



NSE IFSC CLEARING CORPORATION LIMITED

9th Annual Report 2024-25

CONTENTS

Content	Page no.
Corporate Information	2
Board's Report	7
Secretarial Auditor's Report	49
Independent Auditor's Report	55
Balance Sheet	67
Statement of Profit and Loss	68
Cash Flow Statement	69
Statement of Changes in Equity	70
Notes to Financial Statement	71



CORPORATE INFORMATION

BOARD OF DIRECTORS



Mr. Kumar Kanakasabapathy
(DIN:06632984)
Chairperson & Public
Interest Director

: Mr. K Kumar has rich experience of over 41 years. Mr. K Kumar was former MD & CEO, Indian Clearing Corporation Ltd. (a wholly owned subsidiary of BSE Ltd). He has previously worked with NSE, United Stock Exchange of India Limited and was also part of companies like Aloula Geojit Capital (at Riyadh), BNA Technology Consulting, Credit Suisse First Boston (India) Securities, Cazenove, OTC Exchange of India (OTCEI), Orix Auto & Business Solutions. He was also part of the 6 Member Core Team which had set up NSE. He has also worked in SBI and IDBI. He has exhaustive knowledge of Membership, Inspection, Compliance, Regulatory, Trading, Clearing & Settlement systems and processes of Stock Exchange and Clearing Corporation.



Mr. Neeraj Kulshrestha
(DIN: 02994647)
Managing Director & CEO

: Mr. Neeraj Kulshrestha is the Managing Director & CEO of NSE IFSC Clearing Corporation Limited (NSEICC) at GIFT City, Gandhinagar. He has a Bachelor's degree in Computer Science from Delhi University and an MBA (Finance) from Indore University. He has over 36 years' experience in financial sector, across Securities Markets and General Insurance.

He started his career in National Insurance Company in 1988. He joined NSE in 1995 and was responsible for setting up Equity and Derivatives Trading and Clearing. He was heading the index and data company of NSE. He joined Morgan Stanley India in 2005 as Executive Director Operations. He joined BSE in 2015 and has handled various roles including Operations, Business and Compliance.

Mr. Kulshrestha has experience across business, operations, technology, strategy, risk management and regulatory functions in the context of running a Market Infrastructure Institution.





Ms. Vasudha Mishra
(DIN: 02371330)
Public Interest Director

Ms. Vasudha Mishra, IAS Batch 1987, Cadre – Telangana, has completed her M.Sc. Botany from University of Delhi in 1985, and has a Certificate of Advanced Studies in Public Administration from Maxwell School, Syracuse University, USA and completed her Diploma in French from Bhartiya Vidya Bhavan, Jawaharlal Nehru Academy of Languages, New Delhi in the year 2003.

Ms. Mishra has a rich experience in the field of Finance, Administration (including handling Law and Order), Development HR & Training.

The major positions held by Ms. Mishra includes (i) Secretary, Finance, in Andhra Pradesh (ii) Managing Director at National Cooperative Development Corporation (NCDC), Ministry of Agriculture & Farmers' Welfare (iii) Managing Director of Small Farmers' Agri Business Cooperation (SFAC), and National Agricultural Cooperative Marketing federation of India (NAFED) (iv) SDO, CIVIL, Tuensang (Nagaland) (v) Collector & District Magistrate; West Godavari District, Eluru (vi) Private Secretary to Union Minister of State for Home Commerce & Industries Shri Ch. Vidyasagar Rao, Government of India; and (vii) Other Positions in Government of Andhra Pradesh including Project Director, DRDA, Vishakhapatnam, CEO, Zilla Parishad, East Godavari, Deputy/Joint Secretary, School Education, Additional Registrar, Cooperative Societies and Collector & District Magistrate, West Godavari District.





Mr. Kapil Seth
(DIN:03596866)
Public Interest Director

: Mr. Kapil Seth has an experience of over 25 years across leadership roles in a top tier global bank. He has led regional transaction banking business of Securities Services across Middle East, North Africa and Turkey and previously for India. He has held Membership of the Global Securities Services Executive Committee and Regional Leadership team of HSBC Global Banking and Markets. He also has a significant experience of over 20 years across Corporate and institutional banking coverage in India and is currently an independent consultant.



Mr. Kamalakar Karlapalem
(DIN: 09198185)
Public Interest Director

: Mr. Kamalakar Karlapalem joined IIT, Hyderabad faculty in December 2000 and headed the Data Science and Analytics Center and Agents and Applied Robotics Group. He held the leadership position of Dean (Academics) at IIIT, Hyderabad, and IIIT, Sri City. He is a professor and an applied computer scientist with broad research interests, from conceptual modeling workflow systems to distributed database systems and performance, from clustering and classification algorithms in data mining to information extraction from actionable texts, from high dimensional intensive data visualization to visual query exploration, and from multi-agent systems-based simulation to multirobotic solutions. He has graduated ten Ph.D. and over fifty Masters by Research students. He, with his students, has participated in various academic challenges and competitions like RoboCup, TAC SCM, VAST, and CLEF and have secured top three positions in them. He is an alumnus of Indian Statistical Institute (M.Stat), IIT, Kharagpur (M.Tech), and Georgia Tech (Ph.D., 1992) and was a faculty member in the computer science department at HKUST (1992-2000) before joining IIIT Hyderabad.





Mr. Piyush Chourasia
(DIN: 07130931)
Non-Independent Director

: Mr. Piyush Chourasia is a postgraduate from IIM, Ahmedabad and is also a B. Tech graduate (Electrical & Electronics), from NIT Nagpur.

Mr. Chourasia is Currently Holding position as the Chief Regulatory Officer - Member Compliance, Surveillance, Member Inspection & Investigation at the National Stock Exchange of India Limited ("NSEIL").

He has extensive experience and knowledge in capital markets and exchange sector with expertise in Risk, Policy, Strategy, Product Development, Operations, Systems & Processes and Compliance. He is part of multiple Committees and Working groups at Securities and Exchange Board of India (SEBI) and Reserve Bank of India (RBI).

He has also contributed to various Government Committees and reports on financial markets, as well as to various IOSCO, WFE and CCP12 Committees and Working Groups.

KEY MANAGEMENT PERSONNEL	MANAGERIAL/	:	Mr. Neeraj Kulshrestha (MD & CEO)
		:	Ms. Hemal Davda (Chief Financial Officer)
		:	Mr. Arjav Trivedi (Company Secretary)
		:	Mr. Vivek Singhvi (Chief Risk & Regulatory Officer and Compliance Officer)
		:	Mr. Sushil Limbulkar (Chief Technology Officer)
		:	Mr. Gaurang Thakkar (Chief Information Security Officer)
		:	Mr. Saroj Nanda (Head – Clearing & Settlement)
		:	Mr. Sharad Sharma (Head – Risk Management)
STATUTORY AUDITOR		:	M/s. K.S. Aiyar & Co., Chartered Accountants, F-7, Laxmi Mills Shakti Mills Lane, Off, Dr Elijah Moses Rd, Mahalakshmi, Mumbai, Maharashtra – 400 011 https://ksaiyar.com/



SECRETARIAL AUDITOR : M/s. Yash Mehta and Associates, Company Secretaries
67, Chinubhai Tower, Besides H.K. College, Ashram Road, Ahmedabad, Gujarat – 380 009
<https://ymassociates.in/>

INTERNAL AUDITOR : M/s. Deloitte Haskins & Sells LLP
One International Center, Tower 3, 31st Floor
Senapati Bapat Marg, Elphinstone Road West, Delisle Road, Mumbai – 400013
<https://www.deloitte.com/in/en.html>

REGISTRAR & TRANSFER AGENTS : Link Intime India Private Limited
C-101, 247 Park, L.B.S Marg, Vikhroli (West), Mumbai, Maharashtra - 400 083
<https://www.linkintime.co.in/>

REGISTERED OFFICE : Unit-1202, Brigade International Financial Centre, 12th Floor, Block-14, Road 1c, Zone-1, GIFT SEZ, GIFT City, Gandhinagar Gujarat – 382 050

WEBSITE : <https://www.nseicc.com/>

CIN : U65990GJ2016PLC094545



BOARD'S REPORT

Dear Members:

Your Directors are pleased to present the 9th Annual Report and the Audited Financial Statements of NSE IFSC Clearing Corporation Limited (the 'Company or NSEICC') for the financial year ending March 31, 2025.

NSEICC was incorporated as a public company on December 2, 2016, under the Companies Act, 2013. NSEICC is a wholly owned subsidiary of NSE Clearing Limited (NCL - a wholly owned subsidiary of NSE). The Company has been incorporated to set up and operate a Clearing Corporation as a unit in an International Financial Service Centre in any SEZ as approved by the Government of India under the relevant statute or anywhere globally to provide clearing and settlement of any kind, including physical and cash settlement of securities.

NSEICC commenced its operations as a Clearing Corporation in GIFT International Financial Services Centre (GIFT IFSC), Gandhinagar, Gujarat, India, with effect from June 05, 2017, after receiving approval from SEBI. IFSC Authority (IFSCA) granted recognition to NSEICC on May 24, 2021, which was subsequently renewed every year. The current renewal is valid till May 28, 2025, and an application has been made to IFSCA for further renewal.

NSEICC clears and settles trades executed on NSE IFSC Limited, a subsidiary of NSE. NSEICC has formulated Rules, Regulations, and Byelaws that are consistent with the Principles for Financial Market Infrastructures (PFMIs) issued by the Committee on Payment and Settlement Systems (CPSS) and the International Organisation of Securities Commissions (IOSCO). The Rules and Byelaws have been approved by the Regulator, IFSCA. NSEICC has put in place a robust and comprehensive Risk Management System.

NSEICC offers the following types of clearing memberships – Professional Clearing Member (PCM), Trading Cum Clearing Member (TMCM) and Trading Cum Self Clearing Member (TMSCM).

The various asset classes that are cleared and settled by NSEICC are:

Category	Instrument Type	Key Features
Equity Index	Futures	<ul style="list-style-type: none"> • Trading Hours: Session-1 Pre-open Open Time: 6:15 Hrs Pre-open Close Time: 6:25 Hrs Normal Market Open Time: 6:30 Hrs Normal Market Close Time: 15:40 Hrs Pre-Close Open Time: 15:45 Hrs Pre-Close Close Time: 15:50 Hrs Pre-Close End Time: 15:55 Hrs • Position Limit/Collateral value Set up cut off time : 16:00 Hrs • Trade modification end time : 16:00 Hrs • Session-2 Pre-open Open Time: 16:25 Hrs Pre-open Close Time: 16:31 Hrs Normal Market Open Time: 16:35 Hrs Normal Market Close Time: 02:45 Hrs (Next Day) • Position Limit/Collateral value Set up cut off time : 02:50 Hrs (Next Day) • Trade modification end time : 02:50 Hrs (Next Day) <ul style="list-style-type: none"> ○ Currency of Trade: US Dollars ○ Contract Calendar: Monthly, Quarterly expiries ○ Margining: SPAN-Based ○ Settlement: Cash Settled ○ Daily Settlement: T+1 Day
Equity Index	Options	<ul style="list-style-type: none"> o Trading Hours: Session-1 Normal Market Open Time: 6:30 Hrs Normal Market Close Time: 15:40 Hrs • Session-2 Normal Market Open Time: 16:35 Hrs

Category	Instrument Type	Key Features
Single Stock Derivatives	Futures & Options	Normal Market Close Time: 2:45 Hrs (Next Day) o Currency of Trade: US Dollars o Contract Calendar: Weekly, Monthly, Quarterly expiries o Margining: SPAN Based o Settlement: Cash Settled o Daily Settlement: T+1 Day
Currency Derivatives	Futures & Options	o Trading Hours: Session-1 Normal Market Open Time: 6:30 Hrs Normal Market Close Time: 17:00 Hrs Session-2 Normal Market Open Time: 17:30 Hrs Normal Market Close Time: 02:45 Hrs (Next Day) o Currency of Trade: US Dollars o Contract Calendar: Weekly, Monthly, Quarterly expiries o Margining: SPAN-Based o Settlement: Cash Settled o Daily Settlement: T+1 Day
Depository Receipt	EQTYDR	o Trading Hours: Session-1 Normal Market Open Time: 06:30 Hrs Normal Market Close Time: 17:00 Hrs Session-2 Normal Market Open Time: 17:30 Hrs Normal Market Close Time :02:45 Hrs (Next Day) o Currency of Trade: US Dollars o Trade for Trade settlement on a gross basis o Daily Settlement: T+2 Day
NSEIFSC Receipt	USAIDR	o Trading Hours: 19:00 - 1:30 Hrs o Currency of Trade: US Dollars o Settlement: Delivery based o Daily Settlement: T+2 Day



Category	Instrument Type	Key Features
NLT	Index Futures & Options	<ul style="list-style-type: none"> o Trading Hours: Session-1 NLT Market Open Time: 06:30 Hrs NLT Market Close Time: 16:55 Hrs Session-2 NLT Market Open Time: 17:10 Hrs NLT Market Close Time: 02:45 Hrs (Next Day) o Currency of Trade: US Dollars o Contract Calendar: Weekly, Monthly, Quarterly expiries o Margining: SPAN-Based o Settlement: Cash Settled o Daily Settlement: T+1 Day
Corporate Bond Index (FUTCBI)	Futures	<ul style="list-style-type: none"> o Trading Hours: Session-1 Normal Market Open Time: 09:00 Hrs Normal Market Close Time: 17:00 Hrs o Currency of Trade: US Dollars o Trading cycle: 3 Monthly, 1 Half Yearly of the cycle June/December o Margining: SPAN-Based o Settlement: Cash Settled o Daily Settlement: T+1 Day
Debt Securities	Debt/Bonds	<ul style="list-style-type: none"> o Trading Hours: Session-1 Normal Market Open Time: 06:30 Hrs Normal Market Close Time: 17:00 Hrs Session-2 Normal Market Open Time: 17:30 Hrs Normal Market Close Time: 02:45 Hrs o Currency of Trade: US Dollars o Trade for Trade settlement on a gross basis o Daily Settlement: T+1 Day by custodian



Clearing Banks and Depositories are the key link between clearing members and NSEICC for the settlement of funds and securities. The Members are required to maintain and operate a clearing account with any one of the designated clearing banks and a pool account with a depository participant. Currently, there are 8 (eight) clearing banks empanelled with NSEICC for issuance of collateral and 6 (six) Banks for clearing and settlement of funds.

For the settlement of securities, NSEICC has established connectivity with India International Depository IFSC Limited (IIDL), a depository in IFSC and with Global CSD Clearstream.

1. **Initiatives and Major Events during FY 2024-25:**

Remote Trade Participant (RTP)

NSEIX has introduced a category - Remote Trade Participant (RTP), based on IFSCA guidelines, who can trade in GIFT without having physical presence in GIFT. **All the RTPs are required to enter into an agreement with an IFSCA registered Clearing Member for clearing and settlement of its transactions executed on the Stock Exchanges.** IFSCA further amended the guidelines, wherein an entity regulated by the securities market regulator in its home jurisdiction (country where it has been incorporated), shall be eligible to be onboarded as RTP.

Business Growth for the FY 24-25:

NSEICC demonstrated significant growth and market leadership during the FY2025. The following are the key highlights:

Settlement Statistics

The total value of the settlement for FY 2024-25 is US \$91.59 million, while the highest monthly settlement in FY 2024-25 was US \$14.54 million for March 2025.

Cleared Turnover Value

NSEICC has cleared a total notional turnover of US \$1.14 trillion approx, across all traded products in FY 2025 traded at NSEICC.

Clearing Member Growth

As on March 31, 2025, NSEICC has 22 (twenty two) registered clearing member, of which 20 (twenty) clearing members are active. There are 12 (twelve) Trading cum Clearing Members, 6 (six) Trading cum Self Clearing Members and 2 (two) Professional Clearing Members.

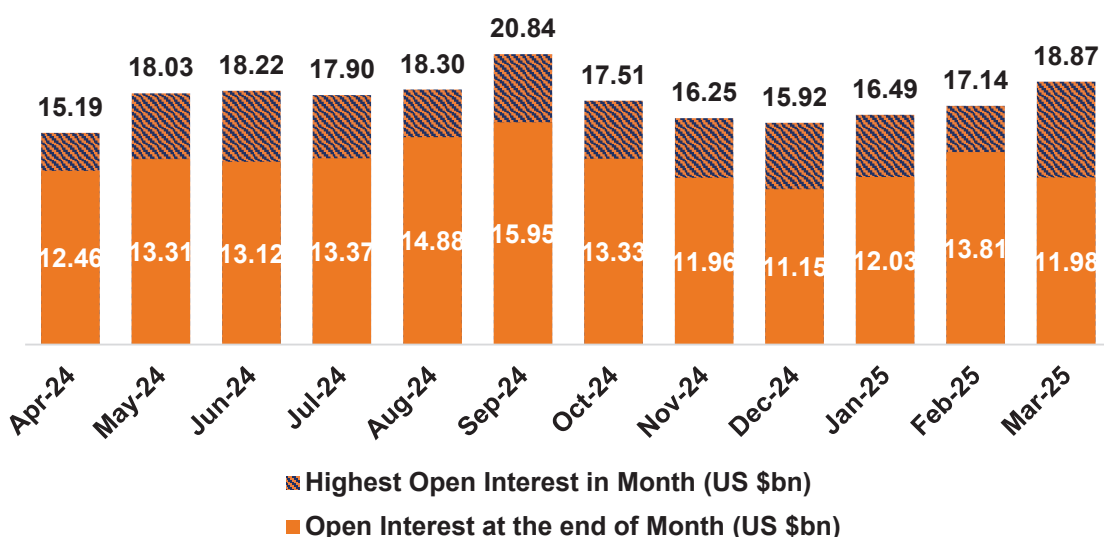


Open Interest Growth

The NSE IX – SGX Connect marked a major milestone on July 3, 2024, as it completed its first full year of trading GIFT Nifty contracts on NSE IX. This achievement reflects the growing momentum in enhancing regional integration and unlocking cross-border investment opportunities. Through this strategic collaboration, global investors now have seamless access to India's equity index derivatives, reinforcing GIFT Nifty's position as the global gateway to Indian markets.

Over the year, GIFT Nifty has achieved several milestones which include an all-time High Open Interest of 399,188 contracts worth US \$20.84 billion (INR 1,74,275 crores equivalent) as on September 24, 2024.

Open Interest in GIFT Nifty Indices Contracts (US \$bn)



Clearing, Settlement & Risk management for New Products Launched during FY 25

Contracts	Introduction Date
Futures contracts on NIFTY Bharat Bond Indices	30-Dec-24
Futures & Options Contracts on Nifty Next 50 Index	08-Jul-24
Futures & Options Contracts on Nifty Midcap Select Index	09-Jul-24

New facilities extended to Clearing Members:

- NSEICC has introduced facility for intraday release of collateral in the form of Cash/ Fixed Deposit Receipt (FDR) and Bank Guarantee (BG).
- NSEICC has introduced a new facility, in C2N, whereby the clearing member may



- raise a request for adjustment of available cash collateral, towards their respective funds pay-in obligation.
- NSEICC has introduced the facility for CP Trade Confirmation, Rejection & Modification via C2N w.e.f. March 3, 2025.
- NSEICC has introduced a web-based platform as NSEICC OTC Reporting Platform (NORP), for reporting of issuance of Offshore Derivative instrument by non-bank entities in GIFT IFSC. The facility is made available w.e.f. February 03, 2025.

Recent Developments:

The IFSCA has constituted various committees to develop the capital market ecosystem at GIFT IFSC. Mr. Neeraj Kulshrestha, MD & CEO is member of various committees as mentioned below:

1. Expert Committee on Secondary Markets – To advise IFSCA on the various policy and regulatory matters on a periodic basis to facilitate the development of a vibrant and robust ecosystem for secondary markets in the IFSC.
2. Expert Committee on Asset Tokenization – To advise IFSCA on the development of regulations, risk management framework and policy guidelines for tokenization of real and physical assets.

Major Milestone / Events during FY 2024-25

- § NSEICC along with IFSCA and other IFSC registered MIIs hosted first Global Securities Market Conclave 1.0.
- § NSEICC along with NSE IX celebrated “World Investor Week 2024” along with IFSCA by organizing various webinars and panel discussions.
- § NSEICC along with NSE IX participated in FIA EXPO at London, Chicago, Singapore and Boca.
- § NSEICC along with IFSCA Delegation visited NASDAQ office in New York.
- § NSEICC along with NSE IX was a part of panel discussion in the conference on Capital Market and Trading Opportunities in GIFT IFSC in New York.



Senior delegates from NSE India, NSE Clearing, NSEICC and NSE IX at FIA Chicago'24.



Mr. Pradeep Ramakrishnan, Chairman, IFSCA along with other IFSCA delegates, inaugurate “World Investor Week 2024”

2. Operational Updates:

1. As of March 31, 2025, NSEICC clears and settles derivative contracts on 6 equity Indices, 4 corporate bond Indices, 7 currency pairs, 209 single stocks, 1 DR Receipt and 50 NSEIFSC Receipts.
2. Settlement cycle for NSE IFSC Receipts on US Stocks has been revised from T+3 to T+2 w.e.f. Sep 03, 2024.
3. NSEICC has empaneled Federal Bank Ltd (IBU). as collateral bank for the purpose of issuing collaterals.
4. Pursuant to IFSCA approval, NSE IFSC Receipts have graduated from the regulatory sandbox of IFSCA and have been permitted to be cleared and settled in accordance with NSEICC Regulations.
5. NSEICC has successfully carried out Special Live trading session on Saturday, February 01, 2025, on account of Union Budget.
6. NSEICC has successfully carried out Live Clearing & Settlement, Risk Management activities from its Disaster Recovery Site from April 08, 2024, till April 12, 2024, and from December 02, 2024, till December 06, 2024.
7. NSEICC has updated the methodology for calculating theoretical daily settlement price for unexpired options contracts by taking the closing price of the option contract in the underlying Exchange w.e.f. May 30, 2024.
8. NSEICC accepts Cash, Fixed Deposit Receipt, Bank Guarantee, and US Treasury Securities as collateral.
9. As of March 31, 2025, the Settlement Guarantee Fund was US \$11.30 million.

The Details of Derivative transactions for the FY 2024-25 are given in the table below:

Month	No. of Contracts Traded	Turnover* (in Mn US \$)	Mark-To-Market Settlement + Premium Settlement (in US \$)	Final Settlement including Exercise Settlement (in US \$)	Total Settlement (in US \$)
Apr-24	1,866,728	82,035	5,746,386	124,141	5,870,527
May-24	2,076,115	91,726	6,724,126	273,194	6,997,320
Jun-24	2,172,672	97,778	6,919,477	114,496	7,033,973
Jul-24	1,965,951	94,941	5,140,755	8,064	5,132,691
Aug-24	2,062,413	100,143	9,857,063	291,127	10,148,190
Sep-24	1,975,834	100,704	12,586,349	333,187	12,919,536
Oct-24	2,088,641	100,276	4,655,560	119,321	4,774,881
Nov-24	1,830,931	86,012	3,014,639	286,182	3,300,821



Month	No. of Contracts Traded	Turnover* (in Mn US \$)	Mark-To-Market Settlement + Premium Settlement (in US \$)	Final Settlement including Exercise Settlement (in US \$)	Total Settlement (in US \$)
Dec-24	1,779,393	84,050	1,999,809	31,722	2,031,531
Jan-25	2,149,153	95,651	8,395,893	284,937	8,680,830
Feb-25	1,924,697	84,160	8,210,725	273,829	8,484,554
Mar-25	2,126,662	95,035	13,909,138	406,355	14,315,493

*Above Turnover includes the value of futures and the premium value of options.

The Details of NSEIFSC Receipts for the FY 2024-25 are as given in the table below:

Month	No. of Contracts Traded	Turnover* (in Mn US \$)	Total Settlement Value (in US \$)	Quantity settled via Depository
Apr-24	20,192	0.08	71.72	6
May-24	20,107	0.16	98.64	7
Jun-24	14,251	0.08	19,669.8	4,695
Jul-24	67,178	0.3	166,747.73	34,561
Aug-24	99,308	0.47	321,583.94	76,213
Sep-24	61,314	0.32	164,952.63	43,385
Oct-24	66,701	0.31	86,890.35	32,458
Nov-24	130,833	0.68	221,883.03	53,799
Dec-24	138,458	0.76	258,217.86	59,364
Jan-25	140,967	0.94	268,758.35	65,667
Feb-25	115,741	0.59	162,107.46	50,767
Mar-25	121,573	0.56	227,488.89	71,273

3. Regulatory Updates:

IFSCA has come out with the following circulars related to Clearing Corporation or Clearing Members during the financial year 2024-25:



S. No.	IFSCA Circular No	Date	Title	Remarks:
1	IFSCA/CMD-MIIT/RTP/2023-24/001	03-Apr-24	Remote Trading Participants on Stock Exchanges in the IFSC.	IFSCA has permitted foreign entities, not having a physical presence in IFSC, to trade directly on the Stock Exchanges, on a proprietary basis, without a Broker-Dealer. Such an entity shall be referred to as a Remote Trading Participant (RTP).
2	IFSCA/CMD-DMIIT/NBE-DI/2024-25/001	02-May-24	Issuance of Derivative Instruments against Indian securities by non-bank entities in GIFT-IFSC	<p>IFSCA registered non-bank entities, registered with SEBI as FPIs, are permitted to issue Derivative Instruments with Indian securities as underlying, in GIFT-IFSC.</p> <p>The entity issuing such Derivative Instruments in GIFT-IFSC shall ensure the regulatory compliances and shall furnish requisite information to the Clearing Corporations in GIFT-IFSC in the format as may be prescribed, latest by the tenth day of every month.</p>
3	IFSCA-PLNP/28/2024-Capital Markets/001	06-Jun-24	Global Access - Clarifications	<p>IFSCA has clarified that the requirement to seek 'no-objection' by the broker dealers access Stock Exchanges outside the IFSC, from recognized stock exchange(s) in the IFSC will apply only if a broker dealer has its own arrangement for accessing global markets.</p> <p>The requirement to seek 'no objection' from stock exchange(s) shall not apply to broker dealers accessing global markets through India INX Global Access IFSC Limited ("India INX GA").</p> <p>Further IFSCA has given clarification regarding annual fee</p>



S. No.	IFSCA Circular No	Date	Title	Remarks:
				required to be paid by the Broker dealers accessing global markets.
4	F. No.: IFSCA-DSI/4/2024-Capital Markets	05-Sep-24	Maintenance of Net Worth by Capital Market Intermediaries	CMI's failing to maintain Net Worth at any time shall not undertake any existing or new business activity in IFSC till the time the net worth is restored.
5	IFSCA/CMD/SGRB/2024-25/1	24-Sep-24	Trading and Settlement of Sovereign Green Bonds (SGRBs) in IFSC	IFSCA has specified the eligibility criteria, participators, guidelines, reporting requirements etc for trading and settlement of SGRBs, in accordance with the scheme for trading and settlement of SGRBs in IFSC introduced by Reserve Bank of India (RBI) on August 29, 2024, to facilitate wider non-resident participation.
6	F. No. IFSCA-LPRA/3/2024-Legal and Regulatory Affairs	02-Dec-2024 and 13-Jan-2025	Complaint Handling and Grievance Redressal by Regulated Entities in the IFSC	The Financial service providers have been directed to have a policy, procedure and mechanism for efficient and effective handling of complaints and redressal of grievances of their consumers.
7	F. No. IFSCA-LPRA/3/2024-Legal and Regulatory Affairs		Extension of timeline for implementation of the Circular.	The effective date of the Circular is extended to April 01, 2025.
8	F. No. IFSCA-LPRA/11/2024-Legal and Regulatory Affairs	02-Dec-24	IFSCA (Informal Guidance) Scheme, 2024	A mechanism has been provided for seeking clarity and guidance inter alia on various issues pertaining to potential business activity and transactions, which are under the regulatory ambit of the IFSCA and on other legal issues emanating from the acts administered by IFSCA.



S. No.	IFSCA Circular No	Date	Title	Remarks:
9	F No. IFSCA-FMPP0BR/4/2024-Banking /1	29-Jan-2025 and 18-Feb-2025	Permissible transactions through the Special Non-Resident Rupee (SNRR) accounts of IFSC units – Amendment	The SNRR account opened by a unit in an International Financial Services Centre (IFSC) with an authorized dealer in India is now permitted to be used for all business related transactions like administrative expenses in INR outside IFSC, INR amount from sale of scrap, government incentives in INR, etc.
10	F. No. IFSCA-FMPP0BR/4/2024-Banking /1		Amendment to the Circular dated January 29, 2025.	It is clarified that all units in an IFSC shall ensure transacting or receiving the monetary consideration relating to delivery of a financial service (i.e. funds/fees/amount) only through an account maintained with a Banking Unit in IFSC.
11	F. No. IFSCA/35/2024-AMLCFT/05	06-Feb-25	Procedure for implementation of Section 12A of "The Weapons of Mass Destruction and their Delivery Systems (Prohibition of Unlawful Activities) Act, 2005" and Section 51A of "The Unlawful Activities (Prevention) Act, 1967 - Change of Nodal Officer - regarding.	Mr. Ankit Bhansali, General Manager Division of AML & CFT, has been designated as new Nodal Officer for implementation of provisions of Section 51A of the UAPA and Section 12A of the WMD Act.



S. No.	IFSCA Circular No	Date	Title	Remarks:
12	IFSCA/CMD-MIT/RTP/2024-25/001	11-Feb-25	Remote Trading Participants on the Stock Exchanges	As per the amended circular, an entity regulated by the securities market regulator in its home jurisdiction (country where it has been incorporated), shall be eligible to be onboarded as RTP. In case if an entity is not regulated by the securities market regulator in its home jurisdiction, it needs to be a member of Stock Exchanges, or such other Stock Exchanges, as may be specified by IFSCA from time to time. IFSCA has removed the limit for mandatory membership of 1 year under the given exchanges.
13	F. No. IFSCA/2/2025-AMLCFT/01	25-Feb-25	Registration on FIU-IND FINGate 2.0 portal for compliance with International Financial Services Centres Authority (Anti Money Laundering, Counter-Terrorist Financing and Know Your Customer) Guidelines, 2022.	The Regulated Entities to ensure the registration on FIU-IND portal and any addition or modification to Line of Business is updated on the FIU-IND portal within a period of thirty days from the date of commencement of such an additional Line of Business
14	IFSCA-DTFA/1/2025-DTFA	26-Feb-25	Interest on late payment of fee by entities undertaking permissible	Clarification with respect to the calculation of interest on the late fee payable to IFSCA.



S. No.	IFSCA Circular No	Date	Title	Remarks:
			activities in IFSC	
15	IFSCA/CMD-DMIIT/SGF/2024-25/001	07-Mar-25	Contribution to Settlement Guarantee Fund (SGF)	It is clarified that the contribution of a Clearing Corporation to its SGF shall be considered as part of its net worth.
16	IFSCA-CSD0MSC/13/2025-DCS	10-Mar-25	Guidelines on Cyber Security and Cyber Resilience for Regulated Entities in IFSCs	Guidelines on cyber security and cyber resilience.

Key regulations issued by IFSCA:

IFSCA has initiated various regulatory measures across financial services domains since it got operationalized. These measures have been in the form of notified regulations as well as directives by way of circulars and guidelines, with a few of the key ones being:

a) International Financial Services Centres Authority (Market Infrastructure Institutions) (Amendment) Regulations, 2024

The IFSCA vide notification dated October 29, 2024 issued International Financial Services Centres Authority (Market Infrastructure Institutions) (Amendment) Regulations, 2024, accordingly the International Financial Services Centres Authority (Market Infrastructure Institutions) Regulations, 2021 has been amended effective from November 01, 2024.

b) International Financial Services Centres Authority (Payment and Settlement Systems) Regulations, 2024

The IFSCA vide notification dated October 14, 2024 issued International Financial Services Centres Authority (Payment and Settlement Systems) Regulations, 2024 to lay down the process of authorisation and operations of Payment Systems in International Financial Services Centres.



c) International Financial Services Centres Authority (Listing) Regulations, 2024

The IFSCA vide notification dated August 20, 2024 issued International Financial Services Centres Authority (Listing) Regulations, 2024 in order to provide the regulatory framework for listing of specified securities, debt securities, depository receipts and other permitted financial products on the recognised stock exchanges in the International Financial Services Centres in India.

Key Consultation Paper(s) issued by IFSCA:

a) Regulatory approach towards Tokenization of Real-World Assets

The IFSCA on February 26, 2025 issued a consultation paper on Regulatory approach towards Tokenization of Real-World Assets, with the aim of formulating an appropriate legal and regulatory response to the emerging domain of tokenization of real-world assets including financial securities and financial products.

b) Consultation Paper on draft IFSCA (Capital Market Intermediaries) Regulations, 2024

The IFSCA on November 21, 2024 issued a consultation paper on IFSCA (Capital Market Intermediaries) Regulations, 2024 to provide the revised regulatory framework for registration, regulation and supervision of capital market intermediaries set up in the IFSC and in order to facilitate intermediation of financial services in the capital market ecosystem focusing on protection the interests of investors and maintaining the integrity of the markets.

c) Consultation Paper on Principle-Based Guidelines on Cyber Security and Cyber Resilience for all Regulated Entities (REs) in IFSC

The IFSCA on September 28, 2024 issued a consultation paper on Principle-Based Guidelines on Cyber Security and Cyber Resilience for all Regulated Entities (REs) in IFSC to put in a principle based place framework on cyber security and cyber resilience.

d) Consultation Paper on Complaint Handling and Grievance Redressal

The IFSCA on August 30, 2024 issued a consultation paper on Complaint Handling and Grievance Redressal, to specify the mechanism for handling of complaints of consumers by the regulated entities in the IFSC with the objective that the interests of the financial consumers are protected.



e) Consultation Paper on the review of IFSCA (Market Infrastructure Institutions) Regulations, 2021

The IFSCA on August 30, 2024 issued a consultation paper on IFSCA (Market Infrastructure Institutions) Regulations, 2021 to proposed amendments in the regulatory framework for Market Infrastructure Institutions (Stock Exchanges, Clearing Corporations and Depositories) in IFSC.

f) Consultation paper on the IFSCA (Payment and Settlement Systems) Regulations, 2024

The IFSCA on June 7, 2024 issued a consultation paper on the IFSCA (Payment and Settlement Systems) Regulations, 2024 to lay down the procedure for applying to the Authority to set up a Payment System in IFSC in order to carry out the provisions of the PSS Act.

g) Consultation Paper on proposed IFSCA (Listing) Regulations, 2024

The IFSCA on May 3, 2024 issued a consultation paper on the proposed IFSCA (Listing) Regulations, 2024 to provide the revised regulatory framework for issue and listing of various financial products, including specified securities, debt securities and other financial products on the recognised stock exchanges in the international financial services centres ("IFSC") in India.

4. Technology Updates:

NSEICC has a fully functional, best in class, technology platform to manage its daily operations, which includes clearing and settlement, real time risk management and member interfaces for providing them with information in real time as well as end of day. In addition, the company has set up robust cyber security operations using state-of-the-art technologies. The company has also set up redundancy at its Business Continuity site to ensure smooth operations, in case of business disruption.

The technology operations are managed 24X7 to ensure on time availability, in accordance with the nature of operations.

The key highlights for the last year include:

a. Build Resilient Systems:

- Develop NSEICC Parallel Online Website Platform: -



- Active-Active set-up was developed for NSEICC website by ensuring enhanced flexibility to adapt and scale according to demand as a backup.
- The parallel system added redundancy which made the entire infrastructure more robust. It helped in preventing a single point of failure, preventing downtime or data loss.
- **Risk Insight Monitoring System: -**
 - In its continuous endeavor to provide flexibility to Business and IT Operation users, the system was implemented to monitor operational activities online.
 - It provides real time visibility, Disaster recovery monitoring, increasing operational efficiency by automating operational processing in Risk application.

b. Technology Advancement Initiative:

Technology improvement is a continuous process for every technology application. As a part of Technology improvement and enhancement, the projects below were implemented in NSEICC.

- **Optimization & Automation of daily operations: -**
 - Technology was strategically leveraged by optimizing EOD-BOD, re-engineering the system bring-up process, streamlining workflows, thereby minimizing interface dependency.
- **Technology Upgrade/Capacity Upgrade: -**
 - Linux OS migrated to higher version (from 7.x to 8.x) incorporating enhance security measures, reducing system vulnerability, protection while maintaining compatibility and optimized performance thought the transition.
- **Enhancement in Recover Time Objective: -**
 - Implemented an Active-Hot stand by model across all applications, with a primary focus on reducing Recovery Time Objective for Business Continuity Planning (BCP) and eliminating dependency on SRM (Storage Replication Manager).
- **Business and IT Operation Daily Process Flow: -**
 - Integrated business and IT process flow into existing applications, with enhanced features and capabilities while minimizing reliance on the Control-M tool.
- **Enhancement in GUI for IT Operation: -**
 - Role based graphical interface system was enhanced. The system was improved to efficiently schedule and track operational services.



- Flexibility was developed to automate activities and monitor system performance in real time.

5. **Financial Summary / Highlights:**

The Company has generated revenue of Rs 1,701.86 Lakhs from Clearing & Settlement Charges and Interest Income of Rs 846.05 Lakhs as against Clearing & Settlement Charges of Rs 1070.17 Lakhs and Interest Income of Rs 522.62 Lakhs in FY 2023-24.

Net Loss for the period under review has reduced from Rs 839.62 Lakhs in FY 2023-24 to Rs 513.01 Lakhs.

The financial results for the year ended on March 31, 2025, are summarized as below:

Particulars	2024-25		2023-24	
	(Rs. In lakhs)	(USD in lakhs)	(Rs. In lakhs)	(USD in lakhs)
Income	2707.63	32.00	1665.63	20.11
Expenditure	3,220.64	38.06	2505.26	30.26
Profit/(Loss) before tax	(513.01)	(6.06)	(839.62)	(10.14)
Add/(Less) provision for tax (including deferred tax)	-		-	
Profit/(Loss) after tax	(513.01)	(6.06)	(839.62)	(10.14)
Add/ (Less): Items that will be reclassified to profit or loss	315.54		72.00	
Add/(less): Items that will not be reclassified to profit or loss	0.15	0.00	(9.25)	(0.11)
Total comprehensive income	315.69	0.00	(776.87)	(10.26)
Profit/(Loss) brought forward from previous year	(8949.54)	(132.83)	(5669.50)	(92.46)
Less: Contribution to core SGF	(5266.36)	(62.75)	(2503.17)	(30.11)
Balance carried to Balance Sheet	(14,143.22)	(201.63)	(8949.54)	(132.83)

There was no change in the nature of business during the financial year 2024-25.



5.1. Dividend

In view of the loss incurred by the Company for the year under review, the Board of Directors did not recommend any dividend for the financial year 2024-25.

5.2. Transfer to Reserves

In view of the loss incurred by the company, no transfer was made to the General Reserves for the financial year 2024-25.

5.3. Ratings

CARE Rating has reaffirmed the credit rating of 'CARE AAA' to NSEICC. This rating is considered to have the highest degree of safety and carry lowest credit risk.

5.4. Loans, Guarantees and Investments Under Section 186 of the Companies Act, 2013

During the period under review, the Company did not grant any loan to any person or body corporate and did not provide any guarantee or security in connection with loan to any person or body corporate. Further, the Company did not make any investment/acquisition in terms of Section 186 of the Companies Act, 2013 during the financial year 2024-25.

5.5. Contracts or Arrangements with Related parties

All the related party transactions by the Company were in the ordinary course of business and were at arm's length basis. Transactions with related parties were conducted in a transparent manner, aligned with the interests of the Company and its Stakeholders. The particulars of the contracts or the arrangements with related parties form a part of the financial statements.

5.6. Adequacy of Internal Financial Controls

Regarding the internal financial controls of the Company, the noteworthy feature of its operations was the high degree of automation in the key areas of its operations and processes.

All the processes are also well documented with comprehensive and well defined Standard Operating Procedures (SoPs) which inter-alia include the financial controls in the form of maker-checker, strict adherence to financial delegation given by the Board at



various levels, system controls, information security controls as well as role-based access controls. Further, these controls are periodically reviewed while introducing new processes/changes in the processes, changes in the systems, and changes in the personnel handling the activities. These controls are also independently reviewed by the internal auditors establish the adequacy and the effectiveness of controls.

The Internal and the Secretarial Auditors of the Company reviewed the compliances with respect to the applicable laws, rules, regulations, and guidelines and found them adequate.

5.7. Subsidiaries, Joint Ventures and Associate Companies

The Company does not have any subsidiary, joint venture, or associate Company.

5.8. Deposits

The Company has not invited, accepted, or renewed any deposits within the meaning of Section 73 of the Companies Act, 2013. Accordingly, the requirement to furnish details relating to deposits covered under Chapter V of the Companies Act, 2013 does not apply to the company.

5.9. Risk Management

The Company has formulated a comprehensive enterprise risk management policy. The policy covers the identification and assessment of different elements of risk and specifies measures to mitigate their impact on the Company's functioning. The Risk Management Committee of the Board meets every quarter to review the robustness and adequacy of the Company's risk management policy.

5.10. Material Changes and Commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company and the date of the report

There were no material changes and commitments during the F.Y. 2024-25 or between the end of the F.Y. 2024-25 and the date of this Report, that have adversely affected the financial position of the Company.

- § The Company received approval from the IFSCA vide its email dated May 27, 2024, granting recognition as a Clearing Corporation for a period of one year effective from May 29, 2024 up to May 28, 2025.



§ The Company has submitted an application, vide its letter dated February 12, 2025, under Regulation 19(2) of the IFSCA (MII) Regulations, 2021, recommending IFSCA, to approve the acquisition of 25,00,00,000 shares (100% Equity) of NSEICC by NSE IFSC Limited (NSEIX) from NSE Clearing Limited (NCL). The approval of the IFSCA is under due process.

5.11. Significant Orders passed by the Regulators or Courts or Tribunals Impacting the Company

During the year under review, there were no significant or material orders passed by the Regulators/Courts/Tribunals that would impact the status of the Company as a going concern.

5.12. Explanations or Comments on the Auditor's Report

The report of the Statutory Auditor forms a part of the financial statements. There were no qualifications, reservations, adverse remarks, or disclaimers by the Statutory Auditors (appointed under Section 139 of the Companies Act, 2013) in their report.

5.13. Reporting of frauds by Auditors

During the year under review, neither the statutory auditors nor the secretarial auditors reported to the Board of Directors under Section 143 (12) of the Companies Act, 2013, any instances of fraud committed against NSEICC by its officers or employees.

5.14. Share Capital

During the year under review, the share capital of the Company underwent change as under:

1. Authorised Share Capital

The authorised share capital of the Company is Rs. 10,00,00,00,000 (Rupees One Thousand Crore) consisting of 1,00,00,00,000 (One Hundred Crore) Equity Shares of Rs. 10/- (Rupees Ten only) each.

Governing Board on April 26, 2024 and the members at the 8th Annual General Meeting held on June 25, 2024, approved the increase in authorised share capital of the Company from Rs. 3,00,00,00,000 (Rupees Three Hundred Crore) divided into 30,00,00,000 (Thirty Crore) Equity Shares of Rs. 10/- (Rupees Ten only) each to Rs. 10,00,00,00,000 (Rupees One Thousand Crore) divided into 1,00,00,00,000 (One



Hundred Crore) Equity Shares of Rs. 10/- (Rupees Ten only) each and consequent amendment to the Memorandum of Association of the Company.

2. Issued, Subscribed and Paid-up Equity Share Capital

As on March 31, 2025, the issued, subscribed and paid-up share capital of the Company stood at Rs. 2,50,00,00,000 (Rupees Two Hundred and Fifty Crore) consisting of 25,00,00,000 (Twenty Five Crore) equity shares of face value of Rs. 10 each fully paid up.

Further, during the year, the Company has not issued any convertible/non-convertible securities.

6. Changes In Rules and Bye-Laws of NSEICC:

No changes were made in the Rules and Bye-Laws of NSEICC during the financial year 2024-25.

7. Details of Clearing Member(s)

There are a total of 20 enabled clearing members of NSE International Clearing Corporation Limited (NSEICC) as of FY 2024–25. During the FY 2024-25, two new members were enabled under the Trading cum Clearing Member (TM-CM) category, while one existing member was upgraded from the Self Clearing Member (TM-SCM) category to the Trading cum Clearing Member (TM-CM) category.

Clearing Member	CM Code	Previous Membership	Existing Membership	Date of enablement
Axis Bank IBU	M50019	TM	TM-CM	August 22, 2024
Arya Fin-Trade IFSC Pvt. Ltd.	M50015	TM-SCM	TM-CM	January 13, 2025
Jaypee Capital Services IFSC Pvt. Ltd	M50020	TM	TM-CM	February 12, 2025

8. Registered Office:

The registered office of the Company is situated at Unit-1202, Brigade International Financial Center, 12th floor, Block-14, Road 1C, Zone-1, GIFT SEZ, GIFT CITY, Gandhinagar Gujarat – 382355.



9. Extract of the Annual Return:

In terms of the MCA notification dated January 4, 2017, IFSC Public Companies are exempted from complying with the provisions of Section 92 (3) of the Companies Act, 2013 and hence the Company is not required to place copy of Annual Return on the website of the Company.

10. Human Resources:

The Company considers its employees as the most valuable resource and ensures strategic alignment of Human Resource practices to business priorities and objectives.

The Company had organized various employee engagement activities and connect programs in the FY2024-25. The glimpse of the activities as under:



As on March 31, 2025; the Company has 27 dedicated human capital (employees) on the rolls of NSE IFSC Clearing Corporation Limited.

In terms of the MCA notification dated January 4, 2017, IFSC Public Companies are exempted from complying with the provisions of Section 197 and hence no disclosure is required to be made in the Boards' Report as per Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

11. Disclosures under Sexual Harassment of Women at workplace (Prevention, Prohibition & Redressal) Act, 2013:

The disclosures required to be given under the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 are provided in the following table (based on the Prevention of Sexual Harassment annual report filed for the Calendar year 2024):

1	Number of complaints of sexual harassment received during the year.	Nil
2	Number of complaints disposed of during the year.	Not applicable
3	Number of cases pending for more than ninety days.	Not applicable
4	Number of workshops or awareness programs against sexual harassment carried out.	Awareness Program for all employees were conducted
5	Nature of action taken by the employer.	Not applicable

The Company has complied with the provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

12. Directors and Key Managerial Personnel (KMP):

12.1. Directors:

Following were the Directors as on March 31, 2025:

Sr. No.	Name of Director	DIN	Category
1	Mr. Kumar Kanakasabapathy	06632984	Public Interest Director (Chairman)
2	Mr. Kapil Seth	03596866	Public Interest Director



Sr. No.	Name of Director	DIN	Category
3	Mr. Kamalakar Karlapalem	09198185	Public Interest Director
4	Ms. Vasudha Mishra	02371330	Public Interest Director
5	Mr. Piyush Chourasia	07130931	Non-Independent Director
6	Mr. Neeraj Kulshrestha	02994647	Managing Director & CEO

Further, the following changes have taken place in the Board of Directors during the Financial Year.

• **Cessation of Director**

During the financial year 2024-25, Mr. Mukesh Agarwal (DIN:03054853), Shareholder Director (Non-Executive Director) of the Company, resigned with effect from July 26, 2024.

• **Appointment/ Re-appointment of Director(s)**

During the financial year 2024-25, the following Directors were appointed and re-appointed:

- § IFSC Authority vide its letter dated May 3, 2024, approved the appointment of Ms. Vasudha Mishra (DIN: 02371330) as Public Interest Director for a period of 3 (three) years commencing from May 3, 2024;
- § IFSC Authority vide its letter dated May 3, 2024, approved the re-appointment of Mr. Kapil Seth (DIN: 03596866) as Public Interest Director for a second term of 3 (three) years commencing from September 16, 2024; and
- § IFSC Authority vide its letter dated August 30, 2024, approved the appointment of Mr. Piyush Chourasia (DIN: 07130931) as Shareholder Director (Non-Executive Director) with effect from August 30, 2024.

12.2. Director's e-KYC

The Ministry of Corporate Affairs (MCA) has vide amendment to the Companies (Appointment and Qualification of Directors) Rules, 2014 mandated, KYC of all the Directors through the e-form DIR-3 KYC. All Directors of NSEICC have complied with the aforesaid requirement.

12.3. Disclosure under Section 164 of the Companies Act, 2013

The Company has received disclosures in Form DIR-8 required under Section 164 of the



Companies Act, 2013 and has noted that none of the Directors are disqualified on account of non-compliance with any of the provisions of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014. Further, there were no acts of omission/commission by the company itself, leading to the disqualification of its directors.

12.4. Declaration of Independence

The terms and conditions of appointment of Independent Directors are as per Schedule IV of the Companies Act, 2013. Mr. Kumar Kanakasabapathy, Ms. Vasudha Mishra, Mr. Kamalakar Karlapalem and Mr. Kapil Seth, Independent Directors have submitted a declaration that they meet the criteria of Independence as provided in sub section (6) of section 149 of the Companies Act, 2013 and that there have been no changes in the circumstances which may affect their status as Independent Directors during the year.

In terms of section 149 (7) of the Companies Act, the Independent Director shall enroll his / her name in the Databank, being maintained by the Indian Institute of Corporate Affairs to qualify as an Independent Director. The enrollment of all the Independent Directors of the Company have been completed and they have furnished a declaration to the Board affirming compliance with the provisions contained under sub rule 1 & 2 of Rule 6 of Companies (Appointment & Qualification of Directors) Rules, 2014.

In the opinion of the Board Mr. Kumar Kanakasabapathy, Ms. Vasudha Mishra, Mr. Kamalakar Karlapalem and Mr. Kapil Seth possess the requisite expertise and experience and are people with integrity.

All the Directors of the Company also adhere to the Fit and Proper person criteria as specified in IFSCA (MII) Regulations, 2021.

12.5. Directors Retiring by Rotation

Pursuant to the MCA notification dated January 4, 2017, the IFSC Public Companies are exempted from complying with the provisions of Section 152 (6) & (7) of the Companies Act, 2013 and hence none of the Directors of the Company shall retire by rotation at the ensuing Annual General Meeting.

12.6. Key Managerial/Management Personnels (KMPs)

Following were the Key Managerial Personnels as on March 31, 2025:

Mr. Neeraj Kulshrestha, Managing Director & CEO, Ms. Hemal Davda, Chief Financial



Officer and Mr. Arjav Trivedi, Company Secretary, are the Key Managerial Personnel of the Company pursuant to the Companies Act, 2013.

In addition to the above Mr. Vivek Singhvi, Chief Risk & Regulatory Officer and Compliance Officer, Mr. Sushil Limbulkar, Chief Technology Officer, Mr. Gaurang Thakkar, Chief Information Security Officer, Mr. Saroj Nanda, Head – Clearing & Settlement and Mr. Sharad Sharma, Head – Risk Management are the Key Management Personnel as per IFSCA (MII) Regulations, 2021.

Further, following changes have taken place in the Key Managerial/Management Personnels during the Financial Year:

- **Appointment of KMP(s)**

- Ms. Niralee Kothari, Senior Manager Technology was designated as KMP with effect from April 18, 2024 in accordance with IFSCA (MII) Regulations, 2021.
- Mr. Trupalkumar Patel, Manager – Cyber & Information Security was designated as KMP with effect from October 07, 2024 in accordance with IFSCA (MII) Regulations, 2021.

- **Cessation of KMP(s)**

Due to amendment in the definition of "key management personnel" as per IFSCA (Market Infrastructure Institutions) (Amendment) Regulations, 2024, effective from November 1, 2024, the Governing Board at its meeting held on January 21, 2025, approved the revised list of KMPs of NSEICC by excluding (i) Ms. Niralee Kothari, Senior Manager Technology, (ii) Mr. Trupalkumar Patel, Manager – Cyber & Information Security and (iii) Mr. Amit Prabhu, Senior Manager – ADM, from the list of KMPs of NSEICC.

13. Corporate Governance:

13.1. Board Evaluation

In terms of regulation 24(4) of IFSCA MII Regulations, 2021, the Governing Board of a recognized market infrastructure institution shall review the overall performance and the performance of its Individual directors and Independent External Person (IEP) regularly.

The performance of all the Directors and Independent External Person (IEP) was evaluated by the entire Board except the person being evaluated. The performance of the Committees was evaluated by the Board. The NRC also carried out the evaluation of Individual Directors and Independent External Person (IEP). The Board also carried out



the evaluation of their own performance apart from its Committees and Individual Directors and IEPs.

13.1.1 The criteria for evaluation for each of the above are as follows:

13.1.1.1 Performance evaluation of the Board

The performance of the Board of Directors is evaluated on the basis of various governance and business-related parameters which include, inter-alia, Corporate Governance standards adopted by the Board such as Board composition, Board Dynamics, Board Information, Board Strategy, Board and Management Team Relationship, Board Member Engagement and Development, Engagement with Shareholders, Regulators and Other Key Stakeholders, etc. The evaluation was done based on a questionnaire with the aim to evaluate the Board's own performance and to evaluate the performance of individual directors.

The performance of the Board and individual Directors was evaluated by the Board seeking inputs from each of the Director. The criteria for performance evaluation of the Board included the board composition, shared vision, strategy, effectiveness of board processes and adequacy of information to the Board. The criteria for performance evaluation of individual Directors included acting independently and in the best interests of the Company and contributing to the Board meetings by devoting sufficient time to understand the issues under discussion. The Chairman of the Board was also evaluated on the key aspects of the role. The same was responded to by the Board members.

13.1.1.2 Performance evaluation of the Committees

In addition to the principles stated above for evaluation of the Board, to the extent applicable to the respective committees, constructive recommendations made by the Committee(s) to the Board are also kept in mind while evaluating their performance.

13.2. Number of Board Meetings

Regular Meetings of the Board were held to discuss and decide on all the relevant aspects of the functioning of the organization. The tentative schedule of Board Meetings to be held in any financial year is circulated to the Directors in advance to enable them to plan their schedule and ensure participation in the meetings.

During the financial year 2024-25, 7 (Seven) Board Meetings were held on April 18, 2024, April 24, 2024, July 25, 2024, September 17, 2024, October 16, 2024, January 21, 2025, and February 27, 2025. The maximum gap between any two meetings was less than one hundred and twenty days.



The details of the attendance of the directors at the meetings held on the above dates are given in the table hereunder:

Name	Number of meetings held during tenure of the directors	Number of meetings attended
Mr. Kumar Kanakasabapathy	7	7
Mr. Kamalakar Karlapalem	7	7
Ms. Vasudha Mishra@	5	5
Mr. Kapil Seth	7	7
Mr. Mukesh Agarwal*	3	3
Mr. Piyush Chourasia#	4	2
Mr. Neeraj Kulshrestha	7	7

@Appointed w.e.f. May 3, 2024

*Ceased w.e.f. July 26, 2024

#Appointed w.e.f. August 30, 2024

13.3. Committees of the Board

Pursuant to Regulation 26 of IFSC(MII) Regulations, 2021 read with IFSC Circular dated June 28, 2022, bearing reference No. IFSCA/CMD/DMIIT/MII/CG/2022-23/1 the Company has constituted following Functional and Oversight Committees namely:

- i. Risk Management Committee
- ii. Audit Committee
- iii. Nomination and Remuneration Committee
- iv. Standing Committee on Technology
- v. Member Selection Committee
- vi. Regulatory Oversight Committee
- vii. Advisory Committee
- viii. Investor Grievance Redressal Committee

The terms of reference of the Board Committees are determined by the Board from time to-time. Meetings of the Board Committees are normally convened by the respective Committee Chairman. Matters requiring the Board's attention / approval, as emanating from the Board Committee Meetings, are placed before the Board with clearance of the Committee Chairman. Minutes of the Board Committee Meetings are placed before the Board for its information. The role and composition of these Committees, including the number of meetings held during the financial year and the related attendance, are provided below:-



Risk Management Committee (RMC)

The Committee consists of 3 (Three) Directors and 1 (One) independent External Person (IEP) viz., Mr. Kapil Seth, PID, Mr. K Kumar, PID, Ms. Vasudha Mishra, PID and Mr. Prasad Koparkar, IEP, as its members. Mr. Kapil Seth acts as the chairperson of the Committee.

During the financial year 2024-25, 6 (Six) meetings of the RMC were held on April 23, 2024, July 24, 2024, September 17, 2024, October 15, 2024, January 20, 2025 and February 27, 2025.

The details of the attendance of the Members at the meetings held on the above dates are given in the table hereunder:

Name	Number of meetings held during membership of Director/IEP	Number of meetings attended
Mr. Kapil Seth	6	6
Mr. K Kumar	6	6
Ms. Vasudha Mishra@	5	5
Mr. Prasad Koparkar	6	6

@Appointed as RMC Member w.e.f. July 11, 2024

The brief terms of reference of Risk Management Committee are as follows:

- To formulate a detailed risk management policy which shall be approved by the Governing Board.
- To review the Risk Management Framework & risk mitigation measures from time to time.
- To monitor and review enterprise-wide risk management plan and lay down procedures to inform Board members about the risk assessment and minimization procedures.
- The Head of the Risk Management Department shall report to the Risk Management Committee and to the Managing Director of the Clearing Corporation.
- The Risk Management Committee shall monitor implementation of the risk management policy and keep the IFSCA, and the Governing Board informed about its implementation and deviation, if any.

Audit Committee

The Committee consists of 4 (Four) Directors viz., Mr. Kapil Seth, PID, Mr. K Kumar, PID, Mr. Kamalakar Karlapalem, PID and Ms. Vasudha Mishra, PID as its members. Mr. Kapil



Seth acts as the chairperson of the Committee.

During the financial year 2024-25, 5 (Five) meetings of the Audit Committee were held on April 24, 2024, July 25, 2024, October 16, 2024, January 21, 2025 and February 27, 2025.

The details of the attendance of the Members at the meetings held on the above date is given in the table hereunder:

Name	Number of meetings held during membership of Director	Number of meetings attended
Mr. Kapil Seth	5	5
Mr. K Kumar	5	5
Ms. Vasudha Mishra@	4	4
Mr. Kamalakar Karlapalem	5	5

@Appointed as Audit Committee Member w.e.f. July 11, 2024

The brief terms of reference of Audit Committee are as follows:

- To recommend appointment, remuneration and terms of appointment of auditors of the Clearing Corporation.
- To review and monitor the auditor's independence and performance, and the effectiveness of the audit process.
- To examine the financial statement and the auditor's report thereon.
- Approval or any subsequent modification of transactions of the Clearing Corporation with related parties.
- To scrutinize the inter-corporate loans and investments.
- Valuation of undertakings or assets of the Clearing Corporation, wherever it is necessary.
- To evaluate internal financial controls and risk management systems.
- To monitor the end use of funds raised through public offers and related matters.
- In addition to the above, it will also discharge the function as Audit Committee under the Companies Act, 2013.

Nomination and Remuneration Committee (NRC)

The Committee comprises 4 (Four) Directors viz., Ms. Vasudha Mishra, PID, Mr. Kapil Seth, PID, Mr. K Kumar, PID and Mr. Kamalakar Karlapalem, PID, as its members. Ms. Vasudha Mishra acts as the chairperson of the Committee.



During the financial year 2024-25, 4 (Four) meetings of the NRC were held on April 18, 2024, July 24, 2024, October 15, 2024, and January 20, 2025.

The details of the attendance of the Members at the meetings held on the above date is given in the table hereunder:

Name	Number of meetings held during membership of Director	Number of meetings attended
Ms. Vasudha Mishra@	3	3
Mr. Kapil Seth	4	4
Mr. K Kumar	4	4
Mr. Kamalakar Karlapalem	4	4

@Appointed as Chairperson of NRC w.e.f. July 11, 2024

The information regarding the performance evaluation criteria of Independent Directors is covered in the Board's Report.

The brief terms of reference of Nomination & Remuneration Committee are as follows:

- Identify a KMP, other than personnel as specifically provided in its definition under MII Regulations.
- Lay down the policy for compensation of KMP in terms of the compensation norms prescribed by IFSCA from time to time.
- Determine the compensation of KMPs in terms of the compensation policy.
- Determine the tenure of a KMP, other than a director, to be posted in a regulatory department.
- Select the Managing Director.
- Frame & review the performance review policy to carry out evaluation of every director's performance, including that of PID.
- Recommend whether to extend the term of appointment of the PID.
- Besides the above, it will also discharge the function as Nomination & Remuneration Committee under the Companies Act, 2013 as amended from time to time.

Standing Committee on Technology (SCOT)

The Committee consists of 3 (Three) Directors and 2 (Two) Independent External Person (IEP) viz., Mr. Kamalakar Karlapalem, PID, Mr. K Kumar, PID, Ms. Vasudha Mishra, PID, Mr. Sameer Kulkarni, IEP and Mr. Srikumar Krishnamoorthy, IEP as its members. Mr. Kamalakar Karlapalem acts as the chairperson of the Committee.



During the financial year 2024-25, 5 (Five) meetings of the SCOT were held on April 24, 2024, July 25, 2024, October 15, 2024, January 21, 2025 and February 27, 2025.

Name	Number of meetings held during membership of Director/ IEP	Number of meetings attended
Mr. Kamalakar Karlapalem	5	5
Mr. K Kumar	5	5
Ms. Vasudha Mishra@	4	4
Mr. Sameer Kulkarni	5	5
Mr. Srikumar Krishnamoorthy	5	5

@Appointed as SCOT Member w.e.f. July 11, 2024

The brief terms of reference of SCOT are as follows:

- Monitor whether the technology used by the Clearing Corporation remains up to date and meets the growing demands;
- Monitor the adequacy of system capacity and efficiency;
- Examine the changes being suggested to the existing software/hardware;
- Investigate into the problems relating to computerized risk management / clearing & settlement system, such as hanging/ slowdown/ breakdown;
- Ensure that transparency is maintained in disseminating information regarding slowdown/break down in risk management / clearing & settlement system;
- The Committee shall submit a report to the Governing Board of the Clearing Corporation and the Governing Board will deliberate on the report and suitable action/ remedial measure will be taken;
- Any delay in clearing and settlement operations will be explained and reported to the Authority;
- Review the implementation of the Governing Board approved cyber security and resilience policy and its implementation;
- Such other matters in the scope as may be referred by the Governing Board of the Clearing Corporations and/or IFSCA.

Regulatory Oversight Committee (ROC)

The Committee consists of 3 (Three) Directors and 1 (One) Independent External Person (IEP) viz., Mr. Kapil Seth, PID, Mr. Kamalakar Karlapalem, PID, Ms. Vasudha Mishra, PID and Dr. Golaka Nath, IEP, as its members. Mr. Kapil Seth acts as the chairperson of the Committee.



During the financial year 2024-25, 5 (Five) meetings of the ROC were held on April 23, 2024, July 24, 2024, September 17, 2024, October 15, 2024 and January 20, 2025.

Name	Number of meetings held during membership of Director/IEP	Number of meetings attended
Mr. Kapil Seth	5	5
Mr. Kamalakar Karlapalem	5	5
Ms. Vasudha Mishra@	4	4
Dr. Golaka Nath	5	5

@Appointed as ROC Member w.e.f. July 11, 2024

The brief terms of reference of Regulatory Oversight Committee are as follows:

- Oversee matters related to member regulation such as admission of members, inspection, disciplinary action, etc.
- Oversee IFSCA inspection observations on membership related issues;
- Estimate adequacy of resources dedicated to member regulation;
- Monitor the disclosures made under the MII Regulations and the circulars issued thereunder;
- Review the actions taken to implement the suggestions of IFSCA's Inspection Reports and place it before the Governing Board of Clearing Corporation;
- To follow up and ensure compliance/ implementation of the inspection observations;
- Supervising the functioning of Investors' Services Cell of the Clearing Corporation which includes review of complaint resolution process, review of complaints unresolved over long period of time, estimate the adequacy of resources dedicated to investor services, etc;
- Lay down procedures for the implementation of the Code of Ethics;
- Prescribe reporting formats for the disclosures required under the Code of Ethics;
- Oversee the implementation of the Code of Ethics;
- Periodically monitor the dealings in securities of the KMP;
- Periodically monitor the trading conducted by firms/corporate entities in which the directors hold twenty percent or more beneficial interest or hold a controlling interest;
- Reviewing the fees and charges levied by a Clearing Corporation;
- Monitoring the implementation of MII Regulations and other applicable rules and regulations along with IFSCA Circulars and other directions issued thereunder;
- The head(s) of department(s) handling the above matters shall report directly to the Committee and also to the Managing Director;
- Any action of a recognized Clearing Corporation against the aforesaid head(s) shall be subject to an appeal to the Committee, within such period as may be determined by the Governing Board.



Member Selection Committee (MSC)

The Committee consists of 3 (Three) Directors viz. Mr. Kapil Seth, PID, Mr. Kamalakar Karlapalem, PID, Mr. Neeraj Kulshrestha, MD & CEO as Members. Mr. Kapil Seth acts as the chairperson of the Committee.

During the financial year 2024-25, 5 (Five) meetings of the MSC were held on April 23, 2024, July 24, 2024, October 15, 2024, December 31, 2024 and January 20, 2025.

Name	Number of meetings held during membership of Director	Number of meetings attended
Mr. Kapil Seth	5	5
Mr. Kamalakar Karlapalem	5	5
Mr. Neeraj Kulshrestha	5	4

The brief terms of reference of Member Selection Committee are as follows:

- To scrutinize, evaluate, accept or reject applications for admission of members and transfer of membership and approve voluntary withdrawal of membership
- Formulate policy for regulatory actions, including warning, monetary fine, suspension, deactivation of terminal, declaring a member as defaulter, expulsion, to be taken for various violations by the members of the Clearing Corporation
- Based on the laid down policy, the Committee shall consider the cases of violations observed during inspection, etc. and impose appropriate regulatory measure on the members of the Clearing Corporation
- While imposing the regulatory measure, the Committee shall adopt a laid down process, based on the 'Principles of natural justice'
- Realize the assets / deposits of defaulter/expelled member and appropriate amongst various dues and claims against the defaulter/ expelled member in accordance with the Rules, Byelaws and Regulations of the Clearing Corporation
- Admission /rejection of claims against such members over the assets of the defaulter/expelled member
- To manage the Core Settlement Guarantee Fund (Core SGF) of the Clearing Corporation, including its investment as per the laid down norms and ensure proper utilization of Core SGF

Advisory Committee

The Advisory Committee presently comprises of 1 (One) Director and 3 (Three) Clearing members. Mr. K Kumar, PID, acts as the chairperson of the Committee.



The brief terms of reference of Advisory Committee includes advising the Governing Board on non-regulatory and operational matters including product design, technology, charges and levies.

During the financial year 2024-25, 2 (Two) meetings of the Advisory Committee were held on July 24, 2024 and January 20, 2025.

Name	Number of meetings held during membership of Director/ Authorized representative	Number of meetings attended
Mr. K Kumar	2	2
Authorized representative of Globe Capital (IFSC) Limited	2	2
Authorized representative of PACE Financial IFSC Private Limited	2	1
Authorized representative of Stockholding Securities IFSC Limited	2	2

Investor Grievance Redressal Committee (IGRC)

The IGRC consists of consists of Mr. Ashish Shah, Mr. Ashok Shah, Mr. Kunal Vaishnav, Mr. Rajesh Shah, Mr. Sandeep Shroff and Mr. Shantanu Mehta as its Panel Members.

The Committee deals with the complaints referred to it by the Clearing Corporation, hear the parties and resolve their complaints / disputes.

During the financial year 2024-25, no meeting of IGRC was conducted.

13.4. Corporate Social Responsibility Committee (CSR)

The Company does not transcend the threshold limits as required under Section 135 of the Companies Act, 2013 and accordingly is not required to constitute a CSR Committee to discharge the functions mandated under the provisions so prescribed.



13.5. Company's Policy on Directors' Appointment and Remuneration including Criteria for determining Qualifications, Positive Attributes, Independence of Directors

The provisions of Section 178 of the Companies Act, 2013 are not applicable to the Company as per the exemption notification no. G.S.R. 08(E) dated January 4, 2017. Pursuant to Regulation 26 of the International Financial Services Centres Authority (Market Infrastructure Institutions) Regulations, 2021 read with IFSCA circular dated June 28, 2022, the Company has adopted the Policy for Nomination and Appointment of Directors, KMPs and Senior Management and Remuneration Policy of the Company.

As per IFSCA (Market Infrastructure Institutions) (Amendment) Regulations, 2024, effective from November 1, 2024, the Governing Board at its meeting held on January 21, 2025, approved the amendment to the Policy for Nomination and Appointment of Directors, KMPs and Senior Management and Remuneration Policy of the Company.

During the year under review, none of the Non-Executive Directors was drawing any remuneration from the Company. The sitting fees were paid to Mr. Kumar Kanakasabapathy, Mr. Kamalakar Karlapalem, Ms. Vasudha Mishra and Mr. Kapil Seth, Public Interest Director(s) of the Company and the same was in accordance with the provisions of the Companies Act, 2013 and the rules specified thereunder.

13.6. Vigil Mechanism / Whistle Blower Policy

The Company has formulated the 'Whistle Blower Policy' and has been in force since October 16, 2024. The Policy, as on date, provides a mechanism for reporting alleged violation of any law or regulation to the Whistleblower Panel or the Chairman of Audit Committee. Protected Disclosures should preferably be reported in writing as soon as possible after the whistleblower becomes aware of the same.

All Protected Disclosures reported under the Policy will be thoroughly investigated by the Whistleblower Panel or Chairman of the Audit Committee. No unfair treatment will be meted out to a Whistle Blower by virtue of his/her having reported a Protected Disclosure. Complete protection will be given to whistleblowers against any unfair practice. No Personnel has been denied access to the relevant Committee.

If the findings of the investigator(s) conclude commission of an unethical and improper act, disciplinary action or any other action, as deemed appropriate, will be initiated against the person concerned. There were no such complaints received during the financial year 2024-25.



A report is being submitted to the Chairman of the Audit committee as and when any Protected Disclosures are received along with the results of investigations if any and the action initiated with regard to the same. The Board of NSEICC periodically takes up the policy for its review and for bringing in suitable changes wherever required so that the policy remains relevant at all times. Accordingly, the Board of NSEICC at its meeting held April 22, 2025, reviewed the Whistle Blower Policy.

The details of Vigil Mechanism and the Whistle Blower Policy is available on the website of the Company at <https://www.nseicc.com/aboutus/vigil-mechanism>

13.7. Directors' Responsibility Statement

Your Directors' confirm that:

- i. In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanations relating to material departure, if any.
- ii. They have selected accounting policies and applied them consistently and have made judgments and estimates that were reasonable and prudent to give a true and fair view of the situation of the Company as of March 31, 2025 and of the loss of the Company for the year.
- iii. They have taken proper care to maintain adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing frauds and other irregularities.
- iv. They have ensured that the annual accounts were prepared on a going concern basis.
- v. They have laid down internal financial controls to be followed by the Company and that such internal financial controls were adequate and effective.
- vi. They have devised proper systems to ensure compliance with the provision of all applicable laws and such systems were adequate and effective.

14. Statutory Auditors:

M/s K.S. Aiyar & Co., Chartered Accountants, Mumbai, were appointed as Statutory Auditors of the Company at the 6th Annual General Meeting held on June 20, 2022, for a period of 5 (five) years from the conclusion of the 6th Annual General Meeting till the conclusion of the 11th Annual General Meeting to be held in the year 2027.

The Report given by the Statutory Auditors, M/s. K.S. Aiyar & Co. LLP, Chartered Accountants on the financial statements of the Company for the Financial Year 2024-25 forms a part of the Annual Report.



15. Secretarial Audit:

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company appointed M/s. Yash Mehta & Associates, Company Secretaries, to undertake the Secretarial Audit of the Company for the period of Three (3) years from Financial Year 2024-25 to Financial Year 2026-27.

The Secretarial Audit Report issued by M/s. Yash Mehta & Associates, Company Secretaries, for the Financial Year 2024-25 is annexed herewith as Annexure 1. The report does not contain any qualifications, reservations, or adverse remarks.

16. Internal Audit:

Internal Audit for the Financial Year 2024-25 was done by M/s. Deloitte Haskins & Sells LLP and internal audit report at relevant intervals were placed before the Board.

17. Cost Audit/Cost Records:

Pursuant to the provisions of Section 148 of the Act and the Companies (Cost Records and Audit) Rules, 2014, the Company is not required to maintain cost records and to appoint cost auditors during the year.

18. Opportunities:

Your Company is committed to explore all opportunities to harness the potential offered by the sector.

- 18.1.** NSEICC proposes to become a Trade Repository for the purpose of reporting of all types of OTC trades executed in GIFT IFSC.
- 18.2.** NSEICC proposes to become a Local Operating Unit accredited with Global Legal Entity Identifier Foundation (GLEIF) for issuance of Legal Entity Identifier to IFSCA Regulated entities.
- 18.3.** NSEICC proposes to facilitate foreign investors to subscribe to Sovereign Green Bond, in IFSC, proposed to be auctioned by Government of India. Additionally, these Bonds shall be available for OTC reporting and settlement in GIFT IFSC through NSEICC.



19. Complaint Handling and Grievance Redressal

Particular	Count
A. Number of Complaints Received During the Year	Nil
B. Less:	
1. Number of Complaints Resolved during the Year	Nil
2. Number of Complaints Rejected During the Year	Nil
C. Number of Complaints Pending During the Year (A-B)	Nil

The details of Complaint Handling & Grievance Redressal mechanism are available on the website of the Company at <https://www.nseicc.com/complaints/complaintHandling>

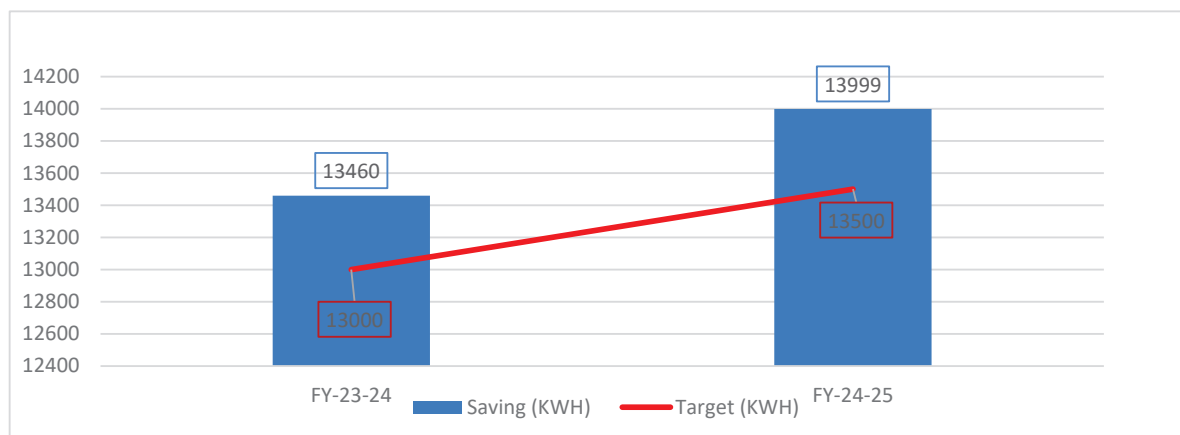
20. Conservation Of Energy, Technology Absorption And Foreign Exchange Earnings/Outgo:

The Company has always been conscious of the need to conserve energy. The Company is continuously identifying area where energy can be saved and appropriate measures have been taken for optimizing energy conservation:

20.1. Conservation of Energy and Technology Absorption

General Lighting System, PAC System and Power distributions system:

- (A) LED lights have been used for office area lighting in place of conventional CFL type lights. LED lights consume less energy and have more longevity and reliability than that of conventional CFL lights.
- (B) Regular maintenance of Precision Air Conditioning (PAC) system for Data Centre Cooling and Maintaining of optimum thermal parameters at PAC units has reduced the electrical energy consumption.
- (C) Maintained near unity power factor in distributions system.
- (D) 26% lighting consumption savings on total saving and 23% HVAC consumption savings on total savings on account.



Occupancy Sensors:

Occupancy sensors have been installed so that lights get switched off automatically when the area is not in use. This has also reduced the energy consumption substantially towards lighting.

Energy Conservative Measures taken up for the building by GIFT City Limited

District Cooling System (DCS):

The office air conditioning is being fed from GIFT's District Cooling System with state of the art technology with Thermal Energy Storage System. This has resulted in reduction of electricity consumption towards operation of Air-Conditioning System in NSE IFSC's office area by around 36476 Tr-Hr in FY-24-25 as compared to conventional AC System.

20.2. Foreign Exchange earnings/outgo

The Company operates in International Financial Service Centre (IFSC) located in GIFT SEZ Gandhinagar Gujarat. By virtue of operating in IFSC zone the functional currency of the Company is United State Dollar (USD) and the reporting currency is INR. Accordingly, for the purpose of determining foreign exchange inflow the equity contribution from holding company NSE Clearing Limited has been considered and for the purpose of foreign exchange outflow the conversion of amount from USD to INR is considered. The transaction of the Company with entities located in IFSC are not being considered for the purpose of foreign exchange earnings and expense. Company generates its revenue from operations and investment income in USD only.

Foreign exchange earnings and outgo during the year under review:

Foreign exchange inflow – NIL (P.Y. USD 1,92,36,320.25) (Equity Infusion)

Foreign Exchange Outflow – USD 27,70,000.00 (P.Y. USD 33,67,000.00) (Conversion of USD to INR)

Foreign Exchange Earnings – NIL (P.Y. NIL)

Foreign exchange capital and operational expense – USD 69,973.50 (P.Y. USD 1,04,168.64) (Foreign Payments and Related Party Payments)

21. Proceedings Under Insolvency and Bankruptcy Code, 2016:

MCA has vide Companies (Accounts) Amendment Rules, 2021, effective from April 01, 2021, amended rule 8 with respect to the disclosures of details of an application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 during the



year along with their status as at the end of the financial year. The same was not applicable to your Company as there are no such applications made or proceedings pending under the Insolvency and Bankruptcy Code, 2016 with respect to your Company.


22. Difference In Amount of the Valuation:

MCA has vide Companies (Accounts) Amendment Rules, 2021, effective from April 01, 2021, amended the rule 8 with respect to the disclosures of details of the difference between the amount of the valuation done at the time of one-time settlement and the valuation done while taking a loan from the Banks or Financial Institutions along with the reasons thereof. The same was not applicable to your Company as there was no such instance of either settlement or loan from a Bank or Financial Institution during the year under review.

23. Acknowledgment:

The Board of Directors is grateful for the support and co-operation extended by NSE Clearing Limited and its group companies and looks forward to their continued support and co-operation. The Board would also like to place on record its deep appreciation of the contribution made by all the employees towards the establishment and development of the Company.

For and on behalf of the Board of Directors



Kumar Kanakasabapathy

DIN:06632984

Chairman & Public Interest Director



Place: Mumbai

Date: April 22, 2025



Address : 67, Chinubhai Tower, Besides H.K. College, Opp. Handloom House,
Ashram Road, Ahmedabad - 380009.

Tel - 9913069848 ☎ - 079-27419035, Web - www.ymassociates.in

✉ - yash.ymassociates@gmail.com, support@ymassociates.in

YASH MEHTA & ASSOCIATES
Company Secretaries

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2025

*[Pursuant to Section 204(1) of the Companies Act 2013 and Rule 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules 2014]*

To,

The Members,

NSE IFSC CLEARING CORPORATION LIMITED

CIN: U65990GJ2016PLC094545

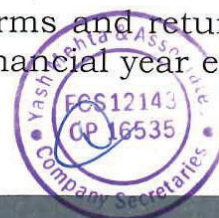
Unit-1202, Brigade International Financial Centre
12th Floor, Block-14, Road 1C, Zone-1,
GIFT SEZ, Gandhinagar, GIFT CITY,
Gujarat, India, 382355.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **NSE IFSC CLEARING CORPORATION LIMITED** (hereinafter called the Company), a Subsidiary of NSE CLEARING LIMITED. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

The Company is situated in International Financial Service Centre ("IFSC") which has obtained necessary approval for setting up its Business in IFSC in GIFT SEZ. The Company is a recognised Clearing Corporation and provide clearing & settlement services.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **March 31, 2025** complied with the statutory provisions listed hereunder and the Company has proper Board-processes and Compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **March 31, 2025** according to the provisions of:





- 1) The Companies Act, 2013 (the Act) and the Rules made thereunder;
- 2) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
- 3) International Financial Services Centres Authority Act, 2019
- 4) The Securities and Exchange Board of India Act, 1992
- 5) The following Regulations prescribed by International Financial Services Centres Authority (IFSCA) under International Financial Services Centres Authority Act, 2019: -
 - (a) IFSCA (Market Infrastructure Institutions) Regulations, 2021
 - (b) IFSCA (Capital Market Intermediaries) Regulations, 2021
 - (c) IFSCA Circular no. F. No. 286/IFSCA/Policy Matters (CMD-DMIIT)/2021 regarding Fee structure for Market Infrastructure Institutions (MIIs) and participants
 - (d) IFSCA Circular no. IFSCA/CMD/DMIIT/MII/CG/2022-23/1 dated June 28, 2022, regarding formation of Committees at MIIs in IFSC.
 - (e) Special Economic Zone Act, 2005 and SEZ Rules, 2006
 - (f) Rules, Regulations, Circulars, Orders, Notifications and Directives issued under the above statute to the extent applicable.
- 6) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- 7) Foreign Exchange Management Act, 1999 and the Rules and Regulations framed thereunder and to the extent it is applicable to IFSC Company;
- 8) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') are **NOT APPLICABLE** to the Company as the Company's Securities are not listed on any Stock Exchange:
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;



-
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 / The Securities and Exchange Board of India (Share Based Employees Benefits), Regulations, 2014;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client.
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
 - (h) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018;
 - (i) The Securities and Exchange Board of India (Settlement Proceedings) Regulations, 2018 (Came into force w.e.f.01.01.2019)
 - (j) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Following Standards / Clauses / Regulations were not subject to our examination as the same are **exempted** for the Company:

- i) Secretarial Standards with respect to the Meetings of the Board of Directors and Committee Meetings of the Board (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India.

We have relied on the representations made by the Company, its officers and on the reports given by designated professionals for systems and processes formed by the Company to monitor and ensure compliances under applicable Acts, Laws and Regulations to the Company.

Auditor's Responsibility

The responsibility of the Auditor is to express opinion on the compliance with the applicable laws and maintenance of records based on audit. The audit was conducted in accordance with applicable Standards and those Standards require that the Auditor comply with statutory and regulatory requirements and plan and perform the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of Records.





Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some Misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the Standards.

We further report that:

During the year under review, the Company has **COMPLIED** with all the material aspects of the provisions of the Act, Rules, Regulations, Guidelines and Standards etc. as mentioned above. The Board of Directors of the Company is duly constituted. The changes in the composition of Board that took place during the year under review were carried out in compliance of the provisions of Act.

Adequate notice is given to all the Directors to schedule the Board Meetings in advance in due compliances of law. Agenda and detailed notes on agenda were also sent in advance and a system exists for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions at the meetings of Board of Directors / Committees of the Company were carried through on the basis of majority. We were informed that there were no dissenting views by any members of Board / Committee in the meetings held during the year under review that were required to be captured and recorded as part of minutes.

We further report that:

There are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that:

During the audit period, there were following instance(s);

- a) *Ms. Vasudha Mishra (DIN: 02371330) was appointed as an Independent Director (Public Interest Director) of the Company for the period 3 years w.e.f. 03rd May, 2024, approved in the EGM held on 24.04.2024.
- b) *Mr. Kapil Seth (DIN: 03596866) was re-appointed as an Independent Director (Public Interest Director) of the Company for the second term of 3 years starting from 16th September, 2024, approved in the EGM held on 24.04.2024.





- c) **The Company has increased its Authorized Capital from Rs. 300 Cr. to Rs. 1000 Cr. and altered the Capital Clause of MOA after passing ordinary resolution by the members of the Company in Annual General Meeting held on 25th June, 2024.
- d) Mr. Mukesh Agarwal resigned from the Directorship of the Company with effect from 26th July, 2024.
- e) ***Mr. Piyush Sudhir Chourasia(DIN: 07130931) was appointed as a shareholder Director (Non-Independent Director) of the Company w.e.f. 30th August, 2024 as approved in the EGM held on 20th August, 2024.
- f) NSE Clearing Limited has nominated Ms. Prajakta Powle, to hold 1 (One) Equity Share of the Company jointly with NSE Clearing Limited, as its Nominee shareholder in place of Mr. Rohit Jagannath Gupte.
- g) Members has approved the modification in the terms and conditions of Remuneration of Mr. Neeraj Kulshrestha, Managing Director & CEO of the Company in the EGM held on 04th March, 2025.

**IFSC Authority vide its letter(s) dated 03rd May, 2024, approved the said appointment and re-appointment.*

*** IFSC Authority vide its letter dated 5th July, 2024 approved the amendment in clause V of MOA consequent to the increase of Authorized share capital.*

**** IFSC Authority vide its letter dated 30th August, 2024, approved the said appointment.*

There were no other instances of:

- a) Public issue / Debentures / Sweat Equity etc.
- b) Redemption / Buy – Back of Securities.
- c) Merger / amalgamation / Reconstruction etc.
- d) Foreign Technical Collaboration.



Date: 22.04.2025
Place: Ahmedabad

**FOR YASH MEHTA & ASSOCIATES
COMPANY SECRETARIES**

Yash M. Mehta

**YASH MEHTA
PROPRIETOR**

FCS: 12143

COP: 16535

Peer Review: 1269/2021

UDIN: F012143G000127271

This report is to be read with our letter of even date which is annexed as "ANNEXURE - A" and forms an integral part of this report.



"ANNEXURE - A"

To,
The Members,
NSE IFSC CLEARING CORPORATION LIMITED
CIN: U65990GJ2016PLC094545
Unit-1202, Brigade International Financial Centre
12th Floor, Block-14, Road 1C, Zone-1,
GIFT SEZ, Gandhinagar, GIFT CITY,
Gujarat, India, 382355.

Our report of even date is to be read along with this letter:

1. Maintenance of Secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain responsible assurance about the correctness of the contents of Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a responsible basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the management has conducted the affairs of the Company.



FOR YASH MEHTA & ASSOCIATES
COMPANY SECRETARIES

YASH MEHTA
PROPRIETOR

FCS: 12143

COP: 16535

Peer Review: 1269/2021

UDIN: F012143G000127271

Date: 22.04.2025
Place: Ahmedabad

F-7 Laxmi Mills
Shakti Mills Lane (Off Dr E Moses Rd)
Mahalaxmi Mumbai 400 011 India
Tel : 91 22 2493 2502 / 6655 1770
Fax : 91 22 6655 1774
Grams : VERIFY
www.KSAiyar.com
Mail@KSAiyar.com

Independent Auditor's Report

To the Members of NSE IFSC Clearing Corporation Limited

Report on the Audit of Financial Statements

Opinion

We have audited the accompanying financial statements of **NSE IFSC Clearing Corporation Limited** ('the Company'), which comprise the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of cash flows for the year then ended, and notes to financial statements, including a summary of the material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, and its loss (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis of Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the following matter as Key Audit Matter/s for the year.



We have determined that there are no key audit matters to communicate in our report.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's report but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Management for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134 (5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (IND AS) specified under Section 133 of the Act read with the rules made thereunder. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an



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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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



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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Government of India – Ministry of Corporate Affairs, in terms of sub-section (11) of section 143 of the Act, we enclose in the annexure 'A' a statement on the matters specified in paragraphs 3 and 4 of the said Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.
 - (e) On the basis of the written representations received from the directors as on March 31, 2025, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025, from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:



In terms of Notification No. G. S. R 08(E) dated January 04, 2017, issued by the Ministry of Corporate Affairs under Section 462 of the Act, the provisions of section 197(16) in respect of remuneration paid by the Company to its directors during the year are not applicable to the Company.

- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- (i) The Company has no pending litigations its which would impact its financial position – refer note 28 to the financial statements.
 - (ii) The Company does not have any long-term contracts for which there were any material foreseeable losses. The Company does not have any derivative contracts – refer note 29(a) to the financial statements.
 - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company – refer note 30 to the financial statements.
 - (iv)
 - (a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (b) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (c) Based on such audit procedures that we considered reasonable and appropriate by us in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (a) and (b) above, contain any material misstatement.
 - (v) The Company has not declared nor paid any dividend during the year. Hence, reporting the compliance with section 123 of the Act is not applicable.

- (vi) Based on our examination, which included test checks, the Company has used accounting softwares for maintaining its books of account for the financial year ended March 31, 2025, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the softwares. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with. Additionally, the audit trail has been preserved by the company as per the statutory requirements for record retention.

For K. S. Aiyar & Co.

Chartered Accountants

ICAI Firm Registration No. 100186W

Sachin A. Negandhi

Sachin A. Negandhi

Partner

Membership No: 112888

UDIN: 25112888BMNV CY8889

Place: Mumbai

Date: April 22, 2025

Annexure to the Auditor's Report

(Referred to in paragraph 1 under the heading 'Report on Other Legal and Regulatory Requirements' of our Report of even date on the financial statements for the year ended on March 31, 2025, of NSE IFSC Clearing Corporation Limited)

In our opinion, and on the basis of such checks of the books and records as we considered appropriate and according to the information and explanations given to us during the normal course of audit, which were necessary to the best of our knowledge and belief, we report that:

- (i) (a) (A) The Company has maintained proper records showing full particulars including quantitative details and situation of property, plant and equipment and relevant details of right to use assets.
(B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) Property, Plant and Equipment of the Company have been physically verified by the management during the year and in our opinion the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) The Company does not hold any immovable properties. Accordingly, the provisions of clause 3(i)(c) of the Order are not applicable.
- (d) The Company has not revalued any of its Property, Plant and Equipment (including Right of Use assets) or intangible assets. Accordingly, provisions of clause 3(i)(d) are not applicable.
- (e) According to the information and explanations given to us, no proceedings have been initiated or are pending against the Company as at March 31, 2025, for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (ii) (a) The Company is a service Company and therefore does not maintain any inventory; the directions in this regard are therefore not applicable.
(b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any point of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.
- (iii) As informed, the Company has not made investments in or provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties. Accordingly, provisions of clauses 3 (iii) of the Order are not applicable.
- (iv) As informed, the Company has not advanced any loans, made any investments or given any guarantees and securities. Accordingly, clause 3 (iv) of the Order is not applicable.



- (v) The Company has not accepted any deposit from the public and consequently the directives issued by the Reserve Bank of India, provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder, with regard to the deposits accepted from the public are not applicable to the Company. No order has been passed by the Company Law Board, National Law Tribunal or Reserve Bank of India or any other court or any other tribunal.
- (vi) According to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013 in respect of services carried out by the Company.
- (vii) (a) According to the records of the Company, goods and services tax, provident fund, income tax, duty of customs, cess and other material statutory dues applicable to it have been generally regularly deposited during the year with the appropriate authorities. As informed to us, the directions relating to employee's state insurance are not applicable to the Company.
- According to the information and explanations given to us, there are no undisputed dues in respect of goods and services tax, provident fund, income-tax, duty of customs, cess and other statutory dues which were outstanding, at the year-end for a period of more than six months from the date they became payable.
- (b) According to the records of the Company, there are no statutory dues which have not been deposited on account of any dispute.
- (viii) According to the information and explanations given to us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- (ix) (a) The Company has not taken any loans or other borrowings from any lender. Hence reporting under clause 3(ix)(a) of the Order is not applicable.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and accordingly, reporting under clause 3(ix)(c) of the Order is not applicable.
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that the no funds raised on short-term basis have been used for long-term purposes.
- (e) The Company does not have any subsidiaries, associates or joint ventures. Accordingly, accordingly, reporting under clause 3(ix)(e) and (f) of the Order is not applicable.
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year

- (b) The Company has not made any preferential allotment or private placement of shares or fully, partly or optionally convertible debentures during the year and accordingly, reporting under clause 3(x)(b) of the Order is not applicable.
- (xi) (a) No fraud by the Company and no fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) According to the information and explanations furnished by the management, which have been relied upon by us, there were no whistle blower complaints received during the year by the Company.
- (xii) In our opinion, the Company is not a Nidhi Company. Accordingly, clause 3 (xii) of the Order is not applicable to the Company.
- (xiii) In our opinion all transactions with the related parties are in compliance with sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable accounting standards.
- (xiv) (a) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- (xv) The Company has not entered into any non-cash transactions with directors or persons connected with them.
- (xvi) (a) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- (d) In our opinion, there is only one core investment company within the Group ('Companies in the Group' as defined in the Core Investment Companies (Reserve Bank) Directions, 2016).
- (xvii) In our opinion, the Company has incurred cash loss of ₹ 9.90 lakhs in the current financial year and ₹ 375.09 lakhs in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly clause 3(xviii) of the Order is not applicable.
- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information



accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx)

There are no unspent amounts towards Corporate Social Responsibility (CSR). Accordingly, reporting under clause 3(xx)(a) and (b) of the Order is not applicable for the year.

For K. S. Aiyar & Co.
Chartered Accountants
ICAI Firm Registration No. 100186W

Sachin A. Negandhi

Sachin A. Negandhi
Partner

Membership No: 112888
UDIN: 25112888BMNV CY8889

Place: Mumbai
Date: April 22, 2025

Annexure - B to the Independent Auditor's Report of even date on the Financial Statements of NSE IFSC Clearing Corporation Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of **NSE IFSC Clearing Corporation Limited** ("the Company") as of March 31, 2025, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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



Meaning of Internal Financial Controls with reference to financial statements

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

Inherent Limitations of Internal Financial Controls with reference to financial statements

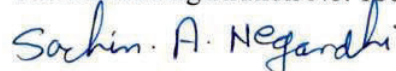
Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For K. S. Aiyar & Co.**Chartered Accountants**

ICAI Firm Registration No. 100186W

**Sachin A. Negandhi****Partner**

Membership No: 112888

UDIN: 25112888BMNVCY8889

Place: Mumbai**Date:** April 22, 2025

NSE IFSC CLEARING CORPORATION LIMITED

CIN: U65990GJ2016PLC094545

BALANCE SHEET AS AT MARCH 31, 2025

Particulars	Notes	As at 31.03.2025	As at 31.03.2025	As at 31.03.2024	As at 31.03.2024
		(Rs. in Lakhs)	(USD in Lakhs)	(Rs. in Lakhs)	(USD in Lakhs)
ASSETS					
Non-current assets					
Property, plant & equipment and Intangible assets					
-Property, plant and equipment	2	159.80	1.82	117.25	1.30
Capital work-in-progress	2	-	(0.00)	-	-
-Right-Of-Use Assets (ROU)	2	75.59	0.88	81.45	0.96
-Other intangible assets	3	757.83	8.89	1,186.51	14.29
-Intangible assets under development	3	0.00	0.00	-	-
Financial assets					
- Other financial assets					
Non-current bank balances	4	5,736.87	67.03	7,174.32	86.05
Others	4	389.47	4.55	344.25	4.13
Income tax assets (net)		154.79	1.85	87.71	1.04
Total non-current assets		7,274.35	85.02	8,991.49	107.77
Investments - Settlement Guarantee Fund	5	9,666.99	112.96	3,825.11	45.87
Current assets					
Financial assets					
- Trade receivables	6	59.64	0.70	104.20	1.25
- Cash and cash equivalents	7	5,783.17	67.58	1,683.39	20.19
- Bank balances other than cash & cash equivalents	8	5,656.93	66.10	7,908.01	94.85
- Other financial assets	9	426.37	4.98	239.92	2.88
Other current assets	10	90.00	1.05	66.49	0.80
Total current assets		12,016.11	140.41	10,002.01	119.97
TOTAL ASSETS		28,957.45	338.39	22,818.60	273.61
EQUITY AND LIABILITIES					
EQUITY					
Equity Share capital	11A	25,000.00	325.34	25,000.00	325.34
Other Equity	11B	(14,413.58)	(201.62)	(8,949.54)	(132.83)
TOTAL EQUITY		10,586.42	123.72	16,050.46	192.51
Settlement Guarantee Fund (SGF)	12	9,666.99	112.96	3,825.11	45.88
LIABILITIES					
Non-current liabilities					
Financial liabilities					
- Lease Liability		105.13	1.23	108.16	1.31
Provisions	13	60.02	0.70	47.84	0.57
Total non-current liabilities		165.15	1.93	156.00	1.88
Current liabilities					
Financial liabilities					
- Lease Liability		5.98	0.07	4.85	0.05
- Trade payables	14				
(i) total outstanding dues of micro enterprises and small enterprises		10.03	0.12	10.93	0.13
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		269.87	3.16	288.57	3.38
- Deposits	15	3,226.42	37.70	2,063.59	24.75
- Other financial liabilities	16	4,676.45	54.65	186.17	2.23
Provisions	17	269.27	3.14	141.78	1.70
Other current liabilities	18	80.87	0.94	91.14	1.09
Total current liabilities		8,538.89	99.78	2,787.02	33.33
TOTAL LIABILITIES		18,371.03	214.67	6,768.14	81.10
TOTAL EQUITY AND LIABILITIES		28,957.45	338.39	22,818.60	273.61
Summary of material and other accounting policies	1				
The accompanying notes are an integral part of the financial statements					

As per our report of even date attached

For K. S. Aiyar & Co.
Chartered Accountants
ICAI Firm Registration No. 100186W

Sachin A. Negandhi
Sachin A. Negandhi
Partner
Membership No.: 112888

For and on behalf of the Board of Directors

Kumar Karakasabapathy
Kumar Karakasabapathy
Chairman
[DIN : 06632884]

Neeraj Kulshrestha
Neeraj Kulshrestha
Managing Director & CEO
[DIN : 02994647]

Kapil Seth
Kapil Seth
Director
[DIN:03596866]

Hemal Davda
Hemal Davda
Chief Financial Officer

Arjav Trivedi
Arjav Trivedi
Company Secretary



Place : Mumbai
Date : April 22, 2025



NSE IFSC CLEARING CORPORATION LIMITED

CIN: U65990GJ2016PLC094545

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2025

Particulars	Notes	For year ended 31.03.2025	For year ended 31.03.2025	For the year ended 31.03.2024	For the year ended 31.03.2024
		(Rs. in Lakhs)	(USD in Lakhs)	(Rs. in Lakhs)	(USD in Lakhs)
Income					
Revenue from operations	19	1,861.48	22.00	1,143.01	13.80
Other income	20	846.15	10.00	522.62	6.31
Total Income		2,707.63	32.00	1,665.63	20.11
Expenses					
Employee benefits expense	21	911.60	10.77	555.60	6.71
Technology Expenses	22	1,134.20	13.40	838.30	10.13
Finance cost		8.47	0.10	8.86	0.10
Other expenses	23	658.42	7.77	637.59	7.69
Depreciation and amortisation expense	2 & 3	508.31	6.01	464.92	5.61
Total Expenses		3,221.00	38.05	2,505.26	30.26
Profit/(Loss) before tax		(513.37)	(6.06)	(839.62)	(10.14)
Less : Tax expense					
Current tax		-	-	-	-
Deferred tax		-	-	-	-
Total tax expenses		-	-	-	-
Profit / (Loss) for the period (A)		(513.37)	(6.06)	(839.62)	(10.14)
Other Comprehensive Income					
Items that will be reclassified to profit or					
Changes in foreign currency translation reserve		315.54	-	72.00	-
Items that will not be reclassified to profit or					
Remeasurements of post-employment benefit obligations		0.15	0.00	(9.25)	(0.11)
Total Other Comprehensive Income for the period (Net of Taxes) (B)		315.69	0.00	62.75	(0.11)
Total Comprehensive Income for the period (A+B)		(197.68)	(6.05)	(776.87)	(10.26)
Earnings per equity share (Face Value Rs.					
- Basic & Diluted (Rs. / USD)	24	(0.21)	(0.00)	(0.48)	(0.01)

Summary of material and other accounting policies 1
The accompanying notes are an integral part of the financial statements

As per our report of even date attached

For K. S. Aiyar & Co.
Chartered Accountants
ICAI Firm Registration No. 100186W

Sachin A. Negandhi

Sachin A. Negandhi
Partner
Membership No.: 112888

Place : Mumbai
Date : April 22, 2025

For and on behalf of the Board of Directors

K. Kanakasabapathy
Kumar Kanakasabapathy
Chairman
[DIN : 06632984]

Hemal Davda
Hemal Davda
Chief Financial Officer

Neeraj Kulshrestha
Neeraj Kulshrestha
Managing Director & CEO
[DIN : 02994647]

Kapil Seth
Kapil Seth
Director
[DIN:03596866]

Arjun Trivedi
Arjun Trivedi
Company



NSE IFSC CLEARING CORPORATION LIMITED

CIN: U65990GJ2016PLC094545

STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2025

Particulars	Notes	For year ended 31.03.2025 (Rs. in Lakhs)	For year ended 31.03.2025 (USD in Lakhs)	For the year ended 31.03.2024 (Rs. in Lakhs)	For the year ended 31.03.2024 (USD in Lakhs)
A) CASH FLOW FROM OPERATING ACTIVITIES					
NET PROFIT BEFORE TAX		(513.37)	(6.06)	(839.62)	(10.14)
Add : Adjustments for :					
Depreciation & Amortization Expenses	2 & 3	508.31	6.01	464.92	5.61
Re-measurement of defined benefits plans		0.15	0.00	(9.25)	(0.11)
Finance Cost		8.47	0.10	8.86	0.10
Less : Adjustments for :					
Interest income on bank deposits	20	(846.05)	(10.00)	(522.62)	(6.31)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		(842.49)	(9.95)	(897.71)	(10.85)
Adjustments for :					
Proceeds of Deposit from Trading member / applicant	15	1,162.83	12.95	1,048.13	12.40
Decrease / (Increase) in Trade Receivable	6	44.56	0.55	(104.20)	(1.25)
Increase / (Decrease) in Trade Payables	14	(19.60)	(0.23)	(515.16)	(6.40)
Increase / (Decrease) in Other financial liabilities	16	4,490.28	52.42	(122.22)	(1.52)
Decrease / (Increase) in Other financial assets	4	(0.78)	(0.01)	0.13	-
Decrease / (Increase) in Other current assets	10	(23.51)	(0.25)	(15.93)	(0.17)
Increase / (Decrease) in Current Liabilities & Provisions	16 & 17	129.40	1.43	147.95	1.74
CASH GENERATED FROM OPERATIONS		4,940.69	56.91	(459.01)	(6.06)
Contribution to SGF		(5,266.36)	(62.75)	(2,503.17)	(30.11)
Direct Taxes paid (Net of Refunds)		(67.08)	(0.81)	(57.38)	(0.67)
NET CASH FROM (USED IN) OPERATING ACTIVITIES - Total (A)		(392.74)	(6.65)	(3,019.56)	(36.84)
B) CASHFLOW FROM INVESTING ACTIVITIES					
Purchase of Property, Plant and Equipments	2 & 3	(114.26)	(1.03)	(397.94)	(4.53)
(Increase) / Decrease investment in fixed deposits	4 & 7	3,688.53	47.77	(11,793.66)	(140.90)
Interest received	20	615.16	7.48	26.37	0.37
NET CASH FROM (USED IN) INVESTING ACTIVITIES - Total (B)		4,189.42	54.22	(12,165.23)	(145.06)
C) CASHFLOW FROM FINANCING ACTIVITIES					
Proceeds from Issue of Equity Shares	11A	-	0.00	16,000.00	192.36
Payment of Lease Liability		(12.44)	(0.18)	(12.19)	(0.14)
NET CASH FROM (USED IN) FINANCING ACTIVITIES - Total (C)		(12.44)	(0.18)	15,987.81	192.23
Changes on account of conversion of balances from functional currency to presentation currency		315.54	-	72.00	-
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)		4,099.78	47.39	875.03	10.35
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR *	7	1,683.39	20.19	808.37	9.83
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR *	7	5,783.17	67.58	1,683.39	20.19
*Includes margin money from members Rs 4675.92 Lakhs (USD 54.64 Lakhs) (Mar 2024 Rs 182.70 lakhs USD 2.19 Lakhs)					
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS		4,099.78	47.39	875.03	10.36
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	7	5,783.17	67.58	1,683.39	20.19
Bank overdrafts		-	-	-	-
Balances per statement of cash flows		5,783.17	67.58	1,683.39	20.19

Notes to Statement of Cash Flows:

- 1 Cash and Cash equivalent represent bank balances and balances in Fixed Deposit Accounts
- 2 The above Statement has been prepared under the "Indirect Method" as set out in the Ind AS - 7 on Statement of Cash Flows notified under Companies (Indian Accounting Standards) Rules, 2015
- 3 The above Cash Flow excludes cash flow pertaining to SGF
- 4 Previous year's figures have been regrouped/ reclassified wherever necessary to correspond with the current year classification / disclosure.

As per our report of even date attached

For K. S. Aiyar & Co.
Chartered Accountants
ICAI Firm Registration No. 100186W

Sachin A. Negandhi
Sachin A. Negandhi
Partner
Membership No.: 112888

Place : Mumbai
Date : April 22, 2025

For and on behalf of the Board of Directors

Kumar Kanakasabapathy
Kumar Kanakasabapathy
Chairman
[DIN : 06632984]

Neeraj Kulshrestha
Neeraj Kulshrestha
Managing Director & CEO
[DIN : 02994647]

Kapil Seth
Kapil Seth
Director
[DIN:03596866]

Hemal Davda
Hemal Davda
Chief Financial Officer

Arjay Trivedi
Arjay Trivedi
Company Secretary



NSE IFSC CLEARING CORPORATION LIMITED

CIN: U65990GJ2016PLC094545

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2025

(A) Equity Share Capital

	(Rs. in Lakhs)	(USD in Lakhs)
Balance as at 01.04.2023	9,000	132.98
Changes in equity share capital during the year	16,000	192.36
Balance as at 31.03.2024	25,000	325.34
Balance as at 01.04.2024	25,000	325.34
Changes in equity share capital during the year	-	-
Balance as at 31.03.2025	25,000	325.34

(B) Other Equity

Particulars	Retained Earnings		Foreign Currency Translation Reserve	Other Comprehensive Income		Total	
	(Rs. in Lakhs)	(USD Lakhs)		(Rs. in Lakhs)	(USD Lakhs)	(Rs. in Lakhs)	(USD Lakhs)
Balance as at 01.04.2023	(6,691.56)	(92.42)	1,025.76	(3.70)	(0.05)	(5,669.50)	(92.46)
Profit/(Loss) for the year	(839.62)	(10.14)	-	-	-	(839.62)	(10.14)
Changes in Foreign Currency Translation Reserve through Other Comprehensive Income	-	-	72.00	-	-	72.00	-
Contribution to SGF	(2,503.17)	(30.11)	-	-	-	(2,503.17)	(30.11)
Share issue expenses	-	-	-	-	-	-	-
Other Comprehensive Income	-	-	-	(9.25)	(0.11)	(9.25)	(0.11)
Balance as at 31.03.2024	(10,034.35)	(132.67)	1,097.76	(12.95)	(0.16)	(8,949.54)	(132.82)
Balance as at 01.04.2024	(10,034.35)	(132.67)	1,097.76	(12.95)	(0.16)	(8,949.54)	(132.82)
Profit/(Loss) for the year	(513.37)	(6.06)	-	-	-	(513.37)	(6.06)
Changes in Foreign Currency Translation Reserve through Other Comprehensive Income	-	-	315.54	-	-	315.54	-
Contribution to SGF	(5,266.36)	(62.75)	-	-	-	(5,266.36)	(62.75)
Share issue expenses	-	-	-	-	-	-	-
Other Comprehensive Income	-	-	-	0.15	0.00	0.15	0.00
Balance as at 31.03.2025	(15,814.08)	(201.48)	1,413.30	(12.80)	(0.16)	(14,413.58)	(201.62)

As per our report of even date attached

For K. S. Aiyar & Co.
Chartered Accountants
ICAI Firm Registration No. 100186W

Sachin A. Negandhi

Sachin A. Negandhi
Partner
Membership No.: 112888

Place : Mumbai
Date : April 22, 2025

For and on behalf of the Board of Directors

Kumar Kanakasabapathy
Kumar Kanakasabapathy
Chairman
[DIN : 06632984]

Neeraj Kulshrestha
Neeraj Kulshrestha
Managing Director & CEO
[DIN : 02994647]

Kapil Seth
Kapil Seth
Director
[DIN:03596866]

Hemal Davda
Hemal Davda
Chief Financial Officer

Arjav Trivedi
Arjav Trivedi
Company Secretary



NSE IFSC CLEARING CORPORATION LIMITED

Notes to financial statements for the year ended March 31, 2025

Background and Material and Other Accounting Policies:

Background

The NSE IFSC Clearing Corporation Limited (NSEICC or the Company), a wholly owned subsidiary of NSE Clearing Limited (Formerly known as National Securities Clearing Corporation Ltd. (NSCCL)), was incorporated on December 2, 2016. It is set up to operate a clearing corporation as a unit in an International Financial Service Centre (IFSC) in India.

During the FY 2020-21, the Government of India has notified International Financial Services Centres Authority (IFSCA) as a unified authority for the development and regulation of financial products, financial services and financial institutions in the International Financial Services Centre (IFSC) in India. Accordingly, w.e.f October 1, 2020 the operations of the Company are governed by the regulations issued by IFSCA from time to time.

Note 1 (A) : Material Accounting Policies:

This note provides a list of the material accounting policies adopted in the preparation of Indian Accounting Standard (Ind AS) financial statements ("Ind AS financial statements"). These policies have been consistently applied to all the years presented, unless otherwise stated.

a) Basis of preparation

(i) Compliance with Ind AS

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS), under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, and the provisions of the Companies Act, 2013 ('Act') (to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Amendment Rules. Accounting policies have been consistently applied and are consistent with those used in the previous year except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The financial statements for the year ended March 31, 2025, were authorised for issuance by the Company's Board of Directors on April 22, 2025.

(ii) Historical cost convention:

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

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company considers the characteristics of the asset or liability which market



participants would take into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

b) Foreign currency translation and transactions

(i) Functional and presentation currency:

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The functional currency of the Company is United State Dollars (USD).

The financial statements are presented in Indian currency (INR), which is the Company's presentation currency. It is necessary for the results and financial position of each individual entity included in the Group to be translated into the currency in which the Parent Company presents its financial statements. As the Holding Company presents its financial statements in INR, the Company's financial statements are translated into INR.

(ii) Transactions and balances:

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the period end exchange rates are recognised in Statement of Profit and Loss.

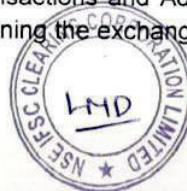
Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation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

(iii) Translation to the presentation currency:

The financial statements are translated from functional currency to presentation currency by using the following procedures:

- a) assets and liabilities for each balance sheet presented (including comparatives, except Equity) shall be translated at the closing rate at the date of that balance sheet;
- b) income and expenses for each Statement of Profit and Loss presented (including comparatives) shall be translated at exchange rates at the dates of the transactions; and
- c) all resulting exchange differences shall be recognised in other comprehensive income as foreign currency translation reserve.

The company has adopted Appendix B to Ind AS 21- Foreign Currency Transactions and Advance Consideration which clarifies the date of transaction for the purpose of determining the exchange rate



to use on initial recognition of the related asset, expense or income when an entity has received or paid advance consideration in a foreign currency.

c) Revenue recognition

The Company recognises its revenue in accordance with IND AS 115- Revenue from customers.

Revenue is recognised upon transfer of control of promised services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those services.

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

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

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

- (i) Clearing and Settlement charges and processing charges are recognized on accrual basis as and when the services are rendered.;
- (ii) Others - All other revenue is recognised in the period in which the service is provided. Income excludes applicable taxes and other levies.
- (iii) 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.
- (iv) Penal charges in respect of shortages due from the respective member is recognised in the Statement Profit and Loss as part of other revenue to the extent such charges are recoverable in the period of declaration of default.
- (v) Insurance claims are accounted on accrual basis when the claims become due and payable.

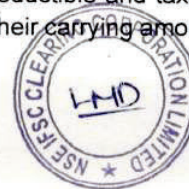
The Company considers the terms of the contract in determining the transaction price. The transaction price is based upon the amount the Company expects to be entitled to in exchange for transferring of promised services to the customer after deducting allowances and discounts etc. Revenue excludes any taxes and duties collected on behalf of the government.

d) Income taxes

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

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

Deferred income tax is provided in full, using the balance sheet approach, on deductible and taxable temporary differences arising between the tax bases of assets and liabilities and their carrying amounts



in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised, or the deferred income tax liability is settled.

Deferred income tax asset is recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized. Deferred income tax liabilities are recognized for all taxable temporary differences.

The carrying amount of deferred tax assets are reviewed at the end of each reporting period and are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

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

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

Deferred tax assets and liabilities are not recognised as of now as the company is eligible for deduction u/s 80LA of Income Tax Act, 1961 for any 10 consecutive years from AY 2017-18 to AY 2031-32.

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 amounts due from customers for services performed in the ordinary course of business. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Group holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

h) Investments and other financial assets

(i) Classification:

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

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

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

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

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

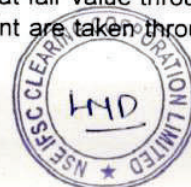
(ii) Measurement:

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

Debt instruments:

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

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.
- **Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI,



except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

- **Fair value through profit or loss:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

Equity investments (other than Investments in subsidiaries, associates and joint venture):

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

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

Equity Investments (in subsidiaries, associates and joint venture):

Investments in subsidiaries, associates and joint venture are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. The accounting policy on impairment of non-financial assets is disclosed in Note e above. On disposal of investments in subsidiaries, associates and joint venture, the difference between net disposal proceeds and the carrying amounts are recognized in the statement of profit and loss.

(iii) Impairment of financial assets:

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

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

(iv) De-recognition of financial assets:

A financial asset is de-recognised only when

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

Where the company has transferred an asset, it evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is de-



recognised. Where the company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognised.

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

(v) Income recognition:

Interest income

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

Dividends

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

i) **Property, plant and equipment (including CWIP)**

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

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

Depreciation methods, estimated useful lives and residual value:

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives as follows:

Assets	Management Estimate of Useful Life in years
Computer systems office automation	3 years
Computer systems – others	4 years
Computer Software	4 years
Furniture and Fixtures	5 years
Electrical equipment	10 years
Office equipment	4 to 5 years
Clearing and Settlement Systems	4 years
Telecommunication systems	4 years
Motor Car	4 years



The property, plant and equipment are depreciated over the asset's useful life.

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

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

Gains and losses on disposals are determined by comparing proceeds with carrying amount and are included in 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.

j) Intangible assets

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

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

Directly attributable costs are capitalised as part of the software include employee cost 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.

k) Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation to be settled at a future date. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value



of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

l) Contingent Liabilities

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

m) Employee Benefits

- (i) **Provident Fund:** The Company is registered with Regional Provident Fund Office, Ahmedabad, and both the employee and the employer make monthly contribution equal to 12% of the employee's basic salary respectively.
- (ii) **Gratuity:** Provisions are made for the defined benefit with respect to gratuity liability based on the present value of defined benefit obligation as per the actuarial valuation calculation. The present value is calculated using the projected unit credit method. Actuarial gains or losses are recognized in full in the other comprehensive income for the period in which they occur.
- (iii) **Leave Encashment:** Liability on account of Leave encashment is provided based on Actuarial Valuation at Balance Sheet date using the projected unit credit method.
- (iv) **Short term employee benefits** are charged to revenue in the year in which the related service is rendered.

n) Settlement Guarantee Fund (SGF):

As per Regulation 31(2) of IFSCA MII Regulations 2021, a Clearing Corporation shall maintain a Settlement Guarantee Fund corpus equivalent to at least the minimum required corpus as arrived at from the monthly stress value of USD 1 million, whichever is higher.

In the event of a clearing member (s) failing to honour settlement commitments, the SGF shall be used to fulfil the obligations of that member and complete the settlement without affecting the normal settlement process. The entire corpus of the SGF has been contributed by NSE IFSC Clearing Corporation Ltd. This fund is represented by earmarked SGF investments. The income earned on such investments (net of TDS, bank charges, etc.) is credited to the SGF. Penalties and fines levied by the Clearing Corporation are transferred to SGF as Other Contributions.

o) Dividends

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

p) Earnings per share

- (i) **Basic earnings per share:**

Basic earnings per share is calculated by dividing:

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



(ii) Diluted Earnings per share:

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to consider:

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

q) Critical Accounting Estimates and Judgements

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

The areas involving critical estimates or judgements are:

Estimation of useful life of intangible asset refer Note 3.1

Estimation of contingent liabilities refer Note 39

Estimation of Impairment of Assets Note 1(A)(e)

Estimation of current tax expense and payable Note 31

Estimation of defined benefit obligation Note 36

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.

r) Operating cycle

Based on the activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

s) Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards incidental to ownership to the lessee. All other leases are classified as operating leases.

As a lessee

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



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

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

As a lessor

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

Note 1 (B) : Other Accounting Policies:

a) 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.

b) 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.



c) Offsetting financial instruments

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

d) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial period which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and de-recognised when the obligation specified in the contract is discharged, cancelled or expires.

e) Rounding of Amounts:

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

f) Recent accounting pronouncements:

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. During the year ended March 31, 2025 MCA has not notified any new standards or amendments to the existing standards applicable to the Company.



NSE IFSC CLEARING CORPORATION LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

Note 2 : Property, plant and equipment

Rs. in Lakhs

Particulars	Office equipments	Electrical installations	Furniture and fixtures	Vehicle	Computer System - Others	TOTAL	Capital Work In Progress	Right-Of-Use Assets -Building
Gross carrying amount								
Opening as at 01.04.2023	15.22	10.44	48.19	-	159.64	233.49	-	111.55
Additions	5.98	-	28.51	30.00	16.26	80.74	80.74	-
Disposals	-	(9.87)	-	-	-	(9.87)	-	-
Transfers	-	-	-	-	-	-	(80.74)	-
Currency Fluctuation	0.18	(0.57)	0.58	-	1.92	2.12	-	0.68
Closing gross carrying amount	21.38	0.00	77.28	30.00	177.82	306.48	-	112.23
Accumulated depreciation								
Opening as at 01.04.2023	12.55	5.04	37.05	-	90.12	144.77	-	23.34
Depreciation charge during the period	0.83	0.74	4.60	4.82	39.25	50.23	-	7.93
Disposals	-	(5.78)	-	-	-	(5.78)	-	-
Currency Fluctuation	-	-	-	-	-	-	-	(0.50)
Closing accumulated depreciation	13.38	0.00	41.65	4.82	129.37	189.22	-	30.77
Net carrying amount as at 31.03.2024	8.00	0.00	35.63	25.18	48.45	117.25	-	81.45
Gross carrying amount								
Opening as at 01.04.2024	21.38	-	77.28	30.00	177.82	306.48	-	112.23
Additions	0.89	-	5.71	-	79.20	85.80	85.80	-
Disposals	-	-	(3.51)	-	-	(3.51)	-	-
Transfers	-	-	-	-	-	-	(85.80)	-
Currency Fluctuation	1.39	-	5.01	1.94	11.53	19.87	-	2.07
Closing gross carrying amount	23.66	-	84.49	31.94	268.55	408.64	-	114.30
Accumulated depreciation								
Opening as at 01.04.2024	13.38	-	41.65	4.82	129.37	189.22	-	30.77
Depreciation charge during the period	1.77	-	5.96	7.50	28.22	43.45	-	7.93
Disposals	-	-	(3.51)	-	-	(3.51)	-	-
Currency Fluctuation	1.39	-	4.33	0.50	13.45	19.68	-	-
Closing accumulated depreciation	16.54	-	48.43	12.82	171.04	248.84	-	38.71
Net carrying amount as at 31.03.2025	7.12	-	36.06	19.13	97.51	159.80	-	75.59

NSE IFSC CLEARING CORPORATION LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025
Note 2 : Property, plant and equipment

USD in Lakhs

Particulars	Office equipments	Electrical installations	Furniture and fixtures	Vehicle	Computer System - Others	TOTAL	Capital Work In Progress	Right-Of-Use Assets -Building
Gross carrying amount								
Opening as at 01.04.2023	0.20	0.14	0.65	-	2.04	3.03	-	1.49
Additions	0.07	-	0.34	0.36	0.19	0.97	0.97	-
Disposals	-	(0.14)	-	-	-	(0.12)	-	-
Transfers	-	-	-	-	-	-	(0.97)	-
Closing gross carrying amount	0.27	0.00	0.99	0.36	2.23	3.88	(0.00)	1.49
Accumulated depreciation								
Opening as at 01.04.2023	0.19	0.08	0.55	-	1.24	2.06	-	0.42
Depreciation charge during the period	0.01	0.01	0.06	0.06	0.47	0.61	-	0.10
Disposals	-	(0.08)	-	-	-	(0.08)	-	-
Closing accumulated depreciation	0.20	0.00	0.61	0.06	1.71	2.58	-	0.52
Net carrying amount as at 31.03.2024	0.07	0.00	0.39	0.30	0.52	1.30	(0.00)	0.97
Gross carrying amount								
Opening as at 01.04.2024	0.27	-	0.99	0.36	2.23	3.85	(0.00)	1.49
Additions	0.01	-	0.07	-	0.92	1.00	1.00	-
Disposals	-	-	(0.05)	-	-	-	-	-
Transfers	-	-	-	-	-	-	(1.00)	-
Closing gross carrying amount	0.28	-	1.01	0.36	3.15	4.85	(0.00)	1.49
Accumulated depreciation								
Opening as at 01.04.2024	0.20	-	0.61	0.06	1.71	2.57	-	0.52
Depreciation charge during the period	0.02	-	0.07	0.09	0.33	0.51	-	0.09
Disposals	-	-	(0.05)	-	-	(0.05)	-	-
Closing accumulated depreciation	0.22	-	0.63	0.15	2.04	3.03	-	0.61
Net carrying amount as at 31.03.2025	0.06	-	0.38	0.21	1.11	1.82	(0.00)	0.88



NSE IFSC CLEARING CORPORATION LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

Note 3 : Other intangible assets

(Rs. in Lakhs)			
Particulars	Clearing and Settlement System	Intangible Assets under development	TOTAL
Gross carrying amount			
Opening as at 01.04.2023	1,865.33	251.87	2,117.21
Additions	551.00	398.68	949.68
Disposals	-	(99.55)	(99.55)
Transfers	-	(551.00)	(551.00)
Currency Fluctuation	10.55		10.55
Closing gross carrying amount	2,426.89	0.00	2,426.89
Accumulated amortisation			
Opening as at 01.04.2023	833.63	-	833.63
Amortisation charge during the period	406.74	-	406.74
Disposals	-	-	-
Currency Fluctuation	-	-	-
Closing accumulated amortisation	1,240.37	-	1,240.37
Net carrying amount as at 31.03.2024	1,186.51	0.00	1,186.51
Gross carrying amount			
Opening as at 01.04.2024	2,426.89	0.00	2,426.89
Additions	-	-	-
Disposals	-	-	-
Transfers	-	-	-
Currency Fluctuation	157.27		157.27
Closing gross carrying amount	2,584.16	0.00	2,584.16
Accumulated amortisation			
Opening as at 01.04.2024	1,240.37	-	1,240.37
Amortisation charge during the period	456.93	-	456.93
Disposals	-	-	-
Currency Fluctuation	129.03	-	129.03
Closing accumulated amortisation	1,826.33	-	1,826.33
Net carrying amount as at 31.03.2025	757.83	0.00	757.83

Note : 3.1 - Significant estimate: Useful life of intangible assets

The Company has completed the development / procurement of software that is used in its various business processes. As at 31 March 2025, the net carrying amount of this software was Rs. 757.83 lakhs (31 March 2024 : Rs. 1,186.51 lakhs). The Company estimates the useful life of the software to be 4 years based on the expected technical obsolescence of such assets. However, the actual useful life may be shorter or longer than 4 years, depending on technical innovations.



NSE IFSC CLEARING CORPORATION LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

Note 3 : Other intangible assets

(USD in Lakhs)			
Particulars	Clearing and Settlement System	Intangible Assets under development	TOTAL
Gross carrying amount			
Opening as at 01.04.2023	23.55	3.13	26.68
Additions	6.61	4.78	11.39
Disposals	-	(1.30)	(1.30)
Transfers	-	(6.61)	(6.61)
Closing gross carrying amount	30.16	0.00	30.16
Accumulated amortisation			
Opening as at 01.04.2023	10.96	-	10.96
Amortisation charge during the period	4.91	-	4.91
Disposals	-	-	-
Closing accumulated amortisation	15.87	-	15.87
Net carrying amount as at 31.03.2024	14.29	0.00	14.29
Gross carrying amount			
Opening as at 01.04.2024	30.16	0.00	30.16
Additions	-	-	-
Disposals	-	-	-
Transfers	-	-	-
Closing gross carrying amount	30.16	0.00	30.16
Accumulated amortisation			
Opening as at 01.04.2024	15.87	-	15.87
Amortisation charge during the period	5.40	-	5.40
Disposals	-	-	-
Closing accumulated amortisation	21.27	-	21.27
Net carrying amount as at 31.03.2025	8.89	0.00	8.89

Note : 3.1 - Significant estimate: Useful life of intangible assets

The Company has completed the development / procurement of software that is used in its various business processes. As at 31 March 2025 the net carrying amount of this software was USD 8.89 lakhs (31 March 2024 : USD 14.29 lakhs). The Company estimates the useful life of the software to be 4 years based on the expected technical obsolescence of such assets. However, the actual useful life may be shorter or longer than 4 years, depending on technical innovations.



NSE IFSC CLEARING CORPORATION LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

4 Other financial assets (non-current)	As at 31.03.2025 (Rs. in Lakhs)	As at 31.03.2025 (USD in Lakhs)	As at 31.03.2024 (Rs. in Lakhs)	As at 31.03.2024 (USD in Lakhs)
Non Current bank balances				
Fixed deposits with maturity for more than 12 months	5,736.87	67.03	7,174.32	86.05
Others				
Security deposit for utilities and premises	10.01	0.12	9.23	0.11
Interest Accrued on Fixed Deposits	379.46	4.43	335.02	4.02
	389.47	4.55	344.25	4.13
Total	6,126.34	71.58	7,518.57	90.18

5 Investment - Settlement Guarantee Fund (Refer Note No. 12)	As at 31.03.2025 (Rs. in Lakhs)	As at 31.03.2025 (USD in Lakhs)	As at 31.03.2024 (Rs. in Lakhs)	As at 31.03.2024 (USD in Lakhs)
Non Current				
Fixed deposits with maturity for more than 12 months	7,591.07	88.70	1,846.73	22.15
Interest Accrued on Fixed Deposits	176.81	2.07	97.68	1.17
TDS on SGF FD interest	15.46	0.18	2.61	0.03
Total Non Current	7,783.34	90.95	1,947.02	23.35
Current				
Current Accounts with Bank	10.64	0.12	87.11	1.04
Fixed deposits with maturity for less than 12 months	1,805.77	21.10	1,760.02	21.11
Interest accrued on SGF Fixed Deposits	67.24	0.79	30.96	0.37
Total Current	1,883.64	22.01	1,878.09	22.52
Total	9,666.99	112.96	3,825.11	45.87

6 Trade Receivable	As at 31.03.2025 (Rs. in Lakhs)	As at 31.03.2025 (USD in Lakhs)	As at 31.03.2024 (Rs. in Lakhs)	As at 31.03.2024 (USD in Lakhs)
Secured, considered good	-	-	-	-
Unsecured, considered good	-	-	-	-
Having significant increase in Credit Risk	-	-	-	-
Credit impaired	-	-	-	-
Unsecured Receivables from related parties (net) (Refer note 37)	59.64	0.70	104.20	1.25
	59.64	0.70	104.20	1.25
Less : Expected Credit Loss	-	-	-	-
Total	59.64	0.70	104.20	1.25

Trade Receivable Ageing

(Rs in Lakhs)

Trade Receivable Aging		Trade Receivable Aging Schedule as on 31.03.2025						(Rs in Lakhs)
Particulars		Outstanding for following periods from due date of payment						
		Unbilled	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed – considered good		59.64						59.64
(ii) Undisputed – considered doubtful								
(iii) Disputed – considered good								
(iv) Disputed – considered doubtful								

Trade Receivable Ageing

(USD in Lakhs)

Trade Receivable Aging		Trade Receivable Aging Schedule as on 31.03.2025						(USD in Lakhs)
Particulars	Outstanding for following periods from due date of payment							
	Unbilled	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total	
(i) Undisputed – considered good	0.70						0.70	
(ii) Undisputed – considered doubtful								
(iii) Disputed – considered good								
(iv) Disputed – considered doubtful								

Trade Receivable Ageing

(Rs in Lakhs)

Trade Receivable Aging		Trade Receivable Aging Schedule as on 31.03.2024						(Rs in Lakhs)
Particulars	Outstanding for following periods from due date of payment							
	Unbilled	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total	
(i) Undisputed – considered good	104.20						104.20	
(ii) Undisputed – considered doubtful								
(iii) Disputed – considered good								
(iv) Disputed – considered doubtful								

Trade Receivable Ageing

(USD in Lakhs)

Particulars		Trade Receivable Aging Schedule as on 31.03.2024						(USD in Lakhs)
		Outstanding for following periods from due date of payment						
		Unbilled	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed – considered good		1.25						1.25
(ii) Undisputed – considered doubtful								
(iii) Disputed – considered good								
(iv) Disputed – considered doubtful								



NSE IFSC CLEARING CORPORATION LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

7 Cash and cash equivalents	As at 31.03.2025 (Rs. in Lakhs)	As at 31.03.2025 (USD in Lakhs)	As at 31.03.2024 (Rs. in Lakhs)	As at 31.03.2024 (USD in Lakhs)
Balances with banks :				
Current accounts #	4,841.77	56.58	432.78	5.19
Fixed Deposit with less than 3 month maturity	941.40	11.00	1,250.61	15.00
Total	5,783.17	67.58	1,683.39	20.19

Includes margin money from members Rs 4675.92 Lakhs (USD 54.64 Lakhs) (Mar 2024 Rs 182.70 lakhs USD 2.19 Lakhs)

8 Bank balances other than Cash and Cash equivalents	As at 31.03.2025 (Rs. in Lakhs)	As at 31.03.2025 (USD in Lakhs)	As at 31.03.2024 (Rs. in Lakhs)	As at 31.03.2024 (USD in Lakhs)
Fixed deposits with maturity for less than 12 months	5,656.93	66.10	7,908.01	94.85
Total	5,656.93	66.10	7,908.01	94.85

9 Other financial assets (Current)	As at 31.03.2025 (Rs. in Lakhs)	As at 31.03.2025 (USD in Lakhs)	As at 31.03.2024 (Rs. in Lakhs)	As at 31.03.2024 (USD in Lakhs)
Others				
Security deposit for utilities and premises	-	-	-	-
Interest Accrued on Fixed Deposits	426.37	4.98	239.92	2.88
Total	426.37	4.98	239.92	2.88

10 Other Current Assets	As at 31.03.2025 (Rs. in Lakhs)	As at 31.03.2025 (USD in Lakhs)	As at 31.03.2024 (Rs. in Lakhs)	As at 31.03.2024 (USD in Lakhs)
Prepaid Expenses	63.75	0.74	9.01	0.11
Other Advance recoverable #	3.18	0.04	36.41	0.44
Balance with Government Authorities	23.07	0.27	21.07	0.25
Advance to Employee	-	-	-	-
Total	90.00	1.05	66.49	0.80

represents receivable from National Stock Exchange of India



NSE IFSC CLEARING CORPORATION LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

11 A) Share Capital

	As at 31.03.2025	As at 31.03.2025	As at 31.03.2024	As at 31.03.2024
	(Rs. in Lakhs)	(USD in Lakhs)	(Rs. in Lakhs)	(USD in Lakhs)
Authorised				
100,00,00,000 (Previous year: 30,00,00,000) Equity Shares of Rs. 10 each	1,00,000.00	NA	30,000.00	NA
	1,00,000.00	NA	30,000.00	NA
Issued, Subscribed and Paid-up				
25,00,00,000 (Previous year: 25,00,00,000) Equity Shares of Rs. 10 each fully paid up	25,000.00	325.34	25,000.00	325.34
Total	25,000.00	325.34	25,000.00	325.34

Equity Shares

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

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

Shares in respect of each class in the Company held by its holding company or its ultimate holding company including shares held by or by subsidiaries or associates of the holding company or the ultimate holding company in aggregate:

Equity Shares :

Name of the Company	As at 31.03.2025		As at 31.03.2024	
	No. of Shares	% holding	No. of Shares	% holding
NSE Clearing Limited & its nominees	25,00,00,000	100.00%	25,00,00,000	100.00%
Total	25,00,00,000	100.00%	25,00,00,000	100.00%

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

Name of the Company	As at 31.03.2025		As at 31.03.2024	
	No. of Shares	% holding	No. of Shares	% holding
NSE Clearing Limited & its nominees	25,00,00,000	100.00%	25,00,00,000	100.00%
Total	25,00,00,000	100.00%	25,00,00,000	100.00%

Aggregate number of bonus shares issued, shares issued for consideration other than cash & shares bought back during the period of five years immediately preceding the reporting date - Nil

A reconciliation of the number of Equity Shares outstanding at the beginning and at the end of the reporting period

Particulars	As at 31.03.2025		As at 31.03.2024	
	No. of Shares	(Rs.)	No. of Shares	(Rs.)
At the beginning of the Period	25,00,00,000	2,50,00,00,000	9,00,00,000	90,00,00,000
Add: Issued during the Year			16,00,00,000	1,60,00,00,000
At the end of the Period	25,00,00,000	2,50,00,00,000	25,00,00,000	2,50,00,00,000

Company has not reserved any shares for issue under options and contract or commitments for sale of shares or disinvestments. There are no unpaid calls from any Director or Officers.

As per International Financial Services Centres Authority (Market Infrastructure Institutions) Regulations, 2021 notified on 12th April 2021 regulation 14 (1) Networth Requirement:

"A recognised market infrastructure institution shall have net worth of at least USD 3 million at all times."

Share held by promoters at the end of the period

Promotor Name	No. of Shares	% of total shares	% Change during the period
NSE Clearing Limited & its nominees (31.03.2025)	25,00,00,000	100.00%	0.00%
NSE Clearing Limited & its nominees (31.03.2024)	25,00,00,000	100.00%	0.00%



NSE IFSC CLEARING CORPORATION LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

11 (B) Other Equity

Particulars	Retained Earnings		Foreign Currency Translation Reserve	Other Comprehensive Income		Total	
	(Rs. in Lakhs)	(USD Lakhs)		(Rs. in Lakhs)	(USD Lakhs)	(Rs. in Lakhs)	(USD Lakhs)
Balance as at 01.04.2023	(6,691.56)	(92.42)	1,025.76	(3.70)	(0.05)	(5,669.50)	(92.46)
Profit /(Loss) for the year	(839.62)	(10.14)	-	-	-	(839.62)	(10.14)
Changes in Foreign Currency Translation Reserve through Other Comprehensive Income	-	-	72.00	-	-	72.00	-
Contribution to SGF	(2,503.17)	(30.11)	-	-	-	(2,503.17)	(30.11)
Share issue expenses	-	-	-	-	-	-	-
Other Comprehensive Income	-	-	-	(9.25)	(0.11)	(9.25)	(0.11)
Balance as at 31.03.2024	(10,034.35)	(132.67)	1,097.76	(12.95)	(0.16)	(8,949.54)	(132.82)
Balance as at 01.04.2024	(10,034.35)	(132.67)	1,097.76	(12.95)	(0.16)	(8,949.54)	(132.82)
Profit /(Loss) for the year	(513.37)	(6.06)	-	-	-	(513.37)	(6.06)
Changes in Foreign Currency Translation Reserve through Other Comprehensive Income	-	-	315.54	-	-	315.54	-
Contribution to SGF	(5,266.36)	(62.75)	-	-	-	(5,266.36)	(62.75)
Share issue expenses	-	-	-	-	-	-	-
Other Comprehensive Income	-	-	-	0.15	0.00	0.15	0.00
Balance as at 31.03.2025	(15,814.08)	(201.48)	1,413.30	(12.80)	(0.16)	(14,413.58)	(201.62)



NSE IFSC CLEARING CORPORATION LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

- 12 As per International Financial Services Centres Authority (Market Infrastructure Institutions) Regulations, 2021 notified on 12th April 2021 Regulation-31 on Settlement Guarantee Fund:
- (1) A recognised clearing corporation shall establish and maintain a Settlement Guarantee Fund to guarantee the settlement of trades executed on a stock exchange.
 - (2) The fund shall have a corpus equivalent to at least the minimum required corpus as arrived at from the monthly stress test value or USD 1 million, whichever is higher.
 - (3) In the event of a recognised clearing member failing to honour its settlement obligations, the fund shall be utilized to complete such settlement.
 - (4) The corpus of the fund shall be adequate to meet the settlement obligations arising on account of failure of clearing member(s).
 - (5) The sufficiency of the corpus of the fund shall be tested by way of periodic stress tests, in the manner specified by the Authority.
 - (6) A recognised clearing corporation shall evolve a detailed framework for the settlement guarantee fund, subject to approval of the Authority.

Details of Settlement Guarantee Fund (SGF) are as follows :

	As at 31.03.2025 (Rs. in Lakhs)	As at 31.03.2025 (USD in Lakhs)	As at 31.03.2024 (Rs. in Lakhs)	As at 31.03.2024 (USD in Lakhs)
Company's Own contribution & Interest received on Investments*	9,412.31	109.98	3,688.64	44.24
Penalty collected from members	10.63	0.12	7.83	0.09
Interest accrued on SGF Fixed Deposits*	244.05	2.85	128.64	1.54
Total	9,666.99	112.96	3,825.11	45.87

* During the year ended March 31, 2025, Company's own contribution includes contributions of Rs. 5266.36 lakhs (USD 62,74,602.12) (Rs. 2503.17 lakhs (USD 30,10,800)) made during previous year 2023-24), Interest accrued on SGF Fixed Deposits of Rs. 244.05 Lakhs (USD 2.85) (Rs. 128.64 lakhs (USD 1.54 lakhs) in previous year 2023-24) and balance movement in INR amounts is on account of currency fluctuation.

	As at 31.03.2025 (Rs. in Lakhs)	As at 31.03.2025 (USD in Lakhs)	As at 31.03.2024 (Rs. in Lakhs)	As at 31.03.2024 (USD in Lakhs)
13 Provision (Non Current)				
Employee benefits obligation				
Provision for Gratuity	57.11	0.67	47.84	0.57
Provision for variable pay and other allowances	2.91	0.03	-	-
Total	60.02	0.70	47.84	0.57

	As at 31.03.2025 (Rs. in Lakhs)	As at 31.03.2025 (USD in Lakhs)	As at 31.03.2024 (Rs. in Lakhs)	As at 31.03.2024 (USD in Lakhs)
14 Trade Payable				
Trade Payable to Micro and Small Enterprises (Refer Note No. 27)	10.03	0.12	10.93	0.13
Trade Payable to other than Micro and Small Enterprises	256.81	3.00	102.81	1.26
Trade Payable to Related Party (Refer Note No. 37)	13.06	0.16	185.75	2.12
Total	279.90	3.28	299.50	3.51
Payable to Related Party				
National Stock Exchange of India Limited	12.62	0.15	8.59	
NSE Clearing Limited	-	-	14.62	0.18
NSE IT Limited	-	-	159.66	1.91
NSE Indices Limited	-	-	2.89	0.03
NSE IFSC Limited	-	-	-	-
Cogencies	0.45	0.01	-	-
Total	13.06	0.16	185.75	2.12

Trade Payables Ageing

Particulars	Trade Payable Aging Schedule as on 31.03.2025 (Rs in Lakhs)						
	Outstanding for following periods from due date of payment						
	Unbilled	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	8.31	1.31	0.40				10.03
(ii) Others	258.11	-	11.77				269.87
(iii) Disputed Dues - MSME							-
(iv) Disputed Dues - Others							-

Trade Payables Ageing

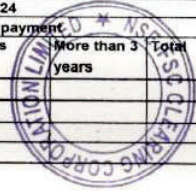
Particulars	Trade Payable Aging Schedule as on 31.03.2025 (USD in Lakhs)						
	Outstanding for following periods from due date of payment						
	Unbilled	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	0.10	0.02	0.00	-	-	-	0.12
(ii) Others	3.02	-	0.14	-	-	-	3.15
(iii) Disputed Dues - MSME							-
(iv) Disputed Dues - Others							-

Trade Payables Ageing

Particulars	Trade Payable Aging Schedule as on 31.03.2024 (Rs in Lakhs)						
	Outstanding for following periods from due date of payment						
	Unbilled	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	5.76	1.31	3.86				10.93
(ii) Others	252.53	-	30.81	5.25			288.59
(iii) Disputed Dues - MSME							-
(iv) Disputed Dues - Others							-

Trade Payables Ageing

Particulars	Trade Payable Aging Schedule as on 31.03.2024 (USD in Lakhs)						
	Outstanding for following periods from due date of payment						
	Unbilled	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	0.07	0.02	0.05	-			0.13
(ii) Others	3.02	-	0.37	0.06			3.46
(iii) Disputed Dues - MSME							-
(iv) Disputed Dues - Others							-



NSE IFSC CLEARING CORPORATION LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

	As at 31.03.2025	As at 31.03.2025	As at 31.03.2024	As at 31.03.2024
	(Rs. in Lakhs)	(USD in Lakhs)	(Rs. in Lakhs)	(USD in Lakhs)
15 Deposits (Unsecured- Current)				
Security Deposit from Clearing Members	1,429.21	16.70	1,313.22	15.75
Security Deposit from Clearing Banks	1,797.21	21.00	750.37	9.00
Total	3,226.42	37.70	2,063.59	24.75
	As at 31.03.2025	As at 31.03.2025	As at 31.03.2024	As at 31.03.2024
	(Rs. in Lakhs)	(USD in Lakhs)	(Rs. in Lakhs)	(USD in Lakhs)
16 Other Financial Liabilities (Current)				
Margins From Members	4,675.92	54.64	182.70	2.19
Other liabilities	0.53	0.01	3.47	0.04
Total	4,676.45	54.65	186.17	2.23
	As at 31.03.2025	As at 31.03.2025	As at 31.03.2024	As at 31.03.2024
	(Rs. in Lakhs)	(USD in Lakhs)	(Rs. in Lakhs)	(USD in Lakhs)
17 Provision (Current)				
Provisions for Leave encashment	81.28	0.95	17.70	0.21
Provision for Gratuity	12.85	0.15	4.07	0.05
Provision for variable pay and other allowances	174.80	2.04	120.01	1.44
Bonus Payable	0.34	0.00	-	-
Total	269.27	3.14	141.78	1.70
	As at 31.03.2025	As at 31.03.2025	As at 31.03.2024	As at 31.03.2024
	(Rs. in Lakhs)	(USD in Lakhs)	(Rs. in Lakhs)	(USD in Lakhs)
18 Other Current liabilities				
Statutory Dues Payable	80.87	0.94	89.59	1.07
Income received in advance	-	-	1.55	0.02
Advance against Salary to Employee	-	-	-	-
Total	80.87	0.94	91.14	1.09



NSE IFSC CLEARING CORPORATION LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

19 Income from Operations

	For the year ended 31.03.2025 (Rs in Lakhs)	For the year ended 31.03.2025 (USD in Lakhs)	For the year ended 31.03.2024 (Rs in Lakhs)	For the year ended 31.03.2024 (USD in Lakhs)
Clearing Settlement Charges-NSE IFSC	1,701.86	20.11	1,070.17	12.92
Annual Membership Fees	158.35	1.87	71.60	0.86
Member Application Fees	1.27	0.02	1.24	0.02
Total	1,861.48	22.00	1,143.01	13.80

Major Customer

Revenue from one major customer (related party) is Rs 1701.86 Lakhs (USD 20.11Lakhs) (PY Rs 1070.17 Lakhs - USD 12.92 Lakhs) which is more than 10 % of the total revenue of the company

	For the year ended 31.03.2025 (Rs in Lakhs)	For the year ended 31.03.2025 (USD in Lakhs)	For the year ended 31.03.2024 (Rs in Lakhs)	For the year ended 31.03.2024 (USD in Lakhs)
Revenue Recognised				
Point in time	1,861.48	22.00	1,143.01	13.80
Over the time	-	-	-	-
Total	1,861.48	22.00	1,143.01	13.80

20 Other Income

	For the year ended 31.03.2025 (Rs in Lakhs)	For the year ended 31.03.2025 (USD in Lakhs)	For the year ended 31.03.2024 (Rs in Lakhs)	For the year ended 31.03.2024 (USD in Lakhs)
Interest income on bank deposits	846.05	10.00	522.62	6.31
Interest on Income Tax Refund	-	-	-	-
Scrap Sale	0.10	0.00	-	-
Profit / Loss of Exchange Fluctuation	-	-	-	-
Total	846.15	10.00	522.62	6.31

21 Employee benefits expense

	For the year ended 31.03.2025 (Rs in Lakhs)	For the year ended 31.03.2025 (USD in Lakhs)	For the year ended 31.03.2024 (Rs in Lakhs)	For the year ended 31.03.2024 (USD in Lakhs)
Salaries, wages and bonus	854.66	10.10	529.12	6.39
Contribution to provident and other fund	33.69	0.40	15.80	0.19
Staff welfare Expenditure	23.25	0.27	10.68	0.13
Total	911.60	10.77	555.60	6.71

22 Technology Expenses

	For the year ended 31.03.2025 (Rs in Lakhs)	For the year ended 31.03.2025 (USD in Lakhs)	For the year ended 31.03.2024 (Rs in Lakhs)	For the year ended 31.03.2024 (USD in Lakhs)
Repairs & Maintenance - Computers	1,031.06	12.18	645.53	7.80
Software expenses	103.14	1.22	192.77	2.33
Total	1,134.20	13.40	838.30	10.13

23 Other expenses

	For the year ended 31.03.2025 (Rs in Lakhs)	For the year ended 31.03.2025 (USD in Lakhs)	For the year ended 31.03.2024 (Rs in Lakhs)	For the year ended 31.03.2024 (USD in Lakhs)
Bank Guarantee Commission	145.88	1.72	122.47	1.48
Fees and Subscription	71.32	0.84	194.33	2.35
Professional Fees	147.08	1.74	78.39	0.95
Director Sitting Fees	113.56	1.34	99.08	1.20
Repairs & Maintenance - Building	17.09	0.20	11.24	0.14
Electricity expenses	20.48	0.24	11.88	0.14
Travelling Expense	75.80	0.90	54.57	0.66
Profit / Loss of Exchange Fluctuation	1.55	0.02	-	-
Payment to auditors	4.37	0.05	4.45	0.05
Recruitment Expenses	1.70	0.02	15.10	0.18
Other Expenses	59.59	0.70	40.98	0.49
Loss on Scrap Sale of Assets	-	-	5.10	0.06
Total	658.42	7.77	637.59	7.70

Note :

Payment to Auditor

As Auditor

Statutory audit 2.50 0.03 3.50 0.04
Limited review for quarterly yearly result 1.20 0.01 0.30 -

In other Capacity

Certification Matters 0.50 0.01 0.50 0.01
Out of Pocket 0.17 0.00 0.15 -
Total 4.37 0.05 4.45 0.05



NSE IFSC CLEARING CORPORATION LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

24 Earnings per share

Basic earnings per share are computed by dividing profit or loss attributable to equity shareholders of

Particulars	For the Year Ended 31st March 2025		For the year ended 31st March 2024	
	(Rs. Lakhs)	(USD Lakhs)	(Rs. Lakhs)	(USD Lakhs)
Profit attributable to the equity holders of the company used in calculating basic earnings per share and diluted earnings per share				
Profit / (Loss) Before Tax	(513.37)	(6.06)	(839.62)	(10.14)
Tax on above	-	-	-	-
Profit / (Loss) After Tax for the year	(513.37)	(6.06)	(839.62)	(10.14)
Weighted average number of equity shares used as the denominator in calculating basic and diluted earnings per share	25,00,00,000	25,00,00,000	17,33,87,978	17,33,87,978
Earnings per equity share (basic and diluted) (Rs./ USD)	(0.21)	(0.00)	(0.48)	(0.01)

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.

25 Deputed Personal Cost

Salaries, Wages & Allowances also includes the deputation expenses in respect of the employees of National Stock Exchange of India Limited (NSEIL), NSE Clearing Limited and NSE Indices Limited.

26 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Company. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the MD & CEO of the Company. The Company operates only in one Business Segment i.e. operations comprise of only facilitating Clearing & Settlement in securities and the activities incidental thereto within India or global, hence does not have any reportable Segments as per Indian Accounting Standard 108 "Operating Segments".

27 Trade payables include outstanding amounts of Rs. 10.03 Lakhs (USD 0.12 Lakhs) (Previous Year (March 24): Rs. 10.93 Lakhs (USD 0.13 Lakhs) (including interest of Rs. Nil, (Previous Year Rs. Nil) payable to Micro, Small & Medium Enterprises. Total outstanding dues to Micro, Small & Medium Enterprises have been determined to the extent such parties have been identified on the basis of information available with the Company.

28 As at March 31, 2025 the Company does not have any pending litigations which would impact its financial position. (Previous Year Nil)

29 a) In accordance with relevant provisions of Companies Act, 2013, the Company did not have any long-term contracts including derivative contracts as at March 31, 2025. (Previous Year Nil)

b) There is Rs. Nil (PY Rs. Nil) Loans, Guarantees, Investments under section 186 of the Companies Act, 2013 or in nature of loans granted to promoters, directors, KMPs and the related parties.

30 For the period April 24 to March 25 the company is not required to transfer any amount into the Investor Education & Protection Fund as required under relevant provisions of the Companies Act, 2013. (Previous Year Nil)

31 The Company's tax jurisdiction is India. The Company is eligible for deduction u/s 80LA of the Income Tax Act, 1961 from its business income of an amount equal to 100% of such income for any 10 consecutive assessment years out of 15 years, beginning with the assessment year relevant to the previous year in which SEBI permission was granted. Accordingly, the benefit u/s 80LA of the Act of 100% deduction of business profit is available for any 10 consecutive years from the AY 2017-18 to AY 2031-32. Deferred tax asset is recognised based on reasonable certainty.

32 Pursuant to MCA Notification dated January 04, 2017, Section 135 - Corporate Social Responsibility of Companies Act 2013, shall not apply for a period of five years from the commencement of business of a specified IFSC public company. The Company has incurred losses in current year and in the immediately preceding financial year. The net worth and turnover of the Company as on March 31, 2025 and in the immediately preceding financial year does not trigger the limit of CSR as specified under Section 135 of the Companies Act, 2013. Accordingly, Section 135 is not applicable to the company for the financial year 2024-25.

33 During the FY 2020-21, National Stock Exchange (NSE) and Singapore Stock Exchange (SGX) had entered into a collaboration agreement to cement the key terms for operationalising the NSE IFSC-SGX Connect which will bring together international and Gujarat International Finance Tec City (GIFT) participants to create a bigger liquidity pool for Nifty Products in Gift City and to develop the infrastructure for the connect and ensure member readiness prior to its implementation. Further the Company on March 28, 2022 has entered into an operational agreement with SGX India Connect IFSC Private Limited, Singapore Exchange Derivatives Clearing Limited (SGX DC) and NSE IFSC Limited to operationalise the NSE IFSC-SGX Connect. As per this operational agreement, Company is required to provide collateral to SGX-DC for the due performance by the Company of its clearing obligations in respect of the trades placed by SGX-SPV on NSE IFSC. For this Company has availed Bank Guarantee facility from Standard Chartered Bank to the tune of USD 50 million upto March 31, 2025. In respect of this National Stock Exchange of India Limited (The Ultimate Holding Company) has provided Corporate Guarantee to Standard Chartered Bank for USD 50 million.

34 The Company received Show Cause Notice (SCN) on 21.10.2022 for non-achievement of positive Net Foreign Exchange (NFE) during the first block of five years as one on the condition for Letter of Approval (LOA) issued by SEZ Authority. The Development Commissioner after considering the Company's submissions and personal hearing, passed an order dated 22.05.2023 levying a nominal penalty of Rs.10,000/- (USD 121.32) SEZ (Second Amendment) Rules, 2023 dated 27.04.2023 has now exempted entities in IFSC from applicability of provisions of positive NFE and the Development Commissioner has taken cognizance of the same while passing the said order. Based, on the above facts and circumstances and in view of expiring of LOA on June 01, 2023, the Company has made a payment of Rs. 10,000/- (USD 121.32) towards penalty and filed an appeal with the office of Director General of Foreign Trade (New Delhi) on May 27, 2023. The same was intimated to the Sr. Development Commissioner on May 29, 2023. Basis the intimation about the appeal against the order, the SEZ authority has extended LOA for continued operation under the SEZ-scheme for a period of four years till June 01, 2027.

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



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

36 i) **Employee Benefits**

- (i) **Provident Fund:** The company is registered with Regional Provident Fund Office, Naroda, Ahmedabad, and both the employee and the employer make monthly contribution equal to 12% of the employee's basic salary respectively.
- (ii) **Superannuation:** Superannuation benefits for employees designated as chief managers and above are covered by group policies with the Life Insurance Corporation of India maintained by the Ultimate Holding Company. The contribution for the year is reimbursed to the Ultimate holding company is charged to revenue. There are no other obligations other than the annual contribution payable.
- (iii) **Gratuity:** Provisions are made for the defined benefit with respect to gratuity liability based on the present value of defined benefit obligation as reduced by the fair value of plan assets as per the actuarial valuation calculation.
- (iv) **Leave Encashment:** Liability on account of Leave encashment is provided based on Actuarial Valuation at Balance Sheet date.
- (v) Short term employee benefits are charged to revenue in the year in which the related service is rendered

Provision

	Long - term				Short - term			
	31.03.2025		31.03.2024		31.03.2025		31.03.2024	
	(Rs. In lakhs)	(USD In lakhs)	(Rs. In lakhs)	(USD In lakhs)	(Rs. In lakhs)	(USD In lakhs)	(Rs. In lakhs)	(USD In lakhs)
Provision for employee benefits								
Medical benefits			-	-			-	-
Provision for Leave Travel allowance			-	-	5.85	0.07	5.36	0.06
Provision for gratuity	55.84	0.65	47.73	0.57	12.75	0.15	3.63	0.04
Provision for Leave encashment	-	-	-	-	80.74	0.94	17.55	0.21
	55.84	0.65	47.73	0.57	99.33	1.16	26.54	0.32

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

i) **Defined Benefit Plan :**

- a) **Provident Fund & Pension Fund:** Company has contributed Rs. 20.57 lakhs (USD 0.25 Lakhs) (Previous Year Rs.13.46 lakhs (USD 0.16 Lakhs)) towards Provident Fund and Rs. 2.28 lakhs (USD 0.03 Lakhs) (Previous Year Rs. 1.59 lakhs (USD 0.02 Lakhs)) towards Pension Fund during the year ended March 31, 2025 to Employee Provident Fund Organisation.
- b) **Gratuity:** The company provides for gratuity for employees as per Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of Gratuity is payable on retirement/termination of the employee's last drawn basic salary per month multiplied for the number of years of service. The gratuity plan is a non funded plan and the company makes provision on the basis of Actuarial Valuation.



A Balance Sheet

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

	Current Year 31.03.2025 (Rs. In lakhs)	Current Year 31.03.2025 (USD in Lakhs)	Previous Year 31.03.2024 (Rs. In lakhs)	Previous Year 31.03.2024 USD in Lakhs)
Liability at the beginning of the year	51.35	0.62	6.21	0.07
Interest cost	3.69	0.04	0.46	0.01
Current Service Cost	13.69	0.16	3.83	0.05
Liability transferred	-	-	32.87	0.39
Benefits Paid	-	-	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	-	-	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	2.42	0.03	0.66	0.01
Actuarial (Gains)/Losses on Obligations - Due to Experience	(2.57)	(0.03)	7.33	0.09
Liability at the end of the year	68.59	0.82	51.35	0.62

- (ii) The amounts recognised in the balance sheet and the movements in the fair value of plan assets over the year are as follows:

	Current Year 31.03.2025 (Rs. In lakhs)	Current Year 31.03.2025 (USD in Lakhs)	Previous Year 31.03.2024 (Rs. In lakhs)	Previous Year 31.03.2024 USD in Lakhs)
Fair Value of plan assets at the beginning of the year	-	-	-	-
Interest Income	-	-	-	-
Expected return on plan assets	-	-	-	-
Contributions	-	-	-	-
Transfer from other company	-	-	-	-
Benefits paid	-	-	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	-	-	-	-
Fair Value of plan assets at the end of the year	-	-	-	-

- (iii) The net liability disclosed above relates to funded plans are as follows:

	Current Year 31.03.2025 (Rs. In lakhs)	Current Year 31.03.2025 (USD in Lakhs)	Previous Year 31.03.2024 (Rs. In lakhs)	Previous Year 31.03.2024 USD in Lakhs)
Fair value of plan assets as at the end of the year			-	
Liability as at the end of the year	(68.59)	(0.82)	(51.35)	(0.62)
Net (liability) / asset	(68.59)	(0.82)	(51.35)	(0.62)

- (iv) Balance Sheet Reconciliation

	Current Year 31.03.2025 (Rs. In lakhs)	Current Year 31.03.2025 (USD in Lakhs)	Previous Year 31.03.2024 (Rs. In lakhs)	Previous Year 31.03.2024 USD in Lakhs)
Opening Net Liability	51.35	0.62	6.21	0.08
Expenses Recognized in Statement of Profit or Loss	17.38	0.20	4.29	0.05
Expenses Recognized in OCI	(0.15)	(0.00)	7.99	0.10
Net (Liability)/Asset Transfer in	-	-	32.87	0.39
Benefit paid by the Company	-	-	-	-
Employers Contribution	-	-	-	-
Amount recognised in the Balance Sheet	68.59	0.82	51.35	0.62



B Statement of Profit & Loss**(i) Net Interest Cost for Current Period**

	Current Year 31.03.2025 (Rs. In lakhs)	Current Year 31.03.2025 (USD in Lakhs)	Previous Year 31.03.2024 (Rs. In lakhs)	Previous Year 31.03.2024 USD in Lakhs)
Interest Cost	3.69	0.04	0.46	0.01
Interest Income	-	-	-	-
Net Interest Cost for Current Period	3.69	0.04	0.46	0.01

(ii) Expenses recognised in the Statement of Profit & Loss

	Current Year 31.03.2025 (Rs. In lakhs)	Current Year 31.03.2025 (USD in Lakhs)	Previous Year 31.03.2024 (Rs. In lakhs)	Previous Year 31.03.2024 USD in Lakhs)
Current Service cost	13.69	0.16	3.83	0.05
Net Interest Cost	3.69	0.04	0.46	0.01
Expenses recognised in the Statement of Profit & Loss	17.38	0.20	4.29	0.05

(iii) Expenses recognised in the Other Comprehensive Income

	Current Year 31.03.2025 (Rs. In lakhs)	Current Year 31.03.2025 (USD in Lakhs)	Previous Year 31.03.2024 (Rs. In lakhs)	Previous Year 31.03.2024 USD in Lakhs)
Expected return on plan assets	-	-	-	-
Actuarial (Gain) or Loss	(0.15)	(0.00)	7.99	0.10
Net (Income)/Expense for the Period Recognized in OCI	(0.15)	(0.00)	7.99	0.10

C Fair value of plan assets at the Balance Sheet Date for defined benefit obligations

	Current Year 31.03.2025 (Rs. In lakhs)	Current Year 31.03.2025 (USD in Lakhs)	Previous Year 31.03.2024 (Rs. In lakhs)	Previous Year 31.03.2024 USD in Lakhs)
Insurer Managed Funds	-	-	-	-
Total	-	-	-	-

D Sensitivity Analysis

	Current Year 31.03.2025 (Rs. In lakhs)	Current Year 31.03.2025 (USD in Lakhs)	Previous Year 31.03.2024 (Rs. In lakhs)	Previous Year 31.03.2024 USD in Lakhs)
Projected Benefit Obligation on Current Assumptions	68.59	0.82	51.35	0.62
Delta Effect of +1% Change in Rate of Discounting	(4.37)	(0.05)	(3.13)	(0.04)
Delta Effect of -1% Change in Rate of Discounting	4.90	0.06	3.51	0.04
Delta Effect of +1% Change in Rate of Salary Increase	4.70	0.05	3.39	0.04
Delta Effect of -1% Change in Rate of Salary Increase	(4.28)	(0.05)	(3.08)	(0.04)
Delta Effect of +1% Change in Rate of Employee Turnover	(1.29)	(0.02)	(0.85)	(0.01)
Delta Effect of +1% Change in Rate of Employee Turnover	1.39	0.02	0.92	0.01

E Maturity Analysis

Projected Benefit payable in Future Years from the date of reporting	Current Year 31.03.2025 (Rs. In lakhs)	Current Year 31.03.2025 (USD in Lakhs)	Previous Year 31.03.2024 (Rs. In lakhs)	Previous Year 31.03.2024 USD in Lakhs)
1st Following Year	12.75	0.15	3.61	0.04
2nd Following Year	5.37	0.06	6.47	0.08
3rd Following Year	6.38	0.07	4.57	0.05
4th Following Year	6.56	0.08	4.87	0.06
5th Following Year	6.54	0.08	4.80	0.06
Sum of Years 6 to 10	32.64	0.38	24.06	0.29

F Significant actuarial assumptions are as follows:

	Current Year 31.03.2025	Previous Year 31.03.2024		
Discount Rate	6.65%	7.19%		
Rate of Return on Plan Assets	N.A.	N.A.		
Salary Escalation	10.00%	10.00%		
Mortality Rate	12.00%	12.00%		



Related Party

In compliance with Ind AS 24 - "Related Party Disclosures", as notified under Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Amendment Rules required disclosures are given in the table below:

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

Sr. No.	Related Party	Nature of Relationship
1	National Stock Exchange of India Limited	The Ultimate Holding Company
2	NSE Clearing Limited	Holding Company
3	NSE Investments Limited	Fellow Subsidiary of Holding Company
4	NSE IFSC Limited	Fellow Subsidiary of Holding Company
5	NSEIT Limited (Upto 20th February 2025)	Fellow Subsidiary's Subsidiary of Holding Company
6	NSE Data and Analytics Limited	Fellow Subsidiary's Subsidiary of Holding Company
7	NSE Indices Limited	Fellow Subsidiary's Subsidiary of Holding Company
8	NSE Infotech Services Limited*	Fellow Subsidiary's Subsidiary of Holding Company (Under Liquidation)
9	NSE Academy Limited	Fellow Subsidiary's Subsidiary of Holding Company
10	NSE.IT (US) Inc. (Upto 30th Septmeber, 2024)	Fellow Subsidiary's Subsidiary's Subsidiary of Holding Company
11	Aujas Cybersecurity Limited (Upto 27th	Fellow Subsidiary's Subsidiary's Subsidiary of Holding Company
12	CXIO Technologies Private Limited (Upto 26th	Fellow Subsidiary's Subsidiary's Subsidiary of Holding Company
13	Talentsprint Private Limited	Fellow Subsidiary's Subsidiary's Subsidiary of Holding Company
14	TalentSprint Inc.	Fellow Subsidiary's Subsidiary's Subsidiary's Subsidiary of Holding Company
15	NSE Foundation	Fellow Subsidiary of Holding Company
16	National Securities Depository Limited	Associate Company of Ultimate Holding Company
17	NSDL Database Management Limited	Ultimate Holding Company's Associate Company's Subsidiary
18	Protean eGov Technologies Limited (Upto 25th	Ultimate Holding company's Subsidiary's Associate
19	BFSI Sector Skill Council of India	Associate of the Ultimate Holding Company
20	Power Exchange India Limited	Ultimate Holding company's Subsidiary's Associate
21	Market Simplified India Limited	Ultimate Holding company's Subsidiary's Associate
22	Receivables Exchange Of India Limited	Ultimate Holding company's Subsidiary's Associate
23	Indian Gas Exchange Limited	Ultimate Holding Company's Subsidiary's Associate
24	Cogencis Information Services Limited	Fellow Subsidiary's Subsidiary's Subsidiary of Holding Company
25	Capital Quants Solutions Private Limited	Ultimate Holding Company's Subsidiary's Subsidiary's Associate
26	India International Bullion Holding IFSC Ltd	Ultimate Holding Company's Associate Company
27	India International Bullion Exchange IFSC Ltd	Ultimate Holding Company's Associate Company's Subsidiary Company (w.e.f. 17-08-2021)
28	NSE Administration & Supervision Limited	Fellow Subsidiary of Holding Company
29	NSE Sustainability & Rating & Analytics Limited	Fellow Subsidiary's Subsidiary's Subsidiary of Holding Company
30	NSDL Payments Bank Limited	Ultimate Holding Company's Associate Company's Subsidiary
31	India International Depository IFSC Limited	Ultimate Holding Company's Associate Company's Subsidiary
32	Mr. Mukesh Agarwal	Key Managerial Personnel (Till July 25,2024)
33	Mr. Kapil Seth	Key Managerial Personnel
34	Mr. K Kumar	Key Managerial Personnel
35	Mr. Kamalakar Karlapalem	Key Managerial Personnel
36	Ms Vashudha Mishra	Key Managerial Personnel (w.e.f May 03,2024)
37	Mr. Neeraj Kulshrestha	Key Managerial Personnel
38	Mr Piyush Chourasia	Key Managerial Personnel (w.e.f August 30,2024)



NSE IFSC CLEARING CORPORATION LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

(b) Details of transaction with parties are as follows :					
Name of the Related Party	Nature of Transactions	For the Year ended 31.03.2025 (Rs. In lakhs)	For the Year ended 31.03.2025 (USD In lakhs)	For the year ended 31.03.2024 (Rs. In lakhs)	For the year ended 31.03.2024 (USD In lakhs)
NSE Clearing Limited	Contribution towards Equity Share Capital	-	-	16,000.00	191.91
	Reimbursement for other expenses incurred				
	Transfer of Assets				
	Reimbursement of expenses for staff on deputation paid / payable	0.15	0.00	32.80	0.39
	Outstanding balance included in Other Advance Receivable (Net)	-	-	18.79	0.23
National Stock Exchange of India Limited (NSEIL)	Reimbursement of expenses for staff on deputation paid / payable	(3.22)	(0.04)	(9.60)	(0.12)
	Reimbursement for other expenses incurred	6.22	0.07	11.48	0.14
	Logo Sharing Charges	18.16	0.21	11.43	0.14
	Transfer of Assets	1.98	0.02	7.21	0.09
	Outstanding balance included in Trade Payables (Net)	(9.77)	(0.11)	(6.16)	(0.07)
NSE IFSC Limited	Reimbursement for other expenses incurred		-	-	-
	Reimbursement of expenses for staff on deputation received	0.17	0.00		
	Clearing & Settlement Income	1,701.86	20.11	1,070.17	12.92
	Sharing of Common Costs (NSE IX to NSEICC)	160.08	1.89	24.46	0.29
	Sharing of Common Costs (NSEICC to NSEIX)	55.52	0.66		
	Transfer of Assets				
	Outstanding balance included in Trade receivables (Net)	59.64	0.70	104.11	1.25
NSE IT Limited	Payment for Software Support Services	86.26	1.02	307.57	3.69
	Payment for Application Development Management Services	166.86	1.97	322.92	3.87
	Outstanding balance included in Trade Payables	-	-	(159.66)	(1.91)
NSE Indices Limited	Reimbursement of expenses for staff on deputation paid / payable	0.14	0.00	4.84	0.06
	Reimbursement for other expenses incurred	-	-	0.91	0.01
	Outstanding balance included in Trade Payables	-	-	(2.89)	(0.03)
Cogencis Information Services Limited	Payment for Terminal subscription fees	8.08	0.10	7.49	0.09
	Prepaid for Terminal subscription fees	0.50	0.01	2.50	0.03
	Outstanding balance included in Trade Payables	0.45	0.01	-	-
NSDL Database Management Limited	Payment for services	0.05	0.00	0.05	-
	Outstanding balance included in Trade Payables	-	-	-	-
National Securities Depository Limited	Payment for services	0.75	0.01	2.17	0.03
	Outstanding balance included in Trade Payables	-	-	-	-
Aujas Cybersecurity Limited	Payment for services	9.53	0.11	-	-
	Outstanding balance included in Trade Payables	-	-	-	-
Ms Vasudha Mishra	Sitting fees	22.50	0.27	-	-
Mr. Kapil Seth	Sitting fees	25.75	0.30	31.48	0.38
Mr. K Kumar	Sitting fees & Reimbursement of Expenses	23.59	0.28	27.12	0.33
Mr. Kamalakar Kartapalem	Sitting fees & Reimbursement of Expenses	25.01	0.30	25.51	0.31
Mr. Neeraj Kulshrestha #	Gross Remuneration including allowances, non-cash perquisites and contribution to Provident Fund and Superannuation Fund etc.	198.52	2.32	100.51	1.21

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.
Note : Amounts in INR disclosed in related party transactions above are excluding currency fluctuation impact.



38 Capital and other commitments

	As at 31.03.2025 (Rs. in Lakhs)	As at 31.03.2025 (USD in Lakhs)	As at 31.03.2024 (Rs. in Lakhs)	As at 31.03.2024 (USD in Lakhs)
Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided	-	-	8.88	0.11
Other Commitments on revenue account	39.07	0.48	210.70	2.58
	39.07	0.48	219.58	2.69

39 Contingent liability

	As at 31.03.2025 (Rs. in Lakhs)	As at 31.03.2025 (USD in Lakhs)	As at 31.03.2024 (Rs. in Lakhs)	As at 31.03.2024 (USD in Lakhs)
Contingent Liabilities	-	-	-	-
	-	-	-	-

40 Lease :

(i) Amounts recognised in balance sheet

Particulars	As at 31.03.2025 (Rs. in Lakhs)	As at 31.03.2025 (USD in Lakhs)	As at 31.03.2024 (Rs. in Lakhs)	As at 31.03.2024 (USD in Lakhs)
Right-of-use-assets				
Buildings	75.59	0.88	81.45	0.96
Total	75.59	0.88	81.45	0.96

Particulars	As at 31.03.2025 (Rs. in Lakhs)	As at 31.03.2025 (USD in Lakhs)	As at 31.03.2024 (Rs. in Lakhs)	As at 31.03.2024 (USD in Lakhs)
Lease liabilities				
Current	5.98	0.07	4.85	0.05
Non Current	105.13	1.23	108.16	1.31
Total	111.12	1.30	113.01	1.36

(ii) Amounts recognised in the Statement of Profit and Loss

Particulars	As at 31.03.2025 (Rs. in Lakhs)	As at 31.03.2025 (USD in Lakhs)	As at 31.03.2024 (Rs. in Lakhs)	As at 31.03.2024 (USD in Lakhs)
Depreciation charge of Right-of-use assets				
Buildings	7.93	0.09	7.93	0.10
Total	7.93	0.09	7.93	0.10

Particulars	As at 31.03.2025 (Rs. in Lakhs)	As at 31.03.2025 (USD in Lakhs)	As at 31.03.2024 (Rs. in Lakhs)	As at 31.03.2024 (USD in Lakhs)
Interest expenses	8.47	0.10	8.86	0.10
Total	8.47	0.10	8.86	0.10



NSE IFSC CLEARING CORPORATION LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

41 Notes on Additional Regulatory Information required by Schedule III

- (i) **Willful Defaulter**
The Company has not been declared willful defaulter by any bank or financial institutions or government or any government authority.
- (ii) **Relationship with struck off Companies**
The Company has no transactions with the companies struck off under the Companies Act, 2013.
- (iii) **Compliance with approved scheme(s) of arrangements**
The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.
- (iv) **Utilisation of Borrowed funds and Share premium**
No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds by the Company to or in any other
- (v) **Undisclosed Income**
There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been
- (vi) **Details of crypto currency of virtual currency**
The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.
- (vii) **Valuation of PP&E, intangible asset and investment property**
The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets during the current or previous year.
- (viii) **Registration of charges or satisfaction with Registrar of Companies**
There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.
- (ix) **Details of Benami Property held**
No proceedings have been initiated on or are pending against the company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)
- (x) **Title deeds of immovable properties not held in name of the company**
There are no immovable properties held in name of the company.
- (xi) **Borrowing secured against current assets**
The Company doesn't have any borrowings from banks and / or financial institutions
- (xii) **Compliance with number of layers of companies**
The Company has complied with the number of layers prescribed under the Companies Act, 2013.
- (xiii) **Core Investment Company (CIC)**
The Group has one subsidiary company namely NSE Investments Ltd which is a deemed CIC and is not required to be registered with RBI as per the directions laid down in Core Investment Companies (Reserve Bank) Directions, 2016. There are no other CIC in the group.
- (xiv) **Loans or advances to specified persons**
The Company has not granted any loans or advances to promoters, directors, KMPs and related parties either severally or jointly with any other person, that are:
(a) repayable on demand or
b) without specifying any terms or period for repayment.

(xii) Additional Regulatory Information - Analytical Ratios :

Sr No	Ratios	Numerator	Denominator	31.03.2025	31.03.2024	% Change	Reason for change in ratio for more than 25%
1	Current Ratio	Total Current Assets	Total Current Liabilities	1.41	3.59	-60.80%	Increase in Members Margin Money & deposits
2	Debt- Equity Ratio	Total Debt	Total Equity	NA	NA		
3	Debt Service Coverage Ratio	Earnings available for Debt Service	Debt Service	NA	NA		
4	Return on Equity	Net Profit / (Loss) after Tax	Average Shareholders Equity	-3.85%	-8.66%	-55.49%	Due to generation of operating revenue & increased interest on investment
5	Inventory Turnover Ratio	Cost of Goods sold or sales	Average Inventory	NA	NA		
6	Trade Receivables turnover ratio	Net Credit Sales	Average Accounts Receivable	22.72	10.97	107.14%	On account of increase in revenue
7	Trade payables turnover ratio	Net Credit Purchases	Average Trade Payable	6.48	3.77	71.99%	
8	Net Capital turnover ratio	Net Sales	Working Capital	0.35	0.16	119.79%	Increase in Revenue
9	Net Profit Ratio	Net Profit / (Loss)	Total Revenue	-18.96%	-50.41%	-62.39%	Increase in Revenue leading to reduction in losses
10	Return on Capital Employed	Earnings before interest & Taxes	Capital Employed	-5%	-9%	-44%	Due to increased Contribution to SQF
11	Return on Investment (in %)	Income generated from invested funds	Average invested funds in treasury investments	6.39%	3.12%	104.86%	Due to generation of operating revenue & increased interest on investment



42 Financial Risk Management

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

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

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

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

A. FINANCIAL INSTRUMENTS BY CATEGORY

	31-03-2025			31-03-2024		
	FVTPL	FVOCI	Amortised Cost	FVTPL	FVOCI	Amortised Cost
Financial Assets						
Fixed Deposits with Banks	-	-	14,072.64	-	-	19,392.68
Cash and Cash equivalents	-	-	5,783.17	-	-	1,683.39
Security deposits	-	-	10.01	-	-	9.23
Total Financial Assets	-	-	10,865.82	-	-	21,085.31
Financial Liabilities						
Trade payables	-	-	279.90	-	-	299.50
Deposits	-	-	3,226.42	-	-	2,063.59
Other liabilities	-	-	4,676.45	-	-	186.17
Total Financial Liabilities	-	-	8,182.77	-	-	2,549.26

	31-03-2025			31-03-2024		
	FVTPL	FVOCI	Amortised Cost	FVTPL	FVOCI	Amortised Cost
Financial Assets						
Fixed Deposits with Banks	-	-	164.44	-	-	232.60
Cash and Cash equivalents	-	-	67.58	-	-	20.19
Security deposits	-	-	0.12	-	-	0.11
Total Financial Assets	-	-	232.13	-	-	252.90
Financial Liabilities						
Trade payables	-	-	3.28	-	-	3.51
Deposits	-	-	37.70	-	-	24.75
Other liabilities	-	-	54.65	-	-	2.23
Total Financial Liabilities	-	-	95.62	-	-	30.49

B. MANAGEMENT OF LIQUIDITY RISK

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

The Company maintains a conservative funding and investment strategy, with a positive cash balance during the year ended March 31, 2025.

The Company's treasury department regularly monitors the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet operational needs. Any short term surplus cash generated over and above the amount required for working capital management and other operational requirements, is retained as cash equivalents (to the extent required), and excess is invested in interest bearing term deposits.

Particulars	Carrying amount	Payable on demand	(Rs. in lakhs)	
			Less than 12 Month	More than 12 months
As at 31.03.2025				
Trade payables	279.90	-	279.90	-
Deposits	3,226.42	3,226.42	-	-
Margins From Members	4,675.92	4,675.92	-	-
Other financial & current liabilities	410.69	329.28	81.40	-

Particulars	Carrying amount	Payable on demand	(USD in lakhs)	
			Less than 12 Month	More than 12 months
As at 31.03.2025				
Trade payables	3.28	-	3.28	-
Deposits	37.70	37.70	-	-
Margins From Members	54.64	54.64	-	-
Other financial & current liabilities	4.79	3.84	0.95	-

Particulars	Carrying amount	Payable on demand	(Rs. in lakhs)	
			Less than 12 Month	More than 12 months
As at March 31.03.2024				
Trade payables	299.50	-	299.50	-
Deposits	2,063.59	2,063.59	-	-
Margins From Members	182.70	182.70	-	-
Other financial & current liabilities	284.23	189.62	94.61	-

Particulars	Carrying amount	Payable on demand	(USD in lakhs)	
			Less than 12 Month	More than 12 months
As at March 31.03.2024				
Trade payables	3.51	-	3.51	-
Deposits	24.75	24.75	-	-
Margins From Members	2.19	2.19	-	-
Other financial & current liabilities	3.41	2.27	1.13	-



C. MANAGEMENT OF MARKET RISK

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

- price risk;
- foreign exchange risk and
- interest rate risk

The above risks may affect the Company's income and expenses, or the value of its financial instruments. The objective of the Company's management of market risk is to maintain this risk within acceptable parameters, while optimising returns.

D. CAPITAL MANAGEMENT

The Company considers the following components of its Balance Sheet to be managed capital:

Total equity (as shown in the balance sheet) – retained profit / (Loss), share capital.

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

International Financial Services Centres Authority has issued International Financial Services Centres Authority (Market Infrastructure Institutions) Regulations, 2021 on April 12, 2021. Regulation 14 of International Financial Services Centres Authority (Market Infrastructure Institutions) Regulations, 2021 requires the company to have net worth of at least USD 3 million at all times. Post enactment of the said regulation the Company is required to maintain net worth of USD 3 million and the company is in compliance of the same.

43 The Company does not have any long-term contracts for which there were any material foreseeable losses. The Company does not have any derivative contracts.

44 Previous year figures have been regrouped / reclassified wherever necessary to confirm to current period presentation.

As per our report of even date attached

For K. S. Aiyar & Co.
Chartered Accountants
ICAI Firm Registration No. 100186W

Sachin A. Negandhi

Sachin A. Negandhi
Partner
Membership No.: 112888

Place : Mumbai
Date : April 22, 2025

For and on behalf of the Board of Directors

Kumar Kanakasabapathy
Kumar Kanakasabapathy
Chairman
[DIN : 06632984]

Neeraj Kulshrestha
Neeraj Kulshrestha
Managing Director & CEO
[DIN : 02994647]

Hemal Davda
Hemal Davda
Chief Financial Officer

Kapil Seth
Kapil Seth
Director
[DIN:03596866]

Arjav Trivedi
Arjav Trivedi
Company Secretary

