

NATIONAL SECURITIES DEPOSITORY LIMITED
Statement of Standalone Financial Results for the Quarter and Six Months ended 30th September, 2019

(₹ in Lakh)

Sr. No.	Particulars	Quarter ended			Six months ended		Year ended
		30.09.2019	30.06.2019	30.09.2018	30.09.2019	30.09.2018	31.03.2019
		(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Unaudited)	(Audited)
1	Incomes						
	a. Revenue from operations	6,133.89	6,317.20	4,955.44	12,451.09	9,997.96	21,727.56
	b. Other income	1,160.81	797.07	906.40	1,957.88	1,835.54	4,297.73
	Total income	7,294.70	7,114.27	5,861.84	14,408.97	11,833.50	26,025.29
2	Expenses						
	a. Employee benefits expense	1,422.21	1,349.47	1,144.94	2,771.68	2,231.12	4,749.42
	b. Depreciation and amortisation expense	122.77	117.40	72.81	240.17	148.04	293.38
	c. Finance cost (Note 3)	3.14	3.52	-	6.66	-	-
	d. Contribution to Investor Protection Fund	132.35	146.59	107.84	278.94	194.53	429.11
	e. Other expenses	1,834.09	1,876.25	1,578.24	3,710.35	3,165.48	7,258.02
	Total expenses	3,514.56	3,493.23	2,903.83	7,007.80	5,739.17	12,729.93
3	Profit before tax (1 - 2)	3,780.14	3,621.04	2,958.01	7,401.17	6,094.33	13,295.36
4	Exceptional Items (Note 4)	-	-	-	-	807.88	807.88
5	Profit before tax (3 - 4)	3,780.14	3,621.04	2,958.01	7,401.17	5,286.45	12,487.48
6	Tax expenses						
	a. Current tax	756.34	904.55	736.30	1,660.89	1,307.39	2,992.23
	b. Deferred tax (Note 6)	7.94	2.16	(28.36)	10.10	(38.74)	(98.39)
	Tax expenses (a+b)	764.28	906.71	707.94	1,670.99	1,268.65	2,893.84
7	Net Profit after tax (5-6)	3,015.86	2,714.33	2,250.07	5,730.18	4,017.80	9,593.64
8	Other comprehensive Income (net of tax)	(15.57)	12.11	13.45	(3.46)	159.32	(52.97)
9	Total comprehensive income (7+8)	3,000.29	2,726.44	2,263.52	5,726.72	4,177.12	9,540.67
10	Basic and Diluted Earnings per share (₹) (*not annualised)	*7.54	*6.79	*5.63	*14.33	*10.04	23.98

NOTES :-

- The above financial results for the Quarter and Six months ended 30th September, 2019 have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 12th November, 2019. The financial results have been prepared in accordance with the recognition and measurement principles laid down in the Ind AS 34 Interim Financial Reporting prescribed under Section 133 of the Companies Act, 2013 read with the relevant Rules issued thereunder and the other accounting principles generally accepted in India.
- The Company's main business is to provide Depository services. All other activities revolve around the main business. As such, there are no separate reportable operating segments as per the stipulations of Indian Accounting Standards (Ind AS) 108 "Operating Segments".
- Effective April 1, 2019, the Company has adopted Ind AS 116 "Leases". The transition was effected using prospective method. Resultantly, the figures for the current period are not comparable with the previous periods.
- During FY 2018-19, SEBI directed the Company to refund System Driven Disclosure fees charged to the issuers of securities during financial year ended 31st March, 2017. Consequently, the Company reversed the income from system driven disclosure fees net of Service Tax.
- The Statement includes the results for the Quarter ended 30th September, 2019 being the balancing figure between audited figures in respect of the six months ended and the published year to date figures upto the first quarter of the financial year ended 31st March, 2020 which were subject to limited review by the Statutory Auditors.
- Note on tax :**
The recently promulgated Taxation Laws (Amendment) Ordinance 2019, has inserted section 115BAA in the Income Tax Act, 1961, providing existing domestic companies with an option to pay tax at a concessional rate of 22% plus applicable surcharge and cess. The reduced tax rates come with consequential surrender of specified deductions/ incentives. The option needs to be exercised within the prescribed time for filing the return of income under section 139(1) of the Income Tax Act, 1961, for assessment year (AY) 2020-21 or subsequent AYs. Once exercised, such option cannot be withdrawn for the same or subsequent AYs.

These financial results are prepared on the basis that the Company would avail the option to pay income tax at the lower rate. Consequently, the opening deferred tax asset and current tax have been measured at the lower rate and the tax expenses include a total tax credit of ₹69.53 Lakh.

7) The Statement of assets and liabilities as at 30th September 2019 is given below:

(₹ in Lakh)

Particulars	As at		As at	
	30th September, 2019		31st March, 2019	
I. ASSETS				
Non-current Assets				
a) Property, plant and equipment	2,187.57		1,604.41	
b) Other intangible assets	64.88		84.62	
c) Right of use of assets	125.47	2,377.92	-	1,689.03
d) Financial assets				
i) Non-current investments	66,475.73		57,987.90	
ii) Other financial assets	479.17		484.81	
e) Deferred tax assets (net)	381.92		392.01	
f) Income tax assets (net)	549.37		562.35	
g) Other non-current assets	1,015.92	68,902.11	541.30	59,968.37
Current assets				
a) Financial assets				
i) Current investments	9,337.03		7,951.09	
ii) Trade receivables	8,181.21		6,480.30	
iii) Cash and cash equivalents	1,990.53		3,803.20	
iv) Bank balances other than (iii) above	468.50		1,046.15	
v) Other financial assets	210.88		241.80	
b) Other current assets	927.51	21,115.66	667.75	20,190.29
Total		92,395.69		81,847.69
II. EQUITY AND LIABILITIES				
EQUITY				
a) Equity share capital	4,000.00		4,000.00	
b) Other equity	66,525.78	70,525.78	62,245.72	66,245.72
LIABILITIES				
Non-current liabilities				
Financial Liabilities				
a) Lease liability	69.41		-	
b) Other financial liabilities	204.40	273.81	105.19	105.19
Current liabilities				
a) Financial Liabilities				
i) Trade payables				
a) Total outstanding dues of micro enterprises and small enterprises	32.18		80.20	
b) Total outstanding dues of creditors other than micro enterprises and small enterprises	1,361.54		1,051.56	
i) Lease liability	58.99		-	
iii) Other financial liabilities	8,412.47		6,904.53	
b) Provisions	2,438.03		2,117.50	
c) Current tax liability (net)	1,032.13		1,564.23	
d) Other current liabilities	8,260.76	21,596.10	3,778.76	15,496.78
Total		92,395.69		81,847.69

8) Cash Flow Statement for the six months ended 30th September, 2019 is given below:

(₹ in Lakh)		
Particulars	For the six months ended 30th September, 2019	For the six months ended 30th September, 2018
A. Cash flow from operating activities		
Profit before tax	7,401.17	5,286.45
Adjustments for :		
Depreciation and amortisation expense	240.17	148.04
Provision for compensated absences	110.67	4.22
Provision for investor awareness	209.86	224.40
Provision for doubtful trade receivables	274.92	53.11
Bad debts written off	-	(54.71)
Contribution to investor protection fund	278.94	194.53
Fair value gain on investments in mutual funds	(294.89)	(13.03)
Dividend income from current investments	(189.10)	(131.64)
Loss / (Profit) on sale of property, plant and equipment	0.05	-
Interest income	(1,278.26)	(1,476.03)
Operating profit before working capital changes	6,753.53	4,235.34
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets / liabilities-		
(Increase) / decrease other assets	(280.30)	(503.53)
(Increase) / decrease other financial assets	36.27	(176.30)
(Increase) / decrease trade receivables	(1,975.83)	(3,448.89)
Increase / (decrease) trade payables	261.96	235.92
Increase / (decrease) other financial liabilities	581.46	(1,114.92)
Increase / (decrease) provisions	(3.46)	159.32
Increase / (decrease) other liabilities	4,482.00	5,549.60
Cash generated from operations	9,855.63	4,936.54
Net income tax paid	(2,180.01)	(1,378.35)
Net cash generated from operating activities (A)	7,675.62	3,558.19
B. Cash flow from investing activities		
Capital expenditure on property, plant and equipment, intangible assets, capital advance	(1,377.05)	(444.08)
Investment in subsidiary	(2,500.00)	(600.00)
Purchase of non-current investments	(5,987.83)	(6,306.73)
Proceeds / (Purchase) of current investments (Net)	(1,091.05)	2,827.77
Dividend received from current investments	189.10	131.64
Interest received	1,278.54	1,481.30
Net cash used in investing activities (B)	(9,488.29)	(2,910.10)
C. Cash flow from financing activities		
Dividend paid	-	(950.00)
Net cash used in financing activities (C)	-	(950.00)
Net decrease in cash and cash equivalents (A+B+C)	(1,812.67)	(301.91)
Cash and cash equivalents at the beginning of the period	3,803.20	5,051.10
Cash and cash equivalents at the end of the period (Refer Note 10)	1,990.53	4,749.19

9) The figures for the corresponding previous period have been restated / regrouped wherever necessary to make them comparable.

For and on behalf of Board

S/d
G V Nageswara Rao
 Managing Director & CEO
 DIN : 00799504

Mumbai, 12th November, 2019

NATIONAL SECURITIES DEPOSITORY LIMITED							
Statement of Consolidated Financial Results for the Quarter and Six Months ended 30th September, 2019							
(₹ in Lakh)							
Sr. No.	Particulars	Quarter ended			Six months ended		Year ended
		30.09.2019	30.06.2019	30.09.2018	30.09.2019	30.09.2018	31.03.2019
		(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Unaudited)	(Audited)
1	Incomes						
	a. Revenue from operations	7,920.20	8,044.69	6,724.97	15,964.89	13,394.66	28,604.69
	b. Other income	1,793.93	1,183.86	1,226.53	2,977.79	2,444.68	5,496.54
	Total income	9,714.13	9,228.55	7,951.50	18,942.68	15,839.34	34,101.23
2	Expenses						
	a. Employee benefits expense	1,781.50	1,735.08	1,419.87	3,516.58	2,832.11	6,043.95
	b. Depreciation and amortisation expense	317.85	314.78	173.64	632.63	318.53	693.99
	c. Finance cost (Note 2)	27.82	28.96	-	56.78	-	-
	d. Contribution to Investor Protection Fund	132.35	146.59	107.84	278.94	194.53	429.11
	e. Other expenses	2,889.10	2,904.87	2,572.71	5,793.97	5,124.00	11,389.11
	Total expenses	5,148.62	5,130.28	4,274.06	10,278.90	8,469.17	18,556.16
3	Profit before tax (1 - 2)	4,565.51	4,098.27	3,677.44	8,663.78	7,370.17	15,545.07
4	Exceptional Items (Note 3)	-	-	-	-	807.88	807.88
5	Profit before tax (3 - 4)	4,565.51	4,098.27	3,677.44	8,663.78	6,562.29	14,737.19
6	Tax expenses						
	a. Current tax	949.11	1,098.20	983.82	2,047.31	1,777.45	3,718.56
	b. Adjustment for current tax of prior periods	-	-	-	-	0.83	0.83
	c. Deferred tax (Note 6)	13.91	12.11	(10.02)	26.02	(47.40)	(70.42)
	Tax expenses (a+b)	963.02	1,110.31	973.80	2,073.33	1,730.88	3,648.97
7	Net Profit after tax (5-6)	3,602.49	2,987.96	2,703.64	6,590.45	4,831.41	11,088.22
8	Other comprehensive Income (net of tax)	(16.73)	15.37	20.72	(1.36)	190.50	(52.79)
9	Total comprehensive income (7+8)	3,585.76	3,003.33	2,724.36	6,589.09	5,021.91	11,035.43
10	Basic and Diluted Earnings per share (₹) (*not annualised)	*9.01	*7.47	*6.76	*16.48	*12.08	27.72

NOTES :-

- The above consolidated financial results for the Quarter and Six months ended 30th September, 2019 have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 12th November, 2019. The consolidated financial results have been prepared in accordance with the recognition and measurement principles laid down in the Ind AS 34 Interim Financial Reporting prescribed under Section 133 of the Companies Act, 2013 read with the relevant Rules issued thereunder and the other accounting principles generally accepted in India.
- Effective April 1, 2019, the Company has adopted Ind AS 116 "Leases". The transition was effected using prospective method. Resultantly, the figures for the current period are not comparable with the previous periods.
- During FY 2018-19, SEBI directed the Company to refund System Driven Disclosure fees charged to the issuers of securities during financial year ended 31st March, 2017. Consequently, the Company reversed the income from system driven disclosure fees net of Service Tax.
- The consolidated figures for the corresponding quarter and six months ended September, 2018, as reported in the statement have been approved by the Board of Directors of the Company, but have not been subjected to review by the Statutory Auditors.
- The Statement includes the consolidated results for the quarter ended 30th September, 2019 being the balancing figure between audited figures in respect of the six months ended and the published year to date figures upto the first quarter of the financial year ended 31st March, 2020 which were subject to limited review by the Statutory Auditors.
- Note on tax :**
The recently promulgated Taxation Laws (Amendment) Ordinance 2019, has inserted section 115BAA in the Income Tax Act, 1961, providing existing domestic companies with an option to pay tax at a concessional rate of 22% plus applicable surcharge and cess. The reduced tax rates come with consequential surrender of specified deductions/ incentives. The option needs to be exercised within the prescribed time for filing the return of income under section 139(1) of the Income Tax Act, 1961, for assessment year (AY) 2020-21 or subsequent AYs. Once exercised, such option cannot be withdrawn for the same or subsequent AYs.

These financial results are prepared on the basis that the Company would avail the option to pay income tax at the lower rate. Consequently, the opening deferred tax asset and current tax have been measured at the lower rate and the consolidated tax expenses include a total tax credit of ₹144.06 Lakh.

7) The Statement of consolidated assets and liabilities as at 30th September 2019 is given below:

Particulars	As at		As at	
	30th September, 2019		31st March, 2019	
(₹ in Lakh)				
I. ASSETS				
Non-current Assets				
a) Property, plant and equipment	2,608.75		2,003.46	
b) Capital work-in-progress	-		922.14	
c) Other intangible assets	1,398.85		1,605.22	
d) Intangible asset under development	1,273.42		-	
d) Right of use	1,327.77	6,608.79	-	4,530.82
d) Financial assets				
i) Non-current investments	61,213.81		53,735.62	
ii) Other financial assets	535.08		547.74	
e) Deferred tax assets (net)	381.92		392.01	
f) Income tax assets (net)	659.71		636.27	
g) Other non-current assets	1,096.00	63,886.52	605.87	55,917.51
Current assets				
a) Financial assets				
i) Current investments	11,850.07		9,839.11	
ii) Trade receivables	9,042.90		7,175.28	
iii) Cash and cash equivalents	2,830.64		4,601.48	
iv) Bank balances other than (iii) above	9,037.56		8,413.88	
v) Other financial assets	634.88		422.23	
b) Other current assets	1,537.10	34,933.15	1,300.60	31,752.58
Total		1,05,428.46		92,200.91
II. EQUITY AND LIABILITIES				
EQUITY				
a) Equity share capital	4,000.00		4,000.00	
b) Other equity	74,667.59	78,667.59	69,525.16	73,525.16
LIABILITIES				
Non-current liabilities				
a) Financial liabilities				
i) Lease liability	1,087.83		-	
ii) Other financial liabilities	204.40		105.19	
b) Deferred tax liability (Net)	69.77		53.85	
c) Other non-current liabilities	15.44		11.95	
d) Provisions	38.07	1,415.51	14.71	185.70
Current liabilities				
a) Financial Liabilities				
i) Trade payables				
a) Total outstanding dues of micro enterprises and small enterprises	133.75		171.24	
b) Total outstanding dues of creditors other than micro enterprises and	2,269.45		1,533.15	
ii) Lease liability	247.76		-	
iii) Other financial liabilities	8,787.04		7,318.43	
b) Provisions	2,609.52		2,262.55	
c) Current tax liability (net)	1,188.41		1,718.67	
d) Other current liabilities	10,109.43	25,345.36	5,486.01	18,490.05
Total		1,05,428.46		92,200.91

8) Consolidated Cash Flow Statement for the six months ended 30th September, 2019 is given below:

(₹ in Lakh)		
Particulars	For the six months ended 30th September, 2019	For the six months ended 30th September, 2018
A. Cash flow from operating activities		
Profit before tax	8,663.78	6,562.29
Adjustments for :		
Depreciation and amortisation expense	632.63	318.53
Provision for compensated absences	160.47	15.23
Provision for investor awareness	209.86	224.40
Provision for doubtful trade receivables	287.11	72.87
Bad debts written off	-	(54.71)
Contribution to investor protection fund	278.94	194.53
Fair value gain on investments in mutual funds	(454.06)	(65.05)
Dividend income from current investments	(189.10)	(131.64)
Loss / (Profit) on sale of property, plant and equipment	0.05	-
Profit on sale of investments	-	(9.29)
Interest income	(1,959.82)	(2,076.78)
Operating profit before working capital changes	7,629.86	5,050.38
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets / liabilities-		
(Increase) / decrease other assets	(272.55)	(605.62)
(Increase) / decrease other financial assets	(115.77)	(26.86)
(Increase) / decrease trade receivables	(2,154.73)	(3,767.34)
Increase / (decrease) trade payables	698.81	238.19
Increase / (decrease) other financial liabilities	1,686.26	(891.67)
Increase / (decrease) provisions	(1.36)	0.01
Increase / (decrease) other liabilities	4,626.91	5,725.58
Cash generated from operations	12,097.43	5,722.67
Net income tax paid	(2,601.01)	(1,696.14)
Net cash generated from operating activities (A)	9,496.42	4,026.53
B. Cash flow from investing activities		
Capital expenditure on property, plant and equipment, intangible assets, capital advance	(3,095.53)	(910.19)
Bank balances not considered as cash and cash equivalents		
i) Placed	(8,569.06)	(6,960.42)
ii) Matured	7,367.73	7,828.85
Purchase of non-current investments	(7,478.19)	(7,915.60)
Proceeds from / (Purchase) of current investments (Net)	(1,556.90)	2,097.30
Dividend received from current investments	189.10	131.64
Interest received	1,875.59	2,077.47
Net cash used in investing activities (B)	(11,267.26)	(3,650.95)
C. Cash flow from financing activities		
Dividend paid	-	(950.00)
Net cash used in financing activities (C)	-	(950.00)
Net decrease in cash and cash equivalents (A+B+C)	(1,770.84)	(574.42)
Cash and cash equivalents at the beginning of the period	4,601.48	6,856.92
Cash and cash equivalents at the end of the period (Refer Note 10)	2,830.64	6,282.50

9) Segment Information :

Particulars	Quarter ended			Six months ended		Year ended
	30.09.2019	30.06.2019	30.09.2018	30.09.2019	30.09.2018	31.03.2019
	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Unaudited)	(Audited)
Segment Revenue						
Depository	6,133.89	6,317.20	4,955.44	12,451.09	9,997.96	21,727.56
Database management services	1,785.91	1,727.46	1,769.53	3,513.37	3,396.70	6,877.12
Banking services	0.40	0.03	-	0.43	-	0.01
Total	7,920.20	8,044.69	6,724.97	15,964.89	13,394.66	28,604.69
Less: Inter segment revenue	-	-	-	-	-	-
Total revenue	7,920.20	8,044.69	6,724.97	15,964.89	13,394.66	28,604.69
Segment Results						
Depository	2,622.46	2,827.49	2,051.61	5,449.95	4,258.79	8,843.76
Database management services	674.23	512.41	636.05	1,186.64	1,147.76	2,200.28
Banking services	(524.22)	(425.20)	(263.09)	(949.42)	(535.38)	(1,268.33)
Total	2,772.47	2,914.70	2,424.57	5,687.17	4,871.17	9,775.71
Add: Other unallocable income net of unallocable expense	747.09	215.82	166.11	962.91	331.66	1,518.47
Operating profit	3,519.56	3,130.52	2,590.68	6,650.08	5,202.83	11,294.18
Add: Interest income	1,073.77	996.71	1,086.76	2,070.48	2,167.34	4,250.89
Less: Finance cost	27.82	28.96	-	56.78	-	-
Less: Exceptional Items	-	-	-	-	807.88	807.88
Profit before tax	4,565.51	4,098.27	3,677.44	8,663.78	6,562.29	14,737.19
Less: Tax Expenses	963.02	1,110.31	973.80	2,073.33	1,730.88	3,648.97
Profit after tax	3,602.49	2,987.96	2,703.64	6,590.45	4,831.41	11,088.22

Particulars	As at			
	30.09.2019	30.06.2019	30.09.2018	31.03.2019
	(Unaudited)	(Unaudited)	(Audited)	(Audited)
Segment Assets				
Depository	15,101.98	22,768.05	15,185.19	13,734.79
Database management services	3,233.29	3,547.49	3,225.44	1,912.30
Banking services	3,596.93	5,352.32	3,119.87	3,239.97
Unallocated	83,496.26	74,006.59	68,611.56	73,313.85
Total	1,05,428.46	1,05,674.45	90,142.06	92,200.91
Segment Liabilities				
Depository	20,363.81	21,783.45	16,196.12	12,980.83
Database management services	4,005.92	4,251.37	3,466.87	2,596.00
Banking services	664.46	696.04	126.87	280.25
Unallocated	1,726.68	2,415.10	2,840.56	2,818.67
Total	26,760.87	29,145.96	22,630.42	18,675.75

10) The figures for the corresponding previous period have been restated / regrouped wherever necessary to make them comparable.

For and on behalf of Board

S/d
G V Nageswara Rao
 Managing Director & CEO
 DIN : 00799504

Mumbai, 12th November, 2019