ID and PAN mentioned in their Bid cum Application Form and entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, as the case may be, matches with the DP ID, Client ID and PAN available in the Depository database;
21. Ensure while Bidding through a Designated Intermediary that the Bid cum Application Form is submitted to a Designated Intermediary only in the Specified Locations and that the SCSB where the ASBA Account, as specified in the Bid cum Application Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit Bid cum Application Forms (a list of such branches is available on the website of SEBI at <http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries>).
22. Ensure that you have correctly signed the authorisation/undertaking box in the Bid cum Application Form, or have otherwise provided an authorisation to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form, as the case may be, at the time of submission of the Bid;
23. Ensure that you have mentioned the correct ASBA Account number in the Bid cum Application Form;
24. If you are a person resident outside India, ensure that your Bid does not exceed such number of Equity Shares that would result in you acquiring or holding, directly or indirectly either individually or together with persons acting in concert more than 5% of the post-Offer paid-up Equity Share capital of our Company or such other percentage as may be prescribed by law from time to time;
25. In the event that your Bid results in your shareholding (directly or indirectly, individually or together with persons acting in concert and including existing shareholding, if any) exceeding 2% of the post-Offer paid-up Equity Share capital of our Company, you will be required to seek the approval of SEBI in accordance with the provisions of the SECC Regulations within 15 days from the date of Allotment;
26. In case of resident investor, in the event that your Bid results in your shareholding (either directly or indirectly, individually or together with persons acting in concert and including existing shareholding, if any) exceeding 5% of the post-Offer paid-up Equity Share capital of our Company, affix a clear legible self certified copy of the approval obtained from SEBI along with the Bid cum Application Form. The Bidders shall also deliver the self certified copy of the approval obtained from SEBI to the Registrar to the Offer within one Working Day of the Bid/Offer Closing

Date; and

27. If you are a trading member and you, together with your associates and agents and other trading members along with their associates and agents hold 45% of the paid-up Equity Share capital of our Company, you shall seek prior approval of our Company before applying in the Offer.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Don'ts:

1. Do not Bid for lower than the minimum Bid size;
2. Do not Bid/revise Bid Amount to less than the Floor Price or higher than the Cap Price;
3. Do not pay the Bid Amount in cheques, demand drafts, by cash, money order, by postal order or by stock invest;
4. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
5. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Investors (subject to the Bid Amount being above ₹ 200,000))
6. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
7. Do not Bid for a Bid Amount exceeding ₹ 200,000 (for Bids by Retail Individual Bidders);
8. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Offer size and/or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Red Herring Prospectus;
9. Do not submit Bid for an amount more than funds available in your ASBA Account;
10. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Bidder;
11. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
12. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
13. Do not submit more than five Bid cum Application Forms per ASBA Account;
14. Anchor Investors should not bid through the ASBA process; and
15. Do not Bid on another Bid cum Application Form and the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Payment into Escrow Account for Anchor Investors

Our Company in consultation with the Managers will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. Anchor Investors may submit their Bids with Managers only. Anchor Investors are not permitted to Bid in the Offer through the ASBA process. Instead, Anchor Investors should transfer the Bid Amount (through direct credit, RTGS or NEFT). For Anchor Investors, the payment instruments for payment into the Escrow Account should be drawn in favour of:

- (a) In case of resident investors: “[●]”
- (b) In case of Non-Resident investors: “[●]”

Pre- Offer Advertisement

Subject to Section 30 of the Companies Act, 2013, our Company shall, after registering the Red Herring Prospectus with the RoC, publish a pre-Offer advertisement, in the form prescribed by the SEBI ICDR Regulations, in [●] editions of the English national newspaper [●], [●] editions of the Hindi national newspaper [●], and [●] edition of the Marathi newspaper [●], each

with wide circulation.

Signing of the Underwriting Agreement and the RoC Filing

- (a) Our Company and the Selling Shareholders intend to enter into an Underwriting Agreement with the Underwriters after the finalisation of the Offer Price.
- (b) After signing the Underwriting Agreement, our Company will file the Prospectus with the RoC. The Prospectus will contain details of the Offer Price, the Anchor Investor Offer Price, Offer size, and underwriting arrangements and will be complete in all material respects.

Impersonation

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013, which is reproduced below:

“Any person who:

- (a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or***
- (b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or***
- (c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.”***

The liability prescribed under Section 447 of the Companies Act, 2013 includes imprisonment for a term which shall not be less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

Undertakings by our Company

Our Company undertakes the following:

- the complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactorily;
- all steps for completion of the necessary formalities for listing and commencement of trading at the Stock Exchange where the Equity Shares are proposed to be listed are taken within six Working Days of the Bid/Offer Closing Date will be taken;
- the funds required for making refunds (to the extent applicable) as per the mode(s) disclosed shall be made available to the Registrar to the Offer by our Company;
- if Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI ICDR Regulations and applicable law for the delayed period;
- where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within the time prescribed under applicable law, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- intimation of the credit of securities/refund orders to Eligible NRIs shall be despatched within specified time;
- no further issue of the Equity Shares shall be made till the Equity Shares offered through the Red Herring Prospectus are listed or until the Bid monies are refunded/unblocked in ASBA Account on account of non-listing, under-subscription, etc.;
- adequate arrangements shall be made to collect all Bid cum Application Forms.

Undertakings by the Selling Shareholders

The Selling Shareholders undertake that:

- the Equity Shares offered by them in the Offer have been held by them for a period of at least one year prior to the filing of this Draft Red Herring Prospectus with SEBI, except for such Equity Shares that have been issued to them by our Company as a result of the bonus issue made pursuant to our Board resolution dated October 4, 2016 and Shareholders' resolution dated November 10, 2016 where the underlying Equity Share (on which the bonus issue was made) have been held continuously for a period of one year prior to the filing of the Draft Red Herring Prospectus) or have been issued or received in accordance with Regulation 26(6) of the SEBI ICDR Regulations;
- they shall not have access to monies raised in the Offer until final listing and trading approvals have been received from the Stock Exchange;
- they shall take all steps and provide all reasonable assistance to our Company, the Managers as may be required for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchange within six Working Days from the Bid/Offer Closing Date, failing which they shall forthwith repay without interest all monies received from Bidders to the extent of the Equity Shares offered for sale by them in the Offer. In case of delay, interest as per applicable law shall be paid by the them;
- they shall not offer, lend, pledge, charge, transfer or otherwise encumber, sell, dispose off any of the Equity Shares held by them except the Equity Shares being offered in the Offer until such time that the lock-in remains effective save and except as may be permitted under the SEBI ICDR Regulations and the OFS Notice;
- they shall ensure that the Equity Shares being offered by them in the Offer, shall be transferred to the successful Bidders within the time specified under applicable law;
- they shall provide reasonable assistance to our Company and the Managers for dispatch of the refund orders or Allotment Advice to successful Bidders within the time specified under applicable law; and
- The Selling Shareholders will assist our Company as may be required by our Company, the Managers in redressal of such investor grievances that pertain to the Equity Shares held by it and being offered pursuant to the Offer.

Utilisation of Offer Proceeds

The Selling Shareholders along with our Company declare that all monies received out of the Offer shall be credited/ transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013.

PART B

General Information Document for Investing in Public Issues

This General Information Document highlights the key rules, processes and procedures applicable to public issues in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations. Please note that the General Information Document does not highlight the key provisions of the SECC Regulations and other applicable laws to our Company. Prospective investors are therefore advised to read this section in conjunction with “Regulations and Policies”, “Offer Procedure – Part A”, “Terms of the Offer” and “Offer Structure” beginning on pages 177, 506, 493 and 506, respectively. Bidders/Applicants should not construe the contents of this General Information Document as legal advice and should consult their own legal counsel and other advisors in relation to the legal matters concerning the issue. For taking an investment decision, the Bidders/Applicants should rely on their own examination of the issuer and the issue, and should carefully read the Red Herring Prospectus/Prospectus before investing in the issue.

SECTION 1: PURPOSE OF THE GENERAL INFORMATION DOCUMENT (GID)

This document is applicable to the public issues undertaken through the Book-Building Process as well as to the Fixed Price issues. The purpose of the “General Information Document for Investing in Public Issues” is to provide general guidance to potential Bidders/Applicants in IPOs and FPOs, on the processes and procedures governing IPOs and FPOs, undertaken in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (“SEBI ICDR Regulations, 2009”).

Bidders/Applicants should note that investment in equity and equity related securities involves risk and Bidder/Applicant should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. The specific terms relating to securities and/or for subscribing to securities in an Issue and the relevant information about the Issuer undertaking the Issue are set out in the Red Herring Prospectus (“RHP”)/Prospectus filed by the Issuer with the Registrar of Companies (“RoC”). Bidders/Applicants should carefully read the entire RHP/Prospectus and the Bid cum Application Form/Application Form and the Abridged Prospectus of the Issuer in which they are proposing to invest through the Issue. In case of any difference in interpretation or conflict and/or overlap between the disclosure included in this document and the RHP/Prospectus, the disclosures in the RHP/Prospectus shall prevail. The RHP/Prospectus of the Issuer is available on the websites of stock exchanges, on the website(s) of the BRLM(s) to the Issue and on the website of Securities and Exchange Board of India (“SEBI”) at www.sebi.gov.in.

For the definitions of capitalised terms and abbreviations used herein Bidders/Applicants may see “Glossary and Abbreviations”.

SECTION 2: BRIEF INTRODUCTION TO IPOs/FPOs

2.1 Initial public offer (IPO)

An IPO means an offer of specified securities by an unlisted Issuer to the public for subscription and may include an Offer for Sale of specified securities to the public by any existing holder of such securities in an unlisted Issuer.

For undertaking an IPO, an Issuer is *inter-alia* required to comply with the eligibility requirements of in terms of either Regulation 26(1) or Regulation 26(2) of the SEBI ICDR Regulations, 2009. For details of compliance with the eligibility requirements by the Issuer, Bidders/Applicants may refer to the RHP/Prospectus.

2.2 Further public offer (FPO)

An FPO means an offer of specified securities by a listed Issuer to the public for subscription and may include Offer for Sale of specified securities to the public by any existing holder of such securities in a listed Issuer.

For undertaking an FPO, the Issuer is *inter-alia* required to comply with the eligibility requirements in terms of Regulation 26/ Regulation 27 of the SEBI ICDR Regulations, 2009. For details of compliance with the eligibility requirements by the Issuer, Bidders/Applicants may refer to the RHP/Prospectus.

2.3 Other Eligibility Requirements:

In addition to the eligibility requirements specified in paragraphs 2.1 and 2.2, an Issuer proposing to undertake an IPO or an FPO is required to comply with various other requirements as specified in the SEBI ICDR Regulations, 2009, the Companies Act, 2013, the Companies Act, 1956 (to the extent applicable), the Securities Contracts (Regulation) Rules, 1957 (“SCRR”), industry-specific regulations, if any, and other applicable laws for the time being in force.

For details in relation to the above Bidders/Applicants may refer to the RHP/Prospectus.

2.4 Types of Public Offers – Fixed Price Offers and Book Built Offers

In accordance with the provisions of the SEBI ICDR Regulations, 2009, an Issuer can either determine the Issue Price through the Book Building Process (“**Book Built Issue**”) or undertake a Fixed Price Issue (“**Fixed Price Issue**”). An Issuer may mention Floor Price or Price Band in the RHP (in case of a Book Built Issue) and a Price or Price Band in the Draft Prospectus (in case of a fixed price Issue) and determine the price at a later date before registering the Prospectus with the Registrar of Companies.

The cap on the Price Band should be less than or equal to 120% of the Floor Price. The Issuer shall announce the Price or the Floor Price or the Price Band through advertisement in all newspapers in which the pre-issue advertisement was given at least five Working Days before the Bid/Issue Opening Date, in case of an IPO and at least one Working Day before the Bid/Issue Opening Date, in case of an FPO.

The Floor Price or the Issue price cannot be lesser than the face value of the securities.

Bidders/Applicants should refer to the RHP/Prospectus or Issue advertisements to check whether the Issue is a Book Built Issue or a Fixed Price Issue.

2.5 ISSUE PERIOD

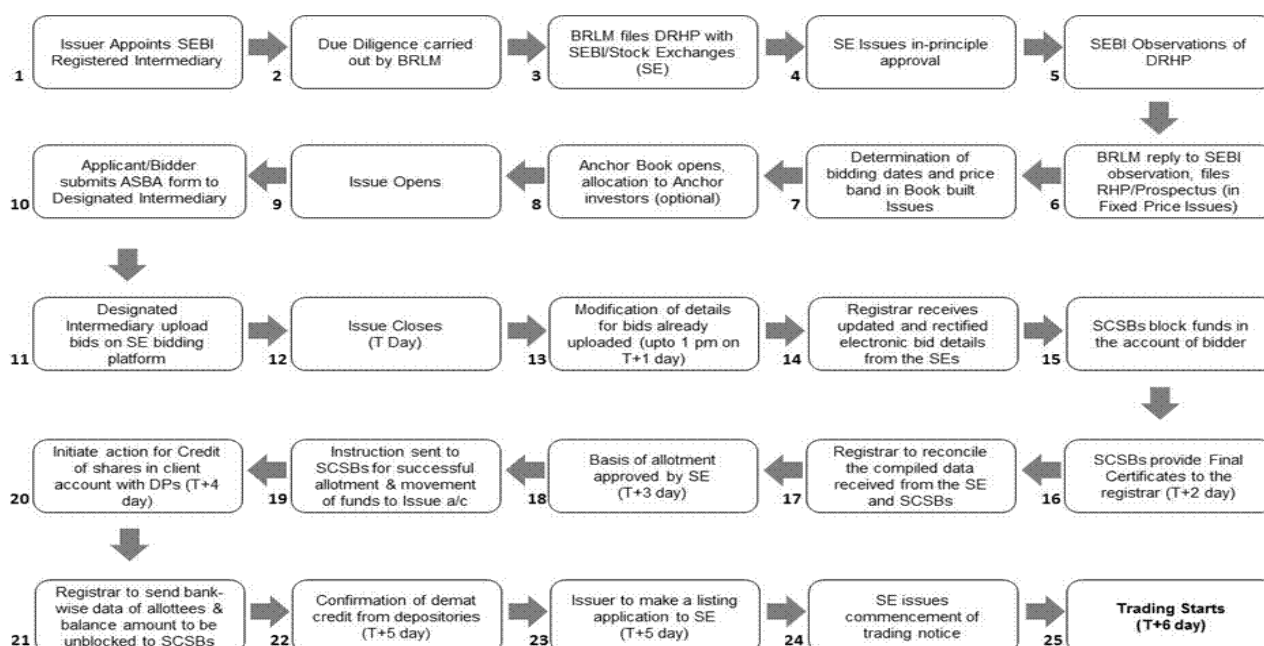
The Issue may be kept open for a minimum of three Working Days (for all category of Bidders/Applicants) and not more than ten Working Days. Bidders/Applicants are advised to refer to the Bid cum Application Form and Abridged Prospectus or RHP/Prospectus for details of the Bid/Issue Period. Details of Bid/Issue Period are also available on the website of the Stock Exchange(s).

In case of a Book Built Issue, the Issuer may close the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date if disclosures to that effect are made in the RHP. In case of revision of the Floor Price or Price Band in Book Built Issues the Bid/Issue Period may be extended by at least three Working Days, subject to the total Bid/Issue Period not exceeding 10 Working Days. For details of any revision of the Floor Price or Price Band, Bidders/Applicants may check the announcements made by the Issuer on the websites of the Stock Exchanges, and the advertisement in the newspaper(s) issued in this regard.

2.6 FLOWCHART OF TIMELINES

A flow chart of process flow in Fixed Price and Book Built Issues is as follows. Bidders/Applicants may note that this is not applicable for Fast Track FPOs:

- In case of Issue other than Book Built Issue (Fixed Price Issue) the process at the following of the below mentioned steps shall be read as:
 - i. Step 7: Determination of Issue Date and Price
 - ii. Step 10: Applicant submits ASBA Form with any of the Designated Intermediaries.



SECTION 3: CATEGORY OF INVESTORS ELIGIBLE TO PARTICIPATE IN AN ISSUE

Each Bidder/Applicant should check whether it is eligible to apply under applicable law. Furthermore, certain categories of Bidders/Applicants, such as NRIs, FIIs, FPIs and FVCIs may not be allowed to Bid/Apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Bidders/Applicants are requested to refer to the RHP/Prospectus for more details.

Subject to the above, an illustrative list of Bidders/Applicants is as follows:

- Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, in single or joint names (not more than three);
- Bids/Applications belonging to an account for the benefit of a minor (under guardianship);
- Hindu Undivided Families or HUFs, in the individual name of the *Karta*. The Bidder/Applicant should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: “Name of sole or first Bidder/Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the *Karta*”. Bids/Applications by HUFs may be considered at par with Bids/Applications from individuals;
- Companies, corporate bodies and societies registered under applicable law in India and authorised to invest in equity shares;
- Scientific and/or industrial research organisations authorised in India to invest in the Equity Shares;
- QIBs;
- NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable law;
- Indian Financial Institutions, regional rural banks, co-operative banks (subject to RBI regulations and the SEBI ICDR Regulations, 2009 and other laws, as applicable);
- FIIs and sub-accounts registered with SEBI, other than a sub-account which is a foreign corporate or foreign individual, bidding under the QIBs category;
- Sub-accounts of FIIs registered with SEBI, which are foreign corporates or foreign individuals Bidding only under the Non Institutional Investors (“**NII**s”) category;
- FPIs other than Category III foreign portfolio investors, Bidding under the QIBs category;
- FPIs which are Category III foreign portfolio investors, Bidding under the NII category;
- Trusts/societies registered under the Societies Registration Act, 1860, or under any other law relating to trusts/societies and who are authorised under their respective constitutions to hold and invest in equity shares;
- Limited liability partnerships registered under the Limited Liability Partnership Act, 2008;
- Any other person eligible to Bid/Apply in the Issue, under the laws, rules, regulations, guidelines and policies applicable to them and under Indian laws; and
- As per the existing regulations, OCBs are not allowed to participate in an Issue.

SECTION 4: APPLYING IN THE ISSUE

Book Built Issue: Bidders/Applicants should only use the specified ASBA Form (or in case of Anchor Investors, the Anchor Investor Application Form) either bearing the stamp of the Designated Intermediary, as available or downloaded from the websites of the Stock Exchanges. Bid cum Application Forms are available with the Designated Intermediaries at the Bidding Centres and at the registered office of the Issuer. Electronic Bid cum Application Forms will be available on the websites of the Stock Exchanges at least one day prior to the Bid/Issue Opening Date. For further details, regarding availability of Bid cum Application Forms, Bidders/Applicants may refer to the RHP/Prospectus.

Fixed Price Issue: Applicants should only use the specified Bid cum Application Form bearing the stamp of the relevant Designated Intermediaries, as available or downloaded from the websites of the Stock Exchanges. Application Forms are available with the Designated Branches of the SCSBs and at the Registered and Corporate Office of the Issuer. For further details, regarding availability of Application Forms, Applicants may refer to the Prospectus.

Bidders/Applicants should ensure that they apply in the appropriate category. The prescribed colour of the Bid cum Application Form for various categories of Bidders/Applicants is as follows:

Category	Colour of the Bid cum Application Form
Resident Indian, Eligible NRIs applying on a non repatriation basis	White
NRIs, FVCIs, FIIs, their sub-accounts (other than sub-accounts which are foreign corporate(s) or foreign individuals bidding under the QIB), FPIs, on a repatriation basis	Blue
Anchor Investors (where applicable) & Bidders/Applicants Bidding/applying in the reserved category	As specified by the Issuer

Securities issued in an IPO can only be in dematerialised form in accordance with Section 29 of the Companies Act, 2013. Bidders/Applicants will not have the option of getting the Allotment of specified securities in physical form. However, they may get the specified securities rematerialised subsequent to Allotment.

4.1 INSTRUCTIONS FOR FILLING THE BID CUM APPLICATION FORM/APPLICATION FORM

Bidders/Applicants may note that forms not filled completely or correctly as per instructions provided in this GID, the RHP and the Bid cum Application Form/Application Form are liable to be rejected.

Instructions to fill each field of the Bid cum Application Form can be found on the reverse side of the Bid cum Application Form. Specific instructions for filling various fields of the Resident Bid cum Application Form and Non-Resident Bid cum Application Form and samples are provided below. The samples of the Bid cum Application Form for resident Bidders/Applicants and the Bid cum Application Form for non-resident Bidders/Applicants are reproduced below:

Application Form – For Residents

COMMON BID CUM APPLICATION FORM	XYZ LIMITED - INITIAL PUBLIC ISSUE - R	FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS
TO, THE BOARD OF DIRECTORS XYZ LIMITED	Address : _____ Contact Details: _____ CIN No. _____	Bid cum Application Form No. _____
LOGO	BOOK BUILT ISSUE ISIN : _____	

SYNDICATE MEMBER'S STAMP & CODE	BROKER/SCSB/DP/RTA STAMP & CODE	1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER
		Mr. / Ms. _____
		Address _____
		Email _____
		Tel. No (with STD code) / Mobile _____
SUB-BROKER'S / SUB-AGENT'S STAMP & CODE	ESCROW BANK/SCSB BRANCH STAMP & CODE	2. PAN OF SOLE / FIRST BIDDER

BANK BRANCH SERIAL NO.	SCSB SERIAL NO.	

3. BIDDER'S DEPOSITORY ACCOUNT DETAILS ☐ NSDL ☐ CDSL	6. INVESTOR STATUS																																	
For NSDL, enter 8 digit DP ID followed by 8 digit Client ID / For CDSL, enter 16 digit Client ID	☐ Individual(s) - IND ☐ Hindu Undivided Family* - HUF ☐ Bodies Corporate - CO ☐ Banks & Financial Institutions - FI ☐ Mutual Funds - MF ☐ Non-Resident Indians - NRI (Non-Repatriation basis) ☐ National Investment Fund - NIF ☐ Insurance Companies - IC ☐ Insurance Funds - IF ☐ Venture Capital Funds - VCF ☐ Alternative Investment Funds - AIF ☐ Others (Please specify) - OTH																																	
4. BID OPTIONS (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF")	5. CATEGORY																																	
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Amount paid (₹ in figures) _____ (₹ in words) _____																																		
ASBA Bank A/c No. _____																																		
Bank Name & Branch _____																																		
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8A. SIGNATURE OF SOLE / FIRST BIDDER	8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)	BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)
	I/We authorize the SCSB to do all acts as are necessary to make the Application in the line	
	1) _____	
	2) _____	
	3) _____	
Date : _____		

LOGO	XYZ LIMITED INITIAL PUBLIC ISSUE - R	Acknowledgement Slip for Broker/SCSB/DP/RTA	Bid cum Application Form No. _____
			PAN of Sole / First Bidder _____
DPID / CLID			
Amount paid (₹ in figures)	Bank & Branch	Stamp & Signature of SCSB Branch	
ASBA Bank A/c No.			
Received from Mr./Ms.			
Telephone / Mobile	Email		

XYZ LIMITED - INITIAL PUBLIC ISSUE - R	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th></th> <th>Option 1</th> <th>Option 2</th> <th>Option 3</th> </tr> <tr> <td>No. of Equity Shares</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Bid Price</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Amount Paid (₹)</td> <td></td> <td></td> <td></td> </tr> <tr> <td>ASBA Bank A/c No.</td> <td colspan="3"></td> </tr> <tr> <td>Bank & Branch</td> <td colspan="3"></td> </tr> </table>		Option 1	Option 2	Option 3	No. of Equity Shares				Bid Price				Amount Paid (₹)				ASBA Bank A/c No.				Bank & Branch				<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>Stamp & Signature of Broker / SCSB / DP / RTA</td> <td>Name of Sole / First Bidder</td> </tr> <tr> <td></td> <td></td> </tr> <tr> <td colspan="2" style="text-align: center;">Acknowledgement Slip for Bidder</td> </tr> <tr> <td>Bid cum Application Form No.</td> <td></td> </tr> </table>	Stamp & Signature of Broker / SCSB / DP / RTA	Name of Sole / First Bidder			Acknowledgement Slip for Bidder		Bid cum Application Form No.	
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Application Form – For Non – Residents

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4.1.1 FIELD NUMBER 1: NAME AND CONTACT DETAILS OF THE SOLE/FIRST BIDDER/APPLICANT

- (a) Bidders/Applicants should ensure that the name provided in this field is exactly the same as the name in which the Depository Account is held.
- (b) **Mandatory Fields:** Bidders/Applicants should note that the name and address fields are compulsory and e-mail and/or telephone number/mobile number fields are optional. Bidders/Applicants should note that the contact details mentioned in the Bid cum Application Form/Application Form may be used to dispatch communications, including letters notifying the unblocking of the bank accounts of Bidders (other than Anchor Investors) in case the communication sent to the address available with the Depositories are returned undelivered or are not available. The contact details provided in the Bid cum Application Form may be used by the Issuer, the Designated Intermediaries and the Registrar to the Issue only for correspondence(s) related to an Issue and for no other purposes.
- (c) **Joint Bids/Applications:** In the case of Joint Bids/Applications, the Bids/Applications should be made in the name of the Bidder/Applicant whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Bidder/Applicant would be required in the Bid cum Application Form/Application Form and such first Bidder/Applicant would be deemed to have signed on behalf of the joint holders. All communications may be addressed to such Bidder/Applicant and may be dispatched to his or her address as per the Demographic Details received from the Depositories.
- (d) **Impersonation:** Attention of the Bidders/Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

“Any person who:

- (a) ***makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or***
- (b) ***makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or***
- (c) ***otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,***

shall be liable for action under Section 447.”

The liability prescribed under Section 447 of the Companies Act, 2013 includes imprisonment for a term which shall not be less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

- (e) **Nomination Facility to Bidder/Applicant:** Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of Allotment of the Equity Shares in dematerialised form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Bidders/Applicants should inform their respective CDP.

4.1.2 FIELD NUMBER 2: PAN OF SOLE/FIRST BIDDER/APPLICANT

- (a) PAN (of the sole/first Bidder/Applicant) provided in the Bid cum Application Form/Application Form should be exactly the same as the PAN of the person(s) in whose sole or first name the relevant beneficiary account is held as per the Depositories' records.
- (b) PAN is the sole identification number for participants transacting in the securities market irrespective of the amount of transaction except for Bids/Applications on behalf of the Central or State Government, Bids/Applications by officials appointed by the courts and Bids/Applications by Bidders/Applicants residing in Sikkim (“PAN Exempted Bidders/Applicants”). Consequently, all Bidders/Applicants, other than the PAN Exempted Bidders/Applicants, are required to disclose their PAN in the Bid cum Application Form/Application Form, irrespective of the Bid/Application Amount. Bid cum Application Form/Application Form without PAN, except in case of Exempted Bidders/Applicants, is liable to be rejected. Bids/Applications by the Bidders/Applicants whose PAN is not available as per the Demographic Details available in their Depository records, are liable to be rejected.

- (c) The exemption for the PAN Exempted Bidders/Applicants is subject to (a) the Demographic Details received from the respective Depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same.
- (d) Bid cum Application Forms which provide the General Index Register Number instead of PAN may be rejected.
- (e) Bids by Bidders/Applicants whose demat accounts have been ‘suspended for credit’ are liable to be rejected pursuant to the circular issued by SEBI on July 29, 2010, bearing number CIR/MRD/DP/22/2010. Such accounts are classified as “Inactive demat accounts” and Demographic Details are not provided by depositories.

4.1.3 FIELD NUMBER 3: BIDDERS/APPLICANTS DEPOSITORY ACCOUNT DETAILS

- (a) Bidders/Applicants should ensure that DP ID and the Client ID are correctly filled in the Bid cum Application Form. The DP ID and Client ID provided in the Bid cum Application Form should match with the DP ID and Client ID available in the Depository database, **otherwise, the Bid cum Application Form is liable to be rejected.**
- (b) Bidders/Applicants should ensure that the beneficiary account provided in the Bid cum Application Form is active.
- (c) Bidders/Applicants should note that on the basis of the DP ID and Client ID as provided in the Bid cum Application Form, the Bidder/Applicant may be deemed to have authorised the Depositories to provide to the Registrar to the Issue, any requested Demographic Details of the Bidder/Applicant as available on the records of the depositories. These Demographic Details may be used, among other things, for unblocking of ASBA Account or for other correspondence(s) related to an Issue.
- (d) Bidders/Applicants are advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Bidders’/Applicants’ sole risk.

4.1.4 FIELD NUMBER 4: BID OPTIONS

- (a) Price or Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) may be disclosed in the Prospectus/RHP by the Issuer. The Issuer is required to announce the Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) by way of an advertisement in at least one English, one Hindi and one regional newspaper, with wide circulation, at least five Working Days before Bid/Issue Opening Date in case of an IPO, and at least one Working Day before Bid/Issue Opening Date in case of an FPO.
- (b) The Bidders/Applicants may Bid at or above Floor Price or within the Price Band for IPOs/FPOs undertaken through the Book Building Process. In the case of Alternate Book Building Process for an FPO, the Bidders/Applicants may Bid at Floor Price or any price above the Floor Price (For further details Bidders/Applicants may refer to (Section 5.6 (e))
- (c) **Cut-Off Price:** Retail Individual Investors or Employees or Retail Individual Shareholders can Bid at the Cut-off Price indicating their agreement to Bid for and purchase the Equity Shares at the Issue Price as determined at the end of the Book Building Process. Bidding at the Cut-off Price is prohibited for QIBs and NIIs and such Bids from QIBs and NIIs may be rejected.
- (d) **Minimum Application Value and Bid Lot:** The Issuer in consultation with the Managers may decide the minimum number of Equity Shares for each Bid to ensure that the minimum application value is within the range of ₹ 10,000 to ₹ 15,000. The minimum Bid Lot is accordingly determined by an Issuer on basis of such minimum application value.
- (e) **Allotment:** The Allotment of specified securities to each RII shall not be less than the minimum Bid Lot, subject to availability of shares in the RII category, and the remaining available shares, if any, shall be Allotted on a proportionate basis. For details of the Bid Lot, Bidders/Applicants may refer to the RHP/Prospectus or the advertisement regarding the Price Band published by the Issuer.

4.1.4.1 Maximum and Minimum Bid Size

- (c) The Bidder/Applicant may Bid for the desired number of Equity Shares at a specific price. Bids by Retail Individual Investors, Employees and Retail Individual Shareholders must be for such number of shares so as

to ensure that the Bid Amount less Discount (as applicable), payable by the Bidder/Applicant does not exceed ₹ 200,000.

- (d) In case the Bid Amount exceeds ₹ 200,000 due to revision of the Bid or any other reason, the Bid may be considered for allocation under the Non-Institutional Category (with it not being eligible for Discount, if any), then such Bid may be rejected if it is at the Cut-off Price.
- (e) For NRIs, a Bid Amount of up to ₹ 200,000 may be considered under the Retail Category for the purposes of allocation and a Bid Amount exceeding ₹ 200,000 may be considered under the Non-Institutional Category for the purposes of allocation.
- (f) Bids by QIBs and NIIs must be for such minimum number of shares such that the Bid Amount exceeds ₹ 200,000 and in multiples of such number of Equity Shares thereafter, as may be disclosed in the Bid cum Application Form and the RHP/Prospectus, or as advertised by the Issuer, as the case may be. Non-Institutional Investors and QIBs are not allowed to Bid at Cut-off Price.
- (g) In case the Bid Amount reduces to ₹ 200,000 or less due to a revision of the Price Band, Bids by the Non-Institutional Investors who are eligible for allocation in the Retail Category would be considered for allocation under the Retail Category.
- (h) For Anchor Investors, if applicable, the Bid Amount shall be least ₹ 10 crores. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors. Bids by various schemes of a Mutual Fund shall be aggregated to determine the Bid Amount. A Bid cannot be submitted for more than 60% of the QIB Category under the Anchor Investor Portion. Anchor Investors cannot withdraw their Bids or lower the size of their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after the Anchor Investor Bid/Issue Period and are required to pay the Bid Amount at the time of submission of the Bid. In case the Anchor Investor Issue Price is lower than the Issue Price, the balance amount shall be payable as per the pay-in-date mentioned in the revised CAN. In case the Issue Price is lower than the Anchor Investor Issue Price, the amount in excess of the Issue Price paid by the Anchor Investors shall not be refunded to them.
- (i) A Bid cannot be submitted for more than the Issue size.
- (j) The maximum Bid by any Bidder/Applicant including QIB Bidder/Applicant should not exceed the investment limits prescribed for them under the applicable laws.
- (k) The price and quantity options submitted by the Bidder/Applicant in the Bid cum Application Form may be treated as optional bids from the Bidder/Applicant and may not be cumulated. After determination of the Issue Price, the highest number of Equity Shares Bid for by a Bidder/Applicant at or above the Issue Price may be considered for Allotment and the rest of the Bid(s), irrespective of the Bid Amount may automatically become invalid. This is not applicable in case of FPOs undertaken through Alternate Book Building Process (For details of Bidders/Applicants may refer to (Section 5.6 (e)).

4.1.4.2 Multiple Bids

- (a) Bidder/Applicant should submit only one Bid cum Application Form. Bidder/Applicant shall have the option to make a maximum of three Bids at different price levels in the Bid cum Application Form and such options are not considered as multiple Bids.

Submission of a second Bid cum Application Form to either the same or to another Designated Intermediary and duplicate copies of Bid cum Application Forms bearing the same application number shall be treated as multiple Bids and are liable to be rejected.
- (b) Bidders/Applicants are requested to note the following procedures may be followed by the Registrar to the Issue to detect multiple Bids:
 - i. All Bids may be checked for common PAN as per the records of the Depository. For Bidders/Applicants other than Mutual Funds and FII sub-accounts, Bids bearing the same PAN may be treated as multiple Bids by a Bidder/Applicant and may be rejected.
 - ii. For Bids from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Bids on behalf of the PAN Exempted Bidders/Applicants, the Bid cum Application Forms may be checked for common DP ID and Client ID. Such Bids which have the same DP ID and Client ID may be treated as multiple Bids and are liable to be rejected.

- (c) The following Bids may not be treated as multiple Bids:
 - i. Bids by Reserved Categories Bidding in their respective Reservation Portion as well as bids made by them in the Issue portion in public category.
 - ii. Separate Bids by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Bids clearly indicate the scheme for which the Bid has been made.
 - iii. Bids by Mutual Funds, and sub-accounts of FIIs (or FIIs and its sub-accounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.
 - iv. Bids by Anchor Investors under the Anchor Investor Portion and the QIB Category.

4.1.5 **FIELD NUMBER 5: CATEGORY OF BIDDERS/APPLICANTS**

- (a) The categories of Bidders/Applicants identified as per the SEBI ICDR Regulations, 2009 for the purpose of Bidding, allocation and Allotment in the Issue are RIIs, NIIs and QIBs.
- (b) Up to 60% of the QIB Category can be allocated by the Issuer, on a discretionary basis subject to the criteria of minimum and maximum number of Anchor Investors based on allocation size, to the Anchor Investors, in accordance with SEBI ICDR Regulations, 2009, with one-third of the Anchor Investor Portion reserved for domestic Mutual Funds subject to valid Bids being received at or above the Issue Price. For details regarding allocation to Anchor Investors, Bidders/Applicants may refer to the RHP/Prospectus.
- (c) An Issuer can make reservation for certain categories of Bidders/Applicants as permitted under the SEBI ICDR Regulations, 2009. For details of any reservations made in the Issue, Bidders/Applicants may refer to the RHP/Prospectus.
- (d) The SEBI ICDR Regulations, 2009, specify the allocation or Allotment that may be made to various categories of Bidders/Applicants in an Issue depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Issue specific details in relation to allocation Bidder/Applicant may refer to the RHP/Prospectus.

4.1.6 **FIELD NUMBER 6: INVESTOR STATUS**

- (a) Each Bidder/Applicant should check whether it is eligible to apply under applicable law and ensure that any prospective Allotment to it in the Issue is in compliance with the investment restrictions under applicable law.
- (b) Certain categories of Bidders/Applicants, such as NRIs, FPIs and FVCIs may not be allowed to Bid in the Issue or hold Equity Shares exceeding certain limits specified under applicable law. Bidders/Applicant are requested to refer to the RHP/Prospectus for more details.
- (c) Bidders/Applicants should check whether they are eligible to apply on non-repatriation basis or repatriation basis and should accordingly provide the investor status. Details regarding investor status are different in the Resident Bid cum Application Form and Non-Resident Bid cum Application Form.
- (d) Bidders/Applicant should ensure that their investor status is updated in the Depository records.

4.1.7 **FIELD NUMBER 7: PAYMENT DETAILS**

- (a) The full Bid Amount (net of any Discount, as applicable) shall be blocked in the ASBA Account based on the authorisation provided in the ASBA Form. If the Discount is applicable in the Issue, the RIIs should indicate the full Bid Amount in the Bid cum Application Form and the funds shall be blocked for Bid Amount net of Discount. Only in cases where the RHP/Prospectus indicates that part payment may be made, such an option can be exercised by the Bidder/Applicant. In case of Bidders/Applicant specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less Discount offered, if any.
- (b) Bidders/Applicant who Bid at Cut-off Price shall deposit the Bid Amount based on the Cap Price.
- (c) All Bidders/Applicants (except Anchor Investors) have to participate in the Issue only through the ASBA mechanism.
- (d) Bid Amount cannot be paid in cash, through money order or through postal order.

4.1.7.1 Instructions for Anchor Investors:

- (a) Anchor Investors may submit their Bids with a Book Running Lead Manager.
- (b) Payments should be made either by RTGS, direct credit or NEFT.
- (c) The Escrow Collection Banks shall maintain the monies in the Escrow Account for and on behalf of the Anchor Investors until the Designated Date.

4.1.7.2 Payment instructions for ASBA Bidders/Applicants:

- (a) Bidders/Applicants may submit the ASBA Form either
 - i. in electronic mode through the internet banking facility offered by an SCSB authorising blocking of funds that are available in the ASBA account specified in the Bid cum Application Form, or
 - ii. in physical mode to any Designated Intermediary.
- (b) Bidders/Applicants must specify the Bank Account number in the Bid cum Application Form. The Bid cum Application Form submitted by Bidder and which is accompanied by cash, demand draft, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB, will not be accepted.
- (c) Bidders/Applicants should ensure that the Bid cum Application Form is also signed by the ASBA Account holder(s) if the Bidder is not the ASBA Account holder;
- (d) Bidders/Applicants shall note that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.
- (e) From one ASBA Account, a maximum of five Bids cum Application Forms can be submitted.
- (f) Bidders/Applicants should submit the Bid cum Application Form only at the Bidding Centres, i.e. to the respective member of the Syndicate at the Specified Locations, the SCSBs, the Registered Broker at the Broker Centres, the RTA at the Designated RTA Locations or CDP at the Designated CDP Locations.
- (g) Bidders/Applicants bidding through a Designated Intermediary (other than an SCSB) should note that ASBA Forms submitted to them may not be accepted, if the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has not named at least one branch at that location for such Designated Intermediary to deposit ASBA Forms.
- (h) Bidders/Applicants bidding directly through the SCSBs should ensure that the ASBA is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.
- (i) Upon receipt of the ASBA Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the ASBA Form.
- (j) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Bid Amount mentioned in the ASBA Form and for application directly submitted to SCSB by investor, may enter each Bid option into the electronic bidding system as a separate Bid.
- (k) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not upload such Bids on the Stock Exchange platform and such bids are liable to be rejected.
- (l) Upon submission of a completed ASBA Form each Bidder may be deemed to have agreed to block the entire Bid Amount and authorised the Designated Branch of the SCSB to block the Bid Amount specified in the ASBA Form in the ASBA Account maintained with the SCSBs.
- (m) The Bid Amount may remain blocked in the aforesaid ASBA Account until finalisation of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Bid, as the case may be.
- (n) SCSBs bidding in the Issue must apply through an ASBA Account maintained with any other SCSB; else their Bids are liable to be rejected.

4.1.7.3 Unblocking of ASBA Account

- (a) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Issue may provide the following details to the controlling branches of each SCSB, along with instructions to unblock the relevant bank accounts and for successful applications transfer the requisite money to the Public Issue Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each Bid, (ii) the amount to be transferred from the relevant bank account to the Public Issue Account, for each Bid, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Issue Account, and (iv) details of rejected, withdrawn or unsuccessful Bids, if any, to enable the SCSBs to unblock the respective bank accounts.
- (b) On the basis of instructions from the Registrar to the Issue, the SCSBs may transfer the requisite amount against each successful Bidder to the Public Issue Account and may unblock the excess amount, if any, in the ASBA Account.
- (c) In the event of withdrawal or rejection of the ASBA Form and for unsuccessful Bids, the Registrar to the Issue may give instructions to the SCSB to unblock the Bid Amount in the relevant ASBA Account within six Working Days of the Bid/Issue Closing Date.

4.1.7.4 **Discount** (if applicable)

- (a) The Discount is stated in absolute rupee terms.
- (b) Bidders/Applicants applying under RII category, Retail Individual Shareholder and employees are only eligible for discount. For Discounts offered in the Issue, Bidders/Applicants may refer to the RHP/Prospectus.
- (c) The Bidders/Applicants entitled to the applicable Discount in the Issue may block the Bid Amount less Discount, if applicable.

Bidder may note that in case the net amount blocked (post Discount) is more than two lakh Rupees, the Bidding system automatically considers such applications for allocation under Non-Institutional Category. These applications are neither eligible for Discount nor fall under RII category.

4.1.8 **FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS**

- (a) Only the First Bidder is required to sign the Bid cum Application Form. Bidders/Applicants should ensure that signatures are in one of the languages specified in the Eighth Schedule to the Constitution of India.
- (b) If the ASBA Account is held by a person or persons other than the Bidder, then the signature of the ASBA Account holder(s) is also required.
- (c) The signature has to be correctly affixed in the authorisation/undertaking box in the ASBA Form, or an authorisation has to be provided to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the ASBA Form.
- (d) Bidders/Applicants must note that Bid cum Application Form/Application Form without signature of Bidder and/or ASBA Account holder is liable to be rejected.

4.1.9 **ACKNOWLEDGEMENT AND FUTURE COMMUNICATION**

- (a) Bidders/Applicants should ensure that they receive the Acknowledgement Slip duly signed and stamped by the Designated Intermediary, as applicable, for submission of the ASBA Form.
- (b) All communications in connection with Bids made in the Issue should be addressed as under:

In case of queries related to Allotment, non-receipt of Allotment Advice, credit of Allotted Equity Shares, unblocking of funds, the Bidders should contact the Registrar to the Issue.

- i. In case of queries related to Allotment, non-receipt of Allotment Advice, credit of allotted equity shares, refund orders, the Bidders/Applicants should contact the Registrar to the Issue.
- ii. In case of ASBA Bids submitted to the Designated Branches of the SCSBs, the Bidders should contact the relevant Designated Branch of the SCSB.
- iii. In case of queries relating to uploading of Syndicate ASBA Bids, the Bidders should contact the relevant Syndicate Member.

- iv. In case of queries relating to uploading of Bids by a Designated Intermediary, the Bidders should contact the relevant Designated Intermediary.
 - v. Bidder may contact the Company Secretary and Compliance Officer of BRLM(s) in case of any other complaints in relation to the Issue
- (c) The Bidder should give full details such as name of the sole or first Bidder/Applicant, Bid cum Application Form number, Bidders'/Applicants' DP ID, Client ID, PAN, date of the submission of Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder.
 - (d) Further, the investor shall also enclose a copy of the Acknowledgment Slip or specify the application number duly received from the Designated Intermediaries in addition to the information mentioned hereinabove.

For further details, Bidder may refer to the RHP/Prospectus and the Bid cum Application Form.

4.2 INSTRUCTIONS FOR FILING THE REVISION FORM

- (a) During the Bid/Issue Period, any Bidder (other than QIBs and NIIs, who can only revise their bid upwards) who has registered his or her interest in the Equity Shares at a particular price level is free to revise his or her Bid within the Price Band using the Revision Form, which is a part of the Bid cum Application Form.
- (b) RII may revise their bids or withdraw their Bids till the Bid/Issue Closing Date.
- (c) Revisions can be made in both the desired number of Equity Shares and the Bid Amount by using the Revision Form.
- (d) The Bidder can make this revision any number of times during the Bid/Issue Period. However, for any revision(s) in the Bid, the Bidders/Applicants will have to use the services of the same Designated Intermediary through which such Bidder had placed the original Bid. Bidders/Applicants are advised to retain copies of the blank Revision Form and the Bid(s) must be made only in such Revision Form or copies thereof.

A sample revision form is reproduced below:

COMMON BID REVISION FORM		XYZ LIMITED - INITIAL PUBLIC ISSUE - R		FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs, AND ELIGIBLE NRI APPLYING ON A NON-REPATRIATION BASIS	
		Address : Contact Details: CIN No			
LOGO	TO, THE BOARD OF DIRECTORS XYZ LIMITED		BOOK BUILT ISSUE ISIN :	Bid cum Application Form No.	

SYNDICATE MEMBER'S STAMP & CODE	BROKER/SCSB/DP/RTA STAMP & CODE	1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER Mr./Ms. Address Tel. No (with STD code) / Mobile Email			
SUB-BROKER'S / SUB-AGENT'S STAMP & CODE	ESCROW BANK/SCSB BRANCH STAMP & CODE	2. PAN OF SOLE / FIRST BIDDER:			
BANK BRANCH SERIAL NO.	SCSB SERIAL NO.	3. BIDDER'S DEPOSITORY ACCOUNT DETAILS: ☐ NSDL ☐ CDSL For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID			

PLEASE CHANGE MY BID												
4. FROM (AS PER LAST BID OR REVISION)												
Bid Options	No. of Equity Shares Bid (Bids must be in multiples of Bid Lot as advertised)								Price per Equity Share (₹) "Cut-off" (Price in multiples of ₹ 1/- only)			
	(In Figures)								(In Figures)			
	8	7	6	5	4	3	2	1	Bid Price	Retail Discount	Net Price	"Cut-off" (Please ✓/tick)
Option 1												☐
(OR) Option 2												☐
(OR) Option 3												☐
5. TO (Revised Bid) (Only Retail Individual Bidders can Bid at "Cut-off")												
Bid Options	No. of Equity Shares Bid (Bids must be in multiples of Bid Lot as advertised)								Price per Equity Share (₹) "Cut-off" (Price in multiples of ₹ 1/- only)			
	(In Figures)								(In Figures)			
	8	7	6	5	4	3	2	1	Bid Price	Retail Discount	Net Price	"Cut-off" (Please ✓/tick)
Option 1												☐
(OR) Option 2												☐
(OR) Option 3												☐
6. PAYMENT DETAILS												
Additional Amount Paid (₹ in figures)										PAYMENT OPTION : FULL PAYMENT ☐ PART PAYMENT ☐		
ASBA Bank A/c No.												
Bank Name & Branch												
I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID REVISION FORM AND THE ATTACHED ABBREVIATED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONFIRM THE "BIDDERS UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID REVISION FORM GIVEN OVERLEAF.												
7A. SIGNATURE OF SOLE / FIRST BIDDER				7B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS) I/We authorize the SCSB to do all acts as are necessary to make the Application in the true 1) 2) 3)				BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)				
Date :												

LOGO	XYZ LIMITED BID REVISION FORM - INITIAL PUBLIC ISSUE - R	Acknowledgement Slip for Broker/SCSB/ DP/RTA	Bid cum Application Form No.
DPID / CLID:		PAN of Sole / First Bidder:	
Additional Amount Paid (₹)		Bank & Branch	
ASBA Bank A/c No.		Stamp & Signature of SCSB Branch	
Received from Mr./Ms.			
Telephone / Mobile: Email:			

XYZ LIMITED - BID REVISION FORM - INITIAL PUBLIC ISSUE - R	No. of Equity Shares	Option 1	Option 2	Option 3	Stamp & Signature of Broker / SCSB / DP / RTA	Name of Sole / First Bidder:	
	Bid Price						
	Additional Amount Paid (₹)						
	ASBA Bank A/c No.					Acknowledgement Slip for Bidder	
	Bank & Branch					Bid cum Application Form No.	

Instructions to fill each field of the Revision Form can be found on the reverse side of the Revision Form. Other than instructions already highlighted at paragraph 4.1 above, point wise instructions regarding filling up various fields of the Revision Form are provided below:

4.2.1 FIELDS 1, 2 AND 3: NAME AND CONTACT DETAILS OF SOLE/FIRST BIDDER, PAN OF SOLE/FIRST BIDDER & DEPOSITORY ACCOUNT DETAILS OF THE BIDDER

Bidders/Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

4.2.2 FIELD 4 & 5: BID OPTIONS REVISION 'FROM' AND 'TO'

- (a) Apart from mentioning the revised options in the Revision Form, the Bidder must also mention the details of all the bid options given in his or her Bid cum Application Form or earlier Revision Form. For example, if a Bidder has Bid for three options in the Bid cum Application Form and such Bidder is changing only one of the options in the Revision Form, the Bidder must still fill the details of the other two options that are not being revised, in the Revision Form. The Designated Intermediaries may not accept incomplete or

inaccurate Revision Forms.

- (b) In case of revision, Bid options should be provided by Bidders/Applicants in the same order as provided in the Bid cum Application Form.
- (c) In case of revision of Bids by RIIs, Employees and Retail Individual Shareholders, such Bidders/Applicants should ensure that the Bid Amount, subsequent to revision, does not exceed ₹ 200,000. In case the Bid Amount exceeds ₹ 200,000 due to revision of the Bid or for any other reason, the Bid may be considered, subject to eligibility, for allocation under the Non-Institutional Category, not being eligible for Discount (if applicable) and such Bid may be rejected if it is at the Cut-off Price. The Cut-off Price option is given only to the RIIs, Employees and Retail Individual Shareholders indicating their agreement to Bid for and purchase the Equity Shares at the Issue Price as determined at the end of the Book Building Process.
- (d) In case the total amount (i.e., original Bid Amount plus additional payment) exceeds ₹ 200,000, the Bid will be considered for allocation under the Non-Institutional Category in terms of the RHP/Prospectus. If, however, the RII does not either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for shall be adjusted downwards for the purpose of allocation, such that no additional payment would be required from the RII and the RII is deemed to have approved such revised Bid at Cut-off Price.
- (e) In case of a downward revision in the Price Band, RIIs and Bids by Employees under the Reservation Portion, who have bid at the Cut-off Price could either revise their Bid or the excess amount paid at the time of Bidding may be unblocked after the Allotment is finalised.

4.2.3 **FIELD 6: PAYMENT DETAILS**

- (a) All Bidders/Applicants are required to authorise blocking of the full Bid Amount (less Discount (if applicable) along with the Bid Revision Form. In case of Bidders specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less discount offered, if any.
- (b) Bidder may issue instructions to block the revised amount based on cap of the revised Price Band (adjusted for the Discount (if applicable) in the ASBA Account, to the same Designated Intermediary through whom such Bidder had placed the original Bid to enable the relevant SCSB to block the additional Bid Amount, if any.
- (c) In case the total amount (i.e., original Bid Amount less discount (if applicable) plus additional payment) exceeds ₹ 200,000, the Bid may be considered for allocation under the Non-Institutional Category in terms of the RHP/Prospectus. If, however, the Bidder does not either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for may be adjusted downwards for the purpose of Allotment, such that additional amount is required blocked and the Bidder is deemed to have approved such revised Bid at the Cut-off Price.
- (d) In case of a downward revision in the Price Band, RIIs, Employees and Retail Individual Shareholders, who have bid at the Cut-off Price, could either revise their Bid or the excess amount paid at the time of Bidding may be unblocked after finalisation of Basis of Allotment.

4.2.4 **FIELDS 7: SIGNATURES AND ACKNOWLEDGEMENTS**

Bidders may refer to instructions contained at paragraphs 4.1.8 and 4.1.9 for this purpose.

4.3 **INSTRUCTIONS FOR FILING APPLICATION FORM IN ISSUES MADE OTHER THAN THROUGH THE BOOK BUILDING PROCESS (FIXED PRICE ISSUE)**

4.3.1 **FIELDS 1, 2, 3 NAME AND CONTACT DETAILS OF SOLE/FIRST BIDDER, PAN OF SOLE/FIRST BIDDER & DEPOSITORY ACCOUNT DETAILS OF THE BIDDER**

Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

4.3.2 **FIELD 4: PRICE, APPLICATION QUANTITY & AMOUNT**

- (a) The Issuer may mention Issue Price or Price Band in the draft Prospectus. However, a prospectus registered with RoC contains one price or coupon rate (as applicable).
- (b) **Minimum Application Value and Bid Lot:** The Issuer in consultation with the Lead Managers may decide

the minimum number of Equity Shares for each Bid to ensure that the minimum application value is within the range of ₹ 10,000 to ₹ 15,000. The minimum Lot size is accordingly determined by an Issuer on basis of such minimum application value.

- (c) Applications by RIIs, Employees and Retail Individual Shareholders, must be for such number of shares so as to ensure that the application amount payable does not exceed ₹ 200,000.
- (d) Applications by other investors must be for such minimum number of shares such that the application amount exceeds ₹ 200,000 and in multiples of such number of Equity Shares thereafter, as may be disclosed in the application form and the Prospectus, or as advertised by the Issuer, as the case may be.
- (e) An application cannot be submitted for more than the Issue size.
- (f) The maximum application by any Applicant should not exceed the investment limits prescribed for them under the applicable laws.
- (g) **Multiple Applications:** An Applicant should submit only one Application Form. Submission of a second Application Form to either the same or other SCSB and duplicate copies of Application Forms bearing the same application number shall be treated as multiple applications and are liable to be rejected.
- (h) Applicants are requested to note the following procedures may be followed by the Registrar to the Issue to detect multiple applications:
 - i. All applications may be checked for common PAN as per the records of the Depository. For Applicants other than Mutual Funds and FII sub-accounts, Bids bearing the same PAN may be treated as multiple applications by a Bidder and may be rejected.
 - ii. For applications from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Bids on behalf of the PAN Exempted Applicants, the Application Forms may be checked for common DP ID and Client ID. In any such applications which have the same DP ID and Client ID, these may be treated as multiple applications and may be rejected.
- (i) The following applications may not be treated as multiple Bids:
 - i. Applications by Reserved Categories in their respective reservation portion as well as that made by them in the Issue portion in public category.
 - ii. Separate applications by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Applications clearly indicate the scheme for which the Bid has been made.
 - iii. Applications by Mutual Funds, and sub-accounts of FIIs (or FIIs and its sub-accounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

4.3.3 **FIELD NUMBER 5: CATEGORY OF APPLICANTS**

- (a) The categories of applicants identified as per the SEBI ICDR Regulations, 2009 for the purpose of Bidding, allocation and Allotment in the Issue are RIIs, individual applicants other than RII's and other investors (including corporate bodies or institutions, irrespective of the number of specified securities applied for).
- (b) An Issuer can make reservation for certain categories of Applicants permitted under the SEBI ICDR Regulations, 2009. For details of any reservations made in the Issue, applicants may refer to the Prospectus.
- (c) The SEBI ICDR Regulations, 2009 specify the allocation or Allotment that may be made to various categories of applicants in an Issue depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Issue specific details in relation to allocation applicant may refer to the Prospectus.

4.3.4 **FIELD NUMBER 6: INVESTOR STATUS**

Applicants should refer to instructions contained in paragraphs 4.1.6.

4.3.5 **FIELD 7: PAYMENT DETAILS**

- (a) All Applicants (other than Anchor Investors) are required to make use ASBA for applying in the Issue.
- (b) Application Amount cannot be paid in cash, through money order or through postal order or through stock

invest.

4.3.5.1 **Payment instructions for Applicants**

Applicants should refer to instructions contained in paragraph 4.1.7.2.

4.3.5.2 **Unblocking of ASBA Account**

Applicants should refer to instructions contained in paragraph 4.1.7.3.

4.3.5.3 **Discount** (if applicable)

Applicants should refer to instructions contained in paragraph 4.1.7.4.

4.3.6 **FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS & ACKNOWLEDGEMENT AND FUTURE COMMUNICATION**

Applicants should refer to instructions contained in paragraphs 4.1.8 & 4.1.9.

4.4 **SUBMISSION OF BID CUM APPLICATION FORM/REVISION FORM**

4.4.1 **Bidders may submit completed Bid cum application form/Revision Form in the following manner:-**

Mode of Application	Submission of Bid cum Application Form
Anchor Investors Application Form	1) To the Book Running Lead Managers at the locations mentioned in the Anchor Investor Application Form
ASBA Form	(a) To members of the Syndicate in the Specified Locations or Registered Brokers at the Broker Centres or the RTA at the Designated RTA Location or the CDP at the Designated CDP Location (b) To the Designated Branches of the SCSBs where the ASBA Account is maintained.

- (a) Bidders/Applicants should submit the Revision Form to the same Designated Intermediary through which such Bidder/Applicant had placed the original Bid.
- (b) Upon submission of the Bid cum Application Form, the Bidder/Applicant will be deemed to have authorised the Issuer to make the necessary changes in the RHP and the Bid cum Application Form as would be required for filing Prospectus with the RoC and as would be required by the RoC after such filing, without prior or subsequent notice of such changes to the relevant Bidder/Applicant.
- (c) Upon determination of the Issue Price and filing of the Prospectus with the RoC, the Bid cum Application Form will be considered as the application form.

SECTION 5: ISSUE PROCEDURE IN BOOK BUILT ISSUE

Book Building, in the context of the Issue, refers to the process of collection of Bids within the Price Band or above the Floor Price and determining the Issue Price based on the Bids received as detailed in Schedule XI of SEBI ICDR Regulations, 2009. The Issue Price is finalised after the Bid/Issue Closing Date. Valid Bids received at or above the Issue Price are considered for allocation in the Issue, subject to applicable regulations and other terms and conditions.

5.1 **SUBMISSION OF BIDS**

- (a) During the Bid/Issue Period, Bidders/Applicants may approach any of the Designated Intermediaries to register their Bids. Anchor Investors who are interested in subscribing for the Equity Shares should approach the Book Running Lead Manager, to register their Bid.
- (b) In case of Bidders/Applicants (excluding NIIs and QIBs) Bidding at Cut-off Price, the Bidders may instruct the SCSBs to block Bid Amount based on the Cap Price less discount (if applicable).
- (c) For Details of the timing on acceptance and upload of Bids in the Stock Exchanges Platform Bidders/Applicants are requested to refer to the RHP.

5.2 ELECTRONIC REGISTRATION OF BIDS

- (a) The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the issue.
- (b) On the Bid/Issue Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchanges and as disclosed in the Red Herring Prospectus.
- (c) Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The Designated Intermediaries are given till 1:00 pm on the next Working Day following the Bid/Issue Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/Issue Period after which the Stock Exchange(s) send the bid information to the Registrar to the Issue for further processing.

5.3 BUILD UP OF THE BOOK

- (a) Bids received from various Bidders/Applicants through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchanges' on a regular basis. The book gets built up at various price levels. This information may be available with the Managers at the end of the Bid/Issue Period.
- (b) Based on the aggregate demand and price for Bids registered on the Stock Exchanges Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchanges may be made available at the Bidding Centres during the Bid/Issue Period.

5.4 WITHDRAWAL OF BIDS

- (a) RIIs can withdraw their Bids until Bid/Issue Closing Date. In case a RII wishes to withdraw the Bid during the Bid/Issue Period, the same can be done by submitting a request for the same to the concerned Designated Intermediary who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.
- (b) The Registrar to the Issue shall give instruction to the SCSB for unblocking the ASBA Account upon or after finalisation of Basis of Allotment. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

5.5 REJECTION & RESPONSIBILITY FOR UPLOAD OF BIDS

- (a) The Designated Intermediaries are individually responsible for the acts, mistakes or errors or omission in relation to:
 - i. the Bids accepted by the Designated Intermediary,
 - ii. the Bids uploaded by the Designated Intermediary, and
 - iii. the Bid cum application forms accepted but not uploaded by the Designated Intermediary.
- (b) The Managers and their respective affiliate Syndicate Members, as the case may be, may reject Bids if all the information required is not provided and the Bid cum Application Form is incomplete in any respect.
- (c) The SCSBs shall have no right to reject Bids, except in case of unavailability of adequate funds in the ASBA account or on technical grounds.
- (d) In case of QIB Bidders/Applicants, only the (i) SCSBs (for Bids other than the Bids by Anchor Investors); and (ii) the Managers and their respective affiliate Syndicate Members (only in the Specified Locations) have the right to reject bids. However, such rejection shall be made at the time of receiving the Bid and only after assigning a reason for such rejection in writing.
- (e) All bids by QIBs, NIIs & RIIs can be rejected on technical grounds listed herein.

5.5.1 GROUNDS FOR TECHNICAL REJECTIONS

Bid cum Application Forms can be rejected on the below mentioned technical grounds either at the time of their submission to any of the Designated Intermediaries, or at the time of finalisation of the Basis of Allotment. Bidders/Applicants are advised to note that the Bids/Applications are liable to be rejected, inter-alia, on the

following grounds, which have been detailed at various places in this GID:-

- a. Bid by persons not competent to contract under the Indian Contract Act, 1872, as amended, (other than minors having valid Depository Account supported by guardian as per Demographic Details provided by Depositories);
- b. Bids by OCBs;
- c. In case of partnership firms, Bid for Equity Shares made in the name of the firm. However, a limited liability partnership can apply in its own name;
- d. In case of Bids under power of attorney or by limited companies, corporate, trust etc., relevant documents are not being submitted along with the Bid cum Application Form;
- e. Bids by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- f. Bids by any person outside India if not in compliance with applicable foreign and Indian laws;
- g. PAN not mentioned in the Bid cum Application Form, except for Bids by or on behalf of the Central or State Government and officials appointed by the court and by the investors residing in the State of Sikkim, provided such claims have been verified by the Depository Participant;
- h. In case no corresponding record is available with the Depositories that matches the DP ID, the Client ID and the PAN;
- i. Bids for lower number of Equity Shares than the minimum specified for that category of investors;
- j. Bids at a price less than the Floor Price and Bids at a price more than the Cap Price;
- k. Bids at Cut-off Price by NIIs and QIBs;
- l. The amounts mentioned in the Bid cum Application Form do not tally with the amount payable for the value of the Equity Shares Bid for;
- m. Bids for amounts greater than the maximum permissible amounts prescribed by the regulations;
- n. Submission of more than five ASBA Forms as through a single ASBA Account;
- o. Bids for number of Equity Shares which are not in multiples of the minimum specified in the RHP;
- p. Multiple Bids as defined in this GID and the RHP/Prospectus;
- q. Bid cum Application Forms/Application Forms are not delivered by the Bidders/Applicants within the time prescribed as per the Bid cum Application Forms/Application Form, Bid/Issue Opening Date advertisement and as per the instructions in the RHP and the Bid cum Application Forms
- r. Inadequate funds in the bank account to block the Bid Amount specified in the Bid cum Application Form at the time of blocking such Bid Amount in the bank account;
- s. In case of Anchor Investors, Bids where sufficient funds are not available in Escrow Accounts as per final certificate from the Escrow Collection Banks;
- t. Where no confirmation is received from SCSB for blocking of funds;
- u. Bids by Bidders/Applicants (other than Anchor Investors) not submitted through ASBA process;
- v. Bids submitted to Designated Intermediaries at locations other than the Bidding Centres or to the Escrow Collection Banks (assuming that such bank is not a SCSB where the ASBA Account is maintained), to the issuer or the Registrar to the Issue;
- w. Bids not uploaded on the terminals of the Stock Exchanges;
- x. Bids by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Bid cum Application Form;

- y. Bids not uploaded in the Stock Exchanges bidding system; and
- z. Bids uploaded without affixing the approval of SEBI to the Bid cum Application Form, in the event the Allotment of Equity Shares by the Bidder results in the Bidder holding 5% or more of the post – Offer paid up equity capital of our Company.

5.6 BASIS OF ALLOCATION

- (a) The SEBI ICDR Regulations, 2009 specify the allocation or Allotment that may be made to various categories of Bidders/Applicants in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP/Prospectus. For details in relation to allocation, the Bidder may refer to the RHP/Prospectus.
- (b) Under-subscription in any category (except QIB Category) is allowed to be met with spill-over from any other category or combination of categories at the discretion of the Issuer and in consultation with the Managers and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations, 2009. Unsubscribed portion in QIB Category is not available for subscription to other categories.
- (c) In case of under subscription in the Issue, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an under-subscription applicable to the Issuer, Bidders/Applicants may refer to the RHP.
- (d) **Illustration of the Book Building and Price Discovery Process**

Bidders/Applicants should note that this example is solely for illustrative purposes and is not specific to the Issue; it also excludes Bidding by Anchor Investors.

Bidders/Applicants can bid at any price within the price band. For instance, assume a price band of ₹ 20 to ₹ 24 per share, issue size of 3,000 equity shares and receipt of five bids from Bidders/Applicants, details of which are shown in the table below. The illustrative book given below shows the demand for the equity shares of the issuer at various prices and is collated from bids received from various investors.

Bid quantity	Bid amount (₹)	Cumulative quantity	Subscription
500	24	500	16.67%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.67%
2,500	20	7,500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the issuer is able to issue the desired number of equity shares is the price at which the book cuts off, i.e., ₹ 22.00 in the above example. The issuer, in consultation with the book running lead managers, may finalise the issue price at or below such cut-off price, i.e., at or below ₹ 22.00. All bids at or above this issue price and cut-off bids are valid bids and are considered for allocation in the respective categories.

(e) Alternate Method of Book Building

In case of FPOs, Issuers may opt for an alternate method of Book Building in which only the Floor Price is specified for the purposes of Bidding (“**Alternate Book Building Process**”).

The Issuer may specify the Floor Price in the RHP or advertise the Floor Price at least one Working Day prior to the Bid/Issue Opening Date. QIBs may Bid at a price higher than the Floor Price and the Allotment to the QIBs is made on a price priority basis. The Bidder/Applicant with the highest Bid Amount is allotted the number of Equity Shares Bid for and then the second highest Bidder/Applicant is Allotted Equity Shares and this process continues until all the Equity Shares have been allotted. RIIs, NIIs and Employees are Allotted Equity Shares at the Floor Price and Allotment to these categories of Bidders/Applicants is made proportionately. If the number of Equity Shares Bid for at a price is more than available quantity then the Allotment may be done on a proportionate basis. Further, the Issuer may place a cap either in terms of number of specified securities or percentage of issued capital of the Issuer that may be Allotted to a single Bidder/Applicant, decide whether a Bidder/Applicant be allowed to revise the bid upwards or downwards in terms of price and/or quantity and also decide whether a Bidder/Applicant be allowed single or multiple bids.

SECTION 6: ISSUE PROCEDURE IN FIXED PRICE ISSUE

Applicants may note that there is no Bid cum Application Form in a Fixed Price Issue. As the Issue Price is mentioned in the Fixed Price Issue therefore on filing of the Prospectus with the RoC, the Application so submitted is considered as the application form.

Applicants may only use the specified Application Form for the purpose of making an Application in terms of the Prospectus which may be submitted through the Designated Intermediary.

Applicants may submit an Application Form either in physical form to the any of the Designated Intermediaries or in the electronic form to the SCSB or the Designated Branches of the SCSBs authorising blocking of funds that are available in the bank account specified in the Application Form only ("ASBA Account"). The Application Form is also made available on the websites of the Stock Exchanges at least one day prior to the Bid/Issue Opening Date.

In a fixed price Issue, allocation in the Offer to the public category is made as follows: minimum fifty per cent to Retail Individual Investors; and remaining to (i) individual investors other than Retail Individual Investors; and (ii) other Applicants including corporate bodies or institutions, irrespective of the number of specified securities applied for. The unsubscribed portion in either of the categories specified above may be allocated to the Applicants in the other category.

For details of instructions in relation to the Application Form, Bidders/Applicants may refer to the relevant section of the GID.

SECTION 7: ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT

The Allotment of Equity Shares to Bidders/Applicants other than Retail Individual Investors and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to RHP/Prospectus. No Retail Individual Investor will be Allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Investor Category and the remaining available shares, if any will be Allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Issue (excluding any Offer for Sale of specified securities). However, in case the Issue is in the nature of Offer for Sale only, then minimum subscription may not be applicable.

7.1 ALLOTMENT TO RIIs

Bids received from the RIIs at or above the Issue Price may be grouped together to determine the total demand under this category. If the aggregate demand in this category is less than or equal to the Retail Category at or above the Issue Price, full Allotment may be made to the RIIs to the extent of the valid Bids. If the aggregate demand in this category is greater than the allocation to in the Retail Category at or above the Issue Price, then the maximum number of RIIs who can be Allotted the minimum Bid Lot will be computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Bid Lot ("**Maximum RII Allottees**"). The Allotment to the RIIs will then be made in the following manner:

- (a) In the event the number of RIIs who have submitted valid Bids in the Issue is equal to or less than Maximum RII Allottees, (i) all such RIIs shall be Allotted the minimum Bid Lot; and (ii) the balance available Equity Shares, if any, remaining in the Retail Category shall be Allotted on a proportionate basis to the RIIs who have received Allotment as per (i) above for the balance demand of the Equity Shares Bid by them (i.e. who have Bid for more than the minimum Bid Lot).
- (b) In the event the number of RIIs who have submitted valid Bids in the Issue is more than Maximum RII Allottees, the RIIs (in that category) who will then be Allotted minimum Bid Lot shall be determined on the basis of draw of lots.

7.2 ALLOTMENT TO NIIs

Bids received from NIIs at or above the Issue Price may be grouped together to determine the total demand under this category. The Allotment to all successful NIIs may be made at or above the Issue Price. If the aggregate demand in this category is less than or equal to the Non-Institutional Category at or above the Issue Price, full Allotment may be made to NIIs to the extent of their demand. In case the aggregate demand in this category is greater than the Non-Institutional Category at or above the Issue Price, Allotment may be made on a proportionate basis up to a minimum of the Non-Institutional Category.

7.3 ALLOTMENT TO QIBs

For the Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to the SEBI ICDR Regulations, 2009 or RHP/Prospectus. Bids received from QIBs Bidding in the QIB Category (net of Anchor Portion) at or above the Issue Price may be grouped together to determine the total demand under this category. The QIB Category may be

available for Allotment to QIBs who have Bid at a price that is equal to or greater than the Issue Price. Allotment may be undertaken in the following manner:

- (a) In the first instance allocation to Mutual Funds for up to 5% of the QIB Category may be determined as follows: (i) In the event that Bids by Mutual Fund exceeds 5% of the QIB Category, allocation to Mutual Funds may be done on a proportionate basis for up to 5% of the QIB Category; (ii) In the event that the aggregate demand from Mutual Funds is less than 5% of the QIB Category then all Mutual Funds may get full Allotment to the extent of valid Bids received above the Issue Price; and (iii) Equity Shares remaining unsubscribed, if any and not allocated to Mutual Funds may be available for Allotment to all QIBs as set out at paragraph 7.4(b) below;
- (b) In the second instance, Allotment to all QIBs may be determined as follows: (i) In the event of oversubscription in the QIB Category, all QIBs who have submitted Bids above the Issue Price may be Allotted Equity Shares on a proportionate basis for up to 95% of the QIB Category; (ii) Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis along with other QIBs; and (iii) Under-subscription below 5% of the QIB Category, if any, from Mutual Funds, may be included for allocation to the remaining QIBs on a proportionate basis.

7.4 ALLOTMENT TO ANCHOR INVESTOR (IF APPLICABLE)

- (a) Allocation of Equity Shares to Anchor Investors at the Anchor Investor Issue Price will be at the discretion of the issuer in consultation with the Managers, subject to compliance with the following requirements:
 - i. not more than 60% of the QIB Category will be allocated to Anchor Investors;
 - ii. one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors; and
 - iii. allocation to Anchor Investors shall be on a discretionary basis and subject to:
 - a maximum number of two Anchor Investors for allocation up to ₹ 100 million;
 - a minimum number of two Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹ 100 million and up to ₹ 2,500 million subject to minimum Allotment of ₹ 50 million per such Anchor Investor; and
 - a minimum number of five Anchor Investors and maximum number of 15 Anchor Investors for allocation more than ₹ 2,500 million, and an additional 10 Anchor Investors for every additional ₹ 2,500 million or part thereof, subject to minimum Allotment of ₹ 50 million per such Anchor Investor.
- (b) An Anchor Investor shall make an application of a value of at least ₹ 100 million in the Issue.
- (c) A physical book is prepared by the Registrar on the basis of the Anchor Investor Application Forms received from Anchor Investors. Based on the physical book and at the discretion of the issuer in consultation with the Managers, selected Anchor Investors will be sent a CAN and if required, a revised CAN.
- (d) **In the event that the Issue Price is higher than the Anchor Investor Issue Price:** Anchor Investors will be sent a revised CAN within one day of the Pricing Date indicating the number of Equity Shares allocated to such Anchor Investor and the pay-in date for payment of the balance amount. Anchor Investors are then required to pay any additional amounts, being the difference between the Issue Price and the Anchor Investor Issue Price, as indicated in the revised CAN within the pay-in date referred to in the revised CAN. Thereafter, the Allotment Advice will be issued to such Anchor Investors.
- (e) **In the event the Issue Price is lower than the Anchor Investor Issue Price:** Anchor Investors who have been Allotted Equity Shares will directly receive Allotment Advice.

7.5 BASIS OF ALLOTMENT FOR QIBs (OTHER THAN ANCHOR INVESTORS), NIIs AND RESERVED CATEGORY IN CASE OF OVER-SUBSCRIBED ISSUE

In the event of the Issue being over-subscribed, the Issuer may finalise the Basis of Allotment in consultation with the Designated Stock Exchange in accordance with the SEBI ICDR Regulations, 2009.

The allocation may be made in marketable lots, on a proportionate basis as explained below:

- (a) Bidders/Applicants may be categorised according to the number of Equity Shares applied for;
- (b) The total number of Equity Shares to be Allotted to each category as a whole may be arrived at on a proportionate basis, which is the total number of Equity Shares applied for in that category (number of Bidders/Applicants in the category multiplied by the number of Equity Shares applied for) multiplied by the inverse of the over-subscription ratio;
- (c) The number of Equity Shares to be Allotted to the successful Bidders/Applicants may be arrived at on a proportionate basis, which is total number of Equity Shares applied for by each Bidder/Applicant in that category multiplied by the inverse of the over-subscription ratio;
- (d) In all Bids where the proportionate Allotment is less than the minimum Bid Lot decided per Bidder/Applicant, the Allotment may be made as follows: the successful Bidders/Applicants out of the total Bidders/Applicants for a category may be determined by a draw of lots in a manner such that the total number of Equity Shares Allotted in that category is equal to the number of Equity Shares calculated in accordance with (b) above; and each successful Bidder/Applicant may be Allotted a minimum of such Equity Shares equal to the minimum Bid Lot finalised by the Issuer;
- (e) If the proportionate Allotment to a Bidder/Applicant is a number that is more than the minimum Bid Lot but is not a multiple of one (which is the marketable lot), the decimal may be rounded to the higher whole number if that decimal is 0.5 or higher. If that number is lower than 0.5 it may be rounded to the lower whole number. Allotment to all Bidders/Applicants in such categories may be arrived at after such rounding; and
- (f) If the Equity Shares allocated on a proportionate basis to any category are more than the Equity Shares Allotted to the Bidders/Applicants in that category, the remaining Equity Shares available for Allotment may be first adjusted against any other category, where the Allotted Equity Shares are not sufficient for proportionate Allotment to the successful Bidders/Applicants in that category. The balance Equity Shares, if any, remaining after such adjustment may be added to the category comprising Bidders/Applicants applying for minimum number of Equity Shares.

7.6 DESIGNATED DATE AND ALLOTMENT OF EQUITY SHARES

- (a) **Designated Date:** On the Designated Date, the Escrow Collection Banks shall transfer the funds represented by allocation of Equity Shares to Anchor Investors from the Escrow Account, as per the terms of the Escrow Agreement, into the Public Issue Account with the Bankers to the Issue. The balance amount after transfer to the Public Issue Account shall be transferred to the Refund Account. Payments of refund to the Bidders/Applicants applying in the Anchor Investor Portion shall be made from the Refund Account as per the terms of the Escrow Agreement and the RHP. On the Designated Date, the Registrar to the Issue shall instruct the SCSBs to transfer funds represented by allocation of Equity Shares from ASBA Accounts into the Public Issue Account.
- (b) **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall upload the same on its website. On the basis of the approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the Allotment and credit of Equity Shares. Bidders/Applicants are advised to instruct their Depository Participant to accept the Equity Shares that may be allotted to them pursuant to the Issue.

Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Bidders/Applicants who have been Allotted Equity Shares in the Issue.
- (c) The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract.
- (d) Issuer will ensure that: (i) the Allotment of Equity Shares; and (ii) credit of shares to the successful Bidders/Applicants Depository Account will be completed within six Working Days of the Bid/Issue Closing Date.

SECTION 8: INTEREST AND REFUNDS

8.1 COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING

The Issuer shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within six Working Days of the Bid/Issue Closing Date. The Registrar

to the Issue may initiate corporate action for credit to Equity Shares the beneficiary account with Depositories, and dispatch the Allotment Advice within six Working Days of the Bid/Issue Closing Date.

8.2 GROUND FOR REFUND

8.2.1 NON RECEIPT OF LISTING PERMISSION

An Issuer makes an application to the Stock Exchange(s) for permission to deal in/list and for an official quotation of the Equity Shares. All the Stock Exchanges from where such permission is sought are disclosed in RHP/Prospectus. The Designated Stock Exchange may be as disclosed in the RHP/Prospectus with which the Basis of Allotment may be finalised.

If the Issuer fails to make application to the Stock Exchange(s) or obtain permission for listing of the Equity Shares, in accordance with the provisions of Section 40 of the Companies Act, 2013, the Issuer shall be punishable with a fine which shall not be less than ₹ 5 lakhs but which may extend to ₹ 50 lakhs and every officer of the Issuer who is in default shall be punishable with imprisonment for a term which may extend to one year or with fine which shall not be less than ₹ 50,000 but which may extend to ₹ 3 lakhs, or with both.

If the permissions to deal in and for an official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Issuer may forthwith take steps to refund, without interest, all moneys received from Bidders/Applicants in pursuance of the RHP/Prospectus.

If such money is not refunded to the Bidders/Applicants within the prescribed time after the Issuer becomes liable to repay it, then the Issuer and every director of the Issuer who is an officer in default may, on and from such expiry of such period, be liable to repay the money, with interest at such rate, as disclosed in the RHP/Prospectus.

8.2.2 NON RECEIPT OF MINIMUM SUBSCRIPTION

If the Issuer does not receive a minimum subscription of 90% of the Net Issue (excluding any offer for sale of specified securities), including devolvement to the Underwriters, the Issuer may forthwith, take steps to unblock the entire subscription amount received within six Working Days of the Bid/Issue Closing Date and repay, without interest, all moneys received from Anchor Investors. In case the Issue is in the nature of Offer for Sale only, then minimum subscription may not be applicable. In case of under-subscription in the Issue involving a Fresh Issue and the Offer for Sale, the Equity Shares in the Fresh Issue will be issued prior to the sale of Equity Shares in the Offer for Sale.

If there is a delay beyond the prescribed time after the Issuer becomes liable to pay the amount received from Bidders/Applicants, then the Issuer and every director of the Issuer who is an officer in default may on and from expiry of 15 Working Days, be jointly and severally liable to repay the money, with interest at the rate of 15% per annum in accordance with the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended.

8.2.3 MINIMUM NUMBER OF ALLOTTEES

The Issuer may ensure that the number of prospective Allottees to whom Equity Shares may be Allotted may not be less than 1,000 failing which the entire application monies may be refunded forthwith.

8.2.4 IN CASE OF ISSUES MADE UNDER COMPULSORY BOOK BUILDING

In case an Issuer not eligible under Regulation 26(1) of the SEBI ICDR Regulations, 2009 comes for an Issue under Regulation 26(2) of SEBI (ICDR) Regulations, 2009 but fails to Allot at least 75% of the Net Issue to QIBs, in such case full subscription money is to be refunded.

8.3 MODE OF REFUND

- (a) **In case of ASBA Bids:** Within six Working Days of the Bid/Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs for unblocking the amount in ASBA Account on unsuccessful Bid and also for any excess amount blocked on Bidding.
- (b) **In case of Anchor Investors:** Within six Working Days of the Bid/Issue Closing Date, the Registrar to the Issue may dispatch the refund orders for all amounts payable to unsuccessful Anchor Investors.
- (c) In case of Anchor Investors, the Registrar to the Issue may obtain from the depositories, the Bidders'/Applicants' bank account details, including the MICR code, on the basis of the DP ID, Client ID and PAN provided by the Anchor Investors in their Anchor Investor Application Forms for refunds. Accordingly, Anchor Investors are advised to immediately update their details as appearing on the records

of their depositories. Failure to do so may result in delays in dispatch of refund orders or refunds through electronic transfer of funds, as applicable, and any such delay may be at the Anchor Investors' sole risk and neither the Issuer, the Registrar to the Issue, the Escrow Collection Banks, or the Syndicate, may be liable to compensate the Anchor Investors for any losses caused to them due to any such delay, or liable to pay any interest for such delay. Please note that refunds shall be credited only to the bank account from which the Bid Amount was remitted to the Escrow Collection Bank.

8.3.1 Electronic mode of making refunds for Anchor Investors

The payment of refund, if any, may be done through various electronic modes as mentioned below:

- (a) **NECS**—Payment of refund may be done through NECS for Bidders/Applicants having an account at any of the centers specified by the RBI. This mode of payment of refunds may be subject to availability of complete bank account details including the nine-digit MICR code of the Bidder/Applicant as obtained from the Depository;
- (b) **NEFT**—Payment of refund may be undertaken through NEFT wherever the branch of the Anchor Investors' bank is NEFT enabled and has been assigned the Indian Financial System Code ("**IFSC**"), which can be linked to the MICR of that particular branch. The IFSC Code may be obtained from the website of RBI as at a date prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Anchor Investors have registered their nine-digit MICR number and their bank account number while opening and operating the demat account, the same may be duly mapped with the IFSC Code of that particular bank branch and the payment of refund may be made to the Anchor Investors through this method. In the event NEFT is not operationally feasible, the payment of refunds may be made through any one of the other modes as discussed in this section;
- (c) **Direct Credit**—Anchor Investors having their bank account with the Refund Banker may be eligible to receive refunds, if any, through direct credit to such bank account;
- (d) **RTGS**—Anchor Investors having a bank account at any of the centres notified by SEBI where clearing houses are managed by the RBI, may have the option to receive refunds, if any, through RTGS; and

Please note that refunds through the abovementioned modes shall be credited only to the bank account from which the Bid Amount was remitted to the Escrow Collection Bank.

For details of levy of charges, if any, for any of the above methods, Anchor Investors may refer to RHP/Prospectus.

8.4 INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND

The Issuer may pay interest at the rate of 15% per annum where the refund or portion thereof is made in electronic manner, if the Allotment is not made and refund instructions have not been given to the clearing system in the disclosed manner and/or demat credits are not made to Bidders or instructions for unblocking of funds in the ASBA Account are not dispatched within the prescribed period under applicable laws.

The Issuer may pay interest at 15% per annum for any delay beyond 15 days from the Bid/Issue Closing Date, if Allotment is not made.

SECTION 9: GLOSSARY AND ABBREVIATIONS

Unless the context otherwise indicates or implies, certain definitions and abbreviations used in this document may have the meaning as provided below. References to any legislation, act or regulation may be to such legislation, act or regulation as amended from time to time.

Term	Description
Allotment/Allot/Allotted	The allotment of Equity Shares pursuant to the Issue to successful Bidders/Applicants
Allotment Advice	Note or advice or intimation of Allotment sent to the Bidders/Applicants who have been Allotted Equity Shares after the Basis of Allotment has been approved by the designated Stock Exchanges
Allottee	An Bidder/Applicant to whom the Equity Shares are Allotted
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in SEBI ICDR Regulations, 2009 and the Red Herring Prospectus.

Term	Description
Anchor Investor Application Form	The form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and Prospectus
Anchor Investor Portion	Up to 60% of the QIB Category which may be allocated by the Issuer in consultation with the Managers, to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion is reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to Anchor Investors
Application Supported by Blocked Amount /ASBA	An application, whether physical or electronic, used by Bidders/Applicants, other than Anchor Investors, to make a Bid and authorising an SCSB to block the Bid Amount in the specified bank account maintained with such SCSB
ASBA Form	Application form, whether physical or electronic, used by ASBA Bidders/Applicants, which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus
ASBA Account	Account maintained with an SCSB which may be blocked by such SCSB to the extent of the Bid Amount of the Bidder/Applicant
ASBA Bidder/Applicant	All Bidders/Applicants except Anchor Investors
Banker(s) to the Issue/Escrow Collection Bank(s)/Collecting Banker	Banks which are clearing members and registered with SEBI as Banker to the Issue with whom the Escrow Account(s) for Anchor Investors may be opened, and as disclosed in the RHP/Prospectus and Bid cum Application Form of the Issuer
Basis of Allotment	Basis on which the Equity Shares may be Allotted to successful Bidders/Applicants under the Issue
Bid	An indication to make an offer during the Bid/Issue Period by a prospective Bidder/Applicants pursuant to submission of Bid cum Application Form or during the Anchor Investor Bid/Issue Period by the Anchor Investors, to subscribe for or purchase the Equity Shares of the Issuer at a price within the Price Band, including all revisions and modifications thereto. In case of issues undertaken through the fixed price process, all references to a Bid should be construed to mean an Application
Bid Amount	The highest value of the optional Bids indicated in the Bid cum Application Form and payable by the Bidder/Applicants upon submission of the Bid (except for Anchor Investors), less discounts (if applicable). In case of issues undertaken through the fixed price process, all references to the Bid Amount should be construed to mean the Application Amount
Bid/Issue Closing Date	Except in the case of Anchor Investors (if applicable), the date after which the Designated Intermediaries may not accept any Bids for the Issue, which may be notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Bidders/Applicants may refer to the RHP/Prospectus for the Bid/Issue Closing Date
Bid/Issue Opening Date	The date on which the Designated Intermediaries may start accepting Bids for the Issue, which may be the date notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Bidders/Applicants may refer to the RHP/Prospectus for the Bid/Issue Opening Date
Bid/Issue Period	Except in the case of Anchor Investors (if applicable), the period between the Bid/Issue Opening Date and the Bid/Issue Closing Date inclusive of both days and during which prospective ASBA Bidders/Applicants can submit their Bids, inclusive of any revisions thereof. The Issuer may consider closing the Bid/Issue Period for QIBs one working day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations, 2009. Bidders/Applicants may refer to the RHP/Prospectus for the Bid/Issue Period
Bid cum Application Form	The Anchor Investor Application Form or the ASBA Form, as the context requires
Bidder/Applicant	Any prospective investor who makes a Bid pursuant to the terms of the RHP/Prospectus and the Bid cum Application Form. In case of issues undertaken through the fixed price process, all references to a Bidder/Applicant should be construed to mean an Applicant

Term	Description
Book Built Process/Book Building Process/Book Building Method	The book building process as provided under SEBI ICDR Regulations, 2009, in terms of which the Issue is being made
Broker Centres	Broker centres notified by the Stock Exchanges, where Bidders/Applicants can submit the ASBA Forms to a Registered Broker. The details of such broker centres, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchanges.
BRLM(s)/Book Running Lead Manager(s)/Lead Manager/LM	The Book Running Lead Manager to the Issue as disclosed in the RHP/Prospectus and the Bid cum Application Form of the Issuer. In case of issues undertaken through the fixed price process, all references to the Book Running Lead Manager should be construed to mean the Lead Manager or LM
Business Day	Monday to Saturday (except 2 nd and 4 th Saturday of a month and public holidays)
CAN/ Confirmation of Allocation Note	Notice or intimation of allocation of Equity Shares sent to Anchor Investors, who have been allocated Equity Shares, after the Anchor Investor Bid/ Issue Period
Cap Price	The higher end of the Price Band, above which the Issue Price and the Anchor Investor Issue Price may not be finalised and above which no Bids may be accepted
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account
Collecting Depository Participant or CDPs	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of circular number CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Cut-off Price	Issue Price, finalised by the Issuer in consultation with the Book Running Lead Manager(s), which can be any price within the Price Band. Only RIIs, Retail Individual Shareholders and employees are entitled to Bid at the Cut-off Price. No other category of Bidders/Applicants are entitled to Bid at the Cut-off Price
DP	Depository Participant
DP ID	Depository Participant's Identification Number
Depositories	National Securities Depository Limited and Central Depository Services (India) Limited
Demographic Details	Details of the Bidders/Applicants including the Bidders'/Applicants' address, name of the Applicant's father/husband, investor status, occupation and bank account details
Designated Branches	Such branches of the SCSBs which may collect the Bid cum Application Forms used by Bidders/Applicants (excluding Anchor Investors) and a list of which is available on http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html
Designated CDP Locations	Such locations of the CDPs where Bidders/Applicants can submit the ASBA Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the websites of the respective Stock Exchanges (www.bseindia.com and www.nseindia.com)
Designated Date	The date on which funds are transferred by the Escrow Collection Bank(s) from the Escrow Account and the amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Issue Account or the Refund Account, as appropriate, after the Prospectus is filed with the RoC, following which our Board of directors may Allot Equity Shares to successful Bidders/Applicants in the Fresh Issue may give delivery instructions for the transfer of the Equity Shares constituting the Offer for Sale
Designated Intermediaries	Members of the Syndicate, Sub-Syndicate/Agents, SCSBs, Registered Brokers, Brokers, the CDPs and RTAs, who are authorised to collect Bid cum Application Forms from the Bidders/Applicants, in relation to the Issue
Designated RTA Locations	Such locations of the RTAs where Bidders/Applicants can submit the ASBA Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the websites of the respective Stock Exchanges (www.bseindia.com and www.nseindia.com)
Designated Stock Exchange	The designated stock exchange as disclosed in the RHP/Prospectus of the Issuer

Term	Description
Discount	Discount to the Issue Price that may be provided to Bidders/Applicants in accordance with the SEBI ICDR Regulations, 2009.
Draft Prospectus	The draft prospectus filed with SEBI in case of Fixed Price Issues and which may mention a price or a Price Band
Employees	Employees of an Issuer as defined under SEBI ICDR Regulations, 2009 and including, in case of a new company, persons in the permanent and full time employment of the promoting companies excluding the promoters and immediate relatives of the promoters. For further details, Bidder/Applicant may refer to the RHP/Prospectus
Equity Shares	Equity Shares of the Issuer
Escrow Account	Account opened with the Escrow Collection Bank(s) and in whose favour the Anchor Investors may transfer money through NEFT, direct credit or RTGS in respect of the Bid Amount when submitting a Bid
Escrow Agreement	Agreement to be entered into among the Issuer, the Registrar to the Issue, the Book Running Lead Manager(s), the Syndicate Member(s), the Escrow Collection Bank(s) and the Refund Bank(s) for collection of the Bid Amounts from Anchor Investors and where applicable, remitting refunds of the amounts collected to the Anchor Investors on the terms and conditions thereof
Escrow Collection Bank(s)	Refer to definition of Banker(s) to the Issue
FCNR Account	Foreign Currency Non-Resident Account
First Bidder/Applicant	The Bidder/Applicant whose name appears first in the Bid cum Application Form or Revision Form
FII(s)	Foreign Institutional Investors as defined under the SEBI (Foreign Institutional Investors) Regulations, 1995 and registered with SEBI under applicable laws in India
Fixed Price Issue/Fixed Price Process/Fixed Price Method	The Fixed Price process as provided under SEBI ICDR Regulations, 2009, in terms of which the Issue is being made
Floor Price	The lower end of the Price Band, at or above which the Issue Price and the Anchor Investor Issue Price may be finalised and below which no Bids may be accepted, subject to any revision thereto
FPIs	Foreign Portfolio Investors as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
FPO	Further public offering
Foreign Venture Capital Investors or FVCIs	Foreign Venture Capital Investors as defined and registered with SEBI under the SEBI (Foreign Venture Capital Investors) Regulations, 2000
IPO	Initial public offering
Issue	Public issue of Equity Shares of the Issuer including the Offer for Sale if applicable
Issuer/Company	The Issuer proposing the initial public offering/further public offering as applicable
Issue Price	The final price, less discount (if applicable) at which the Equity Shares may be Allotted to Bidders/Applicants other than Anchor Investors, in terms of the Prospectus. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Issue Price. The Issue Price may be decided by the Issuer in consultation with the Book Running Lead Manager(s)
Locations	Bidding centres where the syndicate shall accept ASBA Forms from Bidders/Applicants
Maximum RII Allottees	The maximum number of RIIs who can be Allotted the minimum Bid Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Bid Lot.
MICR	Magnetic Ink Character Recognition - nine-digit code as appearing on a cheque leaf
Mutual Fund	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996
Mutual Funds Portion	5% of the QIB Category (excluding the Anchor Investor Portion) available for allocation to Mutual Funds only, being such number of equity shares as disclosed in the RHP/Prospectus and Bid cum Application Form
NECS	National Electronic Clearing Service
NEFT	National Electronic Fund Transfer

Term	Description
NRE Account	Non-Resident External Account
NRI	NRIs from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the RHP/Prospectus constitutes an invitation to subscribe to or purchase the Equity Shares
NRO Account	Non-Resident Ordinary Account
Net Issue	The Issue less reservation portion
Non-Institutional Investors or NIIs	All Bidders/Applicants, including sub accounts of FIIs registered with SEBI which are foreign corporates or foreign individuals and FPIs which are Category III foreign portfolio investors, that are not QIBs or RIBs and who have Bid for Equity Shares for an amount of more than ₹ 200,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Category	The portion of the Issue being such number of Equity Shares available for allocation to NIIs on a proportionate basis and as disclosed in the RHP/Prospectus and the Bid cum Application Form
Non-Resident	A person resident outside India, as defined under FEMA and includes Eligible NRIs, FPIs and FVCIs registered with SEBI
OCB/Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA
Offer for Sale	Public offer of such number of Equity Shares as disclosed in the RHP/Prospectus through an offer for sale by the Selling Shareholders
Other Investors	Investors other than Retail Individual Investors in a Fixed Price Issue. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for
PAN	Permanent Account Number allotted under the Income Tax Act, 1961
Price Band	Price Band with a minimum price, being the Floor Price and the maximum price, being the Cap Price and includes revisions thereof. The Price Band and the minimum Bid lot size for the Issue may be decided by the Issuer in consultation with the Book Running Lead Manager(s) and advertised, at least five working days in case of an IPO and one working day in case of FPO, prior to the Bid/Issue Opening Date, in English national daily, Hindi national daily and regional language at the place where the registered office of the Issuer is situated, newspaper each with wide circulation
Pricing Date	Date on which the Issuer in consultation with the Book Running Lead Manager(s), finalise the Issue Price
Prospectus	Prospectus to be filed with the RoC in accordance with Section 26 of the Companies Act, 2013 after the Pricing Date, containing the Issue Price, the size of the Issue and certain other information
Public Issue Account	Bank account opened with the Banker to the Issue to receive monies from the Escrow Account and from the ASBA Accounts on the Designated Date
QIB Category	The portion of the Issue being such number of Equity Shares to be Allotted to QIBs on a proportionate basis
Qualified Institutional Buyers or QIBs	As defined under SEBI ICDR Regulations, 2009
RTGS	Real Time Gross Settlement
Red Herring Prospectus/RHP	The red herring prospectus issued in accordance with Section 32 of the Companies Act, 2013, which does not have complete particulars of the price at which the Equity Shares are offered and the size of the Issue. The RHP may be filed with the RoC at least three days before the Bid/Issue Opening Date and may become a Prospectus upon filing with the RoC after the Pricing Date. In case of issues undertaken through the fixed price process, all references to the RHP should be construed to mean the Prospectus
Refund Account(s)	The account opened with Refund Bank(s), from which refunds to Anchor Investors, if any, of the whole or part of the Bid Amount may be made

Term	Description
Refund Bank(s)	Refund bank(s) as disclosed in the RHP/Prospectus and Bid cum Application Form of the Issuer
Registrar and Share Transfer Agents or RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular number CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Registered Broker	Stock Brokers registered with the Stock Exchanges having nationwide terminals, other than the members of the Syndicate
Registrar to the Issue/RTO	The Registrar to the Issue as disclosed in the RHP/Prospectus and Bid cum Application Form
Reserved Category/Categories	Categories of persons eligible for making application/Bidding under reservation portion
Reservation Portion	The portion of the Issue reserved for such category of eligible Bidders/Applicants as provided under the SEBI ICDR Regulations, 2009
Retail Individual Investors/RIIs	Investors who applies or bids for a value of not more than ₹ 200,000
Retail Individual Shareholders	Shareholders of a listed Issuer who applies or bids for a value of not more than ₹ 200,000.
Retail Category	The portion of the Issue being such number of Equity Shares available for allocation to RIIs which shall not be less than the minimum Bid Lot, subject to availability in RII category and the remaining shares to be Allotted on proportionate basis.
Revision Form	The form used by the Bidders/Applicants in an issue through Book Building Process to modify the quantity of Equity Shares and/or bid price indicated therein in any of their Bid cum Application Forms or any previous Revision Form(s)
RoC	The Registrar of Companies
SEBI	The Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992
SEBI ICDR Regulations, 2009	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
Self Certified Syndicate Bank(s) or SCSB(s)	A bank registered with SEBI, which offers the facility of ASBA and a list of which is available on http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html
Specified Locations	Bidding centres where the Syndicate shall accept Bid cum Application Forms
Stock Exchanges/SE	The stock exchanges as disclosed in the RHP/Prospectus of the Issuer where the Equity Shares Allotted pursuant to the Issue are proposed to be listed
Syndicate	The Book Running Lead Manager(s) and the Syndicate Member
Syndicate Agreement	The agreement to be entered into among the Issuer, and the Syndicate in relation to collection of ASBA Forms by Syndicate Members
Syndicate Member(s)/SM	The Syndicate Member(s) as disclosed in the RHP/Prospectus
Underwriters	The Book Running Lead Manager(s) and the Syndicate Member(s)
Underwriting Agreement	The agreement among the Issuer, and the Underwriters to be entered into on or after the Pricing Date
Working Day	All days other than the second and fourth Saturdays of each month, Sundays or public holidays, on which commercial banks in Mumbai are open for business; provided however, when referring to (a) announcement of Price Band; and (b) Bid/Issue Period, the term shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; and (c) the time period between the Bid/Issue Closing Date and the listing of the Equity Shares on the Stock Exchanges, shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays, as per the SEBI Circular no. SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government, the FDI Policy (as defined below) and FEMA. The government bodies responsible for granting foreign investment approvals are FIPB and the RBI.

The Government has from time to time has made policy pronouncements on FDI through circulars, clarifications, press notes and press releases. The DIPP, issued the consolidated FDI Policy by way of circular number D/o IPP F. No. 5(1)/2016-FC-1 dated June 7, 2016 (“**FDI Policy**”), which with effect from June 7, 2016, consolidates and supersedes all previous press notes, press releases, circulars and clarifications on FDI issued by the DIPP that were in force and effect as on June 7, 2016. The FDI policy incorporates the changes made in the past year, including liberalisation of sectors such as construction, defence, broadcasting, Single Brand Retail Trading and LLPs. The Government proposes to update the consolidated circular on FDI Policy once every year and therefore, FDI Policy will be valid until an updated circular is issued by the DIPP.

The SECC Regulations states that, subject to the limits as otherwise prescribed by the Central Government from time to time, the combined holding of all persons resident outside India in the paid up equity share capital of a recognised stock exchange cannot exceed, at any time, 49% of its total paid up equity share capital.

In terms of the SECC Regulations, no non-resident, directly or indirectly, either individually or together with persons acting in concert is permitted to acquire or hold more than 5% of the paid-up equity share capital of a recognised stock exchange. However, the union cabinet, pursuant to the press release dated July 27, 2016 (the “**Press Release**”) has approved increasing the foreign shareholding limit from 5% to 15% in Indian stock exchanges for a stock exchange, a depository, a banking company, an insurance company and a commodity derivative exchange. In addition, SEBI, in its board meeting dated September 23, 2016, has approved amendment to Regulation 17 of the SECC Regulations to increase the limit of shareholding of FIIs / FPIs in stock exchanges from 5% to 15%. The SECC Regulations are yet to be amended in this regard.

In terms of the SECC Regulations and the FDI Policy, an FPI is restricted from acquiring shares of the stock exchange otherwise than through the secondary market. The Press Release states that the Union cabinet has also approved the proposal to allow FPI to acquire shares through initial allotment, besides the secondary market, in the stock exchanges.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the FDI Policy and transfer does not attract the provisions of the Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI and the RBI.

The above information is given for the benefit of the Bidders / Applicants. Our Company, the Selling Shareholders, the Managers are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders / Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

SECTION VIII: MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

Capitalised terms used in this section have the meaning that has been given to such terms in the Articles of Association of our Company. Pursuant to Schedule I of the Companies Act, 2013 and the SEBI ICDR Regulations, the main provisions of the Articles of Association of our Company are detailed below:

Applicability of Table 'F', Schedule I to the Companies Act, 2013

As regards applicability of Table 'F', Schedule I to the Companies Act, 2013, the Articles states that "The Regulations contained in Table marked 'F' in Schedule I to the Companies Act, 2013 shall not apply to the Company, but the regulations for the management of the Company and for the observances by the members thereof and their representatives, shall subject to any exercise of the statutory powers of the Company with reference to the repeal or alteration of, or addition to its regulations by Special Resolution, or as prescribed by the Companies Act, 2013 be such as are contained in these Articles."

Share Capital

Article 3 provides that "The Authorised Share Capital of the Company shall be of such amount and of such description as is stated for the time being or at any time, in the Memorandum of Association of the Company and the Company shall have power to increase or reduce the share capital from time to time in accordance with the regulations of the Company and the legislative provisions for the time being in force in this regard."

Article 8 provides that "Subject to the provisions of the Act and these presents, the shares in the Capital of the Company for the time being (including any shares forming part of any increased capital of the Company) shall be under the control of the Directors who may allot or otherwise dispose off the same or any of them to such persons in such proportions and on such terms and conditions and either at a premium or at par or (subject to compliance with the provisions of Section 53 of the Act) at a discount and at such times as they may from time to time think fit and proper with the sanction in the General Meeting to give to any person or persons the option or right to call for any Shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot Shares in the capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any Shares which may so be allotted may be issued as fully paid up Shares and if so issued, shall be deemed to be fully paid Shares.

Provided that option or right to call shares shall not be given to any person except with the sanction of the Company in General Meeting."

Article 9 provides that "Subject to the provisions of the Act and these presents the Board may allot and issue shares in the capital of the Company as payment or part payment for any property sold or goods transferred or machinery supplied or for services rendered to the Company and any shares which may be so allotted may be issued as fully paid-up or partly paid-up and if so issued shall be deemed to be fully paid-up shares or partly paid-up shares."

Article 13 provides that "Where any calls for further share capital are made on shares, such call shall be made on a uniform basis on all shares falling under the same class. For the purpose of this Article, shares of the same nominal value on which different amounts have been paid-up shall not be deemed to fall under the same class."

Underwriting Commission

Article 18 provides that "

- (i) The Company may at any time pay a commission to any person for subscribing or agreeing to subscribe (whether absolutely or conditionally) for any shares, debentures or debenture stock or any other security of the Company or for procuring or agreeing to procure subscriptions (whether absolute or conditional) for any share debentures or debenture stock or any other security of the Company but so that if the commission in respect of shares shall be paid or payable out of the proceeds of the respective issue or profit or both, the statutory conditions and requirements shall be observed and complied with and the amount or rate of commission shall not exceed the rates prescribed by the Act. The Commission may be paid or satisfied in cash or in shares, debenture or debenture stock of the Company.
- (ii) The Company may also, on issue of such shares pay such brokerage as may be permissible under the Act."

Certificates

Article 19 provides that "the certificate of title to securities shall be issued under the Seal of the Company in presence of and bearing the signature of two directors or persons duly authorized by the Board or its committee, as the case may be and the secretary or some other persons appointed by the Board for the purpose. If the composition of the Board permits of it, at-least one of the aforementioned two directors shall be a person other than a managing director or a whole time director. The

certificate of such shares shall subject to provisions of Section 56 of the Act be delivered in accordance with the procedure laid down in the Act within two months after the allotment in case of allotment of shares or within one month from the date of receipt by the Company of the instrument of transfer in case of transfer or within one month from the date of receipt of intimation of transmission by the Company or in case of allotment of debentures within six months from the date of allotment of such debentures, as the case may be. Provided always that notwithstanding anything contained in this Articles, the certificate of title to share/debenture may be executed and issued in accordance with such other provisions of the Act or Rules made thereunder, as may be in force for the time being and from time to time. In respect of a security or securities held jointly by several persons, the Company shall not be bound to issue more than one certificate and delivery of a certificate of securities to one of several joint holders shall be sufficient delivery to all such holder. Notwithstanding the above, the certificates of securities, shall be issued in accordance with the provisions of the Act, the SCR Act, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and any other applicable laws.”

Members’ right to Certificate

Article 20 provides that “every Member shall be entitled without payment to one or more certificates in marketable lots for all the shares of each class or denomination registered in his name or, if the Directors so approve (upon paying such fee or fees or at the discretion of the Directors without payment of fees as the Directors may from time to time determine) to several certificates each for one or more shares of each class. Every certificate of shares shall contain such particulars and, shall be in such form as prescribed by the Companies (Share Capital and Debentures) Rules, 2014, as amended or any other Rules in substitution or modification thereof. Where a Member has transferred a part of the shares comprised in his holding he shall be entitled to a certificate for the balance without charge.”

Calls

Article 22 provides that “the Directors may, from time to time, make such calls as they think fit upon the Members in respect of all monies unpaid on the shares held by them respectively and not by the conditions of allotment thereof made payable at fixed times, and each Member shall pay the amount of every call so made on him to the person and at the times and places appointed by the Directors. A call may be made payable by installments.”

Article 23 provides that “a call shall be deemed to have been made at the time when the resolution of the Directors authorizing such call was passed and may be made payable by Members on the Register of Members on such date or at the discretion of the Directors on such subsequent date as shall be fixed by the Directors.”

Article 26 provides that “The joint-holders of a share shall be jointly and severally liable to pay all calls in respect thereof.”

Article 27 provides that “If by the terms of issue of any share or otherwise any amount is made payable at any fixed time or by installments at fixed times, whether on account of the nominal value or by way of premium, every such amount or installments shall be payable as if it were a call duly made by the Directors and of which due notice has been given and all the provisions herein contained in respect of calls shall relate to such amount or installments accordingly.”

Article 28 provides that “if the sum payable in respect of any call or installment be not paid on or before the day appointed for payment thereof the holders for the time being or allottee of the share in respect of which a call shall have been made or the installment shall be due shall pay interest on the same at such rate as the Directors shall fix from time to time from the day appointed for the payment thereof to the time of actual payment, but the Directors may waive payments of such interest wholly or in part. A call may be revoked or postponed at the discretion of the Board.”

Article 30 provides that “The Directors may, if they think fit (subject to the provisions of the Act) agree to and receive from any Member willing to advance the whole or any part of the moneys due upon the shares held by him beyond the sums actually called for, and upon the moneys so paid or satisfied in advance or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made the Company may pay interest at such rate as the Member paying such sum in advance and the Directors agree upon and the Directors may at any time repay the amount so advanced upon giving to such Member one month’s notice in writing; provided that moneys paid in advance of calls on Shares may carry interest but shall not confer a right to dividend or to participate in profits.

No Member paying any such sum in advance shall be entitled to voting rights in respect of the moneys so paid by him until the same would but for such payment become presently payable. The provisions of this Article shall mutatis mutandis apply to calls on Debentures issued by the Company.”

Article 31 provides that “no Member shall be entitled to receive any dividend or exercise any privilege as a Member until he shall have paid all calls from the time being due and payable on every share held by him, whether alone or jointly with any person, together with interest and expenses if any.”

Forfeiture, Surrender and Lien

Article 32 provides that “If any Member fails to pay the whole or any part of any call or installment of any money due in respect of any shares either by way of principal or interest on or before the day appointed for the payment of same the directors may at any time thereafter during such time as the call or installment or any part thereof or other monies remain unpaid or a judgment or decree in respect thereof remains unsatisfied in whole or in part serve a notice on such Member or on the person (if any) entitled to the share by transmission requiring him to pay such call or installment or such part thereof or other moneys as remain unpaid together with any interest that have accrued and all expenses (legal or otherwise) that may have been paid or incurred by the Company by reason of such non-payment.”

Article 33 provides that “The notice shall name a day not being less than fourteen days from the day of the notice and the place or places on and at which such call or installment or such part or other moneys as aforesaid and such interest and expenses as aforesaid are to be paid. The notice shall also state that in the event of non-payment at or before the time and at the place appointed the share in respect of which the call was made or installment is payable will be liable to be forfeited.”

Article 34 provides that “If the requisitions of any such notice as aforesaid are not complied with, any of the shares in respect of which such notice has been given may at any time thereafter before payment of all calls or installments, interest and expenses or the money due in respect thereof, be forfeited by resolution of the Directors to the effect. Such forfeiture shall include all dividends declared in respect of the forfeiture shares and not actually paid before the forfeiture, subject to the Act.”

Article 35 provides that “When any share shall have been so forfeited an entry of the forfeiture with the date thereof shall be made in the Register of Members.”

Article 36 provides that “Any share so forfeited shall be deemed to be the property of the Company and may be sold reallocated or otherwise disposed of either to the original holder thereof or to any other person upon such terms and in such manner as the Directors shall think fit.”

Article 38 provides that “Any Member whose share have been forfeited shall, notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the company all calls, installments, interest, expenses and other monies owing upon or in respect of such shares at the time of the forfeiture together with interest thereon from the time of the forfeiture until payment, at such rates as may be prescribed by the Directors and the Directors may enforce the payment of the whole or a portion thereof if they think fit but shall not be under any obligation to do so. Liability of such person shall cease if and when the Company shall have received payment in full of all such monies in respect of the shares.”

Article 39 provides that “The Company shall have no lien on its fully paid shares. In the case of partly paid up shares/debentures, registered in the name of each member/ Debentureholder (whether solely or jointly with another or others) and upon the proceeds of sale thereof the Company shall have a first and paramount lien only for all monies called or payable (whether presently payable or not) at a fixed time in respect of such shares/debentures and no equitable interest in any share/ debenture shall be created except upon the footing and condition that this Article will have fullest effect. Any such lien shall extend to all dividends, from time to time, and bonus declared in respect of such shares/debentures subject to the Act. Unless otherwise agreed the registration of a transfer of shares/debentures shall operate as a waiver of the Company’s lien, if any, on such shares/debentures. Provided that the Board may at any time declare any Share/ Debenture to be wholly or in part exempt from the provisions of this clause.”

Article 40 provides that “For the purpose of enforcing such lien the Directors may sell the shares subject thereto in such manner as they think fit, but no sale be made unless certain sum in respect of which the lien exists is presently payable nor until notice in writing of the intention to sell shall have been served on such Member or the person (if any) entitled by transmission to the share and default shall have been made by him in payment of the sum presently payable for seven days after such notice.”

Article 41 provides that “The net proceeds of any such sale after payment of the costs of such sale shall be applied in or towards the satisfaction of the debt or liability in respect whereof the lien exists so far as the same is presently payable and the residue (if any) paid to the Member or the person (if any) entitled to the transmission of the shares so sold.”

Article 42 provides that “A certificate in writing under the hands of any Directors, Manager or the Secretary of the Company that the call in respect of a share was made, and that the forfeiture of the share was made, by a resolution of the Directors to that effect, shall be conclusive evidence of the fact stated therein as against all persons entitled to such share.”

Article 43 provides that “The Company may receive the consideration, if any, given for the share on any sale, reallocation or other disposition thereof and the person to whom such share is sold reallocated or disposed of may be registered as the holder of the share and such person shall not be bound to see the application of the consideration, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale, reallocation or other disposal of the share and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.”

Transfer and Transmission of Shares

Article 46 provides that “Every such instrument of transfer shall be executed both by the transferor and the transferee and the transferor shall be deemed to remain the holder of such share until the name of the transferee shall have been entered in the Register of members in respect thereof.”

Article 47 provides that “The Company, the transferor and the transferee of the shares shall comply with provisions of Section 56 of the Act.”

Article 48 provides that “Every instrument of transfer shall be presented to the Company duly stamped for registration within a period of sixty days from the date of execution, or such lesser period as may be prescribed under the applicable law, accompanied by the relative share certificates and such evidence as the Board may require to prove the title of the transferor, his right to transfer of shares and generally under and subject to such conditions and regulations as the Board shall from time to time, prescribe and every registered instrument of transfer shall remain in the custody of the Company until destroyed by order of the Board of Directors, subject to the provisions of law.”

Article 49 provides that “The executors or administrators or holders of a succession certificate or the legal representative of a deceased (not being one of two or more joint holders) shall be the only persons recognized by the Company as having any title to the shares registered in the name of such member and Company shall not be bound to recognize such executors or administrators or holders of succession certificate or the legal representatives unless they shall have first obtained Probate or Letters of Administration or Succession Certificate or other legal representation as the case may be, from a duly constituted court in the Union of India provided that in any case where the Board in its absolute discretion thinks fit, the Board may dispense with production of probate or letters of Administration or Succession certificate, upon such terms as to indemnity or otherwise as the Board, in its absolute discretion may think necessary and under Article 51 register the name of any person who claims to be absolutely entitled to the shares standing in the name of the deceased member as a member.”

Article 50 provides that “In the case of insolvency or liquidation of one or more of the persons named in the Register of Members as the joint-holders of any share, the remaining holder or holders shall be the only persons recognized by the Company as having any title to, or interest in, such share, but nothing herein contained shall be taken to release the estate of the person under insolvency or liquidation from any liability on shares held by him jointly with any other person.”

Article 51 provides that “Subject to the provisions of the Act, any person becoming entitled to shares in consequences of death, lunacy, bankruptcy, insolvency or liquidation of any Member, by any lawful means other than by a transfer in accordance with this Articles, may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either (a) to be registered himself as holder of the share; or (b) to make such transfer of the share as the deceased or insolvent member could have made. The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.

Provided nevertheless, that the person who shall elect to have his nominee registered shall testify the election by executing in favour of his nominee an instrument of transfer in accordance with the provisions herein contained, and until he does so, he shall not be freed from any liability in respect of the shares.”

Article 54 provides that “The Board shall have power on giving at least seven days’, or such lesser period as may be prescribed under the applicable law, previous notice, in such manner as may be prescribed, by advertisement at least once in a vernacular newspaper in the principal vernacular language of the district and having a wide circulation in the place where the Registered Office of the Company is situated, in English language in an English newspaper circulating in that district and having wide circulation in the place where the Registered Office of the Company is situated and publish the notice on website as may be notified by the Central Government and on the website of the Company, to close the Transfer Books, the Register of Member or Register of Debenture Holders at such time or times and for such period or periods not exceeding thirty days at a time and not exceeding in aggregate forty-five days, or such lesser period as may be prescribed under the applicable law, in each year as it may deem expedient.”

Article 55 provides that “Subject to the provisions of the Act, these Articles the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and any other applicable law, the Board may, at its absolute and uncontrolled discretion refuse with cause whether in pursuance of any power of the Company under these Articles or otherwise to register or acknowledge the transfer of, or the transmission by operation of law of the right to, any shares, whether fully paid or not, or interest of a member therein, or debentures of the Company, and the right of refusal, shall not be affected by the circumstances that the proposed transferee is already a member of the Company but in such cases, and the Company shall within thirty days or such lesser period as may be prescribed under the applicable law, from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to the Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be giving reasons for such refusal.

Provided that the registration of a transfer shall not be refused on the grounds of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except where the Company has a lien on shares. Transfer in whatever lot shall not be refused”

Article 56 provides that “Nothing contained in Article 48 shall prejudice any power of the Company to register as shareholder any person to whom the right to any shares in the Company has been transmitted by operation of law.”

Article 57 provides that “A transfer of shares or other interest in the Company of a deceased member thereof made by legal representative shall, although the legal representative is not himself a member, be as valid as if he had been a Member at the time of the execution of the instrument of transfer.”

Article 58 provides that “Nothing in these presents shall prejudice the powers of the Company to refuse to register the transfer of any shares subject to the provisions of the Act, these Articles and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.”

Article 63 provides that “

- (1) Notwithstanding anything to the contrary contained in these Articles, the provisions of Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2012 or any modification thereto, as the case may be, shall apply in respect of issue, acquisition and holding of equity shares of the Company.
- (2) As provided in the foregoing Articles and without prejudice to the provisions of Articles 55, a member shall be at liberty to transfer the share:

Provided however that the Board may refuse the transfer if in its opinion –

- (a) the transfer is being made otherwise than in accordance with relevant SEBI circulars and directives beside the provisions of Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2012 or any modification thereto, as the case may be; or
- (b) the transfer, if made, will not be in the interest of the Company.”

Conversion of shares into stock

Article 64 provides that “The Directors with the sanction of a resolution of the Company in General Meeting may convert any paid-up shares into stock and may convert all or any stock into paid-up shares of any denomination. When any shares have been converted into stock, the several holders of such stock may thenceforth transfer their respective interests therein or any part of such interest in the same manner and subject to the same regulations as and subject to which fully paid-up shares in the Company’s capital may be transferred or as near thereto as circumstances will admit.”

Article 65 provides that “The stock shall confer on the holders thereof respectively the same privileges and advantages as regards voting at meeting of the Company and for other purposes as would have been conferred by shares of equal amount in the capital of the Company of the same class as the shares from which such stock is converted but so that none of such privileges or advantages, except the participation in profits of the Company or in assets of the Company on winding up, shall be conferred by any such shares allotted part of stock as would not if existing in shares have conferred such privileges or advantages. Such conversion shall not affect or prejudice any preference or other special privileges attached to the shares so converted. Save as aforesaid all the provisions herein contained shall, so far as circumstances shall admit, apply to stock as well to the shares.”

Increase, Reduction and Alteration of Capital

Article 66 provides that “The Company may from time to time in General Meeting increase its Authorised Share Capital by issuing further shares of such amount as it thinks expedient.”

Article 67 provides that “

1. Where at any time the Board or the Company, as the case may be, may, propose to increase the subscribed capital by the issue of further shares then such shares shall be offered, subject to the provisions of section 62 of the Act, and the rules made thereunder :-
 - (A) (i) to the persons who at the date of the offer are holders of the equity shares of the Company in proportion as nearly as circumstances admit to the paid-up share capital on those shares by sending a letter of offer subject to the conditions mentioned in (ii) to (iv) below;
 - (ii) The offer aforesaid shall be made by notice specifying the number of shares offered and limiting a

time not being less than fifteen days and not exceeding thirty days from the date of the offer, within which the offer if not accepted, shall be deemed to have been declined;

(iii) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person and the notice referred to in sub-clause (ii) shall contain a statement of this right;

(iv) After the expiry of time specified in the notice aforesaid or on receipt of earlier intimation from the person to whom such notice is given that the person declines to accept the shares offered, the Board of Directors may dispose of them in such manner which is not disadvantageous to the Shareholders and the Company;

(B) subject to the provisions of the Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2012 or any modification thereto, to employees under any scheme of employees' stock option subject to special resolution passed by the Company and subject to the Rules and such other conditions, as may be prescribed under applicable law; or

(C) to any person(s), if it is authorised by a special resolution, whether or not those persons include the persons referred to in clause (A) or clause (B) above either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to such conditions as may be prescribed under the Act and the rules made thereunder.

2. Nothing in sub-clause (iii) of Clause (1)(A) shall be deemed:-

(i) To extend the time within which the offer should be accepted; or

(ii) To authorize any person to exercise the right of renunciation for a second time on the ground that the person in whose favour the renunciation was first made has declined to take the shares compromised in the renunciation.

3. Nothing in this Article shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option as a term attached to the Debentures issued or loan raised by the Company to convert such Debentures or loans into Shares in the Company or to subscribe for Shares of the Company:

Provided that the terms of issue of such Debentures or loan containing such an option have been approved before the issue of such Debentures or the raising of loan by a special resolution passed by the Company in a General Meeting.

4. Notwithstanding anything contained in Article 67(4) hereof, where any debentures have been issued, or loan has been obtained from any Government by the Company, and if that Government considers it necessary in the public interest so to do, it may, by order, direct that such debentures or loans or any part thereof shall be converted into Shares in the Company on such terms and conditions as appear to the Government to be reasonable in the circumstances of the case even if terms of the issue of such debentures or the raising of such loans do not include a term for providing for an option for such conversion:

Provided that where the terms and conditions of such conversion are not acceptable to the company, it may, within sixty days from the date of communication of such order, appeal to the National Company Law Tribunal which shall after hearing the Company and the Government pass such order as it deems fit.

A further issue of shares may be made in any manner whatsoever as the Board may determine including by way of preferential offer or private placement, subject to and in accordance with the Act and the rules made thereunder."

Article 70 provides that "the Company from time to time by Special Resolution reduce its share capital (including the Capital Redemption Reserve Account if any) in any way authorised by law and in particular may pay off any paid up share capital upon the footing that it may be called up again or otherwise and if and so far as necessary alter its Memorandum by reducing the amount of its share capital and of its share accordingly."

Article 71 provides that "The Company may in the General Meeting by Ordinary Resolution alter the conditions of its Memorandum as follows:-

(a) Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares; Provided that no consolidation and division which results in changes in the voting percentage of shareholders shall take effect unless it is approved by the National Company Law Tribunal on an application made in the prescribed manner

(b) Sub-divided shares or any of them into shares of smaller amount than originally fixed by the Memorandum subject nevertheless to the provisions of the Act in that behalf. Subject to these presents the resolution by which any shares

are sub-divided may determine that as between the holders of the shares resulting from such sub-division one or more of such shares may be given any preference or advantage or otherwise over the others or any other such shares.

- (c) Cancel shares which at the date of such General Meeting have not been taken or agreed to be taken by any person and diminish the amount of the shares so cancelled.”

Borrowing powers

Article 73 provides that “Subject to the provisions of the Act, the Board may from time to time, by a resolution passed at a Meeting of the Board accept deposits or borrow moneys from members, either in advance of calls or otherwise or accept deposits from public and may generally raise and secure the payment of such sum or sums in such manner and upon such terms and conditions in all respects as they think fit and in particular by the issue of bonds perpetual or redeemable debentures or debentures or debenture stock, or any mortgage or charge or other security on the undertaking or the whole or any part of the property of the Company (both present and future) including its uncalled capital for the time being.”

Article 75 provides that “Debenture, debenture stock, bonds or other securities may be assignable free any equities between the Company and the person to whom the same may be issued.”

Article 76 provides that “Any bonds, debentures, debenture stocks or other debt securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any special privilege as to redemption, surrender, drawing, allotment of shares, attending at General Meetings of the Company, appointment of Directors and otherwise Debenture with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the General Meeting by a special resolution.”

Article 79 provides that “The Board shall cause a proper Register to be kept in accordance with the provisions of the Act of all mortgages, debentures and charges specifically affecting the property of the Company, and shall duly comply with the requirements of the said Act in regard to registration of mortgages and charges and in regard to inspection to be given to creditors or Members of the Register of Charges and copies of instruments creating charges. Such sums as may be prescribed by the Act shall be payable by any person other than a creditor or Member of the Company for each inspection of the Register of Charges.”

Meetings

Article 80 provides that “

- (a)
 - (i) The Company shall, in addition to any other meeting hold a general meeting which shall be styled as “Annual General Meeting” at the intervals and in accordance with the provisions, specified below:
 - (ii) The Annual General Meeting of the Company, subsequent to the first Annual General Meeting shall be held by the Company within six months after the expiry of the financial year in which the first General Meeting was held; and thereafter an Annual General Meeting shall be held in each year by the Company within six months after the expiry of each financial year;
 - (iii) Not more than fifteen months shall elapse between the date of one Annual General Meeting and that of the next;
- (b) Every Annual General Meeting shall be called for a time during business hours i.e. between 9 a.m. to 6 p.m. on a day that is not a national holiday, and shall be held either at the Registered Office of the Company or at some other place within the city where the registered office is situated and the notices calling the meeting shall specify it as Annual General Meeting.”

Votes of members

Article 104 provides that “

- (a) Upon a show of hands every Member of the Company entitled to vote and present in person or by attorney or proxy shall have one vote.
- (b) Upon a poll every Member of the Company who being an individual is present in person or by attorney or by Proxy or being a Corporation is present by a representative or proxy shall have a voting right in proportion to his share of the Paid-up Capital of the Company.”

Article 105 provides that “Any Member who is a Corporation present by a representative duly authorised by resolution of the Directors or other governing body of such corporation in accordance with the provisions of Section 113 of the Act may vote on a show of hands as if he was a Member of the Company. The Production at the Meeting of such resolution duly signed by

one director of such Corporation or by a member of its governing body and certified by him as being a true copy of the resolution shall on production at the meeting be accepted by the Company as sufficient evidence of the validity of his appointment.”

Article 106 provides that “Subject to the provision of the Act, no Member shall be entitled to be present or to vote at any General Meeting either personally or by proxy or attorney or as a proxy or as attorney in respect of shares registered in his name, on which calls or other sum shall be overdue and payable to the company in respect of any of the shares of such Members for more than one month.”

Article 107 provides that “

- (a) Any member of the Company entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person (whether a member or not) as his proxy to attend and vote instead of himself but a proxy so appointed shall not have any right to speak at the meeting.
- (b) In every notice calling a meeting of the Company, there shall appear with reasonable prominence a statement that a Member entitled to attend and vote is entitled to appoint proxy to attend and vote instead of himself and that a proxy need not be a member.”

Article 108 provides that “Votes may be given either personally or by attorney or by proxy or in case of a corporation also by a representative duly authorised as aforesaid.”

Article 109 provides that “The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney or if such appointer is a company or corporation under its common seal or under the hand of a person duly authorised by such company or corporation in that behalf or under the hand of its attorney who may be the appointer.”

Article 115 provides that “The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The Chairman present at the time of taking of a poll shall be the sole judge of the validity of every vote tendered at such poll.”

Directors

Article 116 provides that “Unless otherwise determined by a General Meeting of the members of the Company, the number of Directors shall not be less than three or more than twenty two including Public Interest Directors, Shareholder Directors (including employee Directors) and the Managing Director and the number of Directors may be increased beyond twenty two with the approval of the Central Government.”

Article 118(A) provides that “The Securities and Exchange Board of India (SEBI) may from time to time nominate not more than three person as Directors on the Board of the Company. The Directors appointed under this Article are herein referred to as “SEBI Nominee Directors”. The SEBI Nominee Directors shall not be subject to retirement by rotation or be removed from office except by the SEBI. Subject as aforesaid, the SEBI Nominee Directors shall be entitled to the same rights and privileges and be subject to the same obligations as any other Director of the Company.”

Article 118(AA) provides that “Securities and Exchange Board of India (SEBI) may from time to time, generally after taking into consideration the names of the persons forwarded by the Board of Directors of the Company nominate on the Board of Directors of the Company not more than three persons referred to as “Public Interest Directors” who shall be ‘independent directors’ as per the provisions of the Act from amongst the persons of integrity having necessary professional competence and experience in the areas related to securities markets. SEBI shall however, have the right to nominate persons, whose names have not been forwarded by the Board of Directors of the Company. However, SEBI may at any time appoint more than three Public Interest Directors so that the total number of Directors nominated under Article 118A & 118AA may not exceed the total number of directors representing shareholders.

The Public Interest Directors shall continue till the time new Public Interest Directors are appointed in their place.

Subject to as aforesaid, the Public Interest Directors shall be entitled to the same rights & privileges and be subject to the same obligations as any other Director of the company. Any vacancy caused by the resignation, removal, death or otherwise of such nominated Public Interest Directors shall be filled in, by a similarly nominated person.”

Article 119 provides that “

- (i) Subject to the provisions of the Act and the approval of Securities and Exchange Board of India, the Board may, from time to time, appoint or re-appoint one or more of their body to be Managing Director or Managing Directors of the Company, for such term not exceeding five years at a time and subject to such terms and conditions as they may think fit.

- (ii) Subject to the provisions of the Act, the Managing Director shall not, whilst he continues to hold that office, be subject to retirement by rotation under Article 131 but shall be subject to the same provisions as to the resignation and removal as the other Directors of the Company and shall ipso facto and immediately cease to be a Managing Director if he ceases to hold the office of a Director from any cause.
- (iii) Subject to the provisions of the Act, Directors may, from time to time, entrust and confer upon the Managing Director(s) for the time being such of the powers exercisable by them upon such terms and conditions and with such restrictions as they may think fit either collaterally with, or to the exclusion of their power and from time to time revoke, withdraw, alter or vary all or any of such powers.”

Article 122 provides that “

- (i) The remuneration payable to Directors, including the Managing Director shall, subject to the applicable provisions of the Act and of these presents and of any contract between him and the Company, be fixed by the Company in General Meeting from time to time, and may be by way of fixed salary and /or perquisites or commission on profits of the Company or participation in such profits, or by any or all these modes not expressly prohibited by the Act.
- (ii) A Director may receive remuneration by way of a fee for each meeting of the Board or a Committee thereof attended by him, subject to the maximum prescribed under the Act.”

Proceedings of Directors

Article 140 provides that “The Board of Directors may meet for conduct of business, adjourn and otherwise regulate their meetings and proceedings as they think fit provided however that there shall be a minimum of four such meetings of the Board every year in such a manner that not more than 120 (one hundred and twenty) days shall intervene between two consecutive meetings of the Board.”

Article 141 provides that “The Chairman at any time and the Manager or such other Officer of the Company as may be authorized by the Directors shall upon the request of a Director convene a meeting of the Directors.”

Dividends

Article 162 provides that “The profit of the Company, subject to any special rights relating thereto created or authorised to be created by the Memorandum of Association or these presents and subject to the provisions of the Act, and these presents shall be divisible among the Members in proportion to the amount of capital paid up in the shares held by them respectively.”

Article 165 provides that “The Company in General Meeting may declare a dividend to be paid to the Members according to their respective rights and interests in the profits and may fix the time for payment.”

Article 166 provides that “No larger dividend shall be declared than is recommended by the Directors but the Company in General Meeting may declare a smaller dividend, subject to the provisions of Section 123 of the Act, and no dividend shall carry interest as against the Company. The declaration of the Directors as to the amount of the net profits of the Company shall be conclusive.”

Article 169 provides that “Subject to Section 123 of the Act, no Member shall be entitled to received payment of any interest or dividend in respect of his share or shares whilst any money may be due or owing from him to the Company in respect of such share or shares or otherwise howsoever either alone or jointly with any other person or persons and the Directors may deduct from the interest or dividend payable to any Member all sums of money so due from him to the Company.”

Article 171 provides that “No dividend shall be payable except in cash, provided that nothing in this Article shall be deemed to prohibit the capitalisation of profits or reserves of the Company for the purpose of issuing fully paid up bonus shares or paying up any amount for the time being unpaid on any shares held by the Members of the Company.”

Capitalisation

Article 175 provides that “

- (A) The Company in general meeting may, upon the recommendation of the Board, resolve—
 - (i) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company’s reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and
 - (ii) that such sum be accordingly set free for distribution in the manner specified in clause (B) below amongst the Members who would have been entitled thereto, if distributed by way of dividend and in the same

proportions.

- (B) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (3) below, either in or towards:
- (a) paying up any amounts for the time being unpaid on any Shares held by such Members respectively;
 - (b) paying up in full, unissued Shares or other securities of the Company to be allotted and distributed, credited as fully paid-up, to and amongst such Members in the proportions aforesaid;
 - (c) partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);
 - (d) issuing fully paid-up bonus Shares; and
 - (e) A securities premium account and a capital redemption reserve account or any other permissible reserve account may, for the purposes of these Articles, be applied in the paying up of unissued Shares to be issued to Members as fully paid bonus Share.
- (C) A securities premium account and a capital redemption reserve account or any other permissible reserve account may, for the purposes of this Article, be applied in the paying up of unissued Shares to be issued to Members of the Company as fully paid bonus Shares.”

Indemnity and responsibility

Article 195 provides that “

- (1) Subject to the provisions of the Act, the Board of Directors, Managing Director, Managers, Secretary and other officers or other employees for the time being of the company, Auditor and the Trustees, if any, for the time being acting in relation to any of the affairs of the company and every one of them and every one of their heirs, executors and administrators shall be indemnified and secured harmless out of the assets and profits of the company from and against all actions, costs, charges, losses, damages and expenses which they or any of them, their heirs, executors or administrators shall or may incur or sustain by or reason of any act done, concurred in or omitted in or about the execution of their duty, or supposed duty in their respective offices or trusts except such, if any, as they shall incur or sustain through or by their own wilful neglect or default respectively.
- (2) Save and except so far the provisions of this Article shall be avoided by the Act, none of them shall be answerable for the acts, receipts, neglects or defaults of the other or other of them, or for joining in any receipt for the sake of conformity, or for insolvency of any bankers or other persons with whom any money's or effects belonging to the company shall or may be lodged or deposited for safe custody or for the insufficiency or deficiency of any security upon which any money's belonging to the company shall be placed out or invested or invested or for any other loss, misfortune or damage which may happen in the execution of their respective offices or trusts or in relation thereto, except when the same shall happen by or through their own wilful neglect or default respectively.
- (3) Subject to the provisions of the Act, no Director or other officer of the company shall be liable for the acts, receipts, neglect or default of any other Director or officer of the company or for joining in any receipt or other act for conformity for any loss or expenses happening to the company through the insufficiency or deficiency to title to any property acquired by the order of the Director for or on behalf of the company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the company shall be invested or for any loss damage arising from the bankruptcy, insolvency or tortuous act or any person with whom any moneys, securities or effects shall be deposited or for any loss occasioned by any error of judgment or oversight on his part, or for any other loss, or damage whatsoever, which shall happen in the execution of the duties of his office or in relation thereto unless the same happens through his own negligence or dishonesty.
- (4) Subject to the provisions of the Act (including Section 197 read with Section 196 and Schedule V) and rules made thereunder, if the Company has obtained an insurance on behalf of its Managing Director, Whole-Time Director, Manager, Chief Executive Officer, Chief Financial Officer or Company Secretary for indemnifying any of them against any liability in respect of any negligence, default, misfeasance, breach of duty or breach of trust for which they may be guilty in relation to the Company the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.”

Winding up

Article 196 provides that “

- (1) If the company shall be wound up and assets available for distribution among the Members as such shall be insufficient to repay the whole of the paid-up capital, such assets shall be distributed so that as nearly may be, the losses shall be borne by the Members in proportion to the capital paid-up or which ought to have been paid up at all commencement of the winding up on the shares held by them respectively and if in a winding up the assets available for distribution among the Members shall be more than sufficient to repay the whole of the capital paid-up at the commencement of the winding up, the excess shall be distributed among the Members in proportion to the capital at the commencement of the winding up paid up or which ought to have been paid up on the shares held by them respectively.
- (2) If the company shall be wound up, whether voluntarily or otherwise, the Liquidator may with the sanction of special resolution divide among the contributors, in specie or in kind, the whole or any part of the assets of the company and may, with like sanction, vest any part of the assets of the Company in trustees upon such trusts for the benefit of the contributors or any of them, as the Liquidator, with the like sanction shall think fit, but so that no contributor shall be compelled to accept any shares or other securities whereon there is any liability.”

General Powers

Article 196D provides that “The provisions of these Articles must be read in conjunction with the Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2012 as amended, and other rules, regulations, circulars, notifications, orders or directions issued by Securities and Exchange Board of India from time to time (each to the extent applicable).”

SECTION IX: OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Draft Red Herring Prospectus) which are or may be deemed material will be attached to the copy of the Red Herring Prospectus which will be delivered to the RoC for registration. Copies of the above mentioned contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office between 10 a.m. and 5 p.m. on all Working Days from the date of the Red Herring Prospectus until the Bid / Offer Closing Date.

A. Material Contracts for the Offer

1. Offer Agreement dated December 28, 2016 among our Company, the Selling Shareholders and the Managers.
2. Registrar Agreement dated December 19, 2016 among our Company, the Selling Shareholders and the Registrar to the Offer.
3. Share Escrow Agreement dated December 1, 2016 among our Company and the Share Escrow Agent and the amendment dated December 28, 2016 entered into among our Company, the Share Escrow Agent and the Selling Shareholders.
4. Cash Escrow Agreement dated [●] among our Company, the Selling Shareholders, the Registrar to the Offer, the Managers, the Syndicate Members and the Bankers to the Offer.
5. Syndicate Agreement dated [●] among our Company, the Selling Shareholders, the Managers and the Syndicate Members.
6. Underwriting Agreement dated [●] among our Company, the Selling Shareholders and the Underwriters.

B. Material Documents

1. Certified copies of the Memorandum of Association and Articles of Association of our Company as amended from time to time.
2. Certificate of incorporation dated November 27, 1992.
3. Certificate for commencement of business dated March 2, 1993.
4. Grant of recognition as a stock exchange by the Ministry of Finance, GoI through notification in the Gazette on April 26, 1993, further renewed for periods of five years each through notification in the Gazette on April 26, 1998 and April 26, 2003, which was renewed by SEBI on a permanent basis with effect from April 26, 2008 through a notification in the Gazette on April 17, 2008.
5. Resolution of our Board and Shareholders, dated October 4, 2016 and November 10, 2016, respectively, in relation to the Offer.
6. The approval dated November 21, 2016 from SEBI for listing of Equity Shares in accordance with the provisions of the SECC Regulations.
7. Copies of the annual reports of our Company for the Financial Years 2016, 2015, 2014, 2013 and 2012.
8. The examination reports of the Joint Auditors dated December 20, 2016 in relation to our Company's standalone Restated Financial Information and consolidated Restated Financial Information, included in this Draft Red Herring Prospectus.
9. The Statement of Tax Benefits dated December 26, 2016 from Khandelwal Jain & Co., Chartered Accountant.
10. Report on factual findings in connection with agreed-upon procedures relating to non-financial metrics dated December 26, 2016 issued by Mahajan & Aibara, Chartered Accountants.
11. Consent of the Directors, the Managers, Indian Legal Counsel to our Company, Indian Legal Counsel to the Managers, International Legal Counsel to our Company, International Legal Counsel to the Managers, Registrar to the Offer, Bankers to our Company, Bankers to the Offer, Company Secretary and Compliance

Officer and Chief Financial Officer as referred to in their specific capacities.

12. Consent letters dated December 28, 2016 from the Joint Auditors, for inclusion of their names as experts herein.
13. Due Diligence Certificate dated December 28, 2016 addressed to SEBI from the Managers.
14. In principle listing approval dated [●] issued by the Stock Exchange.
15. Tripartite agreement dated October 11, 2007 entered into between our Company, NSDL and the Registrar to the Offer.
16. Tripartite agreement dated November 25, 2016 entered into between our Company, CDSL and the Registrar to the Offer.
17. SEBI observation letter no. [●] dated [●].

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, subject to compliance with the provisions contained in the Companies Act and other relevant statutes and regulations.

DECLARATION

Each Selling Shareholder, severally and not jointly, certifies that all statements and undertakings made in this Draft Red Herring Prospectus by it or in relation to itself and the Equity Shares being offered by it by way of the Offer are true and correct. Each Selling Shareholder assumes no responsibility for any other statements in this Draft Red Herring Prospectus.

Signed on behalf of the Selling Shareholders by its duly constituted power of attorney holder

On behalf of National Stock Exchange of India Limited (as the duly constituted power of attorney holder for the Selling Shareholders)

(Authorised Signatory)

Date: December 28, 2016

DECLARATION

We hereby certify and declare that all relevant provisions of the Companies Act and the guidelines issued by the Government or the regulations or guidelines issued by SEBI, established under Section 3 of the SEBI Act have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SEBI Act or rules or regulations made thereunder or guidelines issued, as the case may be. We further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY

_____	Ashok Chawla Chairman and Public Interest Director
_____	Ravi Narain Vice-Chairman and Shareholder Director
_____	Abhay Havaldar Shareholder Director
_____	Dinesh Kanabar Public Interest Director
_____	Anshula Kant Shareholder Director
_____	Naved Masood Public Interest Director
_____	T.V. Mohandas Pai Public Interest Director
_____	Prakash Parthasarathy Shareholder Director
_____	Dharmishta Raval Public Interest Director
_____	Sunita Sharma Shareholder Director

SIGNED BY THE CHIEF EXECUTIVE OFFICER IN-CHARGE OF OUR COMPANY

_____	J Ravichandran Chief Executive Officer In - charge

SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY

_____	Yatrik Vin Chief Financial Officer

Date: December 28, 2016

ANNEXURE A - LIST OF SELLING SHAREHOLDERS

Sr. No.	Names of the Selling Shareholders	Number of Equity Shares offered
1.	Tiger Global Five Holdings	14,850,000
2.	Aranda Investments (Mauritius) Pte Ltd	9,900,000
3.	SAIF II-SE Investments Mauritius Limited	9,900,000
4.	GAGIL FDI Limited	8,662,500
5.	Norwest Venture Partners X FII – Mauritius	7,837,500
6.	Citigroup Strategic Holdings Mauritius Ltd	7,425,000
7.	IDBI Bank Limited	7,415,680
8.	GS Strategic Investments Limited	6,750,000
9.	State Bank of India	6,428,120
10.	SBI Capital Markets Limited	5,362,500
11.	MS Strategic (Mauritius) Limited	4,455,000
12.	Quantum (M) Limited	4,232,770
13.	PI Opportunities Fund – I	4,000,000
14.	IFCI Limited	3,431,880
15.	HDFC Standard Life Insurance Company Limited	2,475,000
16.	Bajaj Holdings & Investment Limited	2,040,000
17.	Bank of Baroda	1,098,630
18.	Housing Development Finance Corporation Limited	811,250
19.	GTI Capital Epsilon Pvt Ltd	726,000
20.	Beacon India Private Equity Fund	702,230
21.	Wolf Creek MB	671,330
22.	Wolf Creek BMD MB	633,470
23.	WCP Holdings III	618,750
24.	J. Caird BMD MB	425,430
25.	J. Caird MB	358,640
26.	Quissett BMD MB	114,040
27.	Quissett MB	86,250

ANNEXURE B - US RESALE LETTER

[on the letterhead of an investor who is a U.S. Person or a person in the United States; to be executed after resale of the Equity Shares outside the United States; to be delivered to the Company prior to the settlement of any sale or other transfer of Shares]

NATIONAL STOCK EXCHANGE OF INDIA LIMITED (the “**Company**”)

Exchange Plaza, Plot no. C/1, G Block, Bandra-Kurla Complex
Bandra (East), Mumbai 400 051
India

Ladies and Gentlemen:

This letter (“**Resale Letter**”) relates to the sale or other transfer by us of equity shares (the “**Shares**”) of the Company, which is required to be in an offshore transaction pursuant to Regulation S (“**Regulation S**”) under the Securities Act of 1933, as amended (the “**U.S. Securities Act**”). Terms used in this Resale Letter are used as defined in Regulation S, except as otherwise stated herein.

We hereby represent and warrant to you as follows:

- (a) We previously purchased the Shares for our own account (or for one or more beneficial owners for which we have acted as fiduciary or agent, with complete investment discretion and with authority to bind each such person), as both a “qualified institutional buyer” (as defined in Rule 144A under the U.S. Securities Act) and a “qualified purchaser” (as defined in Section 2(a)(51) and related rules of the Investment Company Act of 1940, as amended, and the rules thereunder (the “**U.S. Investment Company Act**”). We understand that the Shares have not been and will not be registered under the US Securities Act and that the Company has not registered and will not register as an investment company under the U.S. Investment Company Act) .
- (b) The offer and sale of the Shares by us was not made to a person in the United States or to a U.S. Person (as defined in Regulation S).
- (c) Either:
 - (i) at the time the buy order for the sale of the Shares by us was originated, the buyer was outside the United States or we and any person acting on our behalf reasonably believed that the buyer was outside the United States; or
 - (ii) the transfer of the Shares by us was executed in, on or through the facilities of the [●] Stock Exchange or the [●] Stock Exchange, and neither we nor any person acting on our behalf has reason to believe that the transaction was pre-arranged with a buyer in the United States.
- (d) Neither we, nor any of our affiliates, nor any person acting on our or their behalf, has made any directed selling efforts (as such term is defined in Regulation S) in the United States with respect to the Equity Shares.
- (e) The transfer of the Equity Shares by us was not and is not part of a plan or scheme to evade the registration requirements of the U.S. Securities Act or the U.S. Investment Company Act.
- (f) None of the Company, any of its agents nor any of their respective affiliates participated in the sale of the Equity Shares by us.
- (g) We agree that the Company, its agents and their respective affiliates may rely upon the truth and accuracy of the foregoing acknowledgments, representations and agreements.

Where there are joint transferors, each must sign this US Resale Letter. A US Resale Letter of a corporation must be signed by an authorized officer or be completed otherwise in accordance with such corporation’s constitution (and evidence of such authority may be required).

Yours sincerely,

(Name of Transferor)

By: Title:

Date: