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RED HERRING PROSPECTUS

Dated July 23, 2025

Please read section 32 of the Companies Act, 2013

100% Book Built Offer



NATIONAL SECURITIES DEPOSITORY LIMITED CORPORATE IDENTITY NUMBER: U74120MH2012PLC230380

REGISTERED OFFICE	CONTACT PERSON	E-MAIL AND TELEPHONE	WEBSITE
301, 3rd Floor, Naman Chambers, G-Block, Plot No. C-32, Bandra Kurla Complex, Bandra East, Mumbai – 400 051, Maharashtra, India	Alen Wilfred Ferns <i>Company Secretary and Compliance Officer</i>	E-mail: cs_nsdl@nsdl.com Telephone: +91 22 6944 8500/8400	www.nsdl.co.in

OUR COMPANY IS A PROFESSIONALLY MANAGED COMPANY AND DOES NOT HAVE AN IDENTIFIABLE PROMOTER

DETAILS OF THE OFFER

TYPE	FRESH ISSUE SIZE	OFFER FOR SALE SIZE	TOTAL OFFER SIZE	ELIGIBILITY AND SHARE RESERVATION
Offer for Sale	Not applicable	Up to 50,145,001 Equity Shares of face value of ₹ 2 each aggregating to ₹ [●] million	Aggregating to ₹ [●] million	The Offer is being made pursuant to Regulation 6(1) of the SEBI ICDR Regulations. For details in relation to share reservation among Qualified Institutional Buyers, Non-Institutional Investors, Retail Individual Investors and Eligible Employees, see “Offer Structure” on page 428.

DETAILS OF THE OFFER FOR SALE BY THE SELLING SHAREHOLDERS

NAME OF SELLING SHAREHOLDER	TYPE	NO. OF EQUITY SHARES OFFERED	WACA PER EQUITY SHARE (IN ₹)#	NAME OF SELLING SHAREHOLDER	TYPE	NO. OF EQUITY SHARES OFFERED	WACA PER EQUITY SHARE (IN ₹)#
IDBI Bank Limited	ISS	Up to 22,220,000 Equity Shares of face value of ₹ 2 each aggregating to ₹ [●] million	2.00	State Bank of India	ISS	Up to 4,000,000 Equity Shares of face value of ₹ 2 each aggregating to ₹ [●] million	2.00
National Stock Exchange of India Limited	ISS	Up to 18,000,001 Equity Shares of face value of ₹ 2 each aggregating to ₹ [●] million	12.28	HDFC Bank Limited (SS)	ISS	Up to 2,010,000 Equity Shares of face value of ₹ 2 each aggregating to ₹ [●] million	108.29
Union Bank of India	ISS	Up to 500,000 Equity Shares of face value of ₹ 2 each aggregating to ₹ [●] million	5.20	Administrator of the Specified Undertaking of the Unit Trust of India	ISS	Up to 3,415,000 Equity Shares of face value of ₹ 2 each aggregating to ₹ [●] million	2.00

WACA: Weighted average cost of acquisition on fully diluted basis; ISS: Investor Selling Shareholder

#As certified by Motilal & Associates LLP, Chartered Accountants, by way of their certificate dated July 23, 2025.

RISKS IN RELATION TO THE FIRST OFFER

This being the first public offer of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹ 2 each. The Floor Price, Cap Price and the Offer Price determined by our Company, in consultation with the Book Running Lead Managers, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under “Basis for Offer Price” on page 141 should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding active and/or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISK

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares in the Offer have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of the contents of this Red Herring Prospectus. Specific attention of the investors is invited to “Risk Factors” on page 34.

ISSUER'S AND SELLING SHAREHOLDERS' ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Red Herring Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Red Herring Prospectus as a whole or any

of such information or the expression of any such opinions or intentions misleading in any material respect. Each of the Selling Shareholders severally, and not jointly, accepts responsibility for and confirms that the statements specifically made or confirmed by such Selling Shareholder in this Red Herring Prospectus solely to the extent of information specifically pertaining to itself and its respective portion of the Offered Shares, and assumes responsibility that such statements are true and correct in all material respects and are not misleading in any material respect.

LISTING

The Equity Shares offered through this Red Herring Prospectus are proposed to be listed on BSE Limited ("BSE"). For the purposes of the Offer, the Designated Stock Exchange shall be BSE.

BOOK RUNNING LEAD MANAGERS^s

LOGO OF THE BRLM	NAME OF THE BRLM	CONTACT PERSON	E-MAIL AND TELEPHONE
	ICICI Securities Limited	Aboli Pitre / Hitesh Malhotra	Telephone: +91 22 6807 7100 E-mail: nsdl.ipo@icicisecurities.com
	Axis Capital Limited	Simran Gadh / Harish Patel	Telephone: +91 22 4325 2183 E-mail: nsdl.ipo@axiscap.in
	HSBC Securities and Capital Markets (India) Private Limited	Harsh Thakkar / Harshit Tayal	Telephone: +91 22 6864 1289 E-mail: nsdlipo@hsbc.co.in
	IDBI Capital Markets & Securities Limited [#]	Indrajit Bhagat	Telephone: +91 22 4069 1953 E-mail: nsdl.ipo@idbicapital.com
	Motilal Oswal Investment Advisors Limited	Ritu Sharma / Sankita Ajinkya	Telephone: +91 22 7193 4380 E-mail: nsdl.ipo@motilaloswal.com
	SBI Capital Markets Limited [#]	Sylvia Mendonca / Prashant Patankar	Telephone: +91 22 4006 9807 E-mail: nsdl.ipo@sbicaps.com

REGISTRAR TO THE OFFER

NAME OF THE REGISTRAR	CONTACT PERSON	E-MAIL AND TELEPHONE
MUFG Intime India Private Limited (Formerly Link Intime India Private Limited)	Shanti Gopalkrishnan	Telephone: +91 810 811 4949 E-mail: nsdl.ipo@in.mpms.mufg.com

BID/OFFER PERIOD

ANCHOR INVESTOR BIDDING DATE	Tuesday, July 29, 2025 [*]	BID/OFFER OPENS ON	Wednesday, July 30, 2025	BID/OFFER CLOSSES ON ^{***}	Friday, August 1, 2025

^{*}Our Company shall, in consultation with the BRLMs, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations.

[#]IDBI Bank Limited and State Bank of India are participating as Selling Shareholders in the Offer. IDBI Bank Limited and IDBI Capital, State Bank of India and SBICAPS, respectively, are associates in terms of the SEBI Merchant Bankers Regulations. Accordingly, in compliance with the proviso to Regulation 21A of the SEBI Merchant Bankers Regulations and Regulation 23(3) of the SEBI ICDR Regulations, IDBI Capital and SBICAPS have signed the due diligence certificate and would be involved only in the marketing of the Offer.

^{\$}HDFC Bank Limited is participating as a Selling Shareholder in the Offer. On account of the restrictions under Regulation 21A of the SEBI Merchant Bankers Regulations, HDFC Bank Limited, in its capacity as a book running lead manager to the Offer, will be involved only in the marketing of the Offer.

^{***}UPI mandate end time and date shall be at 5:00 p.m. on the Bid / Offer Closing Date.

NATIONAL SECURITIES DEPOSITORY LIMITED

Our Company was incorporated on April 27, 2012, as “*NSDL Depository Limited*” at Mumbai as a public limited company under the Companies Act, 1956, pursuant to a certificate of incorporation, issued by the RoC. Our Company commenced operations pursuant to a certificate of commencement of business dated May 16, 2012, issued by the RoC. Subsequent to the Scheme of Arrangement, the name of our Company was changed from “*NSDL Depository Limited*” to “*National Securities Depository Limited*”, and a fresh certificate of incorporation issued by the RoC, recording the change in name on January 3, 2013. For further details relating to changes in the name of our Company, see “*History and Certain Corporate Matters – Other disclosures – Scheme of Arrangement*” on page 258.

Registered Office: 301, 3rd Floor, Naman Chambers, G-Block, Plot No. C-32, Bandra Kurla Complex, Bandra East, Mumbai – 400 051, Maharashtra, India
Telephone: +91 22 6944 8500/8400; **Contact Person:** Alen Wilfred Ferns, Company Secretary and Compliance Officer

E-mail: cs_nsdl@nsdl.co.in

Corporate Identity Number: U74120MH2012PLC230380; **Website:** www.nsdl.co.in

OUR COMPANY IS A PROFESSIONALLY MANAGED COMPANY AND DOES NOT HAVE AN IDENTIFIABLE PROMOTER			
INITIAL PUBLIC OFFERING OF UP TO 50,145,001 EQUITY SHARES OF FACE VALUE OF ₹ 2 EACH ("EQUITY SHARES") OF NATIONAL SECURITIES DEPOSITORY LIMITED (THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹[•] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹[•] PER EQUITY SHARE) ("OFFER PRICE") THROUGH AN OFFER FOR SALE OF UP TO 50,145,001 EQUITY SHARES AGGREGATING TO ₹[•] MILLION, COMPRISING UP TO 22,220,000 EQUITY SHARES AGGREGATING TO ₹[•] MILLION BY IDBI BANK LIMITED, UP TO 18,000,001 EQUITY SHARES AGGREGATING TO ₹[•] MILLION BY NATIONAL STOCK EXCHANGE OF INDIA LIMITED, UP TO 500,000 EQUITY SHARES AGGREGATING TO ₹[•] MILLION BY UNION BANK OF INDIA, UP TO 4,000,000 EQUITY SHARES AGGREGATING TO ₹[•] MILLION BY STATE BANK OF INDIA, UP TO 2,010,000 EQUITY SHARES AGGREGATING TO ₹[•] MILLION BY HDFC BANK LIMITED (SS) AND UP TO 3,415,000 EQUITY SHARES AGGREGATING TO ₹[•] MILLION BY ADMINISTRATOR OF THE SPECIFIED UNDERTAKING OF THE UNIT TRUST OF INDIA (COLLECTIVELY REFERRED TO AS THE "SELLING SHAREHOLDERS" AND SUCH EQUITY SHARES OFFERED BY THE SELLING SHAREHOLDERS, THE "OFFERED SHARES") (THE "OFFER FOR SALE" OR THE "OFFER").			
THE OFFER INCLUDES A RESERVATION OF UP TO 85,000 EQUITY SHARES AGGREGATING TO ₹[•] MILLION (CONSTITUTING UP TO [•]% OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY) FOR SUBSCRIPTION BY ELIGIBLE EMPLOYEES (THE "EMPLOYEE RESERVATION PORTION"), OUR COMPANY, IN CONSULTATION WITH THE BRLMS, MAY OFFER A DISCOUNT OF UP TO [•]% OF THE OFFER PRICE TO THE ELIGIBLE EMPLOYEES BIDDING IN THE EMPLOYEE RESERVATION PORTION ("EMPLOYEE DISCOUNT"), THE OFFER LESS THE EMPLOYEE RESERVATION PORTION IS HEREINAFTER REFERRED TO AS THE "NET OFFER". THE OFFER AND THE NET OFFER SHALL CONSTITUTE [•]% AND [•]%, RESPECTIVELY, OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY, RESPECTIVELY.			
THE FACE VALUE OF THE EQUITY SHARE IS ₹ 2. THE OFFER PRICE IS [•] TIMES THE FACE VALUE OF THE EQUITY SHARES. THE OFFER PRICE, THE PRICE BAND, THE EMPLOYEE DISCOUNT (IF ANY) AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BRLMS AND WILL BE ADVERTISED IN ALL EDITIONS OF FINANCIAL EXPRESS (A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER), ALL EDITIONS OF JANSATTA (A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER) AND MUMBAI EDITION OF NAVSHAKTI (A WIDELY CIRCULATED MARATHI DAILY NEWSPAPER, MARATHI BEING THE REGIONAL LANGUAGE OF MAHARASHTRA, WHERE OUR REGISTERED OFFICE IS LOCATED), AT LEAST TWO WORKING DAYS PRIOR TO THE BID/OFFER OPENING DATE AND SHALL BE MADE AVAILABLE TO BSE LIMITED ("BSE") AND NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE") AND TOGETHER WITH BSE, THE "STOCK EXCHANGES") FOR UPLOADING ON ITS WEBSITE, IN ACCORDANCE WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED ("SEBI ICDR REGULATIONS").			
In case of any revision in the Price Band, the Bid/Offer Period will be extended by at least three additional Working Days after such revision in the Price Band, subject to the Bid/Offer Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar unforeseen circumstances, our Company may, in consultation with the BRLMs, for reasons to be recorded in writing, extend the Bid/Offer Period for a minimum of one Working Day, subject to the Bid/Offer Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges, by issuing a public notice, and also by indicating the change on the respective websites of the BRLMs and at the terminals of the Members of the Syndicate and by intimation to Designated Intermediaries and the Sponsor Bank(s), as applicable.			
The Offer is being made through the Book Building Process, in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (the "SCRR") read with Regulation 31 of the SEBI ICDR Regulations and in compliance with Regulation 6(1) of the SEBI ICDR Regulations wherein not more than 50% of the Net Offer shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIBs") (the "QIB Portion"), provided that our Company, in consultation with the BRLMs, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis ("Anchor Investor Portion"). One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from the domestic Mutual Funds at or above the price at which allocation is made to Anchor Investors ("Anchor Investor Allocation Price"), in accordance with the SEBI ICDR Regulations. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion (excluding the Anchor Investor Portion) ("Net QIB Portion"). Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received from them at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, not less than 15% of the Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Investors ("Non-Institutional Portion") (of which one-third shall be available for allocation to Bidders with an application size of more than ₹ 0.20 million and up to ₹ 1.00 million and two-thirds shall be available for allocation to Bidders with an application size of more than ₹ 1.00 million, provided that the unsubscribed portion in either of such sub-categories may be allocated to Bidders in the other sub-category of Non-Institutional Portion subject to valid Bids being received at or above the Offer Price) and not less than 35% of the Net Offer shall be available for allocation to Retail Individual Investors ("Retail Portion") in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price. Further, Equity Shares will be allocated on a proportionate basis to the Eligible Employees applying under the Employee Reservation Portion, subject to valid Bids received from them at or above the Offer Price. All Bidders (except Anchor Investors) are required to mandatorily utilise the Application Supported by Blocked Amount ("ASBA") process by providing details of their respective ASBA Accounts (as defined hereinafter), and UPI ID in case of UPI Bidders (as defined hereinafter) using the UPI Mechanism, if applicable, in which the corresponding Bid Amounts will be blocked by the Self Certified Syndicate Banks ("SCSBs") or under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. Anchor Investors are not permitted to participate in the Offer through the ASBA process. For details, see "Offer Procedure" on page 432.			
RISK IN RELATION TO THE FIRST OFFER			
This being the first public offer of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹ 2 each. The Offer Price, Floor Price or the Price Band, as determined and justified by our Company, in consultation with the BRLMs, in accordance with the SEBI ICDR Regulations and as stated in "Basis for Offer Price" on page 141, should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding active and/or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.			
GENERAL RISK			
Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of the Company and the Offer, including the risks involved. The Equity Shares in the Offer have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Red Herring Prospectus. Specific attention of the investors is invited to "Risk Factors" on page 34.			
ISSUER'S AND SELLING SHAREHOLDERS' ABSOLUTE RESPONSIBILITY			
Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Red Herring Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. Each of the Selling Shareholders severally, and not jointly, accepts responsibility for and confirms that the statements specifically made or confirmed by such Selling Shareholder in this Red Herring Prospectus solely to the extent of information specifically pertaining to itself and its respective portion of the Offered Shares, and assumes responsibility that such statements are true and correct in all material respects and are not misleading in any material respect.			
LISTING			
The Equity Shares to be offered through this Red Herring Prospectus are proposed to be listed on BSE. Our Company has received "in-principle" approval from BSE for the listing of the Equity Shares pursuant to its letter dated January 16, 2024. For the purposes of the Offer, the Designated Stock Exchange shall be BSE. A copy of this Red Herring Prospectus has been filed with the RoC and a copy of the Prospectus shall be delivered to the RoC in accordance with Section 26(4) and 32 of the Companies Act, 2013. For details of the material contracts and documents available for inspection from the date of this Red Herring Prospectus up to the Bid/Offer Closing Date, see "Material Contracts and Documents for Inspection" on page 464.			
BOOK RUNNING LEAD MANAGERS ⁵			
			
ICICI Securities Limited ICICI Venture House Appasaheb Marathe Marg, Prabhadevi Mumbai 400 025 Maharashtra, India Telephone: +91 22 6807 7100 E-mail: nsdl ipo@icicisecurities.com Investor grievance e-mail: customercare@icicisecurities.com Website: www.icicisecurities.com Contact person: Aboli Pitre / Hitesh Malhotra SEBI registration no: INM000011179	Axis Capital Limited 1 st Floor, Axis House, Pandurang Budhkar Marg, Worli Mumbai 400 025 Maharashtra, India Telephone: +91 22 4325 2183 E-mail: nsdl ipo@axiscap.in Investor grievance e-mail: complaints@axiscap.in Website: www.axiscapital.co.in Contact person: Simran Gadh / Harish Patel SEBI registration no: INM000012029	HSBC Securities and Capital Markets (India) Private Limited 52/60, Mahatma Gandhi Road, Fort Mumbai 400 001, Maharashtra, India Telephone: +91 22 6864 1289 E-mail: nsdl ipo@hsbc.co.in Investor grievance e-mail: investorgrievance@hsbc.co.in Website: www.business.hsbc.co.in Contact person: Harsh Thakkar / Harshit Tayal SEBI registration no: INM000010353	IDBI Capital Markets & Securities Limited⁶ 6 th Floor, IDBI Tower WTC Complex, Cuffe Parade Mumbai 400 005 Maharashtra, India Telephone: +91 22 4069 1953 E-mail: nsdl ipo@idbicapital.com Investor grievance e-mail: redressal@idbicapital.com Website: www.idbicapital.com Contact person: Indrajit Bhagat SEBI registration no: INM000010866
BOOK RUNNING LEAD MANAGERS ⁵		REGISTRAR TO THE OFFER	
			
Motilal Oswal Investment Advisors Limited Motilal Oswal Tower Rahimtullah Sayani Road Opposite Parel ST Depot, Prabhadevi Mumbai 400 025, Maharashtra, India Telephone: +91 22 7193 4380 E-mail: nsdl ipo@motilaloswal.com Investor grievance e-mail: moiapredressal@motilaloswal.com Website: www.motilaloswalgroup.com Contact person: Ritu Sharma / Sankita Ajinkya SEBI registration no: INM000011005	SBI Capital Markets Limited⁷ 1501, 15 th Floor, A&B Wing Parinee Crescendo, BKC, Bandra East Mumbai 400 051 Maharashtra, India Telephone: +91 22 4006 9807 E-mail: nsdl ipo@sbicaps.com Investor grievance e-mail: investor.relations@sbicaps.com Website: www.sbicaps.com Contact person: Sylvia Mendonca / Prashant Patankar SEBI registration no: INM000003531	MUFG Intime India Private Limited (Formerly Link Intime India Private Limited) C-101, 1 st Floor, 247 Park, L.B.S. Marg Vikhroli (West), Mumbai 400 083 Maharashtra, India Telephone: +91 810 811 4949 E-mail: nsdl ipo@in.mpms.mufg.com Investor grievance e-mail: nsdl ipo@in.mpms.mufg.com Website: https://in.mpms.mufg.com Contact person: Shanti Gopalkrishnan SEBI registration no: INR000004058	
BID/OFFER PERIOD			
BID/OFFER OPENS ON	Wednesday, July 30, 2025 ⁸		BID/OFFER CLOSES ON***
			Friday, August 1, 2025 ⁹

⁵Our Company shall, in consultation with the BRLMs, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations.

⁶IDBI Bank Limited and State Bank of India are participating as Selling Shareholders in the Offer. IDBI Bank Limited and IDBI Capital, State Bank of India and SBICAPS, respectively, are associates in terms of the SEBI Merchant Bankers Regulations. Accordingly, in compliance with the proviso to Regulation 21A of the SEBI Merchant Bankers Regulations and Regulation 23(3) of the SEBI ICDR Regulations, IDBI Capital and SBICAPS have signed the due diligence certificate and would be involved only in the marketing of the Offer.

⁷HDFC Bank Limited is participating as a Selling Shareholder in the Offer. On account of the restrictions under Regulation 21A of the SEBI Merchant Bankers Regulations, HDFC Bank Limited, in its capacity as a book running lead manager to the Offer, will be involved only in the marketing of the Offer.

⁸UPI mandate end time and date shall be at 5:00 p.m. on the Bid / Offer Closing Date.

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

This Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, or unless otherwise specified, shall have the meaning as provided below, and references to any legislation, act, regulation, rules, clarifications, guidelines or policies shall be to such legislation, act, regulation, rules, clarifications, guidelines or policies, as amended from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.

In case of any inconsistency between the definitions given below and the definitions contained in the General Information Document (as defined below), the definitions given below shall prevail.

The words and expressions used in this Red Herring Prospectus but not defined herein, shall have, to the extent applicable, the meanings ascribed to such terms under the Companies Act, the SEBI Act, the SEBI ICDR Regulations, the SCRA, the Depositories Act and the rules and regulations made thereunder.

Notwithstanding the foregoing, terms defined in “Basis for Offer Price”, “Statement of Possible Special Tax Benefits”, “Industry Overview”, “Key Regulations and Policies in India”, “Restated Consolidated Financial Information”, “Outstanding Litigation and Other Material Developments”, “Government and Other Approvals” and “Main Provisions of the Articles of Association”, on pages 141, 152, 161, 242, 286, 384, 393 and 458 will have the meaning ascribed to such terms in those respective chapters/ sections.

General terms

Term	Description
“our Company”, “the Company” or “the Issuer”	National Securities Depository Limited, a company incorporated as a public limited company under the Companies Act, 1956 having its Registered Office at 301, 3rd Floor, Naman Chambers, G-Block, Plot No. C-32, Bandra Kurla Complex, Bandra East, Mumbai – 400 051, Maharashtra, India
“we”, “us” or “our”	Unless the context otherwise indicates or implies, refers to our Company and our Subsidiaries, on a consolidated basis

Company related terms

Term	Description
Advisory Committee	Advisory committee of our Company, constituted in accordance with the applicable provisions of the SEBI D&P Regulations, described in “Our Management” on page 262
Articles of Association/AoA/ Articles	Articles of association of our Company, as amended from time to time
Associate/ IIBHIL	the associate of our Company as on date of this Red Herring Prospectus, namely, India International Bullion Holding IFSC Limited, described in “History and Certain Corporate Matters – Our Associates” on page 255
Audit Committee	Audit committee of the Board constituted in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations, described in “Our Management” on page 262
Auditors/ Statutory Auditors	Statutory auditors of our Company, currently being K C Mehta & Co LLP, Chartered Accountants
Board/ Board of Directors	The board of directors of our Company, as constituted from time to time
Chairman	The chairman of our Company, currently, Parveen Kumar Gupta, who is a Public Interest Director
Chief Financial Officer/ CFO	Chief financial officer of our Company, currently, Jigar Harshad Shah
Company Secretary and Compliance Officer	Company secretary and compliance officer of our Company in accordance with the SEBI ICDR Regulations and the SEBI Listing Regulations, currently, Alen Wilfred Ferns
Corporate Social Responsibility Committee	Corporate social responsibility committee of the Board constituted in accordance with the applicable provisions of the Companies Act, 2013, described in “Our Management” on page 262
CRISIL Intelligence / CRISIL	CRISIL Intelligence, a division of CRISIL Limited

Term	Description
CRISIL Report	Report titled “ <i>Assessment of the Depository System, Database Management and Payments Banks in India</i> ” dated July 2025 prepared by CRISIL Intelligence
Director(s)	Director(s) on our Board
Equity Shares	Equity shares of our Company of face value of ₹ 2 each
Executive Director	Executive director on the Board, i.e., Managing Director and Chief Executive Officer
Grievance Redressal Committee	Grievance redressal committee of our Company, constituted in accordance with the applicable provisions of the SEBI D&P Regulations, described in “ <i>Our Management</i> ” on page 262
Group Company(ies)	The companies identified as ‘group companies’ in accordance with the SEBI ICDR Regulations and the Materiality Policy, described in “ <i>Our Group Companies</i> ” on page 397
IPO Committee	The IPO committee of the Board
Key Management Personnel/ KMP	Key managerial personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI ICDR Regulations, read with Section 2(51) of the Companies Act, 2013 and/ or key management personnel in terms of Regulation 2(1)(k) of the SEBI D&P Regulations, as applicable, described in “ <i>Our Management</i> ” on page 262
Managing Director and Chief Executive Officer	The managing director and chief executive officer of our Company, currently, Vijay Chandok
Materiality Policy	The policy adopted by the Board pursuant to its resolution dated April 27, 2023, as amended by our Board pursuant to its resolution dated April 9, 2025 for identification of: (a) material outstanding litigation proceedings involving our Company, Directors and Subsidiaries; (b) Group Companies; and (c) outstanding dues to material creditors by our Company, pursuant to the requirements of the SEBI ICDR Regulations and for the purposes of disclosure in the Draft Red Herring Prospectus, this Red Herring Prospectus and the Prospectus
Material Subsidiaries	For the purposes of preparation of Statement of Special Tax Benefits and for disclosures in this Red Herring Prospectus in relation to our material subsidiary (unless expressly stated otherwise), namely, NDML and NPBL, are considered as material subsidiaries, determined in accordance with the SEBI Listing Regulations and SEBI ICDR Regulations. Further, for the purposes of disclosure of financial statements on our Company’s website, NDML and NPBL for the financial years ended March 31, 2025, March 31, 2024, and March 31, 2023, are considered as material subsidiaries, determined in accordance with paragraph 11, I(A)(ii)(b) of Schedule VI of the SEBI ICDR Regulations. Furthermore, for the purpose of appointment of an independent director on the board of our subsidiaries, NPBL is considered as a material subsidiary, determined in accordance with Regulation 24 of the SEBI Listing Regulations. For further details, please see, “<i>Summary of Offer Document - Exemption under securities laws</i>” on page 33
Member Committee	Member committee of our Company, constituted in accordance with the applicable provisions of the SEBI D&P Regulations, described in “ <i>Our Management</i> ” on page 262
Memorandum of Association/ Memorandum/ MoA	Memorandum of Association of our Company, as amended from time to time
NDML	Our Subsidiary, NSDL Database Management Limited
NPBL	Our Subsidiary, NSDL Payments Bank Limited
Nomination and Remuneration Committee	Nomination and remuneration committee of the Board, constituted in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations, described in “ <i>Our Management</i> ” on page 262
Non-Independent Director(s)	A Director, not being an independent director, in this case, Public Interest Director, elected or nominated by the shareholders, who are neither depository participants nor their associates and agents, in accordance with Regulation k(a) of the SEBI D&P Regulations, currently, Sanjay Panicker and Sriram Krishnan
Public Interest Director(s)	A non-executive, independent Director as per the Companies Act, 2013, the SEBI Listing Regulations and the SEBI D&P Regulations, currently, Parveen Kumar Gupta, Madhu Sudan Sahoo, Rajat Moona, and Sripriya Kumar
Registered Office	Registered office of our Company located at 301, 3rd Floor, Naman Chambers, G-Block, Plot No. C-32, Bandra Kurla Complex, Bandra East, Mumbai – 400 051, Maharashtra, India
Registrar of Companies/ RoC	Registrar of Companies, Maharashtra at Mumbai
Regulatory Oversight Committee	Regulatory oversight committee of our Company, constituted in accordance with the applicable provisions of the SEBI D&P Regulations, described in “ <i>Our Management</i> ” on page 262
Restated Consolidated Financial Information	The restated consolidated financial information of our Company together with our Subsidiaries and Associate comprising the restated consolidated statement of assets and liabilities as at March 31, 2025, March 31, 2024 and March 31, 2023, the restated consolidated statement of profit and loss (including other comprehensive income), the restated consolidated statement of changes in equity and the restated consolidated cash flow statement for the years ended March 31, 2025,

Term	Description
	March 31, 2024 and March 31, 2023 and the statement of material/significant accounting policies, and other explanatory information including the notes to the restated consolidated financial information relating to such financial years prepared in accordance with Ind AS specified under Section 133 of the Companies Act 2013, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and restated in accordance with the SEBI ICDR Regulations and included in “ <i>Restated Consolidated Financial Information</i> ” on page 286
Risk Management Committee	Risk management committee of our Company, constituted in accordance with the applicable provisions of the Companies Act, 2013, the SEBI Listing Regulations and the SEBI D&P Regulations, described in “ <i>Our Management</i> ” on page 262
Scheme of Arrangement	The scheme of arrangement between Protean eGov Technologies Limited and our Company, as sanctioned by the High Court of Bombay by its order dated November 2, 2012, described in “ <i>History and Certain Corporate Matters – Other disclosures – Scheme of Arrangement</i> ” on page 258
SEBI In-principle Approval Letter	In-principle approval dated April 13, 2023, read with letters dated September 24, 2024, March 28, 2025 and July 21, 2025, issued to the Company by SEBI for the listing of Equity Shares on a recognised stock exchange
SEBI Observation Letter	SEBI observation letter bearing reference number SEBI/CFD/RAC-DIL1/2024/30803, dated September 30, 2024 issued to our Company in respect of the Draft Red Herring Prospectus filed by our Company with SEBI
Selling Shareholders	Collectively, IDBI Bank Limited, National Stock Exchange of India Limited, Union Bank of India, State Bank of India, HDFC Bank Limited (SS) and Administrator of the Specified Undertaking of the Unit Trust of India
Senior Management	Senior management of our Company in terms of Regulation 2(1)(bbbb) of the SEBI ICDR Regulations, described in “ <i>Our Management</i> ” on page 262
Shareholder(s)	The holders of the Equity Shares, from time to time
Stakeholders’ Relationship Committee	Stakeholders’ relationship committee of the Board, constituted in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations, described in “ <i>Our Management</i> ” on page 262
Standing Committee on Technology	Standing committee on technology of the Board, constituted in accordance with the applicable provisions of the SEBI D&P Regulations, described in “ <i>Our Management</i> ” on page 262
Subsidiary(ies)	The subsidiaries of our Company as on the date of this Red Herring Prospectus, namely, NSDL Database Management Limited and NSDL Payments Bank Limited, described in “ <i>History and Certain Corporate Matters</i> ” on page 251

Offer Related Terms

Term	Description
Abridged Prospectus	A memorandum containing such salient features of a prospectus as may be specified by the SEBI ICDR Regulations
Acknowledgement Slip	The slip or document issued by a Designated Intermediary(ies) to a Bidder as proof of registration of the Bid cum Application Form
Addendum/ Addendum to the Draft Red Herring Prospectus	The addendum to the draft red herring prospectus dated May 17, 2025 filed with SEBI and BSE and issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the Offer Price and the size of the Offer
Allot/ Allotment/ Allotted	Unless the context otherwise requires, the transfer of the Offered Shares by the Selling Shareholders pursuant to the Offer to successful Bidders
Allotment Advice	The note or advice or intimation of Allotment sent to each successful Bidder who has been or is to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange
Allottee	A successful Bidder to whom the Equity Shares are Allotted
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and this Red Herring Prospectus and who has Bid for an amount of at least ₹100.00 million
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated to Anchor Investors on the Anchor Investor Bidding Date in terms of this Red Herring Prospectus and the Prospectus, which will be decided by our Company in consultation with the BRLMs
Anchor Investor Application Form	The application form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of this Red Herring Prospectus and the Prospectus
Anchor Investor Bidding Date	The day, being one Working Day prior to the Bid/Offer Opening Date, on which Bids by Anchor Investors shall be submitted, prior to and after which the BRLMs and M- BRLM will not accept any Bids from Anchor Investors, and allocation to Anchor Investors shall be completed

Term	Description
Anchor Investor Offer Price	The final price at which the Equity Shares will be Allotted to Anchor Investors in terms of this Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Offer Price but not higher than the Cap Price. The Anchor Investor Offer Price will be decided by our Company, in consultation with the BRLMs
Anchor Investor Portion	Up to 60% of the QIB Portion which may be allocated by our Company, in consultation with the BRLMs, to Anchor Investors on a discretionary basis, in accordance with the SEBI ICDR Regulations One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds only, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations
Anchor Investor Pay-In Date	With respect to Anchor Investor(s), it shall be the Anchor Investor Bidding Date, and in the event the Anchor Investor Allocation Price is lower than the Anchor Investor Offer Price, not later than two Working Days after the Bid/Offer Closing Date
Application Supported by Blocked Amount/ ASBA	The application, whether physical or electronic, used by ASBA Bidders to make a Bid and authorize an SCSB to block the Bid Amount in the ASBA Account and will include applications made by UPI Bidders using the UPI Mechanism, where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by UPI Bidders using the UPI Mechanism
ASBA Account	A bank account maintained by ASBA Bidders with an SCSB and specified in the ASBA Form submitted by such ASBA Bidder in which funds will be blocked by such SCSB to the extent specified in the ASBA Form submitted by such ASBA Bidder and includes a bank account maintained by a UPI Bidder linked to a UPI ID, in which the Bid Amount will be blocked by the SCSB upon acceptance of the UPI Mandate Request by a UPI Bidder Bidding through the UPI Mechanism
ASBA Bid	A Bid made by an ASBA Bidder
ASBA Bidders	All Bidders except Anchor Investors
ASBA Form	An application form, whether physical or electronic, used by ASBA Bidders to submit Bids which will be considered as the application for Allotment in terms of this Red Herring Prospectus and the Prospectus
Axis	Axis Capital Limited
Bankers to the Offer	Collectively, the Escrow Collection Banks, Refund Bank, Sponsor Banks and Public Offer Account Banks, as the case may be
Basis of Allotment	Basis on which Equity Shares will be Allotted to successful Bidders under the Offer, as described in “Offer Procedure” on page 432
Bid(s)	An indication to make an offer during the Bid/Offer Period by an ASBA Bidder pursuant to submission of the ASBA Form, or on the Anchor Investor Bidding Date by an Anchor Investor pursuant to submission of the Anchor Investor Application Form, to purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations and in terms of this Red Herring Prospectus and the relevant Bid cum Application Form. The term “Bidding” shall be construed accordingly
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and payable by the Bidder and, in the case of RIIs Bidding at the Cut off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such RIIs and mentioned in the Bid cum Application Form and payable by the Bidder or blocked in the ASBA Account of the ASBA Bidders, as the case maybe, upon submission of the Bid which shall be net of the Employee Discount, as applicable However, Eligible Employees applying in the Employee Reservation Portion can apply at the Cut-off Price and the Bid Amount shall be Cap Price net of Employee Discount, multiplied by the number of Equity Shares Bid for by such Eligible Employee and mentioned in the Bid cum Application Form
Bid cum Application Form	The Anchor Investor Application Form and/or the ASBA Form, as the context requires
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter
Bid/Offer Closing Date	Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, being Friday, August 1, 2025, which shall be published in all editions of Financial Express (a widely circulated English national daily newspaper), all editions of Jansatta (a widely circulated Hindi national daily newspaper) and Mumbai edition of Navshakti (a widely circulated Marathi daily newspaper, Marathi being the regional language of Maharashtra, where our Registered Office is located). In case of any revision, the extended Bid/ Offer Closing Date shall be widely disseminated by notification to the Stock Exchange, by issuing a public notice, and also be notified on the websites of the BRLMs and M- BRLM and at the terminals of the Syndicate Members and communicated to the Designated Intermediaries and the Sponsor Bank(s), which shall also be notified in an advertisement in same newspapers in which the Bid/ Offer Opening Date was published, as required under the SEBI ICDR Regulations
Bid/Offer Opening Date	Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids, being Wednesday, July 30, 2025, which shall be published in

Term	Description
	all editions of Jansatta (a widely circulated Hindi national daily newspaper) and Mumbai edition of Navshakti (a widely circulated Marathi daily newspaper, Marathi being the regional language of Maharashtra, where our Registered Office is located)
Bid/ Offer Period	Except in relation to Bid by Anchor Investors, the period between the Bid/Offer Opening Date and the Bid/Offer Closing Date, inclusive of both days, during which prospective Bidders can submit their Bids, including any revisions thereof, in accordance with the SEBI ICDR Regulations and the terms of this Red Herring Prospectus. Provided that the Bidding shall be kept open for a minimum of three Working Days for all categories of Bidders, other than Anchor Investors. In cases of force majeure, banking strike or similar unforeseen circumstances, our Company may, in consultation with the BRLMs, for reasons to be recorded in writing, extend the Bid /Offer Period for a minimum of one Working Day, subject to the Bid/Offer Period not exceeding 10 Working Days.
Bidder	Any prospective investor who makes a Bid pursuant to the terms of this Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, includes an Anchor Investor
Bidding Centres	Centres at which the Designated Intermediaries shall accept the ASBA Forms, i.e., Designated SCSB Branches for SCSBs, Specified Locations for the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for CRTAs and Designated CDP Locations for CDPs
Book Building Process	Book building process, as provided in Part A of Schedule XIII of the SEBI ICDR Regulations, in terms of which the Offer is being made
Book Running Lead Managers/ BRLMs	The book running lead managers to the Offer, namely, ICICI Securities Limited, Axis Capital Limited, HSBC Securities and Capital Markets (India) Private Limited, IDBI Capital Markets & Securities Limited*, Motilal Oswal Investment Advisors Limited and SBI Capital Markets Limited* <i>*IDBI Bank Limited and State Bank of India are participating as Selling Shareholders in the Offer. IDBI Bank Limited and IDBI Capital, State Bank of India and SBICAPS, respectively, are associates in terms of the SEBI Merchant Bankers Regulations. Accordingly, in compliance with the proviso to Regulation 21A of the SEBI Merchant Bankers Regulations and Regulation 23(3) of the SEBI ICDR Regulations, IDBI Capital and SBICAPS have signed the due diligence certificate and would be involved only in the marketing of the Offer.</i>
Broker Centres	Broker centres of the Registered Brokers where ASBA Bidders can submit the ASBA Forms, provided that UPI Bidders may only submit ASBA Forms at such broker centres if they are Bidding using the UPI Mechanism. The details of such broker centres, along with the names and contact details of the Registered Brokers, are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
BSE	BSE Limited
CAN/ Confirmation of Allocation Note	Notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who have been allocated the Equity Shares, on/after the Anchor Investor Bidding Date
Cap Price	The higher end of the Price Band, above which the Offer Price and the Anchor Investor Offer Price will not be finalised and above which no Bids will be accepted, including any revisions thereof. The Cap Price shall be at least 105% of the Floor Price and shall be less than or equal to 120% of the Floor Price
Cash Escrow and Sponsor Bank Agreement	The agreement dated July 22, 2025 entered into amongst our Company, the Selling Shareholders, the Registrar, the BRLMs, M- BRLM, Syndicate Members, and Bankers to the Offer in accordance with the UPI Circulars, for collection of the Bid Amounts from Anchor Investors, transfer of funds to the Public Offer Account and where applicable, remitting refunds of the amounts collected from Bidders, if any, to such Bidders, on the terms and conditions thereof
Client ID	Client identification number maintained with one of the Depositories in relation to the Bidder's beneficiary account
Collecting Depository Participant/ CDP	A depository participant as defined under the Depositories Act, 1996 registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of the SEBI ICDR Master Circular, and the SEBI UPI Circulars, issued by SEBI and as per the list available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com), as updated from time to time
Collecting Registrar and Share Transfer Agents/ CRTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of, among others, SEBI ICDR Master Circular, and as per the list available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com), as updated from time to time and the UPI Circulars
Cut-off Price	Offer Price, finalised by our Company in consultation with the BRLMs, which shall be any price within the Price Band Only Retail Individual Investors Bidding under the Retail Portion and the Eligible Employees Bidding under the Employee Reservation Portion, are entitled to Bid at the Cut-off Price. QIBs (including Anchor Investor) and Non-Institutional Investors are not entitled to Bid at the Cut-off Price
Demographic Details	Details of the Bidders including the Bidder's address, name of the Bidder's father/husband, investor status, occupation and bank account details and UPI ID, where applicable

Term	Description
Designated CDP Locations	Such locations of the CDPs where Bidders (other than Anchor Investors) can submit the ASBA Forms. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
Designated Date	The date on which funds are transferred from the Escrow Account and the amounts blocked are transferred from the ASBA Accounts, as the case may be, to the Public Offer Account or the Refund Account, as applicable, in terms of this Red Herring Prospectus and the Prospectus, after the finalisation of the Basis of Allotment in consultation with the Designated Stock Exchange, following which Equity Shares may be Allotted to successful Bidders in the Offer
Designated Intermediaries	In relation to ASBA Forms submitted by Retail Individual Investors by authorizing an SCSB to block the Bid Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs In relation to ASBA Forms submitted by UPI Bidders where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by such UPI Bidder using the UPI Mechanism, Designated Intermediaries shall mean Syndicate, sub-syndicate/agents, Registered Brokers, CDPs, SCSBs and CRTAs In relation to ASBA Forms submitted by QIBs and Non-Institutional Bidders (not using the UPI Mechanism), Designated Intermediaries shall mean SCSBs, Syndicate, sub-syndicate/agents, Registered Brokers, CDPs and CRTAs
Designated RTA Locations	Such locations of the CRTAs where Bidders (other than Anchor Investors) can submit the ASBA Forms to CRTAs. The details of such Designated CRTA Locations, along with names and contact details of the CRTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com) and updated from time to time
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Forms, a list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes or at such other website as may be prescribed by SEBI from time to time
Designated Stock Exchange	BSE Limited
Draft Red Herring Prospectus/ DRHP	The draft red herring prospectus dated July 7, 2023 filed with SEBI and BSE and issued in accordance with the SEBI ICDR Regulations, which did not contain complete particulars of the Offer Price and the size of the Offer, read with the Addendum
Eligible Employee(s)	Permanent employees of our Company or of our Subsidiaries, as may be decided (excluding such employees not eligible to invest in the Offer under applicable laws, rules, regulations and guidelines), as on the date of filing of this Red Herring Prospectus with the RoC and who continue to be a permanent employee of our Company or our Subsidiaries, as applicable, until the submission of the ASBA Form and is based, working and present in India or abroad as on the date of submission of the ASBA Form; and a Director of our Company, whether whole time Director or not, who is eligible to apply under the Employee Reservation Portion under applicable law as on the date of filing of this Red Herring Prospectus with the RoC and who continues to be a Director of our Company, until the submission of the Bid cum Application Form, but not including Directors who either themselves or through their relatives or through any body corporate, directly or indirectly, hold more than 10% of the outstanding Equity Shares of our Company. The maximum Bid Amount under the Employee Reservation Portion by an Eligible Employee shall not exceed ₹ 0.50 million (net of Employee Discount). However, the initial Allotment to an Eligible Employee in the Employee Reservation Portion shall not exceed ₹ 0.20 million. Only in the event of an under-subscription in the Employee Reservation Portion, such unsubscribed portion may be available for allocation and Allotment on a proportionate basis to Eligible Employees Bidding in the Employee Reservation Portion, for a value in excess of ₹ 0.20 million subject to the total Allotment to an Eligible Employee not exceeding ₹ 0.50 million (net of Employee Discount)
Eligible FPI(s)	FPIs from such jurisdictions outside India where it is not unlawful to make an offer/ invitation under the Offer and that are eligible to participate in this Offer in terms of applicable laws
Eligible NRI(s)	A non-resident Indian, resident in a jurisdiction outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom this Red Herring Prospectus and the Bid Cum Application Form constitutes an invitation to subscribe or purchase for the Equity Shares
Employee Discount	Our Company, in consultation with the BRLMs, may offer a discount of up to [●] % to the Offer Price (equivalent of ₹ [●] per Equity Share) to Eligible Employees, details of which shall be announced at least two Working Days prior to the Bid / Offer Opening Date
Employee Reservation Portion	The portion of the Offer being up to 85,000 Equity Shares, aggregating to ₹ [●] million, which shall not exceed 5% of the post Offer Equity Share capital of our Company, available for allocation to Eligible Employees, on a proportionate basis

Term	Description
Escrow Account	The 'no-lien' and 'non-interest bearing' accounts opened with the Escrow Collection Banks and in whose favour the Anchor Investors will transfer money through direct credit/NEFT/RTGS/NACH in respect of the Bid Amount when submitting a Bid
Escrow Collection Banks	The bank which is a clearing member and registered with SEBI as banker to an issue under the SEBI BTI Regulations and with whom the Escrow Accounts have been opened, in this case being Axis Bank Limited and HDFC Bank Limited.
First Bidder	Bidder whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names
Floor Price	The lower end of the Price Band, subject to any revision(s) thereto, at or above which the Offer Price and the Anchor Investor Offer Price will be finalised and below which no Bids will be accepted
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
General Information Document/ GID	The General Information Document for investing in public offers, prepared and issued in accordance with the circular (SEBI/HO/CFD/DIL1/CIR/P/2020/37) dated March 17, 2020 issued by SEBI, suitably modified and updated pursuant to, among others, the UPI Circulars and any subsequent circulars or notifications issued by SEBI from time to time. The General Information Document shall be available on the website of BSE (www.bseindia.com), the BRLMs and M- BRLM
HDFC Bank Limited (SS)	HDFC Bank Limited (through its investment division), participating as a Selling Shareholder in the Offer for Sale
HSBC	HSBC Securities and Capital Markets (India) Private Limited
IDBI Capital	IDBI Capital Markets & Securities Limited
I-Sec	ICICI Securities Limited
M- BRLM	HDFC Bank Limited (through its merchant banking division) acting as a book running lead manager to the Offer* *HDFC Bank Limited (through its investment division, defined above as "HDFC Bank Limited (SS)") is also participating as a Selling Shareholder in the Offer. On account of the restrictions under Regulation 21A of the SEBI Merchant Bankers Regulations, HDFC Bank Limited (in its capacity as a book running lead manager) will be involved only in the marketing of the Offer and its involvement in the Offer will be in accordance with the conditions disclosed under "Other Regulatory and Statutory Disclosures - Disclosure in respect of M- BRLM" on page 404.
Motilal Oswal	Motilal Oswal Investment Advisors Limited
Mutual Fund Portion	5% of the Net QIB Portion, or [●] Equity Shares, which shall be available for allocation to Mutual Funds only on a proportionate basis, subject to valid Bids being received at or above the Offer Price
Mutual Funds	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
Net Offer	The Offer less the Employee Reservation Portion
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares Allotted to the Anchor Investors
Non-Institutional Investors/ NIIs/ Non-Institutional Bidders	All Bidders that are not QIBs or Retail Individual Investors and who have Bid for Equity Shares for an amount more than ₹0.20 million (but not including NRIs other than Eligible NRIs)
Non-Institutional Portion	The portion of the Offer being not less than 15% of the Net Offer, consisting of [●] Equity Shares, which shall be available for allocation on a proportionate basis to Non-Institutional Investors, subject to valid Bids being received at or above the Offer Price, of which one-third shall be available for allocation to Bidders with an application size of more than ₹ 0.20 million and up to ₹ 1.00 million and two-thirds shall be available for allocation to Bidders with an application size of more than ₹ 1.00 million, provided that the unsubscribed portion in either of such sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Investors subject to valid Bids being received at or above the Offer Price
Offer/Offer for Sale	The offer for sale of up to 50,145,001 Equity Shares of face value of ₹ 2 each aggregating to ₹[●] million comprising up to 22,220,000 Equity Shares of face value of ₹ 2 each by IDBI Bank Limited aggregating to ₹[●] million, up to 18,000,001 Equity Shares of face value of ₹ 2 each by National Stock Exchange of India Limited aggregating to ₹[●] million, up to 500,000 Equity Shares of face value of ₹ 2 each by Union Bank of India aggregating to ₹[●] million, up to 4,000,000 Equity Shares of face value of ₹ 2 each by State Bank of India aggregating to ₹[●] million, up to 2,010,000 Equity Shares of face value of ₹ 2 each by HDFC Bank Limited (SS) aggregating to ₹[●] million and up to 3,415,000 Equity Shares of face value of ₹ 2 each by Administrator of the Specified Undertaking of the Unit Trust of India aggregating to ₹[●] million. For further details, see "The Offer" on page 112
Offer Agreement	The agreement dated July 7, 2023, amongst our Company, the Selling Shareholders, the BRLMs and M- BRLM, pursuant to which certain arrangements are agreed to in relation to the Offer, as amended pursuant to the amendment agreement dated July 8, 2025

Term	Description
Offer Price	₹[●] per Equity Share, being the final price within the Price Band, at which Equity Shares of face value of ₹ 2 each will be Allotted to successful Bidders, other than Anchor Investors. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Offer Price in terms of this Red Herring Prospectus. The Offer Price will be decided by our Company in consultation with the BRLMs, on the Pricing Date, in accordance with the Book Building Process and in terms of this Red Herring Prospectus on the Pricing Date. A discount of up to [●]% on the Offer Price (equivalent of ₹ [●] per Equity Share) may be offered to Eligible Employees bidding in the Employee Reservation Portion. The Employee Discount, if any, will be decided by our Company in consultation with the BRLMs
Offer Proceeds	The proceeds of the Offer which shall be available to the Selling Shareholders. For further details on use of the Offer Proceeds, see “ <i>Objects of the Offer</i> ” on page 138
Offered Shares	The cumulative number of Equity Shares being offered by the Selling Shareholders in the Offer for Sale comprising up to 50,145,001 Equity Shares of face value of ₹ 2 each, aggregating to ₹[●] million
Price Band	Price band of a minimum price of ₹[●] per Equity Share (i.e., Floor Price) and the maximum price of ₹[●] per Equity Share (i.e., Cap Price) including any revisions thereof. The Cap Price shall be at least 105% of the Floor Price The Offer Price, Price Band, Employee Discount (if any) and the minimum Bid Lot for the Offer will be decided by our Company in consultation with the BRLMs, and will be advertised in all editions of Jansatta (a widely circulated Hindi national daily newspaper) and Mumbai edition of Navshakti (a widely circulated Marathi daily newspaper, Marathi being the regional language of Maharashtra, where our Registered Office is located) at least two Working Days prior to the Bid/Offer Opening Date, with the relevant financial ratios calculated at the Floor Price and at the Cap Price, and shall be made available to BSE for the purpose of uploading on its website
Pricing Date	The date on which our Company in consultation with the BRLMs, will finalise the Offer Price
Prospectus	The Prospectus to be filed with the RoC in accordance with the Companies Act, 2013, and the SEBI ICDR Regulations containing, inter alia, the Offer Price that is determined at the end of the Book Building Process, the size of the Offer and certain other information, including any addenda or corrigenda thereto
Public Offer Account	The ‘no-lien’ and ‘non-interest bearing’ bank accounts opened with the Public Offer Account Banks under Section 40(3) of the Companies Act, 2013, to receive monies from the Escrow Account and ASBA Accounts on the Designated Date
Public Offer Account Banks	The banks with which the Public Offer Accounts have been opened for collection of Bid Amounts from Escrow Account and ASBA Accounts on the Designated Date, in this case being ICICI Bank Limited and Kotak Mahindra Bank Limited.
Qualified Institutional Buyers/ QIBs/ QIB Bidders	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
QIB Portion	The portion of the Offer (including the Anchor Investor Portion) being not more than 50% of the Net Offer, consisting of [●] Equity Shares aggregating to ₹[●] million which shall be Allotted to QIBs (including Anchor Investors) on a proportionate basis, including the Anchor Investor Portion (in which allocation shall be on a discretionary basis, as determined by our Company in consultation with the BRLMs), subject to valid Bids being received at or above the Offer Price or Anchor Investor Offer Price (for Anchor Investors)
Red Herring Prospectus/ RHP	This red herring prospectus dated July 23, 2025 issued in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which does not have complete particulars of the price at which the Equity Shares will be offered and the size of the Offer including any addenda or corrigenda thereto
Refund Account	The account opened with the Refund Bank, from which refunds, if any, of the whole or part of the Bid Amount to the Anchor Investors shall be made
Refund Bank	The Banker to the Offer which are clearing members registered with SEBI under the SEBI BTI Regulations, with whom the Refund Account has been opened, in this case being Axis Bank Limited
Registered Brokers	Stock brokers registered under the Securities and Exchange Board of India (Stock Brokers) Regulations, 1992 with the stock exchanges having nationwide terminals, other than the members of the Syndicate and eligible to procure Bids in terms of SEBI ICDR Master Circular and the UPI Circulars
Registrar Agreement	The agreement dated July 7, 2023, amongst our Company, the Selling Shareholders and the Registrar to the Offer in relation to the responsibilities and obligations of the Registrar to the Offer, as amended pursuant to the amendment agreement dated July 8, 2025
Registrar to the Offer/ Registrar	MUFG Intime India Private Limited (<i>Formerly Link Intime India Private Limited</i>)
Resident Indian	A person resident in India, as defined under FEMA

Term	Description
Retail Individual Investors(s)/ RII(s)/RIB(s)	Individual Bidders, who have Bid for the Equity Shares for an amount not more than ₹0.20 million in any of the bidding options in the Offer (including HUFs applying through their Karta and Eligible NRIs and does not include NRIs other than Eligible NRIs)
Retail Portion	The portion of the Offer being not less than 35% of the Net Offer consisting of [●] Equity Shares aggregating to ₹[●] million, which shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations (subject to valid Bids being received at or above the Offer Price)
Revision Form	Form used by the Bidders to modify the quantity of the Equity Shares or the Bid Amount in any of their ASBA Form(s) or any previous Revision Form(s). QIB Bidders and Non-Institutional Investors are not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Investors Bidding in the Retail Portion and Eligible Employees Bidding in the Employee Reservation Portion and can revise their Bids during the Bid/Offer Period and withdraw their Bids until Bid/Offer Closing Date
SBICAPS	SBI Capital Markets Limited
Self-Certified Syndicate Bank(s)/ SCSB(s)	The banks registered with SEBI, offering services: (i) in relation to ASBA (other than through UPI Mechanism), a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 or https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35, as applicable, or such other website as updated from time to time, and (ii) in relation to ASBA (through UPI Mechanism), a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 or such other website as may be prescribed by SEBI and updated from time to time In relation to Bids (other than Bids by Anchor Investor) submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Form from the members of the Syndicate is available on the website of SEBI (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35) and updated from time to time. For more information on such branches collecting Bid cum Application Form from the Syndicate at Specified Locations, see the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 as updated from time to time Applications through UPI in the Offer can be made only through the SCSBs mobile applications (apps) whose name appears on the SEBI website. A list of SCSBs and mobile application, which, are live for applying in public issues using UPI Mechanism is appearing in the “list of mobile applications for using UPI in Public Issues” displayed on SEBI website at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43. The said list shall be updated on SEBI website from time to time.
Share Escrow Agent	Escrow agent appointed pursuant to the Share Escrow Agreement, namely, MUFG Intime India Private Limited (<i>Formerly Link Intime India Private Limited</i>)
Share Escrow Agreement	Agreement dated July 17, 2025 entered into amongst the Selling Shareholders, our Company and the Share Escrow Agent in connection with the transfer of the Offered Shares by the Selling Shareholders and credit of such Offered Shares to the demat account of the Allottees
Specified Locations	Bidding centres where the Syndicate shall accept ASBA Forms from Bidders, a list of which is available on the website of SEBI (www.sebi.gov.in) and updated from time to time
Sponsor Banks	The Bankers to the Offer registered with SEBI, which have been appointed by our Company to act as a conduit between the Stock Exchanges and NPCI in order to push the mandate collect requests and/or payment instructions of the UPI Bidders using the UPI Mechanism and carry out other responsibilities, in terms of the UPI Circulars, in this case being ICICI Bank Limited and Axis Bank Limited
Stock Exchanges	Collectively, BSE and NSE
Syndicate Agreement	Agreement dated July 22, 2025 entered into amongst our Company, the Selling Shareholders, the BRLMs, M- BRLM, the Registrar to the Offer and the Syndicate Members in relation to collection of Bid cum Application Forms by the Syndicate
Syndicate Members	Intermediaries (other than the BRLMs and M- BRLM) registered with SEBI who are permitted to accept Bids, applications and place order with respect to the Offer and carry out activities as an underwriter, namely, Motilal Oswal Financial Services Limited, SBICAP Securities Limited, HDFC Securities Limited, and Investec Capital Services (India) Private Limited.
Syndicate/ members of the Syndicate	Together, the BRLMs, the M- BRLM and the Syndicate Members
Systemically Important Non-Banking Financial	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations.

Term	Description
Company/ NBFC-SI	
Underwriters	[●]
Underwriting Agreement	The agreement among the Underwriters, our Company and the Selling Shareholders to be entered into on or after the Pricing Date, but prior to filing of the Prospectus with the RoC
UPI	Unified Payments Interface, which is an instant payment mechanism, developed by NPCI
UPI Bidders	Collectively, individual investors applying as (i) Retail Individual Investors in the Retail Portion, (ii) Eligible Employees, in the Employee Reservation Portion and (iii) Non-Institutional Bidders with an application size of up to ₹ 0.50 million in the Non-Institutional Portion, and Bidding under the UPI Mechanism through ASBA Form(s) submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents Pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual investors applying in public issues where the application amount is up to ₹ 0.50 million shall use UPI and shall provide their UPI ID in the Bid-cum-Application Form submitted with: (i) a syndicate member, (ii) a stock broker registered with a recognized stock exchange (whose name is mentioned on the website of the stock exchange as eligible for such activity), (iii) a depository participant (whose name is mentioned on the website of the stock exchange as eligible for such activity), and (iv) a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for such activity)
UPI Circulars/UPI Streamlining Circulars	SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, along with the circular issued by the NSE having reference no. 25/2022 dated August 3, 2022 and the notice issued by BSE having reference no. 20220803-40 dated August 3, 2022 (to the extent these circulars are not rescinded by the SEBI RTA Master Circular, to the extent applicable), SEBI RTA Master Circular (to the extent it pertains to UPI), SEBI ICDR Master Circular and any subsequent circulars or notifications issued by SEBI and Stock Exchanges in this regard
UPI ID	ID created on UPI for single-window mobile payment system developed by the NPCI
UPI Mandate Request	A request (intimating the UPI Bidders, by way of a notification on the UPI linked mobile application as disclosed by SCSBs on the website of SEBI and by way of an SMS directing the UPI Bidders to such UPI linked mobile application) to the UPI Bidders using the UPI Mechanism initiated by the Sponsor Bank(s) to authorize blocking of funds on the UPI application equivalent to the Bid Amount, and the subsequent debit of funds in case of Allotment
UPI Mechanism	The Bidding mechanism that may be used by the UPI Bidders in accordance with UPI Circulars to make an ASBA Bid in the Offer
UPI PIN	Password to authenticate UPI transaction
Working Day	All days on which commercial banks in Mumbai are open for business, provided however, for the purpose of announcement of the Price Band and the Bid/Offer Period, "Working Day" shall mean all days, excluding all Saturdays, Sundays and public holidays on which commercial banks in Mumbai, India are open for business and for the purpose of the time period between the Bid/Offer Closing Date and listing of the Equity Shares on BSE, "Working Day" shall mean all trading days of BSE excluding Sundays and bank holidays in India in accordance with circulars issued by SEBI

Key Performance Indicators

Term	Description
Demat Custody Value (in ₹ billion)	Demat custody value is expressed as the total value of securities held in accounts with the company.
Issuers (Nos)	Issuers are the companies (both listed & unlisted) which are registered with our Company for various services such as annual custody fees, corporate action fee etc.
Total quantity of securities held in demat (in billion)	Total quantity of securities held in demat is the total number of securities held under custody by our Company and a measure to assess the volume of safekeeping of securities of investors in Dematerialized form.
e-Voting	e-Voting is a measure to assess trust of the corporates issuers that are taking the e-voting services from our company.
Depository Participants (Nos)	Depository Participants are intermediaries, like brokers or financial institutions, that are registered with our company for services like opening demat account, facilitating of the transfer and settlement of securities.
DP Service Centres (Nos)	DP Centres are service centres providing demat services to investors across different locations within India.
Demat Accounts (excluding closed accounts) (in million)	Demat Accounts (excluding closed accounts) is used to assess the trust of individuals and institutions such as, FIIs, FPIs, Corporates and MFs having active demat accounts with our company.

Term	Description
Demat Custody Value per Demat Account (in ₹ million)	Demat custody value per Demat Account is expressed as the total Demat custody value divided by the total number of Demat account held with our company.
Consolidated Operating Revenue (in ₹ million)	Consolidated Operating Revenue as per the Restated Consolidated Financial Information which represent income arising in the course of our group's ordinary activities from the services rendered to its customers.
Standalone Operating Revenue (in ₹ million)	Standalone Operating Revenue as per the Restated Consolidated Financial Information which represent income arising in the course of company's ordinary activities from the services rendered to its customers.
Consolidated EBITDA (in ₹ million)	Consolidated EBITDA as per the Restated Consolidated Financial Information represents our group's operating profits arrived at by adding interest, depreciation and amortization in profit before tax.
Consolidated PAT (in ₹ million)	Consolidated PAT as per the Restated Consolidated Financial Information represents our group's profit after tax.
Consolidated Basic and Diluted Earnings per Share (₹)	Basic Earnings Per Share is calculated by dividing profit or loss attributable to ordinary equity holders of the parent entity (the numerator) by the weighted average number of ordinary shares outstanding (the denominator) during the period of Restated Consolidated Financial Information. Diluted Earnings Per Share, an entity shall adjust profit or loss attributable to ordinary equity holders of the parent entity, and the weighted average number of shares outstanding, for the effects of all dilutive potential ordinary shares.
Consolidated Net worth (in ₹ million)	Consolidated Net worth as per the Restated Consolidated Financial Information is the aggregate value of the paid-up share capital and all reserves created out of the profits, securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation at a group level.
Operating Profit Margin (%)	Operating Profit Margin is defined as operating profit as a percentage of operating revenue.
PAT Margin (%)	PAT Margin is profit after tax expressed as a percentage of total income.
Return on Equity (%)	Return On Equity is profit after tax expressed as a percentage of total equity.

Conventional and General Terms and Abbreviations

Term	Description
₹/Rs./Rupees/INR	Indian Rupees
A/c	Account
AIFs	Alternative investment funds as defined in and registered under the SEBI AIF Regulations
CAGR	Compounded Annual Growth Rate
Calendar Year	Unless the context otherwise requires, shall refer to the 12-month period ending December 31 of that particular year
CDSL	Central Depository Services (India) Limited
CIN	Corporate identity number
Companies Act, 1956	Companies Act, 1956, and the rules, regulations, notifications, modifications and clarifications made thereunder, as the context requires
Companies Act, 2013/ Companies Act	Companies Act, 2013 and the rules, regulations, notifications, modifications and clarifications thereunder
Consolidated FDI Policy	The consolidated FDI Policy, effective from October 15, 2020, issued by the DPIIT, and any amendments or substitutions thereof, issued from time to time
COVID-19	A public health emergency of international concern as declared by the World Health Organization on January 30, 2020 and a pandemic on March 11, 2020
CSR	Corporate social responsibility
Demat	Dematerialised
Depositories Act	Depositories Act, 1996, read with the rules, regulations, amendments and modifications notified thereunder
Depository / Depositories	CDSL and our Company
DIN	Director Identification Number
DP ID	Depository Participant's Identification Number
DP/ Depository Participant	A depository participant as defined under the Depositories Act
DPIIT	The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry

Term	Description
EBITDA	Earnings before interest, taxes, depreciation and amortisation expense, which has been arrived at by obtaining the profit before tax for the year / period and adding back finance costs, depreciation, amortisation and impairment expense and reducing other income
EGM	Extra-ordinary general meeting
Erstwhile SEBI D&P Regulations	Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996
EPS	Earnings per share
FDI	Foreign direct investment
FEMA	Foreign Exchange Management Act, 1999, including the rules and regulations thereunder
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
Financial Year/ Fiscal/ Fiscal year/ FY	Period of twelve months ending on March 31 of that particular year, unless stated otherwise
FPI(s)	A foreign portfolio investor who has been registered pursuant to the SEBI FPI Regulations
Fraudulent Borrower	Fraudulent Borrower as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations
FVCI	Foreign Venture Capital Investors (as defined under the SEBI FVCI Regulations) registered with SEBI
GDP	Gross domestic product
GoI	Government of India
GST	Goods and services tax
HUF	Hindu undivided family
I.T. Act	The Income-tax Act, 1961
ICAI	The Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards
Ind AS	Indian Accounting Standards notified under Section 133 of the Companies Act read with the Companies (Indian Accounting Standards) Rules, 2015
Ind AS Rules	Companies (Indian Accounting Standards) Rules, 2015
Indian GAAP	The Companies (Accounting Standards) Rules, 2006 specified under section 133 of the Companies Act, read with the Companies (Accounts) Rules, 2014
IMPS	Immediate Payment Service
IPO	Initial public offer
IRDAI	Insurance Regulatory Development Authority of India
IST	Indian Standard Time
IT	Information technology
LLP	Limited Liability Partnership
MCA	Ministry of Corporate Affairs, Government of India
Mutual Funds	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
Mn/ mn	Million
N.A. or NA	Not applicable
NACH	National Automated Clearing House
NAV	Net asset value
NEFT	National electronic fund transfer
No.	Number
NPCI	National payments corporation of India
NRE Account	Non-resident external account established in accordance with the Foreign Exchange Management (Deposit) Regulations, 2016
NRI/ Non-Resident Indian	A person resident outside India who is a citizen of India as defined under the Foreign Exchange Management (Deposit) Regulations, 2016 or is an 'Overseas Citizen of India' cardholder within the meaning of section 7(A) of the Citizenship Act, 1955
NRO Account	Non-resident ordinary account established in accordance with the Foreign Exchange Management (Deposit) Regulations, 2016
NSE	National Stock Exchange of India Limited
OCB/ Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts in which not less than 60% of the beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under the FEMA and which was de-recognised through the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs)) Regulations, 2003. OCBs are not allowed to invest in the Offer
Payment Aggregators Guidelines	Guidelines on Regulation of Payment Aggregators and Payments Gateways issued on March 17, 2020
Payment and Settlement Systems Act	Payment and Settlement Systems Act, 2007

Term	Description
p.a.	Per annum
P/E Ratio	Price/earnings ratio
PAN	Permanent account number allotted under the I.T. Act
PA/ PG Guidelines, 2020	Guidelines on Regulation of Payment Aggregators and Payments Gateways issued on March 17, 2020
RBI	Reserve Bank of India
Regulation S	Regulation S under the U.S. Securities Act
RoE	Return on equity
RoNW	Return on net worth
RTGS	Real time gross settlement
Rule 144A	Rule 144A under the U.S. Securities Act
SCRA	Securities Contracts (Regulation) Act
SCRR	Securities Contracts (Regulation) Rules, 1957
SEBI	Securities and Exchange Board of India constituted under the SEBI Act
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI Adjudication Rules	Securities and Exchange Board of India (Procedure for holding Inquiry and Imposing penalties by Adjudicating Officer) Rules, 1995
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
SEBI BTI Regulations	Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994
SEBI D&P Regulations	Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018, as amended
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
SEBI FUTP Regulations	Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended
SEBI ICDR Master Circular	SEBI master circular no. SEBI/HO/CFD/PoD-1/P/CIR/2024/0154 dated November 11, 2024
SEBI Intermediaries Regulations	SEBI (Intermediaries) Regulations, 2008
SEBI KRA Regulations	Securities and Exchange Board of India (KYC (Know Your Client) Registration Agency) Regulations, 2011
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SEBI Merchant Bankers Regulations	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
SEBI PIT Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
SEBI RTA Regulations	Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993
SEBI RTA Master Circular	SEBI master circular no. SEBI/HO/MIRSD/MIRSD-PoD/P/CIR/2025/91 dated June 23, 2025
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
SEBI VCF Regulations	The <i>erstwhile</i> Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 as repealed pursuant to SEBI AIF Regulations
SCR SECC Regulations, 2012	Securities Contracts (Regulation) (Stock Exchange and Clearing Corporation) Regulations, 2012
SCR SECC Regulations, 2018	Securities Contracts (Regulation) (Stock Exchange and Clearing Corporation) Regulations, 2018
SCRR Adjudication Rules	Securities Contract Regulation (Procedure for holding inquiry and imposing penalties by Adjudicating officer) Rules, 2005
State Government	Government of a state of India
STT	Securities transaction tax
TAN	Tax deduction and collection account number
UIDAI	Unique Identification Authority of India
US GAAP	Generally Accepted Accounting Principles in the United States of America
USA/ U.S. / US	The United States of America
USD / US\$	United States Dollars
U.S. Securities Act	The Securities Act of 1933 of the United States of America
VCFs	Venture capital funds as defined in, and registered with SEBI under, the SEBI VCF Regulations
Wilful Defaulter	Wilful Defaulter as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations

Technical and Industry Related Terms

Term	Description
AePS	Aadhaar Enabled Payment System
AMFI	Association of Mutual Funds in India
API	Application programming interface
ASBA	Application supported by blocked amount
ATM	Automated teller machine
AUA	Authentication user agency
AUC	Assets under custody
AUM	Assets under management
B2B	Business-to-business
B2B2C	Business-to-business-to-consumer
BC	Business correspondent
BFSI	Banking, financial, services and insurance
BSDA	Basic service demat accounts
BSETPL	BSE Technologies Private Limited
CAGR	Compound annual growth rate
CAS	Consolidated account statement
CASA	Current account savings account
CBM	Corporate bond market
CDSL	Central Depository Services (India) Limited
CEBR	Centre for Economics and Business Research
CISPL	CAMS Investor Services Private Limited
CM	Clearing members
CMS	Cash management system
CRAR	Capital to risk assets ratio
CSPs	Customer service points
CUSPA	Client unpaid securities pledgee accounts
CVL	CDSL Ventures Limited
Demat	Dematerialized
DLT	Distributed ledger technology
DP	Depository participant
DPM	Depository participant module
DTC	Depository Trust Company
DTCC	Depository Trust Clearing Corporation
EBITDA	Earnings before interest, taxes, depreciation, and amortization
ELSS	Equity-linked savings scheme
EPFO	Employees' Provident Fund Organization
ETF	Exchange-traded fund
FATF	Financial Action Task Force
FD	Fixed deposit
FII	Foreign institutional investor
FPI	Foreign portfolio investor
GDP	Gross domestic product
GIFT City	Gujarat International Finance Tec-City
HUF	Hindu undivided family
ICEGATE	The Indian Customs Electronic Data Interchange Gateway
IdAS	Internet-based demat account statement
IFSC	International Financial Services Centre
IIBH	India International Bullion Holding
IIBX	India International Bullion Exchange
IIDL	India International Depository IFSC Limited
IMF	International Monetary Fund
InvIT	Infrastructure investment trusts
IPO	Initial public offering
IPPB	India Post Payment Bank
IRDAI	Insurance Regulatory and Development Authority of India
IT/ITeS	Information technology/information technology enabled services
ITPIN	IT professional identification number
KDMSL	Karvy Data Management Services Limited
KRA	KYC Registration Agency
KUA	E-KYC User Agency

Term	Description
KYC	Know your client
LAS	Loan against securities
LEIs	Legal entity identifiers
MCA	Ministry of Corporate Affairs
MOCI	Ministry of Commerce & Industry
MFOS	Mutual funds overnight scheme
MII	Market infrastructure institutions
MMUs	Mobile medical units
nasscom	The National Association of Software and Service Companies
NBFC	Non-banking financial company
NDAL	NSE Data & Analytics Limited
NDML	NSDL Database Management Limited
NDU	Non-disposal undertakings
NIR	NSDL National Insurance Repository
NPA	Non-performing asset
NPBL	NSDL Payments Bank Limited
NRI	Non-resident Indian
NSDL	National Securities Depository Limited
NSR	National Skills Registry
PAT	Profit after tax
POA	Power of attorney
POS	Point-of-sale
PwD	Persons with disabilities
RBI	Reserve Bank of India
REIT	Real estate investment trust
RTA	Registrar and transfer agent
RTI	Registrars to an issue
SEBI	Securities and Exchange Board of India
SEZ	Special economic zone
SFB	Small finance bank
SGX	Singapore Exchange Limited
SIMPLE	Submission of instruction through mobile phone login easily
SIP	Systematic investment plan
SLR	Statutory liquidity ratio
SOC	Security operations center
SPICE	Submission of power of attorney-based instructions for clients electronically
STeADY	Securities Trading-information Easy Access and Delivery, an internet-based facility
TAT	Turnaround time
TRADeS	Transaction related alerts of demat account received through SMS
UDR	Unsecured depository receipts
UIDAI	Unique Identification Authority of India
UPI	Unified payments interface
VAPT	Vulnerability assessment and penetration testing

CERTAIN CONVENTIONS, USE OF FINANCIAL INFORMATION AND MARKET DATA AND CURRENCY OF PRESENTATION

Certain Conventions

All references in this Red Herring Prospectus to “India” are to the Republic of India and its territories and possessions and all references herein to the “Government”, “Indian Government”, “GoI”, “Central Government” or the “State Government” are to the Government of India, central or state, as applicable. All references herein to the “US”, the “USA”, the “U.S.” or the “United States” are to the United States of America and its territories and possessions.

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

Financial Data

Our Company’s financial year commences on April 1 of the immediately preceding calendar year and ends on March 31 of that particular calendar year and accordingly, all references to a particular financial year or fiscal are to the 12-month period commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year. Unless indicated otherwise, all references to a ‘year’ in this Red Herring Prospectus are to a calendar year.

Unless stated otherwise or the context requires otherwise, the financial information and financial ratios in this Red Herring Prospectus are derived from the Restated Consolidated Financial Information. For further details, see “*Restated Consolidated Financial Information*” on page 286.

The restated consolidated financial information of our Company together with our Subsidiaries and Associate comprising the restated consolidated statement of assets and liabilities as at March 31, 2025, March 31, 2024 and March 31, 2023, the restated consolidated statement of profit and loss (including other comprehensive income), the restated consolidated statement of changes in equity and the restated consolidated cash flow statement for the years ended March 31, 2025, March 31, 2024 and March 31, 2023 and the statement of material/significant accounting policies, and other explanatory information including the notes to the restated consolidated financial information relating to such financial years prepared in accordance with Ind AS specified under Section 133 of the Companies Act 2013, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and restated in accordance with the SEBI ICDR Regulations and included in “*Restated Consolidated Financial Information*” on page 286.

Unless the context otherwise requires, any percentage, amounts, as set forth in “*Summary of the Offer Document*”, “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Conditions and Results of Operations*” on pages 25, 34, 215 and 354, respectively, and elsewhere in this Red Herring Prospectus have been calculated on the basis of our Restated Consolidated Financial Information or non-GAAP financial measures as described below, unless otherwise stated.

There are significant differences between Ind AS, Indian GAAP, US GAAP and IFRS. Our Company does not provide reconciliation of its financial information, prepared under Ind AS, to IFRS or US GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Red Herring Prospectus and it is urged that you consult your own advisors regarding such differences and their impact on our Company’s financial data. For details in connection with risks involving differences between Ind AS, U.S. GAAP and IFRS see “*Risk Factors – Significant differences exist between the Indian Accounting Standards (Ind AS) used to prepare our financial information and other accounting principles, such as the United States Generally Accepted Accounting Principles (U.S. GAAP) and the International Financial Reporting Standards (IFRS), which may affect investors’ assessments of our Company’s financial condition.*” on page 106. The degree to which the financial information included in this Red Herring Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting policies and practices, the Companies Act, 2013 and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting policies and practices on the financial disclosures presented in this Red Herring Prospectus should accordingly be limited.

Certain figures contained in this Red Herring Prospectus, including financial information, have been subject to rounding off adjustments. All decimals have been rounded off to two decimal points. In certain instances, (i)

the sum or percentage change of such numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row. However, where any figures that may have been sourced from third-party industry sources are rounded off to other than two decimal points in their respective sources, such figures appear in this Red Herring Prospectus as rounded-off to such number of decimal points as provided in such respective sources.

Non-Generally Accepted Accounting Principles Financial Measures

Certain non-GAAP financial measures and certain other statistical information relating to our operations and financial measures relating to our financial performance such as, EBITDA, Return on Net worth, Net worth, Return on Capital Employed (the “**Non-GAAP Measures**”), have been included in this Red Herring Prospectus as a supplemental measure of our performance and liquidity that are not required by, or presented in accordance with Ind AS or US GAAP. Furthermore, these Non-GAAP Measures, are not a measurement of our financial performance or liquidity under IND AS, Indian GAAP, IFRS or US GAAP and should not be considered as an alternative to net profit/loss, revenue from operations or any other performance measures derived in accordance with Ind AS, IFRS or US GAAP or as an alternative to cash flow from operations or as a measure of our liquidity. Further, these non-GAAP Measures and other statistical and other information relating to operations and financial performance should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the years or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, IFRS or US GAAP. In addition, these non-GAAP Measures and other statistical and other information relating to operations and financial performance, are not standardised terms and may not be computed on the basis of any standard methodology that is applicable across the industry and therefore, may not be comparable to financial measures of similar nomenclature that may be computed and presented by other companies and are not measures of operating performance or liquidity defined by Ind AS and may not be comparable to similarly titled measures presented by other companies. Further, they may have limited utility as a comparative measure. For further details, see “*Management’s Discussion and Analysis of Financial Position and Results of Operations*” on page 354.

Industry and Market Data

Unless stated otherwise, industry and market data used in this Red Herring Prospectus has been obtained or derived from the report titled “*Assessment of the Depository System, Database Management and Payments Banks in India*” dated July 2025 prepared and issued by CRISIL Intelligence (“**CRISIL Report**”) and publicly available information as well as other industry publications and sources. The CRISIL Report has been exclusively prepared for the purpose of the Offer and is commissioned and paid for by our Company. CRISIL was appointed pursuant to an engagement letter dated June 19, 2025, entered into with our Company. The CRISIL Report is available on the website of our Company at <https://nsdl.co.in/DRHP.php> from the date of this Red Herring Prospectus until the Bid / Offer Closing Date. CRISIL has confirmed that it is an independent agency and is not a related party of our Company, our Directors or Key Managerial Personnel or Senior Management or the Book Running Lead Managers.

About Crisil Intelligence

“Crisil Intelligence, a division of Crisil Limited, provides independent research, consulting, risk solutions, and data & analytics to its clients. Crisil Intelligence operates independently of Crisil’s other divisions and subsidiaries, including, Crisil Ratings Limited. Crisil Intelligence’s informed insights and opinions on the economy, industry, capital markets and companies drive impactful decisions for clients across diverse sectors and geographies.

For the preparation of this report, Crisil Intelligence has relied on third party data and information obtained from sources which in its opinion are considered reliable. Any forward-looking statements contained in this report are based on certain assumptions, which in its opinion are true as on the date of this report and could fluctuate due to changes in factors underlying such assumptions or events that cannot be reasonably foreseen. This report does not consist of any investment advice and nothing contained in this report should be construed as a recommendation to invest/disinvest in any entity. This industry report is intended for use only within India.”

The data used in these sources may have been reclassified by us for the purposes of presentation and may also not be comparable. Given the scope and extent of the CRISIL Report, disclosures are limited to certain excerpts and the CRISIL Report has not been reproduced in its entirety in this Red Herring Prospectus. There are no parts, data

or information which may be relevant for the proposed Offer, that have been left out or changed in any manner. The extent to which the industry and market data presented in this Red Herring Prospectus is meaningful and depends upon the reader's familiarity with, and understanding of, the methodologies used in compiling such information. There are no standard data gathering methodologies in the industry in which our Company conducts business and methodologies, and assumptions may vary widely among different market and industry sources. Such information involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in *“Risk Factors – This Red Herring Prospectus contains information from an industry report prepared by an independent third-party research agency, CRISIL Intelligence, a division of CRISIL Limited (“CRISIL”), which we have commissioned and paid for exclusively in connection with the Offer and any reliance on such information for making an investment decision in the Offer is subject to inherent risks.”* on page 98. Accordingly, no investment decision should be solely made on the basis of such information.

In accordance with the SEBI ICDR Regulations, the section *“Basis for Offer Price”* on page 141 includes information relating to our peer group companies, which has been derived from publicly available sources, and accordingly, no investment decision should be made solely on the basis of such information.

Currency and Units of Presentation

All references to *“Rupees”* or *“₹”* or *“Rs.”* or *“INR”* are to Indian Rupees, the official currency of the Republic of India.

All references to *“U.S.\$”*, *“U.S. Dollar”*, *“USD”* or *“U.S. Dollars”* are to United States Dollars, the official currency of the United States of America.

In this Red Herring Prospectus, our Company has presented certain numerical information. All figures have been expressed in million or billion except where specifically indicated. One million represents 10 lakhs or 1,000,000 and 10 million represents one crore or 10,000,000. One billion represents 100 crore or 1,000,000,000. However, where any figures that may have been sourced from third party industry sources are expressed in denominations other than millions or billions in their respective sources, such figures appear in this Red Herring Prospectus expressed in such denominations as provided in such respective sources.

Time

All references to time in this Red Herring Prospectus are to Indian Standard Time. Unless indicated otherwise, all references to a year in this Red Herring Prospectus are to a calendar year.

Exchange Rates

This Red Herring Prospectus may contain conversions of U.S. Dollars and certain other currency amounts into Indian Rupees that have been presented solely to comply with the requirements of the SEBI ICDR Regulations. These conversions should not be construed as a representation that such currency amounts could have been, or can be converted into Indian Rupees, at any particular rate, or at all.

The following table sets forth, for the periods indicated, information with respect to the exchange rate between the INR and USD:

Currency	For the year ended		
	March 31, 2025	March 31, 2024	March 31, 2023
1 USD	85.58 ⁽¹⁾	83.37 ⁽²⁾	82.22

(1) The previous working day being March 28, 2025, not being a public holiday, has been considered.

(2) The previous working day being March 29, 2024, not being a public holiday, has been considered.

Source: www.fbil.org.in

Note: Exchange rate is rounded off to two decimal places.

FORWARD-LOOKING STATEMENTS

This Red Herring Prospectus contains certain statements which are not statements of historical fact and may be described as “forward-looking statements”. These forward-looking statements include statements which can generally be identified by words or phrases such as “aim”, “anticipate”, “are likely”, “believe”, “continue”, “can”, “could”, “expect”, “estimate”, “intend”, “may”, “likely”, “objective”, “plan”, “propose”, “will continue”, “seek to”, “will achieve”, “will likely”, “will pursue” or other words or phrases of similar import. Similarly, statements that describe the strategies, objectives, plans or goals of our Company are also forward-looking statements. All statements regarding our expected financial condition, results of operations, business plans and prospects are forward-looking statements. These forward-looking statements include statements as to our business strategy, plans, revenue and profitability (including, without limitation, any financial or operating projections or forecasts) and other matters discussed in this Red Herring Prospectus that are not historical facts. However, these are not the exclusive means of identifying forward-looking statements.

These forward-looking statements are based on our current plans, estimates and expectations and actual results may differ materially from those suggested by such forward-looking statements. All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. This could be due to risks or uncertainties associated with our expectations with respect to, but not limited to, regulatory changes pertaining to the industries we cater to and our ability to respond to them, our ability to successfully implement our strategies, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India and globally, which may have an impact on our business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes, changes in competition in our industry and incidence of any natural calamities and/or acts of violence.

Significant factors that could cause actual results to differ materially from our expectations include, but are not limited to, the following:

- Reduction in demand for our services due to shift in investor preferences away from investing and trading in securities to other avenues.
- Failure to expand our services offerings and market reach through continued innovation and development of new products and services through technology-based solutions or the failure of these new service offerings.
- Decrease in trading activity due to external factors beyond our control.
- Any significant system or network disruption due to a technical glitch, breach in the security of our IT systems or otherwise.
- Inability to comply with our legal and regulatory obligations exposing us to regulatory proceedings and legal actions.

For a further discussion of factors that could cause our actual results to differ from the expectations, see “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Position and Results of Operations*” on pages 34, 215 and 354, respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could be materially different from those that have been estimated. Forward-looking statements reflect our current views as of the date of this Red Herring Prospectus and are not a guarantee of future performance. These statements are based on our management’s belief and assumptions, which in turn are based on currently available information. Although we believe that the assumptions on which such statements are based are reasonable, any such assumptions as well as statements based on them could prove to be inaccurate.

Neither our Company, the Directors, the Selling Shareholders, nor the Book Running Lead Managers, M- BRLM or the Syndicate or any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with the SEBI ICDR Regulations, our Company will ensure that investors are informed of material developments pertaining to our Company from the date of this Red Herring Prospectus until the time of the grant of listing and trading permissions by BSE. Each of the Selling Shareholders, severally and not jointly, shall (through our Company and the BRLMs and M- BRLM)

ensure that investors are informed of material developments in relation to statements and undertakings specifically made or confirmed by them in relation to itself or its respective portion of the Offered Shares in the Draft Red Herring Prospectus, this Red Herring Prospectus and the Prospectus until the grant of listing and trading permission by BSE for the Equity Shares pursuant to the Offer.

SUMMARY OF THE OFFER DOCUMENT

This section is a general summary of the terms of Offer, certain disclosures included in this Red Herring Prospectus and are not exhaustive, nor does it purport to contain a summary of all the disclosures in this Red Herring Prospectus or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Red Herring Prospectus, including the sections titled “Risk Factors”, “The Offer”, “Capital Structure”, “Objects of the Offer”, “Industry Overview”, “Our Business”, “Our Principal Shareholders”, “Restated Consolidated Financial Information”, “Management’s Discussions and Analysis of Financial Position and Results of Operations”, “Outstanding Litigation and Other Material Developments” and “Main Provisions of the Articles of Association” on pages 34, 112, 129, 138, 161, 215, 284, 286, 354, 384 and 458 respectively.

Summary of the business of our Company

We are a SEBI registered market infrastructure institution. As of March 31, 2025, we are the largest depository in India in terms of number of issuers, number of active instruments, market share in demat value of settlement volume and value of assets held under custody (Source: CRISIL Report). Through our Subsidiaries, NDML and NPBL, we offer a range of IT-enabled solutions through multiple verticals such as e-governance, payments solutions, collaborative industry solutions, regulatory platforms, KYC solutions, insurance repository services and digital banking solutions, amongst others. For more information on our revenue model, please see “Business – Our Revenue Model” on page 235.

Summary of the industry in which we operate

The Indian capital market has witnessed a growth at a fast pace between Financial Year 2017 till Financial Year 2025. As the first and leading depository in the country, NSDL introduced the concept of dematerialization of securities, revolutionizing the securities landscape in India. NSDL is the largest depository in India in terms of number of issuers, number of active instruments, market share in demat value of settlement volume and value of assets held under custody as of March 31, 2025. The depository market in India grew at rapid pace in past 3 years.

Promoters

Our Company is a professionally managed company and does not have any identifiable promoter in terms of SEBI ICDR Regulations and the Companies Act, 2013.

The Offer

Offer^{1&2}	The Offer for Sale of up to 50,145,001 Equity Shares of face value of ₹ 2 each, aggregating to ₹[●] million by the Selling Shareholders. ³
of which	
Employee Reservation Portion⁴	Up to 85,000 Equity Shares of face value of ₹ 2 each aggregating to ₹[●] million
Net Offer	Up to 50,060,001 Equity Shares of face value of ₹ 2 each aggregating to ₹[●] million

¹ The Offer has been authorized by a resolution of the Board dated June 27, 2023. Further, the IPO Committee has taken on record the approval for the Offer for Sale by the Selling Shareholders pursuant to its resolution dated July 7, 2023 and May 17, 2025.

² The Equity Shares being offered by the Selling Shareholders have been held for a period of at least one year immediately preceding the date of filing the Draft Red Herring Prospectus with SEBI and are eligible for being offered for sale pursuant to the Offer in terms of the SEBI ICDR Regulations. For further details, see “Capital Structure” on page 129.

³ The details of the Equity Shares offered by each Selling Shareholder pursuant to the Offer are set forth below:

S. No.	Selling Shareholders	Details of Offered Shares
1.	IDBI Bank Limited	Up to 22,220,000 Equity Shares of face value of ₹ 2 each aggregating to ₹[●] million
2.	National Stock Exchange of India Limited	Up to 18,000,001 Equity Shares of face value of ₹ 2 each aggregating to ₹[●] million
3.	Union Bank of India	Up to 500,000 Equity Shares of face value of ₹ 2 each aggregating to ₹[●] million
4.	State Bank of India	Up to 4,000,000 Equity Shares of face value of ₹ 2 each aggregating to ₹[●] million
5.	HDFC Bank Limited (SS)	Up to 2,010,000 Equity Shares of face value of ₹ 2 each aggregating to ₹[●] million
6.	Administrator of the Specified Undertaking of the Unit Trust of India	Up to 3,415,000 Equity Shares of face value of ₹ 2 each aggregating to ₹[●] million

⁴ In the event of under-subscription in the Employee Reservation Portion, the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹0.20 million (net of Employee Discount), subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹0.50 million (net of Employee Discount). The unsubscribed portion, if any, in the Employee Reservation Portion (after allocation of up to ₹0.50 million), shall be added to the Net Offer. For further details, see "Offer Structure" on page 428.

The Offer and Net Offer shall constitute [●]% and [●]% of the post Offer paid up Equity Share capital of our Company.

Objects of the Offer

The objects of the Offer are to (i) carry out the sale and transfer of up to 50,145,001 Equity Shares of face value of ₹ 2 each by the Selling Shareholders; and (ii) achieve the benefits of listing the Equity Shares on BSE. For further details, see "Objects of the Offer" on page 138.

Aggregate pre-Offer shareholding of the Selling Shareholders

S. No.	Name of Selling Shareholder	Pre-Offer	
		Number of Equity Shares of face value ₹ 2 each	Percentage of total pre-Offer paid up Equity Share capital (%)
1.	IDBI Bank Limited	52,200,000	26.10%
2.	National Stock Exchange of India Limited	48,000,000	24.00%
3.	HDFC Bank Limited (SS)	15,909,500	7.95%
4.	Administrator of the Specified Undertaking of the Unit Trust of India	13,660,000	6.83%
5.	State Bank of India	10,000,000	5.00%
6.	Union Bank of India	5,625,000	2.81%
	Total	145,394,500	72.70%

Pre-Offer and post-Offer shareholding of the Selling Shareholders and the additional top 10 Shareholders

The aggregate pre-Offer shareholding of the Selling Shareholders and the additional top 10 Shareholders as a percentage of the pre-Offer and post-Offer paid-up Equity Share capital of our Company is set out below:

S. No.	Name of Shareholder	Pre-Offer shareholding as on the date of the price band advertisement*		Post-Offer shareholding as at Allotment*^			
		Number of Equity Shares of face value ₹ 2 each	Percentage of total pre-Offer paid up Equity Share capital (%)	At the lower end of the Price Band (₹ ●)		At the upper end of the Price Band (₹ ●)	
				Number of Equity Shares of face value ₹ 2 each held	Percentage of total post-Offer paid up Equity Share capital (%)	Number of Equity Shares of face value ₹ 2 each held	Percentage of total post-Offer paid up Equity Share capital (%)
Selling Shareholders							
1.	IDBI Bank Limited	●	●	●	●	●	●
2.	National Stock Exchange of India Limited	●	●	●	●	●	●
3.	HDFC Bank Limited (SS)	●	●	●	●	●	●
4.	Administrator of the Specified Undertaking of the Unit Trust of India	●	●	●	●	●	●
5.	State Bank of India	●	●	●	●	●	●
6.	Union Bank of India	●	●	●	●	●	●
Additional top 10 Shareholders							
1.	●	●	●	●	●	●	●
2.	●	●	●	●	●	●	●

S. No.	Name of Shareholder	Pre-Offer shareholding as on the date of the price band advertisement*		Post-Offer shareholding as at Allotment*^			
		Number of Equity Shares of face value ₹ 2 each	Percentage of total pre-Offer paid up Equity Share capital (%)	At the lower end of the Price Band (₹[●])		At the upper end of the Price Band (₹[●])	
				Number of Equity Shares of face value ₹ 2 each held	Percentage of total post-Offer paid up Equity Share capital (%)	Number of Equity Shares of face value ₹ 2 each held	Percentage of total post-Offer paid up Equity Share capital (%)
3.	[●]	[●]	[●]	[●]	[●]	[●]	[●]
4.	[●]	[●]	[●]	[●]	[●]	[●]	[●]
5.	[●]	[●]	[●]	[●]	[●]	[●]	[●]
6.	[●]	[●]	[●]	[●]	[●]	[●]	[●]
7.	[●]	[●]	[●]	[●]	[●]	[●]	[●]
8.	[●]	[●]	[●]	[●]	[●]	[●]	[●]
9.	[●]	[●]	[●]	[●]	[●]	[●]	[●]
10.	[●]	[●]	[●]	[●]	[●]	[●]	[●]

* To be updated in the Prospectus prior to filing with the RoC.

^ Subject to finalisation of Basis of Allotment.

For further details, see “Capital Structure” on page 129.

Summary of selected Restated Consolidated Financial Information

The following is a summary financial information derived from the Restated Consolidated Financial Information:

(in ₹ million, except per share data)

Particulars	As at and for the Fiscal ended		
	March 31, 2025	March 31, 2024	March 31, 2023
Equity Share capital	400.00	400.00	400.00
Net worth ⁽¹⁾	20,053.41	16,840.97	14,288.61
Revenue from operations	14,201.46	12,682.44	10,219.88
Profit after tax attributable to equity shareholders	3,431.24	2,754.45	2,348.10
Earnings per Equity Share (basic) (in ₹) ^{(2) (3)}	17.16	13.77	11.74
Earnings per Equity Share (diluted) (in ₹) ^{(2) (3)}	17.16	13.77	11.74
Net asset value per Equity Share (in ₹) ⁽⁴⁾	100.27	84.20	71.44
Total borrowings	-	-	-

Notes:

1. Net worth means the aggregate of paid-up Equity Share capital and other equity and all reserves created out of the profits and debit or credit balance of consolidated profit and loss account as per the Restated Consolidated Financial Information.
2. Pursuant to resolution passed in the extra-ordinary general meeting held on March 10, 2023, shareholders of our Company have approved sub-division of each equity share of face value of ₹ 10 each into five Equity Shares of face value of ₹ 2 each. As required under IND AS 33, “earning per share”, the above sub-division are retrospectively considered for the computation of weighted average number of Equity Shares outstanding during the period / year.
3. Basic Earnings Per Share is calculated by dividing profit or loss attributable to ordinary equity holders of the Company (the numerator) by the weighted average number of ordinary shares outstanding (the denominator) during the period of Restated Financial Statement. Diluted Earnings Per Share, an entity shall adjust profit or loss attributable to ordinary equity holders of the Company, and the weighted average number of shares outstanding, for the effects of all dilutive potential ordinary shares.
4. Net Asset Value per Equity Share = Net worth as per the Restated Consolidated Financial Information / Number of equity shares outstanding as at the end of year.

For further details, see “Restated Consolidated Financial Information” on page 286.

Qualifications of the Statutory Auditors which have not been given effect to in the Restated Consolidated Financial Information

Our Statutory Auditors have not made any qualifications that have not been given effect to in the Restated Consolidated Financial Information.

Summary of outstanding litigation

A summary of outstanding litigation proceedings involving our Company, Subsidiaries, Directors, Key Managerial Personnel and Senior Management in accordance with the SEBI ICDR Regulations and the Materiality Policy as on the date of this Red Herring Prospectus, is provided below:

Name of Entity	Criminal proceedings	Tax proceedings	Statutory or regulatory proceedings	Material civil litigation	Aggregate amount involved (₹ in million) ⁽¹⁾
Company					
By our Company	-	17	-	-	1,315.28
Against our Company	1	-	4	3	3,196.86
Directors					
By the Directors	-	-	-	-	-
Against the Directors	5	-	-	-	-
Subsidiaries					
By the Subsidiaries	-	17	-	-	67.71
Against the Subsidiaries	-	-	-	-	-
Key Management Personnel or Senior Management					
By the KMP or Senior Management	-	NA	-	NA	-
Against the KMP or Senior Management	-*	NA	-	NA	-

(1) The aforementioned amounts are stated to the extent they can be quantified, and rounded off to the nearest rupees in millions, with precision up to two decimal places.

*Excludes four criminal proceedings involving Vijay Chandok, our Managing Director and Chief Executive Officer, which are already covered under proceedings involving "Directors" in the table.

For details in relation to the pending regulatory proceedings and other material litigation involving one of our Group Companies, see "Outstanding Litigation and Other Material Developments" on page 384.

Risk factors

Specific attention of Bidders is invited to the section "Risk Factors" on page 34. Bidders are advised to read the risk factors carefully before taking an investment decision in the Offer.

Summary of contingent liabilities and other commitments of our Company

A summary of contingent liabilities and other commitments as at March 31, 2025, as per Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets, as derived from the Restated Consolidated Financial Information is set forth below:

(₹ in million)	
Particulars	Amount (as at March 31, 2025)
Demand from income tax authorities	701.22
Demand from service tax authorities	523.62
Demand from Goods and Services Tax (GST) authorities	24.46
Fixed deposits placed on behalf of NPBL	2.50
Disputed transactions with merchant of payment gateway	0.92
Total	1,252.72

Other commitments

(₹ in million)	
Particulars	Estimated amount of commitment (as at March 31, 2025)
Capital contracts not provided for (net of advances)	31.71
Other commitments: contractual guarantee	6.50

Particulars	Estimated amount of commitment (as at March 31, 2025)
Total	38.21

For further details of the contingent liabilities and other commitments, see “*Restated Consolidated Financial Information – Note 24*” on page 323.

Summary of Related Party Transactions

The following is the summary of transactions with related parties for the Fiscals ended March 31, 2025, March 31, 2024 and March 31, 2023, respectively as per the Ind AS 24 – Related Party Disclosures:

(₹ in million, except percentages)

Sr No.	Name of the related party	Nature of the transaction	Relationship	Financial year ended March 31, 2025		Financial year ended March 31, 2024		Financial year ended March 31, 2023	
				Amount (₹ in million)	Percentage (%)	Amount (₹ in million)	Percentage (%)	Amount (₹ in million)	Percentage (%)
(i)	Transactions during the year:								
	a) IDBI Bank Limited		Companies having substantial interest						
	Transaction fees	Total income		5.85	0.04	6.49	0.05	5.90	0.05
	Annual fees	Total income		1.15	0.01	1.01	0.01	1.03	0.01
	Annual custody fees	Total income		2.58	0.02	2.63	0.02	2.67	0.02
	Reimbursement of expenses	Total expenses		-	-	-	-	0.02	0.00
	Interest Income on fixed deposit with bank	Total income		8.68	0.06	9.54	0.07	25.51	0.23
	Interest (waiver)/ income – other	Total income		0.05	0.00	0.03	0.00	0.04	0.00
	Miscellaneous expenses	Total expenses		0.03	0.00	0.02	0.00	-0.04	-0.00
	Investor awareness expense	Total expenses		0.32	0.00	0.33	0.00	0.51	0.01
	Dividend paid	Total expenses		52.20	0.48	52.20	0.52	52.20	0.66
	b) National Stock Exchange of India Limited		Companies having substantial interest						
	Transaction fees	Total income		43.33	0.28	4.59	0.03	6.34	0.06
	Dividend paid	Total expenses		48.00	0.44	48.00	0.48	48.00	0.61
	c) India International Bullion Holding IFSC Limited		Associate company						
	Investment in Associate	Total assets		200.00	0.67	-	-	100.00	0.48
	Income	Total income		0.08	0.00	-	-	-	-
	d) Sitting Fees to directors	Total expenses	Key Managerial Personnel	15.82	0.15	13.38	0.13	11.06	0.14
	e) Remuneration to KMPs (Refer note ii):								
	Short-term employee benefit	Total expenses		32.74	0.30	33.77	0.33	33.68	0.43
	Long-term employee benefit	Total expenses		-	-	-	-	-	-

Sr No.	Name of the related party	Nature of the transaction	Relationship	Financial year ended March 31, 2025		Financial year ended March 31, 2024		Financial year ended March 31, 2023	
				Amount (₹ in million)	Percentage (%)	Amount (₹ in million)	Percentage (%)	Amount (₹ in million)	Percentage (%)
	f) GKM Global Services Private Limited		Companies in which director is interested						
	Income	Total income		0.02	0.00	-	-	-	-
	Security deposit received	Total liabilities		0.01	0.00	-	-	-	-
	(Payable)/Receivable at the end of the year :								
	a) IDBI Bank Limited		Companies having substantial interest						
	Security deposit payable	Total liabilities		3.00	0.03	3.00	0.05	3.00	0.05
	Balance in current account	Total assets		38.39	0.13	2.18	0.01	4.74	0.02
	FDS	Total assets		340.00	1.14	115.29	0.51	117.85	0.56
	Trade receivables	Total assets		-	-	-	-	0.33	0.00
	Trade Payables	Total liabilities		0.52	0.01	0.46	0.01	-	-
	b) National Stock Exchange of India Limited		Companies having substantial interest						
	Trade receivables	Total assets		44.97	0.15	5.37	0.02	4.72	0.02
	c) India International Bullion Holding IFSC Limited		Associate company						
	Investment in Associate	Total assets		484.12	1.62	249.67	1.11	259.90	1.24
	Trade receivables (net)	Total assets		0.01	0.00	-	-	-	-
	d) Payable to key managerial person	Total liabilities	Key Managerial Personnel	21.44	0.22	25.99	0.45	21.53	0.32
	e) GKM Global Services Private Limited		Companies in which director is interested						
	Trade payables	Total liabilities		0.01	0.00	-	-	-	-
	Security deposit payable	Total liabilities		-	-	-	-	-	-

Notes:

- There are no provisions for doubtful debts or amounts written off/written back in respect of dues from/to related parties.
- Managerial Remuneration does not include provision made for compensated absence and gratuity since the same is provided for the company as a whole based on independent actuarial valuation except to the extent of amount paid.
- Outstanding balances at the year-end are unsecured and interest free. For the year ended March 31, 2025, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (PY: Nil).

The following are the details of the transactions eliminated on consolidation as per Ind AS 24 for Fiscals ended March 31, 2025, March 31, 2024 and March 31, 2023, respectively:

(₹ in million, except percentages)

Sr No.	Name of the related party	Nature of the transaction	Relationship	Financial year ended March 31, 2025		Financial year ended March 31, 2024		Financial year ended March 31, 2023	
				Amount (₹ in million)	Percentage (%)	Amount (₹ in million)	Percentage (%)	Amount (₹ in million)	Percentage (%)
	Transactions during the year:								
	a) NSDL Database Management Limited		Subsidiary companies						
	Income	Total income		0.17	0.00	2.00	0.01	13.24	0.12
	Expense	Total expenses		6.25	0.06	4.76	0.05	7.85	0.10
	Reimbursement of expense	Total expenses		2.51	0.02	1.70	0.02	2.53	0.03
	Dividend received	Total income		183.15	1.19	183.15	1.34	122.10	1.11
	b) NSDL Payments Bank		Subsidiary companies						
	Income	Total income		0.08	0.00	0.08	0.00	0.30	0.00
	Expense	Total expenses		5.39	0.05	4.30	0.04	3.53	0.04
	Reimbursement of expense	Total expenses		0.59	0.01	0.76	0.01	1.50	0.02
	a) India International Bullion Holding IFSC Limited		Associate company						
	Income	Total income		0.08	0.00	0.08	0.00	0.08	0.00
	(Payable)/Receivable at the end of the year :								
	a) NSDL Database Management Limited		Subsidiary companies						
	Trade receivables (net)	Total assets		-	-	-	-	-	-
	Trade payables (net)	Total liabilities		6.49	0.07	1.54	0.03	2.42	0.04
	b) NSDL Payments Bank		Subsidiary companies						
	Security deposit payable	Total liabilities		0.15	0.00	0.15	0.00	0.15	0.00
	Balance in current account	Total assets		0.14	0.00	0.14	0.00	0.17	0.00
	Payables (net)	Total liabilities		1.16	0.01	0.69	0.01	2.07	0.03

For further details, see “*Restated Consolidated Financial Information – Note 26 – Related Party Disclosures*” on page 326.

Financing arrangements

There have been no financing arrangements whereby our Directors and their relatives have financed the purchase by any other person of securities of our Company during a period of six months immediately preceding the date of the Draft Red Herring Prospectus and this Red Herring Prospectus.

Weighted average price at which Equity Shares were acquired by each of the Selling Shareholders in the one year preceding the date of this Red Herring Prospectus

None of the Selling Shareholders have acquired any Equity Shares in the last one year immediately preceding the date of this Red Herring Prospectus.

Average cost of acquisition of Equity Shares by the Selling Shareholders

The average cost of acquisition per Equity Share acquired by the Selling Shareholders as at the date of this Red Herring Prospectus, is set forth below:

Name of Selling Shareholder	No. of Equity Shares of face value of ₹ 2 each held	Average cost of acquisition per Equity Share (in ₹)*
IDBI Bank Limited	52,200,000	2.00
National Stock Exchange of India Limited	48,000,000	12.28
HDFC Bank Limited (SS)	15,909,500	108.29
Administrator of the Specified Undertaking of the Unit Trust of India	13,660,000	2.00
State Bank of India	10,000,000	2.00
Union Bank of India	5,625,000	5.20

As certified by Motilal & Associates LLP, Chartered Accountants, by way of their certificate dated July 23, 2025.

*Adjusted for the split in face value from ₹ 10 per equity share to ₹ 2 per Equity Share.

For further details, see “Capital Structure” on page 129.

Details of price at which the specified securities were acquired by each of the Selling Shareholders and Shareholders entitled with right to nominate directors or any other special rights, in the last three years immediately preceding the date of this Red Herring Prospectus

None of the Selling Shareholders have acquired any Equity Shares in the last three years immediately preceding the date of this Red Herring Prospectus.

Weighted average cost of acquisition of Equity Shares transacted by the Selling Shareholders in the last one year, 18 months and three years preceding the date of this Red Herring Prospectus

The details of weighted average cost of acquisition of Equity Shares transacted by the Selling Shareholders in the last one year, 18 months, and three years preceding the date of this Red Herring Prospectus is as follows:

Period	Weighted average cost of acquisition per Equity Share (in ₹)*	Cap Price is ‘x’ times the weighted average cost of acquisition**	Range of acquisition price per Equity Share (Lowest price – Highest price) (in ₹)*
Last one year preceding the date of this Red Herring Prospectus	815	[•]	815-815
Last 18 months preceding the date of this Red Herring Prospectus	815	[•]	815-815
Last three years preceding the date of this Red Herring Prospectus	682.17	[•]	550-815

*As certified by Motilal & Associates LLP, Chartered Accountants, pursuant to their certificate dated July 23, 2025.

**Computed based on the equity shares acquired/allotted/purchased (including acquisition pursuant to transfer).

**To be updated upon finalization of the Price Band

Notes:

1. Pursuant to a resolution of our Board dated February 27, 2023, and approved by our Shareholders in an extra-ordinary general meeting dated March 10, 2023, by passing an ordinary resolution, one fully paid-up equity share of our Company of face value of ₹ 10 each was sub-divided into five fully paid-up Equity Shares of face value of ₹ 2 each. Accordingly, the issued and paid-up equity share capital of our Company was sub-divided from 40,000,000 equity shares of face value of ₹ 10 each to 200,000,000 Equity Shares of face value of ₹ 2 each, and therefore the average cost of acquisition is considered as Nil.
2. Pursuant to a resolution of our Board dated February 27, 2023, and approved by our Shareholders in an extra-ordinary general meeting dated March 10, 2023, by passing an ordinary resolution, one equity share of our Company of face value of ₹ 10 each was sub-divided into five Equity Shares of face value of ₹ 2 each. Accordingly, the issued and paid-up equity share capital of our Company was sub-divided from 40,000,000 equity shares of face value of ₹ 10 each to 200,000,000 Equity Shares of face value of ₹ 2 each, and therefore the weighted average cost of acquisition for secondary sale is considered as ₹ 2,750 for face value for ₹ 10 per equity share i.e., ₹ 550 for face value of ₹ 2 per Equity Share.
3. Our Company is a professionally managed company and does not have an identifiable promoter. Further, our Company, on April 30, 2025, had unfreeze the ISINs of all its Shareholders as a result of which the Equity Shares were freely transferable without any obligation on the Shareholders to report the transaction details to our Company. In the absence of the aforesaid information with our Company, the weighted average cost of acquisition has been provided for the Selling Shareholders only, based on secondary transactions in equity shares of our Company undertaken during the last one year, 18 months and three years.

Details of pre-IPO placement

Our Company does not contemplate any issuance or placement of Equity Shares by way of a pre-IPO placement till the listing of the Equity Shares.

Issue of Equity Shares for consideration other than cash in the last one year

Our Company has not issued any Equity Shares for consideration other than cash in the one year preceding the date of this Red Herring Prospectus.

Split or consolidation of Equity Shares in the last one year

Our Company has not undertaken split or consolidation of its Equity Shares in the one year preceding the date of this Red Herring Prospectus.

Exemption under securities laws

1. Our Company, by its letter dated February 23, 2023, had sought clarification from SEBI about the applicability of Regulation 24(1) of the SEBI Listing Regulations to our Company in relation to the appointment of an independent director (i.e., public interest director, in this case) from our Board on the board of directors of our Material Subsidiary (i.e., NPBL, in accordance with Regulation 24(1) of the SEBI Listing Regulations), due to the restriction under Regulation 25(4) of the SEBI D&P Regulations which provides that a public interest director on the board of a depository shall not act simultaneously as director on the board of its subsidiary or on the board of any other depository or recognized stock exchange or recognized clearing corporation or on the board of subsidiary of such other depository or recognized stock exchange or recognized clearing corporation. SEBI by way of its letter dated April 27, 2023 clarified that prior to listing of our Company, the provisions of Regulation 31(1) of the SEBI D&P Regulations shall apply, and post listing of our Company, the provisions of SEBI Listing Regulations shall apply as well. Subsequently, our Company, by way of its letter dated June 6, 2023, has sought further clarification on the applicability of Regulation 24(1) of the SEBI Listing Regulations post listing of our Company.

Further to the above, our Company has filed an application dated July 7, 2023, with SEBI seeking an exemption under Regulations 102(1)(a) and 102(1)(e) of the SEBI Listing Regulations from compliance with Regulation 24(1) of the SEBI Listing Regulations in relation to appointment of an independent director (i.e., public interest director, in this case) from our Board on the board of directors of our Material Subsidiary (i.e., NPBL, in accordance with Regulation 24(1) of the SEBI Listing Regulations), and permission for our Company to continue complying with Regulation 25 of the SEBI D&P Regulations. SEBI, pursuant to its letter dated September 6, 2023, granted an exemption as sought above.

2. Our Company filed an application dated November 18, 2024 with SEBI, seeking an exemption from compliance with Regulation 25(6) of the SEBI ICDR Regulations, read with Schedule XVI(1)(b) of the SEBI ICDR Regulations, in relation to changes in more than half of the board of directors of our Company, post filings of the Draft Red Herring Prospectus with SEBI and BSE, in order to comply with the requirements of SEBI D&P Regulations. SEBI, pursuant to its letter dated December 24, 2024, granted our Company the exemption as sought above.

Application of SEBI D&P Regulations

As a securities depository, our Company is subject to the SEBI D&P Regulations and will continue to be subjected to the SEBI D&P Regulations post listing of the Equity Shares of face value of ₹ 2 each on BSE.

SECTION II - RISK FACTORS

An investment in Equity Shares involves a high degree of risk. Prospective investors should carefully consider all the information in this Red Herring Prospectus, including the risks and uncertainties described below before making an investment in the Equity Shares.

We have described the risks and uncertainties that we believe are material, but these risks and uncertainties may not be the only risks relevant to us, the Equity Shares, or the industry in which we currently operate or propose to operate. Unless specified or quantified in the relevant risk factor below, we are not in a position to quantify the financial or other implication of any of the risks mentioned in this section. Additional risks and uncertainties not presently known to us or that we currently deem immaterial may also impair our business, results of operations, financial condition and cash flows. If any or a combination of the following risks actually occur, or if any of the risks that are currently not known or deemed to be not relevant or material now actually occur or become material in the future, our business, cash flows, prospects, financial condition and results of operations could suffer, the trading price of the Equity Shares could decline, and you may lose all or part of your investment.

To obtain a more detailed understanding of our business and operations, see this section in conjunction with the sections titled “Industry Overview”, “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 161, 215 and 354, respectively, of this Red Herring Prospectus as well as other financial and statistical information contained in this Red Herring Prospectus.

Unless otherwise indicated or unless the context requires otherwise, our financial information used in this section is derived from our Restated Consolidated Financial Information. In making an investment decision, prospective investors must rely on their own examination of our business and the terms of the Offer, including the merits and risks involved. Prospective investors should consult their tax, financial and legal advisors about the particular consequences to them of an investment in our Equity Shares.

This Red Herring Prospectus also contains forward-looking statements that involve risks, assumptions, estimates and uncertainties and other factors, many of which are beyond our control. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including but not limited to the considerations described below. For details, see “Forward-Looking Statements” on page 23.

*Unless otherwise indicated, the industry-related information contained in this section is derived from the industry report titled “Assessment of the Depository System, Database Management and Payments Banks in India” dated July 2025 prepared by CRISIL Intelligence, a division of CRISIL Limited (the “**CRISIL Report**”). We have commissioned and paid for the CRISIL Report for the purposes of confirming our understanding of the industry exclusively in connection with the Offer. We officially engaged CRISIL in connection with the preparation of the CRISIL Report pursuant to an engagement letter dated June 19, 2025. The data included in this section includes excerpts from the CRISIL Report and may have been re-arranged by us for the purposes of presentation. Unless otherwise indicated, all financial, operational, industry and other related information derived from the CRISIL Report and included herein with respect to any particular year, refers to such information for the relevant calendar year.*

INTERNAL RISK FACTORS

Risks Relating to Our Business

- 1. If there is a shift in investor preferences away from investing and trading in securities to other avenues, it could reduce demand for our services and adversely affect our business, financial condition, and results of operations.***

We commenced operations in 1996 as the first securities depository in India and are a market infrastructure institution in the securities market in India. Since the commencement of our operations, we have introduced several additional products and value-added services directly and through our subsidiaries, NSDL Database Management Limited (“**NDML**”) and NSDL Payments Bank Limited (“**NPBL**”), that include database management services, an insurance repository, payment bank services, a payment aggregator business, a covenant monitoring platform and a comprehensive data platform for dissemination of information on debt instruments. However, till date, the revenue generated from our depository services contribute to a large portion of our revenues. Set forth below are the details of the revenues from depository services for the Financial Years 2025, 2024 and 2023, also presented as a percentage of our total revenue.

Particulars	For the Financial Year		
	2025	2024	2023
Revenue from depository services (<i>₹ in million</i>)	6,186.04	4,730.34	4,091.46
Total revenue from operations (<i>₹ in million</i>)	14,201.46	12,682.44	10,219.88
Revenue from depository services as a percentage of total revenue from operations (%)	43.56%	37.30%	40.03%

Our revenue from depository services for the period increased by 30.77% to 6,186.04 million for the Financial Year 2025 from ₹4,730.34 million for the Financial Year 2024. Our revenue from depository services for the year increased by 15.61% to ₹4,730.34 million for the Financial Year 2024 from ₹4,091.46 million for the Financial Year 2023. For further details in relation to our segment-wise results of operations, see “*Management’s Discussion and Analysis of Financial Condition and Results of Operations – Significant Factors Affecting our Financial Condition and Results of Operation*” on page 356.

Our revenues are impacted by the general investment climate in India which is subject to various factors. Such factors that are beyond our direct control, and include, but are not limited to:

- concerns over inflation and the level of investors’ confidence;
- changes and volatility in the prices of securities;
- the perceived attractiveness, or lack of attractiveness, of Indian capital markets;
- changes in government monetary policy and foreign currency exchange rates;
- legislative and regulatory changes, including the potential for regulatory arbitrage among regulated and unregulated markets if significant policy differences emerge among markets;
- changes in tax policy and tax treaties between India and other countries;
- changes in the level and volatility of interest rates and GDP growth;
- competition from the other depository; and
- any other *force majeure* event.

Any significant change in investor preferences from investing and trading in securities to other avenues could reduce demand for our services and adversely affect our business, financial condition, and results of operations.

2. *Our failure to expand our service offerings and market reach through continued innovation and development of new products and services through technology-based solutions or the failure of these new service offerings may have an adverse impact on our business.*

Our success depends, in part, on our ability to develop and introduce new products and services to the securities market in India through technology-based solutions that anticipate and keep pace with rapid and continuing changes in technology, industry standards and preferences of investors. We continue to develop and make significant investments towards acquiring and introducing innovative and novel product and service offerings that we believe will address needs identified by us in the financial and securities markets in India. For instance, we introduced a secure internet service for demat account holders – IDeAS, to view their account balance and transaction history online, a service for clearing members to submit digitally signed instructions to depository participants electronically and a distributed ledger blockchain-based platform for debenture security and covenant monitoring system. CDSL offers a similar service called EASI (Electronic Access to Securities Information) (Source: *CRISIL Report*). During the Financial Year 2025, the number of clients using IDeAS increased to 1.82 million as compared to 1.69 million during the Financial Year 2024. As on March 31, 2025, 404 clearing members and 294 depository participants had subscribed to IDeAS. For further information, please see “*Business – Description of our Business – Products and Service Offering of our Depository Business*” on page 227. Some of our other products and services also include our e-voting platform, Tax Information Service, Demat Account Validation (DAN), a common internet infrastructure facility used exclusively by our depository participants to provide depository services to their clients, a service for demat account holders to avail loans by instantly pledging securities held in dematerialized form with us, and a facility that enables encrypted straight-through processing of trade information to market participants electronically. For details, please see “*Our Business – Description of our Business*” on page 227.

We may not be successful in anticipating or responding to developments in the financial and securities market in India in a timely and cost-effective manner. Our new products and services may not achieve the expected market acceptance or profitability. For example, in August 2022, NDML set up “Easy FD” an aggregation FD platform which would consume individual and diverse APIs from issuers and serve a master API to distributors who would in-turn direct investors to the platform for investing in FDs. Nonetheless, this platform did not gain the anticipated traction and required extensive capital expenditure. Accordingly, this product was discontinued. We may face similar risks and challenges in the future with respect to our other new products and services, which could have a material adverse impact on our business, financial condition and results of operations. Moreover, our efforts to gain technological expertise and develop new products, services and technologies requires us to make significant investments and incur additional expenses. If we cannot keep pace with new technologies available in the market or innovate our products and services as quickly as our competitors, or if our competitors develop and introduce new products, services or cost-effective technologies faster than us, it could have a material impact on our business, including our network of depository participants and demat account holder base.

3. *A large proportion of our Company’s business is transaction-based, in particular, delivery-based, and dependent on trading activity in the securities market. External factors beyond our control may affect the trading volumes which could adversely affect our business, cash flows, results of operation and financial condition.*

A significant portion of our Company’s business is transaction-based and is dependent on external factors beyond our control, such as the level of trading activity in cash segment on major stock exchanges in India, and we rely on market activities to execute transactions and generate revenue. The volume and frequency of transactions are influenced by several factors, including investor sentiment, economic conditions, and regulatory changes. Moreover, the level of trading activity on stock exchanges is also influenced by the overall state of the Indian economy, global economic trends, and geo-political developments. Any unfavorable changes in these external factors could lead to a decrease in trading activity, which could have an adverse impact on our business, financial condition, and results of operations. Furthermore, a decline in trading activity could reduce our transaction fees, which forms a significant portion of our revenue stream. Set forth below are the details of our transaction fees for the Financial Years 2025, 2024 and 2023, also presented as a percentage of our revenue from operations.

Particulars	For the Financial Year					
	2025		2024		2023	
	(₹ in million)	(% of Revenue from Operations)	(₹ in million)	(% of Revenue from Operations)	(₹ in million)	% of Revenue from Operations
Transaction Fees	4,249.60	29.92%	3,086.34	24.34%	2,553.82	24.99%

In addition, adverse economic conditions (global and domestic), a decline in depository participants, demat account holders or issuers of securities, and related transactions may lead to a decrease in transaction volume, adversely affecting our revenue and future growth prospects. Our ability to operate and grow our business is dependent on various external factors, and any adverse impact on these factors may have adversely affect our business, financial condition, and results of operations. See “—*The securities market in India is influenced by various factors beyond our control. Any disruption in the Indian securities market may adversely affect our financial conditions and revenue from operations.*” below on page 103.

4. *We rely on complex information technology networks and systems to operate our business. Any significant system or network disruption due to a technical glitch, breach in the security of our IT systems or otherwise, could have a negative impact on our business, reputation, results of operation and financial condition including levy of financial disincentive by SEBI.*

We rely on the efficient and secure operation of complex information technology networks and systems to carry out our business. All information technology systems remain potentially vulnerable to damage or interruption from a variety of sources, including but not limited to software and hardware failure, cyber-attacks, computer viruses and security breaches. While we have not experienced any cybersecurity incidents on our depository system during the last three Financial Years, our website had once been subjected to a cybersecurity attack in the past. There was no adverse impact on our operations on account of such incident. While risks of such cybersecurity attack have been mitigated, we may still be exposed to such risks in the future.

In accordance with the SEBI circulars on cyber security and cyber resilience framework, SEBI advisory on strengthening resiliency of websites of stock exchanges, clearing corporations and depositories, etc., a cyber security audit is undertaken by an independent auditor at least twice a year. If there are any observations provided by the auditor in the cyber security audit report, then our Company is required to take actions to resolve such observations in a timebound manner. Further, we are also subject to annual systems audit as prescribed by SEBI. As part of its routine security measures, our Company consistently collaborates with CERT-IN accredited vendors to carry out vulnerability assessment and penetration testing (“VAPT”) on both its applications and infrastructure (includes servers, network devices and network security devices). The aforesaid testing initiative includes the identification of vulnerabilities published by the Open Web Application Security Project (OWASP) and associated Web Application Security Consortium's threat classifications, with the primary goal of identifying vulnerabilities and the potential threats they pose. As per SEBI circular no. SEBI/HO/ ITD-1/ITD_CSC_EXT/P/CIR/2024/113 dated August 20, 2024, SEBI introduced a new Cybersecurity and Cyber Resilience Framework (“CSCRF”) to maintain robust norms of cybersecurity for Indian securities market. The CSCRF mandates the establishment of Security Operation Centres (“SOCs”) and market SOCs by NSE and BSE, while making it optional to establish for our Company and the BSE.

In course of this testing initiative, vendors are tasked with conducting VAPT assessments on our Company's information system infrastructure, including our networking systems, security devices, servers and databases. This includes a thorough evaluation through black box and grey box testing methodologies applied to web applications. The VAPT procedure also extends to simulating Distributed Denial of Service (DDoS) attacks, as well as verifying the procedures in place to respond to irregular activity. The aforesaid vulnerabilities span over multiple areas, such as cross site scripting (XSS), deficiencies in input validation, error handling, and cache control, privilege escalation, and even username enumeration, among other findings which gets remediated. Some of the issues identified in our VAPT report pertaining to, inter alia, (i) insufficient masking of sensitive data, (ii) certain vulnerable and outdated operating system software components, (iii) improper error handling, (iv) insufficient security logging and monitoring (v) lack of rate limiting, (vi) email harvesting, (vii) failure to restrict certain URL access, (viii) improper handling of case sensitivities and (ix) failure to update certain digital certificates (SSL and TLS) resulting in cipher block chaining and weak cipher algorithms. Our Company has different layers of security controls implemented to mitigate these vulnerabilities.

Through its letter dated August 6, 2019, SEBI notified the directions in connection with handling technical glitches on our systems. This letter was subsequently replaced by a SEBI circular dated July 05, 2021 on ‘Standard Operating Procedure for handling of technical glitches by Market Infrastructure Institutions (“MIIs”) and payment of Financial Disincentives’ that laid down the manner and quantum of financial disincentives that could be levied on MIIs on account of failure to resume normal business operations interrupted due to technical glitches (together, the “**Technical Glitches Circulars**”). In terms of the Technical Glitches Circulars, business disruption has been defined as stoppage or variance in the normal functions or operations of systems of the MII, thereby impacting normal/regular service delivery of the MII. As per SEBI circular no. SEBI/HO/MIRSD/TPD-1/P/CIR/2022/160 dated November 25, 2022, SEBI introduced a framework to address the technical glitches in stockbrokers' electronic trading systems. The changes include streamlining the reporting requirements for stockbrokers in case of any technical glitch, ensuring adequate capacity planning for trading systems, rigorous software testing, logging and monitoring mechanism for key parameters, real – time or near real-time monitoring, business continuity planning and Disaster Recovery Site (“**DRS**”) in different seismic zones, applying financial disincentives for technical glitches and non-compliances.

In addition to our primary platform, we have established a disaster recovery site to ensure business continuity when our primary site faces any issues. Following a directive issued by SEBI to ensure that primary data centre and disaster recovery sites are located in different seismic zones, in March 2021, we relocated our disaster recovery data centre operations to a different seismic zone more than 500 kilometres away from our primary data centre. Our disaster recovery site has an identical capacity of our primary site. Both the primary and the disaster recovery site has 205 systems/ hardware devices each, as on March 31, 2025, comprising of amongst other servers, storages, switches, routers and security devices. However, UAT (user acceptance test), DEV (development) and staging devices are located only at our primary site. For further details, see “*Our Business – Risk Management*” on page 237.

Below is a brief summary of technical glitches that occurred on our systems that resulted in a disruption to our business operations, and/or instances where operations may have shifted to our disaster recovery site, during the three years preceding the date of this Red Herring Prospectus:

S. No.	Date of occurrence and reporting to SEBI	Description
1	July 26, 2023 ⁽¹⁾	We observed an issue in the hardware on which the margin pledge and inter depository gateway applications were hosted. The issue was resolved on July 29, 2023, and we planned a comprehensive review of the system thereafter. Duration of impact: Four hours 30 minutes
2	October 23, 2024 ⁽²⁾	We observed delay while processing of the Beginning of the Day (BOD) activities due to imbalance in workload distribution attributable to the newly added 3rd node. The issue was subsequently resolved on the same day. Duration of impact: Three hours 44 minutes
3	November 28, 2024 ⁽²⁾	We encountered slowness in the processing of instructions on the central DM system, which led to backlog in transaction processing. The issue was subsequently resolved on November 29, 2024. Duration of impact: Three hours 42 minutes
4	December 23, 2024 ⁽³⁾	A few depositories participants reported an issue with the redirection from the eDPM server to the Margin Pledge portal. It was observed that, apart from the redirection issue, all other functions of the depository applications were working fine without any disruptions. The issue was identified and subsequently resolved after necessary network access for Margin Pledge redirection from eDPM was provided. The glitch was resolved on the same day. Duration of impact: One hour 44 minutes
5	January 27, 2025 ⁽²⁾	Some business partners reported slowness in the application, which affected the processing of Margin Pledge and EPI instructions. The slowness in instruction processing impacted the EPI deadline. To address the issue and improve processing speed, the margin pledge servers were restarted, the statistics of the centralized DM database tables involved in the processing were updated. The DM interface tables used for communication with peripheral applications such as Margin Pledge were archived. The glitch was resolved on the same day. Duration of impact: Three hours 19 minutes
6	January 28, 2025 ⁽²⁾	Slowness was reported in the application, which affected the processing of Margin Pledge and EPI instructions. The slowness impacted the instruction processing. To address the issue and improve processing speed, statistics of the centralized DM database tables in the processing were updated, and the antivirus on WAS and MQ servers were stopped. The glitch was resolved on the same day. Duration of impact: One hour 38 minutes
7	February 4, 2025 ⁽²⁾	Slowness was reported in central DM application booking listener processing, which affected the processing of Margin Pledge and EPI instructions. The slowness issue was due to replication/synchronization processes utilizing the same network link for 3-DC, leading to high bandwidth utilization. Further, intermittent issues were identified in replication link. The glitch was resolved on the same day. Duration of impact: Three hours two minutes
8	February 5, 2025 ⁽²⁾	Slowness was reported in processing Margin Pledge and EPI instructions due to delays in the central DM booking queue message processing. The slowness issue was due to replication/synchronization processes utilizing the same network link for

S. No.	Date of occurrence and reporting to SEBI	Description
		3-DC, leading to high bandwidth utilization. Further, intermittent issues were identified in replication link. The glitch was resolved on the same day. Duration of impact: Two hours
9	February 10, 2025 ⁽²⁾	We encountered technical issues in eDPM and Gateway servers, which caused login difficulties for business partners. As a result, transaction processing was impacted, affecting the EPI deadline. The backlog was fully cleared around 08:00 PM. However, the EPI deadline was extended to accommodate the delay. The glitch was resolved on the same day. Duration of impact: One hour 19 minutes
10	March 10, 2025 ⁽³⁾	We encountered a technical issue with the upload/download functionality in the e-Services application. All other depository functions were operational. The issue was resolved and the NSE and BSE Normal Pay-in deadline was extended to facilitate brokers and depository participants to execute the remaining pay-in instructions. Subsequently, NSE and BSE normal pay-in was successfully executed. The glitch was resolved on the same day. Duration of impact: Four hours 42 minutes
11	March 11, 2025 ⁽³⁾	We encountered a technical issue causing the e-SERVICES application page to be intermittently unavailable. All other depository functions continued to operate as usual. As a result of this issue, the NSE and BSE Normal Pay-in deadline was extended to facilitate brokers and depository participants to execute the pay-in instructions through e-SERVICES. Subsequently, NSE and BSE normal pay-in was successfully executed. The glitch was resolved on the same day. Duration of impact: Six hours 55 minutes
12	March 13, 2025 ⁽³⁾	We encountered a technical issue where instructions uploaded by DPs remained in a "released" status due to the post-booking listener repeatedly going down. As a result, early pay-in instructions were stuck in the booking queue. EPI deadline time had to be extended to facilitate DPs in executing pending instructions. The issue was initially observed at 07:43 PM and was promptly resolved. It resurfaced 2-3 times afterward and was promptly resolved each time. The final occurrence was noted at 08:53 PM and was resolved by 09:20 PM. In each occurrence, the problematic message was removed from the queue and processing was resumed. Duration of impact: One hour 37 minutes
13	March 19, 2025 ⁽²⁾	We encountered a network-related issue, which resulted in the unavailability of our websites. During this period, business partners were unable to log in and execute their pending instructions. EPI deadline time had to be extended to facilitate DPs to complete their pending tasks, ensuring that all instructions were successfully processed. The glitch was resolved on the same day. Duration of impact: One hour 33 minutes
14	April 15, 2025 ⁽²⁾	We encountered a technical issue on the Alert Engine server, which led to OTPs not being sent for eDIS instructions. To mitigate the impact and ensure continuity of trading, NSDL advised brokers to temporarily bypass the eDIS mandate process. The glitch was resolved on the same day.

S. No.	Date of occurrence and reporting to SEBI	Description
		Duration of impact: Four hours 56 minutes
15	April 25, 2025 ⁽²⁾	We experienced a technical issue in downloading Electronic Contract Notes (ECN) from STP gateway facility viz., STeADY. Post preliminary analysis of the issue and exploring troubleshooting measures, the web application server was restarted which successfully restored the functionality. This action enabled the pending ECN downloads to proceed as expected. The glitch was resolved on the same day. Duration of impact: Two hours 45 minutes
16	May 7, 2025 ⁽²⁾	We experienced an issue with the processing of off-market transfers. Execution of off-market transfers require payment confirmation from NPBL. However, due to an issue at NPBL, the payment confirmation was not received. Upon analysis, it was observed to be a connectivity issue due to missing network access. The firewall rules were reviewed, and it was found that access for the newly created servers was missing. The required firewall access was then provided, thereby restoring connectivity. All other depository systems remained fully functional during this period. The preliminary issue was identified as a wrong entry in NPBL's firewall access. The necessary firewall access was provided to resolve the issue. The glitch was resolved on the same day. Duration of impact: One hour one minute
17	June 9, 2025 ⁽²⁾	NSDL Monitoring Team observed that the e-SERVICES site was not accessible. Preliminary analysis revealed that the issue originated from the SPEED-e WebSphere Application Server, where datasource connections had reached 100% utilization, preventing new connections. On preliminary root cause analysis, it was observed that JDBC connection pool size exceeding 500 connections was utilized due to which new connections were not allowed, due to this, the e-SERVICES site was not available. The glitch was resolved on the same day and normal service was restored. Duration of impact: 45 minutes
18	June 24, 2025 ⁽²⁾	National Clearing Limited ("NCL") uploaded direct payout files to the NSDL Secure File Transfer Protocol ("SFTP") server. However, these files were not processed due to SFTP connectivity issue between the NSDL SFTP server and the Central Depository Module Application. Preliminary analysis indicated that the issue was caused by a Java exception on the Application server. As a temporary workaround, NSDL advised NCL to upload all direct payout files via the eDPM application to ensure continuity. The glitch was resolved on the same day. Duration of impact: Two hours three minutes
19	July 17, 2025 ⁽²⁾	An issue was observed in the processing of Margin Pledge instructions, wherein several instructions remained stuck in a "Sent to DM" status. Upon preliminary investigation, it was identified that these instructions were rejected by the Central Depository Module (DM) due to the error: "Duplicate batch ID received." To resolve the issue, archival of the DM interface tables was performed, followed by an update of statistics on the relevant Margin Pledge database tables. Post that processing of the impacted instructions resumed and all pending messages were successfully cleared.

S. No.	Date of occurrence and reporting to SEBI	Description
		The glitch was resolved on the same day. Duration of impact: Two hours 46 minutes
20	July 21, 2025 ⁽²⁾	We encountered slowness in the processing of both SPEED-e batch file processing and the e-Voting system, which led to backlog in transaction processing. The glitch was resolved on the same day. Duration of impact: Three hours 13 minutes

Notes:

(1) Operations were shifted to the DR Site.

(2) Operations were not required to be shifted to the DR site.

(3) The incident occurred at the DR Site post shifting.

Additionally, SEBI vide its email dated May 2, 2025 advised our Company that while there have been four instances of technical glitches with business disruption lasting longer than 75 minutes/ 180 minutes for the period between July 26, 2023 to December 23, 2024, financial disincentive has not been paid by our Company such said business disruptions lasting longer than 75 minutes/ 180 minutes. SEBI has also sought details regarding technical glitches/business disruptions since December 23, 2024 till date along with applicability of financial disincentive. Our Company had responded to the same via its email dated May 9, 2025. There may be financials disincentives payable by the Company in relation to the aforementioned technical glitches resulting in business disruption.

SEBI has, in the past, levied financial disincentives on our Company, in relation to two technical glitches that occurred on our systems in calendar year 2019, amounting to ₹1.53 million and ₹0.58 million, respectively. The operations were not required to be shifted to the DR site pursuant to such glitches.

In addition to the above, prior to the Technical Glitches Circulars, in the calendar year 2018, SEBI levied financial disincentive on our Company in relation to two incidents amounting to ₹7.63 million and ₹4.83 million, respectively. In the first of such incident on August 9, 2018, operations could not be shifted to the DR site on account of the glitch. In the second such incident on September 3, 2018, operations were not required to be shifted to the DR site.

The financial disincentives levied on our Company included a disincentive for the delay in addressing the glitch, the delay in submission of the root cause analysis and failure to shift the operations to DR site. Further, the transition from our primary site to our disaster recovery site may not be seamless, for reasons including issues with our disaster recovery site itself, and our operations and business continuity may get impacted. Further, we also face the risk of loss of data during such transition. While in compliance with the business continuity requirements prescribed by SEBI whereby we ensure transition to our disaster recovery site for a few days every quarter and have operationalised a near site with synchronous replication for our critical applications to reduce the risk of loss of data, we cannot assure you that we will be able to seamlessly execute this transition when faced with any such adversity in the future.

If we are unable to efficiently and effectively maintain and upgrade our system safeguards and security features, both at the primary and the disaster recovery site, we may incur unexpected costs and liabilities; and certain of our systems may become more vulnerable to unauthorized access and/or misuse of our systems. These types of incidents, upon occurrence, could result in intellectual property or other confidential information being lost or stolen, including client, employee or investor data. In addition, we may not be able to detect cyber-attacks, or other such incidents relating to our information technology systems or assess the severity or impact of the same in a timely manner, or at all. Our depository platform and internet network (including those of our third-party service providers) may also be exposed to unplanned outages, unauthorized access, cyber-attacks, third-party attacks, misuse of our system or security breaches. This may result in loss/legal liabilities or misappropriation/misuse of client data and system disruptions or failures.

Unauthorized parties may attempt to gain access to our systems or facilities through various means, including, among others, hacking our systems or facilities, or attempting to fraudulently induce our stakeholders into disclosing sensitive information, which may in turn be used to access our information technology systems. Cyber-attackers may gain access to our or our clients' data or other confidential,

proprietary, or sensitive information, including data of Demat Account holders. They could wrongfully use such information, or cause interruptions or malfunctions in our operations. Such breaches or any actual, threatened or perceived attacks in the future could compromise our confidential data. This could lead to lawsuits against us and could result in government agencies commencing investigations of our operations.

We have implemented various measures to manage risks related to system and network security and disruptions. However, a security breach or a significant and extended disruption in the functioning of our information technology systems could damage our reputation and cause us to lose business, adversely impact our operations and financial condition. Moreover, this would require us to incur significant expense to address and remediate or otherwise resolve such issues. We have a security operations center with round the clock operations to monitor, detect, analyze, contain, eradicate and respond to any adverse cyber security events. Our center is based on an analytical platform and comprises a correlation of network, security and server infrastructure that is aligned to prevalent industry standards. However, techniques used to obtain unauthorized, improper, or illegal access to our systems, or to disable or degrade or destabilize our service or sabotage systems, are constantly evolving and may be difficult to detect quickly. As a result, we may be unable to anticipate these techniques, react in a timely manner, or implement adequate preventative or remedial measures.

As most of our operations are carried out entirely through our digital platforms, in order to maintain the high levels of security, service and reliability that our clients require, we may be required to continue to make significant investments and expenditure towards providing our services in a secure manner. Set forth below are details of our expenditures towards repairs and maintenance – system, system support charges and capital expenditure in relation to information technology for the Financial Years 2025, 2024 and 2023.

Particulars	For the Financial Year		
	2025	2024	2023
	(in ₹ million, unless otherwise stated)		
Revenue Expense			
Repairs and maintenance system	644.28	552.22	447.00
System support charges	87.59	59.74	48.26
Total revenue expense	731.87	611.96	495.26
Total revenue expense as a percentage of total expenditure (%)	6.75%	6.06%	6.27%
Capital Expenditure			
Capital expenditure in relation to information technology*	460.30	289.32	191.74
Total capital expenditure as a percentage of total expenditure (%)	4.25%	2.87%	2.43%

*Excluding capital work in progress and intangible assets under development.

Further, set forth below are the details of our expenditure towards repairs and maintenance – system and capital expenditure in relation to information technology for our depository business for the Financial Years 2025, 2024 and 2023.

Particulars	For the Financial Year		
	2025	2024	2023
	(in ₹ million, unless otherwise stated)		
Revenue Expense			
Repairs and maintenance – system	651.61	560.32	457.02
Repairs and maintenance expense as a percentage of total expenditure (Depository Business) (%)	21.07%	23.00%	21.37%
Capital Expenditure			
Capital expenditure in relation to information technology*	304.10	111.90	81.82
Total capital expenditure as a percentage of total expenditure (Depository Business) (%)	9.83%	4.59%	3.83%

*Excluding capital work in progress and intangible assets under development.

Further, we may be required to incur additional expenditure for system upgradation or modification pursuant to changes in regulatory requirements, and such changes may not be operationalized with our Depository Participants in a timely manner, or at all. A substantial increase in any such expenses may adversely affect our revenue from operations, profit margins and cash flows. For more information, see “Basis for Offer Price- Qualitative Factors” and “Our Business – Technology” on pages 141 and 236, respectively.

5. ***We operate under a stringent regulatory regime and our inability to comply with our legal and regulatory obligations may expose us to regulatory proceedings and legal actions by the Securities and Exchange Board of India.***

Our Company is governed by the Depositories Act and the SEBI (Depositories and Participants) Regulations, 2018, (“**SEBI D&P Regulations**”), and our business is regulated by various regulations issued by SEBI, including regulations in relation to our governance, our capital structure and other areas of our operations and functioning. The Depositories Act prescribes rights and obligations of depositories and gives power to SEBI to call for information and enquiry as may be necessary in the interest of public or the investors. Under the SEBI D&P Regulations, our Company is required to a) ensure compliance with limits for shareholding ownership and control of our Company by Indian residents; b) adhere to the disclosure requirements and corporate governance norms applicable to listed companies; c) implement mechanisms for monitoring the shareholding limits; d) constitute mandatory committees such as the member committee, standing committee on technology, regulatory oversight committee and risk management committee. Additionally, pursuant to the SEBI D&P Regulations, appointment and re-appointment of our managing director, Public Interest Directors and Non-Independent Directors is subject to SEBI’s approval and SEBI also has the power to terminate our managing director’s appointment. For instance, we have, in the past, received complaints against our former managing director and chief executive officer alleging certain corporate governance violations in our Company. SEBI directed our Company to share the complaints with the Nomination and Remuneration Committee to ensure proper and comprehensive evaluation of candidates while shortlisting and recommending them for appointment as the managing director and chief executive officer of our Company. Additionally, certain of our Non-Independent Directors (*erstwhile shareholder directors*) have, in the past, become ineligible to form part of our Board due to the requirements of the SEBI D&P Regulations. In certain cases, while appropriate clarifications and exemptions had been applied for by our Company, change in laws and non-receipt of approval/ further correspondence from SEBI led to the cessation of tenure of such Non-Independent Directors.

Further, in accordance with Regulation 25 read with Part C of Schedule II of the SEBI D&P Regulations, shareholders’ approval is not necessary for the appointment of Public Interest Directors. Accordingly, Shareholders will not approve the appointment of Public Interest Directors on our Board. For details of our Public Interest Directors, refer to “*Our Management – Board of Directors*” on page 262.

Any failure to comply with the applicable laws, regulations or requirements could subject us to inspection, audit and enforcement actions by SEBI, and may lead to suspension and revocation of the relevant license or approval. Civil and criminal penalties including payment of penalty to the aggrieved party and payment of fines, may accrue pursuant to this non-compliance.

SEBI has in the past and may in the future issue warnings, deficiencies, show cause notices, orders or otherwise impose restrictions or conditions on the operation of our business. Further, for details of enforcement actions against our Company, refer to “*Outstanding Litigation and other material developments – Litigation involving our Company - Actions by statutory or regulatory authorities against our Company*” and “*– Our Company has been subject to enforcement actions, in the past, by way of issuance of show cause notices by SEBI in relation to violations/ non-compliances of relevant SEBI laws by our Company. There can be no assurance that such actions will not be taken against our Company in the future.*” on pages 385 and 78. We could be subject to administrative or judicial proceedings that may result in penalties, that could result in substantial costs and diversions of resources. This may negatively affect our reputation and have a material adverse effect on our business and cash flows, financial condition and results of operations.

Further, our Subsidiaries, NPBL and NDML, are governed by the regulatory requirements and directions issued by the various authorities including RBI, SEBI, UIDAI and IRDAI, as applicable. For further details, see “*– Payments banks in India, including our Subsidiary, NPBL, are subject to regulatory requirements and prudential norms. Its inability to comply with applicable laws, regulations and norms may have an adverse effect on our reputation, businesses, financial condition and results of operations*” and “*– On account of its operations, our Subsidiary, NDML, is subject to regulatory requirements prescribed by various authorities including IRDAI, SEBI, UIDAI and RBI. Its inability to comply with applicable laws, regulations and norms may have an adverse effect on our reputation, businesses, financial condition and results of operations*” on pages 86 and 46, respectively.

6. ***We closely compete with our competitors across our businesses in a highly regulated environment. Any failure to compete successfully could have an adverse effect on our business, financial condition, cash flows and results of operations.***

Our Company is one of the two securities depositories in India and operates in a highly regulated business environment. We are exposed to competition to attract depository participants with attractive terms and increase our customer base. As part of our depository business, we compete with CDSL on parameters such as the number of demat accounts, the number of depository participants registered with us, the number of active instruments, custody value and the suite of innovative products introduced to the market. A comparison of our Company and CDSL based on some of our KPIs is as set forth below:

Sr. No.	KPIs	Our Company			Central Depository Services (India) Limited		
		Financial Year			Financial Year		
		2025	2024	2023	2025	2024	2023
1	Issuers (Nos)	79,773	46,015	40,987	35,922	23,060	20,323
	Listed	6,287	5,942	5,804	-*	-*	-*
	Unlisted	73,486	40,073	35,183	-*	-*	-*
2	Depository Participants (Nos)	294	281	283	574	580	588
3	Demat Accounts (excluding closed accounts) (in million)	39.45	35.77	31.46	152.98	115.61	83.00
	Individuals & HUF	39.27	35.61	31.31	152.89	115.52	82.92
	Non-Individuals	0.18	0.16	0.15	0.10	0.09	0.08
4	Depository Participants' service centres (Nos)	65,391	61,665	59,401	18,918	17,487	18,676

Note

* Certain information relating to CDSL relating to the Financial Years 2025, 2024 and 2023 are not publicly available.

For further details of comparison of our Company and CDSL based on some of the KPIs, see “*Basis for Offer Price– Comparison of our Company and listed peer based on some of the KPIs*” on page 148.

We cannot be certain that our competitor will not be able to implement more aggressive and attractive terms for acquisition of intermediaries, increase its technological efficiency, or improve its cost control and risk mitigation mechanisms. A decline in the total securities held in dematerialized form may also lead to a reduction in our revenue.

Increased competition in a highly regulated environment may adversely affect our business, financial condition and results of operations, as we could lose a substantial percentage of our market share if we are unable to effectively compete with our competitors. Further, our Subsidiaries, NPBL and NDML, are engaged in businesses with competitors who may be able to offer lower prices for similar products and services by cross-subsidizing their services through other services they offer. Through NPBL and NDML, we offer a range of IT-enabled solutions through multiple verticals such as e-governance, payments solutions, collaborative industry solutions, regulatory platforms, KYC solutions, insurance repository services, digital banking services, amongst others. For more information on the business of NPBL and NDML, see “*Our Business – Products and Services offered by NPBL*” and “*Our Business – Products and Services offered by NDML*” at pages 231 and 232 respectively. NPBL faces competition across all its product and service segments from other payment banks, fintech companies, micro finance institutions, small finance banks, as well as from scheduled commercial banks, public sector banks, private sector banks, non-banking financial companies and foreign banks with branches in the country. As of March 31, 2025, NPBL has a customer base of more than 2.42 million accounts from which 1.61 million customer accounts had been opened during the Financial Year 2025. Moreover, NPBL’s AePS ranked second in India as an acquiring bank in terms of AePS transaction value for January 2025 (Source: *CRISIL Report*). The volume of micro-ATM services processed through NPBL aggregated to ₹130,185.27 million as of March 31, 2025. As of March 31, 2025, NPBL was second in India in terms of deployment of micro-ATM devices in banking industry having deployed more than 307,200 devices across India (Source: *CRISIL Report*). As of March 31, 2025, NPBL ranked 42nd UPI remitter and 35th UPI beneficiary in the UPI ecosystem (Source: *CRISIL Report*). NDML competes with other KRAs and RTAs registered with SEBI for its KRA and RTA businesses and faces close competition from other insurance repositories registered with IRDAI for its insurance repository business. NDML also competes with other payment aggregators registered with RBI. For more information on the competitive environment in which we operate, see “*Our Business – Competition*” on page 240.

Set out below is a breakdown of our revenue and profit attributable to our Subsidiaries, for the Financial Years presented:

Particulars	Financial Year					
	2025		2024		2023	
	Revenue from Operations (₹ in million)	(% of total revenue from Operations)	Revenue from Operations (₹ in million)	(% of total revenue from Operations)	Revenue from Operations (₹ in million)	(% of total revenue from Operations)
NPBL	7,199.34	50.69%	7,192.40	56.71%	5,407.78	52.92%
NDML	816.08	5.75%	759.69	5.99%	720.64	7.05%

Particulars	Financial Year					
	2025		2024		2023	
	Operating Results (₹ in million)	(% of total operation result)	Operating Results (₹ in million)	(% of total operation result)	Operating Results (₹ in million)	(% of total operation result)
NPBL	36.61	1.08%	22.50	0.86%	84.07	3.59%
NDML	258.44	7.60%	281.55	10.79%	289.69	12.37%

Any failure to compete successfully could adversely affect our business, cash flows, financial condition and results of operations.

7. *We depend on our network of depository participants and the service centers owned, operated and maintained by such depository participants for a large portion of our business. Any inability to effectively manage and increase this network could adversely impact our growth, cash flows, results of operation, and financial condition.*

Our Company's network of depository participants and service centers, owned, operated and maintained by such depository participants, is significantly instrumental to the development of our business and continued growth. These service centers are the physical locations of depository participants where depository-related services are offered or made available by depository participants to their clients. The services offered at these service centres include the opening of demat accounts, dematerialization, rematerialization, accepting debt or credit instruction forms and other depository services. There are no formal arrangements or agreements between us and the depository participants in relation to these service centers, but intimations relating to the additions, deletions or modifications of service centres are sent to us by the depository participants and are updated on our website. Our depository services are made available by the depository participants to their clients as a value-added service at such service centers. As part of our depository business, we interact with Demat Account holders or holders of securities through our network of depository participants for extending products and services offered by us to the holders of securities. As a result, we depend on depository participants to be able to provide our services to investors and holders of securities and rely on the continuing growth of these relationships to increase the number of customers availing depository services from these depository participants. Depository participants are often themselves brokers or associate entities of brokers and work closely with such brokers. Details of our depository participants, services centers maintained by them and list of active demat accounts held as of March 31, 2025, March 31, 2024 and March 31, 2023 are as follows:

Particulars	As of March 31,		
	2025	2024	2023
Active demat accounts (in million)	39.45	35.77	31.46
Depository participants	294	281	283
Depository Participants' service centres	65,391	61,665	59,401

We derive our revenue primarily from the fees earned from depository participants and issuers of securities, and transaction fees. If we are not able to attract new depository participants and retain existing depository participants or increase transaction volumes on our platforms, our business operations may struggle, which in turn may impede our ability to grow our revenues. Revenue contribution from our top five and top ten depository participants along with the corresponding percentage of total revenue from our depository business for the Financial Years 2025, 2024 and 2023, is set out below:

Particulars	For the Financial Year		
	2025	2024	2023
Revenue contribution from top five depository participants (₹ in million)	763.76	642.74	558.48
Percentage of revenue from top five depository participants to total revenue from the depository business (%)	12.35%	13.59%	13.65%
Revenue contribution from top ten depository participants (₹ in million)	937.39	808.89	718.05
Percentage of revenue from top ten depository participants to total revenue from the depository business (%)	15.15%	17.10%	17.55%

We continue to increase the penetration of the network of our depository participants to further increase the reach of our products and services amongst investors and holders of securities in India and accordingly increase our market share. The attractiveness of our services to depository participants and their willingness to partner with us depends upon, among other things, the variety and quality of service and product offerings, the strength of our brand and reputation, the amount of fees that we charge, our ability to sustain our value proposition to depository participants, the attractiveness to depository participants of our technology and data-driven platform; our competitors' offerings, and our depository participant satisfaction.

Any failure of our depository participants to provide depository services satisfactorily and efficiently to investors may result in a decrease in our revenues. Further, any inability of our depository participants to effectively operate their service centers or onboard new demat account holders may lead to a reduction in our investor base. Our depository participants are not exclusive to us and may promote a competitor to new investors opening new accounts. This may lead to a reduction in our market share and could lower our profitability. Moreover, depository participants may enter into exclusive arrangements for provision of depository services through our competitors, which may limit our ability to expand our network of depository participants and limit the functionality of the services offered by us.

8. *On account of its operations, our Subsidiary, NDML, is subject to regulatory requirements prescribed by various authorities including IRDAI, SEBI, UIDAI and RBI. Its inability to comply with applicable laws, regulations and norms may have an adverse effect on our reputation, businesses, financial condition and results of operations.*

Our Subsidiary, NDML holds a certificate of registration issued by IRDAI to operate as an insurance repository, from SEBI to carry on activities as a registrar and transfer agent, KYC registration agency and accreditation agency, and authorisation from the RBI to operate as a payment aggregator and KYC User Agency from UIDAI. NDML is a technology solutions and product services company focused on developing e-Governance solutions, payment solutions, regulatory support systems, market infrastructure services, industry solutions and digital customer onboarding products. NDML also offers end-to-end business automation, process transformation and other managed services such as SEZ Online for the Government of India and National Skills Registry on behalf of nasscom, the industry association. As of March 31, 2025, NDML has acted as a registrar and transfer agent for five listed issuers. For more information on the business of NDML, see “Our Business – Products and Services offered by NDML” at page 232.

The table below sets out certain financial parameters of NDML as at and for the Financial Years 2025, 2024 and 2023:

Particulars	As at and for the year ended March 31,		
	2025	2024	2023
	(in ₹ million)		
Income from operations	823.10	765.18	728.63
Other Income	194.02	178.27	148.29
Total Income	1017.12	943.45	876.92
Employee Cost	214.29	183.33	168.24
Finance Cost	5.88	7.40	8.75
Other Cost	278.27	237.83	224.14
Depreciation	65.29	59.58	52.14
Total Cost	563.73	488.14	453.27
PBT	453.39	455.31	423.65
Taxes	97.66	100.62	93.77

Particulars	As at and for the year ended March 31,		
	2025	2024	2023
	(in ₹ million)		
PAT	355.73	354.69	329.88

NDML is subject to various stipulations and restrictions in relation to its functioning, service offerings, commercials and governance which are prescribed under the applicable laws and regulations prescribed by IRDAI, SEBI and RBI. Under the Revised Guidelines on Insurance Repositories and Electronic Issuance of Insurance Policies, 2015 issued by IRDAI, NDML has obtained a certificate of registration from IRDAI in order to act as an insurance repository and is also subject to review of its operations by IRDAI as an insurance repository. Further, NDML is registered with SEBI as a KYC Registration Agency (“**KRA**”) under the Securities and Exchange Board of India (KYC (Know Your Client) Registration Agency) Regulations, 2011 (“**SEBI KRA Regulations**”) and as a category – I registrar and share transfer agent pursuant to the SEBI RTA Regulations and is required to comply with the requirements of both, the SEBI RTA Regulations and SEBI KRA Regulations. As a SEBI-registered RTA and SEBI-registered KRA, NDML is also subject to inspection audits by SEBI to, among others, ascertain compliance with provisions and rules of the SEBI RTA Regulations and SEBI KRA Regulations, respectively, and ensure maintenance and preservation of books of accounts and other books by NDML in the manner specified in the SEBI RTA Regulations and SEBI KRA Regulations, respectively. NDML is also subject to the Guidelines on Regulation of Payment Aggregators and Payment Gateways, 2020. For details see, “*Key Regulations and Policies in India*” on page 242.

NDML may be subject to regulatory action if it were to become non-compliant with the provisions set forth under the respective laws, which may lead to, among other things, incurrence of additional costs for addressing such violations. For instance, NDML has in the past, received a notice from SEBI expressing its displeasure for delay in implementation of the SEBI circular dated April 6, 2022, regarding the implementation of provisions of amendment to SEBI KRA Regulations. While NDML has accordingly complied with the SEBI guidelines as per the extended timeline provided by SEBI and reported the compliance to SEBI, we cannot assure you that such delays and non-compliances will not happen in the future and that we will not be subject to any action by statutory authorities which may adversely affect our operations and financial position. Similarly, SEBI had conducted an inspection of NDML KRA business for the period November 2023 to December 2024 after sending NDML a pre-inspection questionnaire (“**PIQ**”) vide its email dated January 30, 2025. Subsequently, NDML responded to the PIQ, vide its emails dated February 5, 2025, February 13, 2025, February 21, 2025 and March 25, 2025 (“**NDML Responses**”). Pursuant to its review of the NDML Responses, NDML received a deficiency letter dated April 9, 2025 from SEBI, wherein it has highlighted that NDML’s delay in processing of KYCs and advised NDML to submit the action-taken report to SEBI, post rectifying such deficiencies. NDML vide its response dated April 17, 2025 submitted the action-taken-report and on May 12, 2025, submitted the comments of the board of directors of NDML on the action-taken-report. While NDML has taken or is in the process of taking appropriate corrective steps to rectify all the discrepancies, we cannot assure you that such delays or non-compliances will not happen in future and that we will not be subject to any action by statutory authorities which may adversely affect our operations and financial position.

Further, NDML also holds an authorization to operate as a payment aggregator and is subject to adherence to the Guidelines on Regulation of Payment Aggregators and Payment Gateways, in relation to, inter alia, merchant on-boarding, compliance with the KYC guidelines prescribed by the RBI, nodal and escrow account maintenance, handling of funds and pay-outs, customer grievance redressal and merchant dispute management, data security, baseline technology standards and risk management, etc. NDML is subject to periodic on-site inspections by RBI in relation to such operations. RBI had recently issued a report dated September 23, 2024 with its observations in relation to the on-site inspection of NDML’s payment aggregator business conducted for Fiscal 2024 in July 2024, including certain key compliances to be met in a stipulated timeline. Further, NDML also received a letter dated April 3, 2025, from RBI wherein it has highlighted that NDML has failed to submit a satisfactory response to certain observations pointed out by RBI pertaining to payment aggregator-operations. NDML has responded to all such observations, including in relation to the improper storage of documents, onboarding of merchants and issues with KYC documents, in January and March 2025. NDML vide its email dated April 4, 2025 submitted an updated response along with the evidence wherein it has sought extension of timeline for a few of the open observations in relation to segregation of IT infrastructure between NDML and our Company, and provided an updated status of the other observations. Further, NDML vide its emails dated April 4, 2025, and May 5, 2025 submitted an updated response along with the evidence for observations and updated the RBI that it had achieved full segregation of the data centre site and complete IT infrastructure. Thereafter, a joint discussion

took place between NDML and the officials of Reserve Bank Information Technology Private Limited on June 27, 2025, where all the open observations were closed. Additionally, the IT compliances along with the additional evidence required were sent by NDML on July 1, 2025.

While NDML has resolved the observations issued by the RBI, we cannot assure you that such observations will not be issued in the future and that NDML will not be subject to any action by the RBI which may adversely affect our operations and financial position.

NDML has also received the KYC User Agency License issued by UIDAI under the Aadhaar (Targeted Delivery of Financial and Other Subsidies, Benefits and Services) Act, 2016 for acting as (i) Authentication User Agency; and (ii) KYC User Agency, pursuant to application made by NDML to UIDAI to facilitate e-KYC for SEBI registered market intermediaries. NDML is responsible to UIDAI for various Aadhaar authentication related aspects. UIDAI may levy penalties / restrictions on NDML in case of any non-compliances / violation of the provisions of the agreement. NDML is also subject to periodic audits by UIDAI. The latest audit by UIDAI was conducted for Fiscal 2024 and a report was issued thereon. Further, NDML responded to all the observations, including in relation to Aadhaar authentication issues, lack of confidentiality agreements for handling Aadhaar data by the vendors and unverifiable password allocation process, in January 2025. While NDML has resolved the observations issued by the UIDAI, we cannot assure you that such observations will not be issued in the future and that NDML will not be subject to any action by the UIDAI which may adversely affect our operations and financial position.

As NDML operates its insurance business as a strategic business unit, it is subject to periodic on-site inspections by IRDAI in relation to its compliance with insurance repository guidelines and matters relating to its insurance repository operations. While IRDAI has not undertaken any inspection of NDML in last three Fiscals, we cannot assure you that the IRDAI will not make any observation in the future, or if such actions will be addressed to the satisfaction of IRDAI. Further, in accordance with the revised guidelines on 'Insurance Repositories and electronic issuance of insurance policies', an external system audit firm had submitted with IRDAI the systems audit report for NDML for the Fiscal 2024 confirming compliances with the applicable laws. In addition, on February 23, 2024 and May 13, 2025, IRDAI advised NDML to operate its insurance repository business via a separate company. NDML is in the process of preparing its proposal for submission to IRDAI. The setting up of a separate company, which will be a new subsidiary, and investment into such company will be required to be approved by the Company and SEBI. For further details, see *"-We may, on our own accord pursuant to commercial requirements or pursuant to directions from regulators, divest our stake in our Subsidiaries, or may demerge certain of our businesses into a new entity."* on page 94.

In addition to regulatory businesses, NDML also provides services under contractual agreements with clients such as SEZ Online for the Government of India and National Skills Registry on behalf of nasscom, the industry association, for end-to-end business automation, process transformation and other managed services. These contracts are subject to expiry, termination, revision of terms of service, scope and commercials and non-renewal of contracts which could adversely affect our operations and financial position.

9. *SEBI has issued certain observations pursuant to inspections and has also issued administrative warning letters and deficiency letters in relation to certain non-compliances by our Company. There can be no assurance that further observations, administrative warning or deficiency letters would not be issued in the future.*

Our Company is subject to regulation and supervision by the SEBI. SEBI, as a part of its supervisory processes, conducts periodic inspections, pursuant to which observations and warning, deficiency and advisory letters are issued, on issues related to, amongst other things, our operations, internal controls and regulatory compliance. Section 11(2)(i) of the SEBI Act and Section 18 of the Depositories Act read with Regulation 84 of the SEBI D&P Regulations empowers SEBI to undertake inspections of our Company. Pursuant to the most recent inspections carried out by SEBI for the period August 1, 2023 to July 31, 2024, SEBI has issued reports with observations pertaining to (i) information technology related aspects, (ii) non-information technology aspects, (iii) thematic inspection of the surveillance functions of the Company, and (iv) thematic inspection of centralised corporate bonds and debentures.

SEBI has observed certain non-compliances pertaining to, *inter alia*, cybersecurity, data encryption, VAPT, DR Site readiness non-compliances in violation of the SEBI master circular no. SEBI/HO/MRD/MRD-PoD-2/P/CIR/2023/166 dated October 6, 2023 on beneficial owner accounts, depository participants, issuers, and depositories ("**SEBI October Master Circular**").

We could be in non-compliance with regulatory requirements prescribed by the SEBI or may be delayed in implementing or complying with such laws and regulations, which could affect our future growth and business operations. For instance, it was noted in the most recent inspection undertaken by SEBI that (i) by not taking corrective actions for the cyber alerts and ensuring their closures within the prescribed timelines, the Company was in violation with the SEBI October Master Circular; (ii) by not formulating a policy in place for the identification and reporting of technical glitches, the Company had been defining technical glitches; (iii) there was no standard operating procedure approved for the process of approval of agenda papers of the governing board; (iv) the Company had not included the timelines for the RTAs to respond to compliance letters in their inspection manual; (v) the Company has not been diligent in levying monetary penalties on depository participants and the RTAs; (vi) the Company failed to implement automated alerts and monitoring systems for critical surveillance functions, leading to potential gaps in oversight and delays; and (vi) the Company had not complied with the synchronization of non-convertible redeemable preference shares and securitized debt instruments.

Additionally, it was observed by SEBI that our Company did not conduct focused inspections of intermediaries by categorising depository participants and the RTAs based on their risk rating.

While our Company has taken actions and responded to such observations, findings, directions and regulatory non-compliances and in certain instances is in the process of taking action or responding, we cannot assure you that SEBI will not make similar or other observations in the future, or such actions have been or will be addressed to the satisfaction of SEBI. Further, SEBI has also issued administrative warning and deficiency letters to our Company, in relation to delay in upgrading certain applications/ software and certain non-compliances or delays in complying with applicable laws.

Set forth below is a brief summary of administrative warning and deficiency letters issued by SEBI to our Company since the incorporation of our Company (i.e., April 27, 2012):

S. No.	Date of deficiency / warning letter / email	Concerns / issues raised	Company's response
1.	September 7, 2021	SEBI in its letter noted the following: Our Company did not inform SEBI of any pending no objection certificate required by the Managing Director and Chief Executive Officer prior to joining our Company; Our Company did not inform SEBI in a timely manner about the possible delay in joining of the Managing Director and Chief Executive Officer; and Our Company did not inform SEBI of its decision to appoint an executive director of our Company as interim in-charge until the new managing director and chief executive officer had taken over. Further, our Company did not take approval of SEBI for such appointment.	Our Company responded by its letter dated October 28, 2021, informing SEBI of the actions taken in this respect, as set forth below: The Managing Director and Chief Executive Officer could apply for the no objection certificate only after receiving a formal letter of employment from our Company; Our Company informed SEBI regarding the delay in her joining on the same day that it was intimated by the Managing Director and Chief Executive Officer; and Our Company apologised for not informing SEBI at an earlier date and requested SEBI to condone the lapse and grant approval for appointing Samar Banwat as interim in-charge of our Company.
2.	November 24, 2022	SEBI observed / alleged the following deficiencies pursuant to its inspection of our Company for Fiscal 2022: There was a delay in the submission of the application of a co-operative bank with SEBI for participant registration; Failure to provide details of account numbers verified during inspection of depository participants in respect of compliance with SEBI circular dated	Our Company responded by its letter dated December 14, 2022, as set forth below: (i) Our Company made an attempt to submit the application on time, however encountered technical issues on the SEBI portal that caused the delay until November 5, 2019. Further, the delay was an isolated case and our Company continues to ensure adherence to SEBI timelines.

S. No.	Date of deficiency / warning letter / email	Concerns / issues raised	Company's response
		December 14, 2010 on Acceptance Of Third Party Address as Correspondence Address; One of the observations highlighted in the system audit report for Fiscal 2021 still appearing as “work in progress”; Observations identified during Vulnerability Assessment and Penetration Testing (VAPT) assessment not closed within the defined Turn Around Time (TAT) for e-voting application; Delay in intimation to SEBI on the results and observations related to DR drills in terms of SEBI circular no. SEBI/HO/MRD/DMS1/CIP/P/2019/43 dated March 26, 2019; and System audit for Fiscal 2021 was completed two months after the end of the previous audit period.	(ii) Our Company has mentioned the details of samples verified during the inspection of the required areas in the inspection report. Accordingly, while verifying the account opening samples, the samples related to “Acceptance of Third-Party Address as Correspondence Address” are also being verified and recorded in account opening samples verified during inspection of DPs for compliance with SEBI circular no. CIR/MRD/DP/37/2010 dated December 14, 2010. Further, our Company has also added a provision to record the samples related to “Acceptance of Third-Party Address as Correspondence Address” in the inspection checklist, as advised by SEBI. (iii) In relation to the JRE6 (WAS) upgrade, our Company submitted that it has sought exception approval from SCOT and the Board to address this observation within a specified timeline. (iv) Our Company has defined timelines for closure of VAPT findings as per the guidelines provided by SEBI and shall endeavour to close all future findings within the prescribed timelines. (v) The delay in intimation to SEBI regarding the shift to DRS on September 18, 2021, was due to the need to gather resources, and the actual elapsed time for the shift was 43 minutes as reported to SEBI, despite the process starting 6 minutes after receiving the email. Our Company has since achieved the RTO timelines of 45 minutes in all subsequent DR Drills, and this information was communicated to SEBI via email on April 19, 2022. (vi) Our Company noted the observations regarding the system audit for the Financial Year 2021 and submitted that the system audit for Financial Year 2022 was completed within the prescribed timelines.
3.	April 3, 2023	SEBI observed the following cases of warning and deficiency pursuant to its inspection of our Company for Financial Year 2023: <i>A. Cases of Warning</i> (i) Improper classification of key management personnel at the time of their promotion;	Our Company responded by its letter dated May 3, 2023, as set forth below: <i>A. Cases of Warning</i> (a) Our Company has noted the observation and undertakes that effective April 1, 2023, all key management personnel level

S. No.	Date of deficiency / warning letter / email	Concerns / issues raised	Company's response
		(ii) Violation of SEBI circular dated January 10, 2019 regarding matters for imposition of penalty on depository participants; (iii) Sensitizing letters issued to registrar and transfer agents / depository participants not as per the approved policy for dealing with disciplinary matters of our Company; (iv) Non-compliance with SEBI circular dated June 20, 2022; (v) Not capturing shareholding categories properly as prescribed under the SEBI circular dated June 30, 2022; (vi) Not conducting required number of cyber-attack simulation as required under SEBI circular dated December 7, 2018; and (vii) Submitting false and misleading data to SEBI and not redressing investor complaints within 30 days of their receipt. <i>B. Cases of deficiency</i> (i) Disclosures of shareholding pattern of the Company on its website not being done in a timely manner; (ii) Not obtaining net worth certificates from certain depository participants; (iii) Deficiency in matters of supervision / registration of registrar and transfer agents / depository participants and non-compliances with certain SEBI circulars; (iv) Absence of bye laws which provide that depository participants shall execute non-pay in related instructions on the same day or the next day of the instruction; and (v) Deficiency in certain operational matters. Certain advisories were also issued to our Company pursuant to the letter.	promotions will be from the prospective date. (b) Our Company submitted that pursuant to the dissolution of the management committee, as also informed to SEBI, non-compliances attracting penal actions and sensitizing letters are being put up to the Managing Director and Chief Executive Officer for approval. Further, the policy for dealing with disciplinary matters is being revised and the same shall be placed before the member committee and governing board for approval. Our Company informed SEBI that such action will be completed by June 30, 2023. (c) Our Company informed SEBI that the revision of the disciplinary policy, including changes regarding sensitizing letters, and modification of the inspection manual to reflect the amendments, will be completed by June 30, 2023. (d) Our Company confirmed that it is in compliance with the SEBI circular dated June 20, 2022 with respect to categorizing demat accounts of a stock broker into pool accounts or client unpaid securities account. (e) Our Company requested SEBI to consider the resolution of categorizing shareholding types, including introducing a separate sub-type for asset reconstruction companies and addressing the classification of sovereign wealth funds, pending clarification and discussion with SEBI's CFD department. (f) Our Company has commenced conducting quarterly cyber-attack simulations, with the most recent simulation conducted on January 24, 2023 and January 25, 2023. (g) During the inspection period (October 2021 to September 2022), our Company received 7761 direct investor complaints and 2365 complaints through SEBI SCORES, all of which were timely addressed and resolved. Further, clarifications were provided for the highlighted complaints. Further, our Company submitted that it assures accurate reporting and commits to responding to diverse complaints within 30 days and reporting them in MDR, hence the matter should be considered resolved.

S. No.	Date of deficiency / warning letter / email	Concerns / issues raised	Company's response
			<i>B. Cases of Deficiency</i> (i) Our Company clarified that while it is not a listed entity, it complies with SEBI Listing Regulations by publishing its updated shareholding pattern on its website within 21 days from the end of each quarter. Since our Company is not required to file the shareholding pattern with stock exchanges, the website publication is done within two working days from the due date. (ii) Our Company submitted that since Regulation 35 of SEBI D&P Regulations does not require minimum net worth for banks, PFIs, foreign banks, and SFCs, our Company did not mandate net worth certificates from these entities. (iii) Our Company submitted that it is the process of implementing various measures in respect of supervision / registration of registrar and transfer agents / depository participants and ensured adherence to all applicable laws and circulars. (iv) Our Company is amending its bye-laws and business rules to require participants to execute non-paying related instructions on the same or next day, with the proposed amendments to be approved by the regulatory oversight committee and governing board and submitted to SEBI by June 30, 2023 for final approval. (v) Our Company submitted that it has either implemented or is in the process of implementing various measures to ensure compliance in respect of operational matters.
4.	May 2, 2023	With respect to implementation of Java Runtime Environment 6 WebSphere Application Server ("JRE6 (WAS)") upgradation, SEBI observed that the JRE6 (WAS) version upgrade was not completed by September 2022. Further, SEBI-MRD-SEC 2 ("SEC2") by its letter dated November 14, 2022 advised our Company to upgrade the Java Runtime Environment version by January 31, 2023 pursuant to an observation made in Company's annual system audit report dated October 27, 2021. Our Company by its letter dated December 12, 2022 stated that it has targeted to complete the upgradation by March 31, 2023. SEC2 by its email dated December 20, 2022 granted our Company extension till March 31, 2023 for implementation of JRE6 (WAS) upgrade and advised that action	Our Company responded by its letter dated May 15, 2023, as set forth below: (i) The system audit report dated October 27, 2021, wherein it was observed that JRE6 (WAS) was not upgraded, was submitted by our Company to TPD by an email dated November 16, 2021; (ii) Our Company also updated TPD about the status of closure of observations of the system audit report on May 27, 2022. (iii) Thereafter, our Company sought approval for extension of time to upgrade the JRE6 (WAS) version up to March 31, 2023 from the Standing Committee on Technology ("SCOT") and our Board;

S. No.	Date of deficiency / warning letter / email	Concerns / issues raised	Company's response
		taken report be submitted by first week of April 2023. However, our Company failed to submit action taken report in this regard. Thereafter, SEC2 sought a status update to which our Company responded that it had informed SEBI-MRD-TPD (“TPD”) regarding the WAS upgrade application and depository application, which was expected to be completed by June 30, 2023. Our Company also informed that it had presented / discussed the issue in the meeting of Technical Advisory Committee of SEBI (“TAC”) held on March 31, 2023. On perusal of the agenda item of TAC, SEBI observed that: (i) Our Company did not provide the detailed background of the matter and did not inform about the communication from SEC2 with respect to the timelines in the matter to TAC and TPD; (ii) Our Company disguised the information while presenting the matter to TAC and TPD and did not inform SEC2 regarding the submission of application in this regard before TPD and TAC; and (iii) Our Company extended the timeline for implementation of JRE6 (WAS) upgrade from March 31, 2023 to June 30, 2023 with the approval of SEC2 and represented the matter with new timelines before TPD and TAC, amounting to forum shopping. SEBI noted that the above observations were viewed very seriously, and our Company was advised to be careful in the future and improve our compliance standards to avoid recurrence of such instances in the future. Further, it was advised that our governing board also take this letter into consideration during the performance appraisal of the concerned individuals.	(iv) Subsequently, pursuant to review of the minutes of the meeting of our Board held on August 8, 2022, SEC2 observed the extension sought and issued a letter dated November 14, 2022 for upgrading the JRE version and implementation in production by January 31, 2023. Our Company further submitted that it sincerely attempted to complete the upgrade by March 31, 2023 but had to take a decision to hold back the upgrade due to the implementation of the Client Unpaid Securities Pledge Account (“CUSPA”) project. This was duly represented to TPD and thereafter before TAC post which we received confirmation to complete the upgrade by June 30, 2023. Our Company has taken due care and informed SEBI of our concerns and will be careful in the future to avoid any such recurrences. We also undertook to place this letter before our governing board. Thereafter, our Company by its letter dated May 26, 2023 apologised to SEBI for inadvertently sending the letter to TPD seeking additional time for completion of the JRE6 (WAS) upgrade. Further, as was advised by SEBI, our Company placed the SEBI letter dated May 2, 2023 before our governing board on May 23, 2023. The governing board noted the observation by SEBI and advised the management to be more careful while communicating with SEBI. Further, our Company stated that as was informed to TPD and TAC, our Company is working on the JRE6 (WAS) upgrade and is expected to complete the same by June 30, 2023.
5.	July 28, 2023	SEBI issued a warning letter to our Company due to non-submission of responses/clarifications sought by SEBI for the following two alerts, within the stipulated timeline in relation to the automated compliance verification on the organisational structure and governance for the quarter ending March 31, 2023: (i) It was observed that salaries of 14 employees (non-key managerial personnel) was higher than the salary received by a key managerial personnel; (ii) Non-compliance with SEBI circular dated January 10, 2019 post resignation of a SCOT committee member; and	Our Company, by way of its letter dated August 21, 2023, responded to the SEBI warning letter as set forth below: (i) Our Company had sought time from SEBI to discuss the alert pertaining to salaries of 14 employees. The discussion with SEBI concluded on July 26, 2023 and our Company was in the process of submitting its comments on the alert after an internal review. However, prior to our Company being able to respond, the warning letter was received on July 28, 2023. (ii) Further, in relation to the salaries of 14 non-key managerial personnel being higher than key managerial personnel,

S. No.	Date of deficiency / warning letter / email	Concerns / issues raised	Company's response
		(iii) Missing reporting manager details for one of its employees. Our Company was advised to take corrective steps towards implementation / adoption of the suggestions given by SEBI and send an action taken report to SEBI within 30 days of the receipt of the letter.	the matter was considered by the NRC Committee. It was submitted that the SEBI D&P Regulations do not stipulate remuneration based on the designation of employees. The compensation of employees depends on various factors, such as technical skills, previous employment, etc. Accordingly, the NRC Committee was of the view that the remuneration cannot be compared based on the criteria of a key managerial personnel as other factors are also to be considered. (iii) In relation to the vacancy in SCOT committee, the resignation of the member was an immediate vacancy and our Company had taken prompt actions to appoint another member with effect from April 18, 2023. Our Company had placed the warning letter from SEBI before the governing board in their meeting held on August 4, 2023.
6.	August 2, 2023	SEBI issued a deficiency letter to our Company for non-compliance with SEBI circular no. SEBI/HO/MRD/DOP2DSA2/CIR/P/2019/13 dated January 10, 2019 in relation to non-approval/review by the regulatory oversight committee of the charges levied by our Company. Our Company was advised to get all charges reviewed by the oversight committee in terms of the SEBI circular.	Our Company responded to the SEBI deficiency letter, <i>vide</i> its letter dated August 16, 2023, informing SEBI that the Regulatory Oversight Committee had reviewed the charges levied by the depository in accordance with the SEBI circular no. SEBI/HO/MRD/DOP2DSA2/CIR/P/2019/13 dated January 10, 2019 and also provided the minutes of the said committee meeting. Accordingly, our Company requested SEBI to not consider the instance as a deficiency. Thereafter, SEBI by its letter dated September 25, 2023, held that the observation made <i>vide</i> letter dated August 2, 2023 with respect to the deficiencies is final in nature.
7.	August 2, 2023	SEBI issued a warning letter to our Company for non-compliance with SEBI circular no. SEBI/HO/MIRSD/DoP/P/CIR/2022/46 dated April 6, 2022 on allotment of unique client codes to non-validated clients. It was brought to our Company's notice <i>vide</i> SEBI letter dated April 12, 2023 that various clients of our trading members / depository participants had transacted in securities during the period between January 16, 2023 to January 20, 2023 without obtaining validation of their KYC records. Our Company was advised to exercise due diligence and strict compliance with such circular in future.	Our Company responded by its letter dated December 18, 2023, informing SEBI that out of the 62 identified cases, there had been no transactions in 60 demat accounts during the period from January 16, 2023 to January 20, 2023 and inter-depository transfer credit transactions were undertaken in the two accounts and KYC verification was under process for the two said credit transactions. Accordingly, it was submitted that there was no violation of the aforesaid SEBI circular. Our Company further submitted details of the steps undertaken to ensure compliance with requirements of the SEBI circular by its depository participants.

S. No.	Date of deficiency / warning letter / email	Concerns / issues raised	Company's response
			Our Company had also placed this matter before the governing board in their meetings held on November 1, 2023 and December 14, 2023.
8.	October 30, 2023	SEBI issued a warning letter to our Company for non-compliance with SEBI circular no. CIR/MRD/DP/31/2014 dated November 12, 2014 by providing link in the consolidated account statements ("CAS") to enable investors to convert their mutual funds units held in physical form to demat form. SEBI advised our Company to, (i) not provide any message or such links requiring the investor to convert their physical holding into demat form in the CAS; (ii) ensure data integrity and confidentiality of shared information; (iii) information shared by RTAs to be used only for the purpose of CAS generation; (iv) not store or share information shared by RTAs for the purpose of CAS and where such information is required to be shared with unregulated entities, necessary confidentiality agreements be entered with them; and (v) follow the said SEBI circular in letter and spirit.	Our Company responded by its letter dated November 3, 2023, as set forth below: (i) The facility of link provided for mutual fund conversion through CAS is part of our Company's business rules and communicated to SEBI. (ii) Our Company confirmed that it has provided the facility of link through CAS only to clients and has not shared data or information with its participants. (iii) Our Company has also entered into legal agreements with printers to protect the confidentiality of data and information shared. (iv) Our Company is required to store data pursuant to SEBI circular dated August 27, 2017 whereby it is required to send transaction statements to the beneficial owners at the end of each quarter. (v) Further, attention was drawn to the SEBI master circular on mutual funds which requires steps to be taken for dematerialisation of existing physical units in case an investor so desires. Accordingly, our Company requested SEBI to consider its submissions and allow it to continue providing the digital conversion facility to investors.
9.	December 14, 2023	Pursuant to the onsite inspection of our Company during FY 2022-23, SEBI issued a warning letter for non-compliances noted in relation to the constitution/functioning of the management committee: (i) Constitution and functioning of the management committee of our Company undermined the roles and responsibilities of the managing director and chief executive officer. Further, no approval was taken from SEBI prior to formation of the committee. (ii) Our Company failed to ensure segregation of regulatory departments, as required under Regulation 29 of the SEBI D&P Regulations. (iii) Failure to provide details of the committee during inspection. SEBI noted that the above violations were viewed very seriously, and the governing	Our Company responded by its letter dated January 23, 2024, as set forth below: (i) Since the management committee is an internal committee constituting only the senior executives, our Company did not believe that prior SEBI approval was required for its constitution. (ii) Our Company's intention to include regulatory department as part of the management committee was solely to receive inputs from all departments and not to influence or impinge on the independence of the regulatory department. (iii) Our Company was of the understanding that data pertaining to only board level committees was required to be provided, accordingly our Company did not provide details of the management committee which constituted of only senior executives. Further, the warning letter was placed before the governing board in its meeting

S. No.	Date of deficiency / warning letter / email	Concerns / issues raised	Company's response
		board of our Company was advised to take the aforesaid violations into consideration.	held on January 4, 2024 and the management committee was subsequently dissolved.
10.	May 14, 2024	SEBI issued a warning and advisory letter with respect to the minutes of the 84th board meeting of our Company: (i) Non-compliance with provisions of SEBI Listing Regulations and SEBI D&P Regulations for failure to disclose details of warning/caution letters received by our Company from regulatory bodies on the website of our Company. (ii) Absence of a standard operating procedure for dealing with warning letters issued by SEBI for performance appraisal of the concerned employees including the KMPs. (iii) Failure to disclose complete facts to the members of the board of directors of our Company of the cost incurred by our Company and the revenue generated by NDML, our Subsidiary by virtue of our Company availing payment gateway facilities from NDML. (iv) Disbandment of the arbitration committee and investor redressal committee.	Our Company responded by its letter dated June 12, 2024, as set forth below: (i) Our Company provided the link to its website where details of warning letters received from SEBI were disclosed. (ii) Our Company informed SEBI that the management has framed a standard operating procedure for dealing with SEBI's warning letters concerning performance appraisal of individuals responsible for non-compliances. (iii) It was submitted that the governing board, in its 83rd meeting, was apprised that our Company would avail payment aggregator services from NDML for collecting fees for rendering legal entity identifier ("LEI") services. The payment gateway charges would be collected by NDML, without any expense for our Company. Thereafter, in the 84th meeting, the governing board was informed that our Company would also avail payment aggregator services of NDML for other services. Accordingly, the terms of availing payment gateway services from NDML for LEI and other services are separate and distinct, and informed to the governing board in completeness. (iv) Our Company is in compliance with the new SEBI circular bearing reference number SEBI/HO/OIAE/OIAE_IAD-3/P/CIR/2023/195 dated July 31, 2023 (updated as on December 20, 2023) (the "ODR Master Circular"), which has revamped the dispute resolution mechanism. Further, as on the date of implementation of the ODR Master Circular, our Company did not have any matters or references pending before the investor grievance redressal committee ("IGRC") or under arbitration. Additionally, the existing members of the IGRC and arbitration were empanelled with the ODR institution.
11.	June 11, 2024	SEBI issued a deficiency and advisory letter to our Company, with respect to the 88th board meeting of our Company. The following deficiencies were observed by SEBI: (i) Our Company did not amend its policy on determination and disclosure of materiality of	Our Company responded to the SEBI deficiency and advisory <i>vide</i> its letter dated June 12, 2024, as set forth below: (i) Our Company informed SEBI that it revised its policy on determination and disclosure of materiality of events/information and policy for

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		events/information and policy for appointment/reappointment of managing director and chief executive officer, within the prescribed timelines. (ii) Our Company failed to renew the contract with the legal counsel prior to the expiry of the contract and had renewed it on a retrospective basis. (iii) Our Company placed the minutes of the board meetings of NDML and NPBL, which took place between October 27, 2023 and October 31, 2023 at its meeting dated February 7, 2024. However, our Company failed to place the minutes of such board meetings at four Board meetings of our Company held between such period.	appointment/reappointment of managing director and chief executive officer on February 7, 2024, and regretted the delay in revising the policies. (ii) Our Company informed SEBI that the delay in renewal of the contract with the legal counsels happened because negotiations with the counsels took time, which resultantly led to the delay in seeking approval for the renewal of such contracts. (iii) Our Company informed SEBI that the board meetings for NDML and NPBL were held in the last week of October 2023 which were finalised by the end of November 2023. Further, the board meetings of our Company held on December 14, 2023 and January 4, 2024 were for specific matters and not for usual quarterly matters and accordingly the minutes were not placed before the Board prior to February 7, 2024. Our Company took note of the observations by SEBI and committed to ensure compliance.
12.	June 19, 2024	SEBI inspected the books and records of our Company and the findings were forwarded to our Company vide letter dated May 8, 2024, in response to which our Company filed its reply dated May 28, 2024. Based on the examination of our comments submitted, for instances where there was a failure to comply with regulatory provisions SEBI observed the following: <i>A. Cases of Warning</i> (i) Failure to ensure due diligence regarding the documents submitted by our Company for the purpose of Foreign Investment Monitoring (FIM). (ii) Failure to send SMS/email alerts to the demat account holders, at least 2 days prior to the date of the commencement of e-voting (iii) Failure to dispatch physical Consolidated Account Statement (CAS) for consecutive 5 months and failure to have internal control/verification mechanism to verify actual dispatch of physical CAS. Also having insufficient manpower to handle CAS. (iv) Failure to timely dispatch CAS even for the cases where no data	Our Company responses to the SEBI warning/deficiency letter <i>vide</i> its letter dated July 19, 2024, wherein it provided a point-wise reply to the concerns highlighted by SEBI. The responses of our Company are set forth below: <i>A. Cases of Warning</i> (i) Our Company has provided for the user company to the capture the limit details and initiate request to change in NRI/FPI limit and once the request is submitted, the Company system auto-triggers request for documents to the user company and once the documents are uploaded, and only after validation of documents, change in NRI limit is applied. Hence our Company has implemented the said requirement. (ii) Monitoring process has been put in place wherein a monitoring job is executed on a daily basis to identify if there are any e-Voting notifications pending to get triggered. This email gives a complete list of e-Voting events uploaded by issuers for which promotional notifications are required to be sent to Shareholders informing them about the upcoming e-Voting event. This monitoring process has been further enhanced to

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		requirement was there from MF-RTAs. (v) Non-compliance of SEBI circular dated July 16, 2021 regarding and SEBI circular dated September 19, 2022. (vi) Failure to comply SEBI circular dated June 7, 2016 and February 23, 2017 by utilising IF funds for making payment of salary to Company employees. (vii) Failure to amend policy on appointment of public interest directors and therefore in continuous violations of Regulation 25 of SEBI Regulation 25 of SEBI D&P Regulations, 2018, for more than 5 years. (viii) Failure to submit correct data to SEBI in the MDR (ix) Failure to include Active Directory, all endpoints and operating systems in the scope of VAPT (x) Failure to conduct Cybersecurity simulation exercises on a quarterly basis for quarter Oct-Dec 2022 and filed to conduct periodic cyber-attack simulation. (xi) Failure to grant proper approval process and inability to maintain AD access logs with the Company. (xii) Failure to implement encryption of data at rest in Data Ware House. (xiii) Providing false, incomplete and factually incorrect data/information to the SEBI Inspection Team. (xiv) Failure to provide data in timely manner to SEBI Inspection team (3 months) and not taking SEBI Inspection seriously. SEBI asked our Company to take corrective steps and strengthen internal control systems. <i>B. Cases of deficiency</i> (i) Failure to have proper officer segregation in line with Schedule 4 of SEBI D&P Regulations. (ii) Failure to have mechanism in place to ensure that all its shareholders, directors and key management personnel are fit and proper persons at all times (iii) Deficiency in frequency of review of SEBI circulars to decide if any amendment is required in bye-laws	include count of notifications sent for each e-Voting event in addition to existing details as stated above. Hence our Company has implemented the said requirement. (iii) Company has set up a team under a senior employee for timely dispatch of CAS to investors. Company has also framed a consolidated SOP and are closely monitoring and ensuring to adhere to the SOP for dispatch of CAS. Hence our Company has implemented the said requirement. (iv) Company has set up a team under a senior employee for timely dispatch of CAS to investors. Company has also framed a consolidated SOP and are closely monitoring and ensuring to adhere to the SOP for dispatch of CAS. Hence our Company has implemented the said requirement. (v) Company submitted that it has implemented the guidelines mentioned in SEBI circular regarding "Block Mechanism in Demat account of clients undertaking sale transactions" in right spirit. However, as per the recommendation, it will make suitable change so that the pay-in file and CC obligation file will be the same. (vi) Our Company has stopped utilizing the IPF funds for making payment of salary to NSDL employees working for IPF activities. Hence our Company noted the requirement for compliance. (vii) Our Company confirmed that revised terms and conditions of appointment of PIDs in compliance with Regulation 25 of SEBI D&P Regulations, 2018 will be placed before the Board and thereafter it would be uploaded on the website and it will be implemented by August 15, 2024. (viii) Our Company informed that the Maker-Checker level is strengthened to ensure non-recurrence of the same. (ix) Our Company informed that it added AD in VAPT cycle FY 24-25. VAPT for AD is due for the year which will be completed by end of September 2024. (x) The process for cyber-attack simulation has been put in place and is being followed on quarterly basis

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		for amendments to rules/regulations/byelaws pursuant to issuance of SEBI circular. (iv) Failure to amend Company's policy on "Disclosure of Material Events and Information and Determining Materiality". (v) Failure to identify the functions of the Company and segregating them into verticals. (vi) Non-compliance by way of MD & CEO being permanent invitee to NRC and RMC meetings. (vii) Failure to constitute Greivance Redressal Panel (viii) Giving retrospective extension to the KMPs in statutory committees (ix) Failure to have policy for Succession planning of senior management until April 4, 2023 (x) Failure to send daily shareholding reports in timely manner (xi) Failure to comply with Clause 4 of SEBI circular dated February 25, 2022 by providing data available in public domain (xii) Failure to finalise minutes within stipulated timelines. (xiii) Failure to do due diligence regarding accuracy of data submitted by Company when it appointed NSDL as designated Depository for Foreign Investment Monitoring (xiv) Failure to have SOP to deal with companies which are non-compliant with Clause 9 of Chapter VIII of DDHS master circular and not communicating the details of such issuers to SEBI. (xv) Failure to have SOP in respect of returning the admission/surrender applications (xvi) Failure to do proper due diligence, complete documentation and timely processing of RTA surrender applications. (xvii) Failure to put in place timelines, manner and procedure for returning application in the SOP prepared for handling admission applications for DP. (xviii) Failure to levy penalty on DPs and RTAs in line with the provisions of its own business rules.	from January 2023 onwards. Hence Company is now in compliance with the observation. (xi) Our Company has in-house Active Directory managed internally. AD is integrated with SIEM and logs are getting monitored. NSDL is now in compliance with the observation. (xii) Our Company informed that it is in the process of implementation of encryption of data-in-rest in DWH (Hadoop) and have engaged Cloudera Professional Services to perform a proof of concept to validate the solution implementation approach in the lower environment. The progress would be reviewed by Statutory Committee on Technology in the upcoming meeting, and our Company would apprise the SEBI with respect to the implementation by way of a separate communication. (xiii) Our Company informed SEBI that a few of the lapses from Company's end were because of the misinterpretation by the Company officials and now in order to strengthen the process, we have introduced a new process to ensure that the files are provided to the Depository Participants on a regular basis. Moreover, in order to avoid recurrence, Company has also sensitized the employees for submission of data in timely and accurate manner to SEBI Inspection team. (xiv) The details of application filed by the issuers are stored in various databases maintained in various systems of our Company, which are not connected to each other. Therefore, the details requested by SEBI are required to be processed manually after extraction of information from such different databases, which resulted in delay in submission of data to the SEBI, which was unintentional. Our Company regretted the delay in submission of the data to SEBI and assured not to repeat any such instances going forward. <i>B. Cases of deficiency</i> (i) Company informed that there is no non-compliance with Schedule 4 of the SEBI D&P Regulations since officer in the Company are assigned their functions based on the vertical they report to.

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		(xix) Failure to have proper mechanism to follow-up, check and ensure multiple accounts with same email ids and mobile numbers are being tagged as family in the depository system. (xx) Non-compliance with the directions issued vide MIRSD email dated July 15, 2021 with regards to online closure of demat accounts. (xxi) Non-compliance of Regulation 31(3) of D&P Regulations, 2018 (xxii) Non-compliance of SEBI circular dated May 30, 2023 with respect to conducting half yearly review of IPF and not updating guidelines for Utilisation of NSDL IPF Trust. (xxiii) Not procuring goods and services as per the procurement policy (xxiv) Non-compliance of Regulation 7(g) of D&P Regulations (xxv) Violation of SEBI circular dated January 29, 2010 by not disclosing the details of investor complaints and arbitration details on its website within prescribed timelines. (xxvi) Failure to display on the website the changes in various policies within two working days. (xxvii) Failure to publish notice of its board meeting for quarterly financial results on the website (xxviii) Failure to timely upload agenda and minutes for 86th and 87th governing board meeting on website. (xxix) Delay in submission of System and Network Audit Report and Cyber Security Report. (xxx) Failure to maintain unique IDs of the vulnerability and its date of closure in the VAPT report. (xxxi) Failure to verify the auditor's validation of control objectives in the cybersecurity audit report and track the closure date of observations. (xxxii) Absence of alert generation capabilities in order to detect any abnormal system activities through their own monitoring tools (xxxiii) Absence of baseline standards which facilitate consistent application of security configurations to operating systems, databases, network	(ii) Company informed that SOP has been prepared to obtain fit and proper declarations from the directors and key management personnel and the verification of the same. Company has also completed the verification of fit & proper declaration of directors and KMPs for FY 2023-24 by May 31, 2024. Further, the SOP for obtaining and verification of fit and proper declarations from shareholders has been also put in place. In view of above, the actions are completed. (iii) Company has framed an SOP to document the process followed to analyse the SEBI Circulars and to decide if any amendment is required in bye-laws/ business rules of Company to implement the SEBI circulars. (iv) The policy of disclosure of material events and information and determining materiality has been revised by our Board w.e.f. February 7, 2024. Company ensured that relevant policies are amended/implemented at the earliest after they are notified. (v) Company informed that there is no specific mention of secretarial activities as part of vertical 2 (regulatory) as per schedule 4 of SEBI D&P Regulations. Hence, it was classified under vertical. Further, when the Compliance Officer took interim charge as Company Secretary on February 6, 2024, the secretarial team was brought under the regulatory vertical and continues to be under the regulatory vertical. (vi) Company informed that there are no restrictions on MD and CEO attending the NRC or RMC meetings as per the said SEBI Circular nor under the SEBI D&P Regulations. Further, the inputs of MD and CEO are necessary on the matters placed before the NRC and RMC. However, if there is any conflict, the MD and CEO recuses herself from attending the meetings. (vii) Our Company did not have any outstanding grievance that were to be handled by the Investor Grievance Redressal Committee. Further, any new dispute received by the Company post implementation of ODR was required to be handled only by the new ODR mechanism, it

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		devices and enterprise mobile devices within the IT environment. (xxxiv) Failure to maintain correct and up to date asset inventory. (xxxv) Failure to include all applicable applications under the scope of System Audit. (xxxvi) Failure to provide actual time of alert for an incident in the RCA report. (xxxvii) Absence of evidence of source code review in the VAPT report. SEBI advised our Company to take appropriate corrective steps to rectify the aforesaid deficiencies by taking corrective steps. Certain advisories were also issued to our Company pursuant to the letter. Our Company was advised to take appropriate corrective steps and submit an action taken report within 30 days of receipt of this letter and to conclude the issues within a period of 90 days. Our Company was also advised to place the findings of inspection, corrective steps taken and proposed to be taken before the board of directors in the ensuing board meeting.	had disbanded the Investor Grievance Redressal Committee. (viii) Our Company ensured that renewal of term of regulatory KMP would be done before the term ends. (ix) Our Company noted the delay in framing of the succession policy and assured timely compliance in future. (x) Since June 2024, the monitoring reports of shareholding of BSE and CDSL monitoring reports have been shared with MIIs on a daily basis in a timely manner. (xi) Our Company submitted that it only shares public data, which is available as specified in the regulatory mandate on the Company website for view and download free of charge. Our Company is in compliance with the said SEBI Circular. (xii) Post inspection, our Company discussed with CDSL about this matter and the minutes of the CRO meetings between Company and CDSL are being finalized in a timely manner. (xiii) Our Company updated that it is in process of implementing the validation. (xiv) Our Company informed that an internal SOP has been prepared for Debt Securities (Reporting and Monitoring) under clause 9 of Chapter VIII of SEBI Master circular for communicating the details of noncompliance issuers to exchanges and SEBI in a timely manner. (xv) Standard Operating Procedure (SOP) has been modified to include pre-defined time for processing activation and deactivation applications from RTAs within which application should be processed and the process of returning of the applications was not mentioned as issuers will be required to re-submit all documents again if there are 1-2 documents are missing or improper. Hence, considering the convenience of issuer the returning process was not included. As advised by SEBI, Company has also included returning the applications and stepwise timelines in the aforesaid SOPs. (xvi) Company will ensure adherence to the revised SOP including timelines for internal clearances going forward

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			for processing of RTA surrender applications. (xvii) Manner of returning (rejecting) application has been now prescribed in the SOP. (xviii) Our Company will continue to adhere to the provisions of NSDL Business Rules and have been taking actions against DPs and RTAs as per NSDL business rules with the approval of Member Committee. (xix) Our Company informed that it has started working on the mechanism and the requirement is being implemented. (xx) Our Company informed that both depositories have agreed to have a common penal action and necessary changes in the business rules of NSDL will be made by taking necessary approval of the RoC and Board and of SEBI. (xxi) Company informed that it had already incorporated the suggestion given by SEBI in its previous year's inspection for inclusion of details in annual report. Company, therefore, request SEBI to not make it mandatory to give the break-up in the annual report and reconsider the suggestion. The contribution to IPF from NSDL's profits is pursuant to SEBI circular and therefore treated as regulatory cost for ensuring compliance with SEBI/ Regulatory directives. (xxii) In the meeting held on February 6, 2024, the Board of Trustees of the NSDL IPF had reviewed the adequacy of Corpus and revised the Guidelines for utilisation of IPF as per SEBI Circular dated May 30, 2023. (xxiii) Company informed that it has strengthened the processes to ensure that the procurement policy is followed, and it has also sensitised the departments regarding adherence to the policy. (xxiv) Noted for future compliance and checks have been placed in the process to ensure timely response for adherence to the SEBI regulations. (xxv) Our Company has strengthened the SOP with marker- checker concept and timely disclosure of details of

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			investor grievances and arbitration details on the website. (xxvi) Company will ensure compliance of Regulation 46 of SEBI (LODR) Regulations, 2015 for publishing the policies/changes on its website within two working days of approval. (xxvii) Company will ensure to publish prior notice of the Board meeting scheduled for quarterly financial results on its website. (xxviii) Company will ensure to timely upload the agenda and minutes of the Board meeting pertaining to regulatory, compliance, risk management and investor grievance areas on its website within the prescribed time period. (xxix) Our Company took note of the observation and submitted the system audit report for the period April 2023 to March 2024 to SEBI on June 29, 2024, which is within the specified timeline. (xxx) VAPT team had started maintaining closure date and reassessment date for each vulnerability hence the Company is now in compliance with the observation. (xxxi) The Company will ensure the follow-on audit report will carry the closure date of previous open findings. (xxxii) Continuous monitoring and alert generation are in place. Hence the Company is complying. (xxxiii) Company informed that it is in process to prepare separate baseline standards for complete IT infrastructure. It will update about the progress made by way of a separate communication. (xxxiv) There was a typo error in asset IDs given in the DR sheet. Same has been rectified. (xxxv) Company has included all applicable applications under the scope of system audit for FY 2023-24 and thereafter. (xxxvi) The Incident Management Procedure is updated accordingly to note the initial alert time in RCA document in case of the incident. The above will be

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			verified by system auditor in the upcoming reporting cycle. (xxxvii) Software development teams use source code review tool for reviewing their source code and our Company has started maintaining required evidence for the same. Access Logs with domain name, hostname and timestamp of users and service logging out are maintained in the access logs of the PIM. The Company is now in compliance with the observation.
13.	September 2, 2024	SEBI issued a deficiency letter to our Company, observing that while our Company's information security policy prescribes that based on the criticality of the patches, system administrator shall ensure that patches shall be implemented at both PDC and DRS at the earliest, however, it did not provide for the outer timeline as prescribed in the letter dated January 12, 2024 issued by SEBI to our Company.	Our Company responded to the deficiency letter, vide its letter dated September 16, 2024 informing SEBI that our Company's information security policy was revised and the same was placed before the Standing Committee on Technology (SCOT) for its review. The SCOT reviewed the matter and recommended the same to the Governing Board for its approval and the revised policy was approved by the Governing Board at its meeting held on May 14, 2024. Accordingly, the outer timelines for implementation of the patches were duly incorporated in the NSDL Information Security Policy version 12.0, as approved by the Governing Board. In view of the explanation above, our Company requested SEBI to drop the deficiency letter.
14.	October 4, 2024	SEBI observed the following cases of warning and deficiency pursuant to its inspection of our Company for Financial Year 2024: <i>A. Cases of Warning</i> (i) Failure to levy any penalty on depository participants (DPs) for their failure to convert eligible demat account into Basic Service Demat Accounts ("BSDA") and failed to ensure that BSDA eligibility intimations are being sent to beneficial owners in a time bound manner during the inspection period. <i>B. Cases of deficiency</i> (i) Failure to intimate details of non-compliance of specific clause which resulted in freezing of promoter(s) demat accounts, which is not in compliance with SEBI circular dated January 20, 2020; (ii) Failure to timely intimate the promoter(s) / stock exchanges about the freeze in the account.	Our Company responded by its letter dated November 20, 2024, providing details of the corrective actions taken or proposed to be taken along with the necessary timelines, as set forth below: <i>A. Cases of Warning</i> (i) Our Company submitted that it has taken continuous efforts to ensure that DPs comply with the BSDA requirements for extending the facility to clients as envisaged in the SEBI circulars and believes that it is in compliance with such circulars issued in relation to BSDA. <i>B. Cases of deficiency</i> (i) Our Company submitted that it has informed all the stock exchanges to provide the reference of the specific clause while issuing instructions for freezing of promoter(s) demat accounts, basis which intimation of action is sent by the Company to the promoter(s) with such details as sent by the stock exchanges. Thus, our Company submitted that it had taken

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		Certain advisories were also issued to our Company pursuant to the letter.	steps to comply with the requirements of SEBI circular dated January 20, 2020;
15.	October 15, 2024	SEBI issued a deficiency and advisory letter with respect to the minutes of the 90th Board meeting of our Company: (i) Non-compliance with SEBI circular no. SEBI/HO/MR/MRD-PoD-3/2024/088 dated June 25, 2024 by sub-delegating the responsibilities of the investment committee, which is a statutory committee, to an internal committee, and further sub-delegation to the Managing Director (ii) Failure to amend the Anti-Money Laundering (“AML”) and Combating Financing of Terrorism (“CFT”) policy of our Company in a timely manner in accordance with the directives issued by SEBI.	Our Company responded by its letter dated November 18, 2024, as set forth below: (i) Our Company informed SEBI that the investment policy only delegated the powers to the Managing Director to take treasury investment-related decisions and not other investment decisions. For investments other than treasury, approval of the Board is taken. Further, in light of the letter from SEBI, our Company also replaced the word ‘all investment decisions’ to ‘treasury investment decision’ in the investment policy to avoid ambiguity. (ii) It was submitted that the applicable directives were carried out in line with the circulars without waiting for the policy to be amended, and since there are multiple circulars issued during the year, amending the policy immediately after the issuance of circular is not feasible. However, the regulatory guidelines prescribed in the directives were implemented within the prescribed timeline.
16.	October 18, 2024	SEBI observed the following deficiency pursuant to its inspection of our Company for the Q2, Q3 and Q4 of FY 2023-24: (i) Failure to declare one instance of transaction/dealing in securities in the third quarter of Financial Year 2024, by a Director of our Company within 15 days, as mandated under the SEBI D&P Regulations. Certain advisories were also issued to our Company pursuant to the letter.	Our Company responded by its letter dated November 18, 2024, as set forth below: (i) Our Company has amended the “Code of Conduct to Regulate, Monitor and Report Trading in Securities of Other Listed Entities by Designated Persons as an Intermediary” of NSDL, by the approval of the RoC and the Board, for submission of details of transactions within 15 days.
17.	November 29, 2024	SEBI issued a deficiency letter to our Company highlighting that our Company did not share the information regarding trading details of designated persons with respect to off-market transactions (including pledge transaction) within 7 calendar days from the end of the month. Moreover, the depositories as per the SEBI letter dated June 19, 2024 had to provide details to MIIs within a period of 7 calendar days from the date of receipt of such PAN details. SEBI pointed out that CDSL had multiple times approached our Company for the requisite data however, our Company stated that it did not have any data of CDSL. CDSL had also approached the senior members of our Company to escalate the matter,	Our Company <i>vide</i> its e-mail dated December 6, 2024 responded that our Company has informed CDSL and other MIIs to send the request for such data/information to Surveillance team and Regulatory team of our Company.

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		however no information was shared even after such escalation. Accordingly, SEBI asked our Company to take appropriate corrective steps within a defined period, to rectify the deficiency and strengthen internal control systems to avoid recurrence of such instances.	
18.	December 17, 2024	SEBI issued a deficiency letter with respect to automated compliance verification on organisational structure and governance of our Company for quarter 1 of financial year 2024-25 In terms of the letter, our Company was in violation of SEBI Master Circular dated October 6, 2023 for having the Managing Director and CEO as a permanent invitee to ROC meetings, since it was in violation of SEBI Master Circular dated October 6, 2023. Certain advisories were also issued to our Company pursuant to the letter.	Our Company responded vide letter dated January 21, 2025, clarifying that the MD & CEO attended the ROC meeting as an invitee, which was before the SEBI circular and the MD & CEO attends meetings as an invitee to provide response/clarification to the queries raised by the member of the Regulatory Oversight Committee. Our Company further clarified that going forward the MD & CEO will only participate in the ROC meeting where there is a specific agenda for which the presence of MD & CEO is required for discussion/clarification in line with the SEBI circular.
19.	December 18, 2024	SEBI observed the following cases of deficiency vide its letter dated December 18, 2024 for failure of our Company to abide by the Code of Conduct as specified in Part D of Schedule III of the SEBI D&P Regulations. SEBI observed that our Company was sending responses to first level review complaints in a lackadaisical manner without thorough examination of the matter. By doing this, our Company failed to ensure a proactive and responsible attitude towards safeguarding investors' interests which resulted in undue harassment of complainants and unwarranted delays in resolving complaints. Considering the above, SEBI advised to take appropriate corrective steps and to strengthen internal control systems to avoid recurrence and ensure strict compliance with SEBI guidelines.	Our Company replied to the deficiency letter vide letter dated January 24, 2025, submitting the several steps to redress investor concerns, which include: (i) adoption of a structured action plan including refining processes for handling investor grievances. The concerned team members have been sensitized to handle investor grievances more carefully. Additionally, steps have been taken to arrive at a logical closure of investor grievances. (ii) to prevent future recurrences of such instances, the company has strengthened "maker checker" mechanism for response validations. (iii) Enhancing staff strength. (iv) Initiated employee training programs for team members to ensure that they are well versed in both regulatory compliance and delivering excellent customer service. Our Company undertook to conduct such training on a periodic basis. (v) Reviewing the quality of the responses on a sample basis.
20.	January 28, 2025	SEBI issued a deficiency letter with respect to the minutes of the 92nd Board meeting of our Company since it failed to amend its policy on appointment of Public Interest Directors till July 24, 2024. Therefore, our Company was not in compliance with Part C III of Second Schedule of SEBI D&P Regulations, 2018.	Our Company responded vide letter dated February 25, 2025, wherein it submitted that pursuant to SEBI D&P Regulations, the Governing Board of the Company revised the terms and conditions for appointment of Public Interest Directors in compliance with the SEBI D&P Regulations. Furthermore, the relevant teams in the Company have been sensitised

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			to regularly review the policies in accordance with any changes in the SEBI D&P Regulations and ensure that the policies are amended/updated within the prescribed timelines.
21.	February 3, 2025	SEBI observed the following cases of deficiency and also issued the following advisory with respect to the 94th Board minutes of our Company: (i) While the minutes were finalised on October 8, 2024, the date of entry in the minutes book for Board meetings was recorded as September 27, 2024 and such minutes book was signed by the Chairman of our Company. (ii) Failure to ensure that minutes of the Board meeting are finalised within 30 days of conducting such meetings, as mandated under clause 7.4 and 7.5.1 of SS1 Secretarial Standards on the meeting of Board of Directors. Our Company was advised to take corrective steps, wherever required, and ensure strict compliance with the guidelines issued by SEBI from time to time.	Our Company responded by its letter dated February 25, 2025 as set forth below: (i) Our Company informed SEBI that the draft minutes were finalised on September 27, 2024 except for one agenda item. Accordingly, to ensure compliance with Secretarial Standards, the draft minutes (without a mention of the pending item) were sent to SEBI on October 4, 2024. Since the pending item was finalised on October 8, 2024, the final minutes (including SEBI inspection) were sent to SEBI on this date. The Chairman signed the same on account of not doing so earlier when finalising the hard copy of the same.
22.	February 6, 2025	SEBI observed the following cases of warning and deficiency pursuant to its inspection of our Company for Q2 Financial Year 2024-25: <i>A. Cases of Warning:</i> (i) Failure to amend its Code of Conduct in a timely manner, in violation of Regulation II B 5 (c) of part B of Third Schedule of SEBI D&P Regulations. (ii) Our Company was advised to strengthen internal control systems to improve compliance standards to avoid recurrence of such instances and to ensure strict compliance with SEBI guidelines. <i>B. Cases of deficiency:</i> (i) Failure to comply with the SEBI circular on Committee at MIIs by our Company by having 4 KMPs on the Member Committee at our Company. Our Company was advised to ensure that in case any additional KMPs on the Member Committee, such KMPs may be called only on agenda basis, and this shall be recorded in the minutes of the meeting. While KMPs were present throughout certain meetings (NRC57, NRC58, NRC59, NRC60, and NRC61), such KMPs failed to be present for specific agenda items, amounting to non-	Our Company responded to the warning and deficiency letter vide an e-mail dated March 12, 2025, informing the SEBI about the following: <i>A. Cases of Warning:</i> (i) Our Company informed SEBI that the code of conduct has been drafted as per SEBI D&P Regulations and going forward, our Company will ensure timely submission of data so that such issues do not occur in future. (ii) Our Company also informed that our Director had not traded in securities of Other Listed Entities, directly or indirectly during a particular period, and hence he/she shall not be required to submit the said disclosures for such period. <i>B. Cases of Deficiency:</i> (i) Our Company informed SEBI that before the clarification letter received from SEBI on August 27, 2024, there was no restriction on MD and CEO and other invitees from attending the Member Committee (MC) Meeting, and additionally the MD and CEO is a member of the MC. Furthermore, other KMPs were not a part of the MC and attended the meeting as an invitee to provide inputs, responses and clarifications where necessary. Our Company also highlighted that whenever any agenda item

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		compliance with SEBI Circulars regarding Committees at MIIs; (ii) Failure to mention Mr. Malav Shah as a KMP/invitee present in meeting NRC61 despite his presence being noted in the minutes. Certain advisories were also issued to our Company pursuant to the letter.	concerning MD & CEO and other invitees is discussed, they recuse themselves and also do not participate in any such discussions. Our Company assured that in case additional KMP are required in MC, they may be called only on agenda basis and to be recorded in minutes. (ii) Our Company informed SEBI that for NRC meetings 57 till 61, KMPs were present basis the invitation and had recused themselves after the discussion of the subject. Furthermore, while compiling the information pertaining to SEBI automation table, an entry was made manually and inadvertently Malav Shah's name as KMP in the 61st NRC was not included. Our Company informed SEBI that it will ensure to be more careful in future and provide correct data to SEBI in automation tables.
23.	March 28, 2025	SEBI issued a warning letter to our Company with respect to its findings on the inspection of centralised database for corporate bonds/debentures hosted by the Depositories for the period between January 1, 2024 to December 31, 2024, as follows: 1. Failure to synchronise centralized database for corporate bonds/debentures hosted by our Company and directed to rectify and complete synchronisation of entire database in consultation with CDSL by June 30, 2025. 2. Failure to display investor categories on Company's centralised database for corporate bonds/debentures. 3. Failure to synchronise the NCRPS and SDI database with CDSL and directed to complete the synchronisation in consultation with CDSL by May 31, 2025. Our Company was advised to take appropriate corrective steps, rectify the before-mentioned discrepancies and submit an action-taken-report within 30 days of the receipt of the letter.	Our Company <i>vide</i> an email dated June 27, 2025 responded to the SEBI warning letter informing SEBI that while it has initiated the process of synchronization of the entire database in consultation with CDSL, however given the complexity of the task our Company requested SEBI to extend the timeline for synchronisation of the corporate bond database until August 31, 2025. Further with respect to synchronization of SDI and preference shares, our Company informed that our Company along with CDSL has initiated the development which is under UAT testing and would need additional time until July 7, 2025 for implementation of the same. Our Company is yet to respond to SEBI on the failure to display investor categories on Company's centralised database for corporate bonds/debentures.
24.	June 3, 2025	Pursuant to its onsite inspection of our Company, SEBI observed the following cases of warning and deficiency for Financial Year 2024-25: A. <i>Cases of warning:</i> Violation of clause (a), (g) and (i) of the Code of Conduct for Depositories under SEBI D&P Regulations 2018 on account of:	Our Company responded by its letter dated July 3, 2025 as set forth below: A. <i>Cases of warning:</i> i. Our Company informed that A forum comprising Depositories and back-office vendors was formed under SEBI's guidance to standardize file formats. The software was released to production

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		(a) Non-visibility of securities in the demat account of the investor on the day of IPO allotment; (b) Going live with standardization of file formats without conducting adequate testing; and (c) Not taking pro-active action in resolving the issue. <i>B. Cases of deficiency:</i> (i) Failure to put in place accountability mechanism which is not in compliance with SEBI D&P Regulations, 2018; (ii) Failure to review frequency of meetings and agenda items of the Governing Board, in violation of SEBI D&P Regulations, 2018; (iii) Failure to define the periodicity to assess the adequacy of resources allocated to verticals and failure to assess the adequacy of resources in violation of SEBI D&P Regulations, 2018 from August 28, 2023, till November 12, 2024. Further our Company failed to assess the adequacy of resource allocations (both financial and human) towards regulatory compliances by PIDs, in violation of SEBI D&P Regulations, 2018. (iv) Failure to conduct training programmers as well as failure to conduct programmes for all its employees to help employees better understand expectations of behaviour. with respect to this deficiency, our Company was advised to prepare a board approved training policy. (v) Governing board of our Company has not approved the code of conduct of depository in line with SEBI D&P Regulations, 2018. (vi) Failure to rescind all communities issued to RTAs in the Master Circular issued to RTAs in compliance with Paragraph 4.27 of SEBI Master Circular dated October 6, 2023. (vii) Failure to ensure segregation of infrastructure with subsidiaries/ associate companies by not ensuring lending of brand name to subsidiaries dealing only in securities market with necessary agreements/ MoUs and no sharing of brand name with other subsidiaries/ associate entities. (viii) Failure to timely publish the list of non-compliant companies on website in compliance with SEBI Master Circular dated October 6, 2023, on DN Database requirements.	only after thorough internal and external testing, with all vendor concerns addressed. NSDL specifically tested auto-incremental exports for data accuracy and completeness. HDFC DP's back-office vendor was involved in the process but did not raise any issues regarding this feature during testing. ii. Our Company informed that IPO holdings were credited to HDFC Bank DP accounts on September 2, 2024, at 17:09, and the related data feeds (COD and SOH) were made available as incremental downloads by 17:37. These details were also included in the End-of-Day files to ensure data consistency. iii. Our Company informed that the issue was limited to file naming, not the data content. IPO credits were accurately reflected in all relevant files (COD, SOT, SOH), and the same data was included in both auto-incremental and End-of-Day full export files, as well as in manually downloaded files. Further, the issue was observed only by HDFC DP, as other DPs used regular incremental data feeds to update their back-office systems. HDFC DP solely relied on automatically generated incremental feeds and lacked the provision to import manual incremental exports into their back-office. After HDFC DP reported the issue, our Company's technical support team promptly contacted them and advised two actions: (a) Manually adjust the sequence number to enable file import into the back-office, and (b) Manually download the exports from our system to update their back-office records. The sequence number issue was permanently resolved and the updated utility was provided to HDFC DP after testing. HDFC DP was also advised to ensure their back-office system can handle manually downloaded export files for future contingencies. The UDIFF implementation was a major upgrade, and despite thorough testing, an issue went unnoticed due to a file having no records—resulting in a used sequence number without file generation. The issue was promptly addressed, and a permanent fix was provided to the DP on priority.

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		(ix) Failure to comply with SEBI Master Circular for stockbrokers dated May 22, 2024, with respect to nomenclature for Client Margin Pledge Account (CMPA). (x) Dilution of a few provisions of Master circular for depositories by providing additional time limit of up to 2 days for entry of Delivery Instruction Slip (DIS) into our Company's system. With respect to this deficiency, our Company was advised to timely put in place system levels checks to ensure that the DIS is issued to the client only after details of the same have been entered in the depository system. (xi) Failure to Master Circular for depositories with respect to limits for issuance of loose DIS by DPs to BOs. With respect to this deficiency, our Company was advised to timely put in place system levels checks to ensure that the DIS is issued to the client inly after details of the same have been entered in the depository system. (xii) Failure to comply failure to comply with Regulation 7(g) of SEBI D&P Regulations regarding timelines for redressal of investor complaints. (xiii) Mandatorily seeking the reasons for demat account closure in violation of paragraph 1.4.4.1 of the SEBI Master Circular for Depositories. (xiv) Failure to disseminate the policy on processing investor claims in violation from IPF including the compensation limits per investor on their website. (xv) Failure to obtain the approval from our Company board in respect of investment policy of IPF. (xvi) Failure to comply with Clause 8 of SEBI Master Circular for Online Dispute Resolution Mechanism by not defining and following any process for dealing with the complaints against conciliators/arbitrators. Our Company was advised to prepare a detailed SOP to deal with complaints received against arbitrators, conciliators and ODR institution. (xvii) Failure to comply with a few clauses of SEBI Master Circular for ODR dated July 31, 2023, in respect of empanelment of arbitrators/ conciliators. Our Company, with respect to this deficiency, was advised to ensure that going forward, SOPs are created on a timely basis. (xviii) Failure to comply with Clause viii of (Code of Conduct of	<i>B. Cases of deficiency:</i> (i) Our Company informed that Accountability Mechanism Policy, in line with Regulation 27(1) and Clause I(u)(iii) of Part B of the Third Schedule of the D&P Regulations, 2018, is scheduled for review and approval by the NRC and Board in Quarter 2 of FY 2025–2026. (ii) Our Company informed that the Board approved the 'Policy and Procedure for Conducting Meetings'—including meeting frequency, agenda approvals, and related SOPs—during its meeting on May 17, 2025. This policy outlines the structure and agenda details for the Governing Board of our Company. (iii) Our Company took note of the deficiency and ensured compliance in the future. (iv) Our Company informed that In FY 2025, it conducted 53 training programs for employees across all grades and management levels, covering functional, compliance, and behavioral areas. Key behavioral training programs included: (a) STEP-UP (for Assistant Managers), focusing on action orientation, teamwork, innovation, and adaptability; (b) GRID (for Deputy Managers to Senior Managers), emphasizing goal focus, data-driven decision-making, and enhanced leadership skills; (c) GROWTH LAB (for Assistant Vice Presidents), focusing on agility, impactful influence, innovation, and customer-centricity; (d) NEEV (for Deputy Vice Presidents and above), emphasizing team performance through coaching, adaptability to change, and collaboration. Additionally, the Training Policy was approved by the NRC on June 21, 2025, and is scheduled for Board approval in Quarter 2 of FY 2025–2026. (v) Our Company informed that it will formulate its Code of Conduct as mandated under Regulation 17, read with Part D of the Third Schedule of the D&P Regulations, 2018. The draft will be presented for approval at the Board Meeting scheduled for quarter 1 of FY 2025–2026. (vi) Our Company informed that the master circular for RTAs was issued

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		arbitrators/conciliators) of SEBI Master Circular for ODR. On the said deficiency, our Company was advised to review the declarations submitted by neutrals to check for any inaccuracy which is appearing on such declarations. (xix) Failure to ensure compliance with clause 24 of SEBI Master Circular for ODR by allowing challenge to be submitted over email. (xx) Failure to comply with Clause 34 of SEBI Master Circular for ODR by not maintaining Management Information System Report (MIS). Our Company was advised to timely review the MIS submitted by the ODR institution. (xxi) Failure to comply the Clause 46(b) of Master Circular for ODR dated July 31, 2023, by not ensuring that all the DPs have registered on ODR platform. (xxii) Failure to comply with Clause 'm' of Code of Conduct under SEBI D&P Regulations by inadequate monitoring of compliance with the requirement of registration on ODR platform by DPs which is detrimental for interest of investors who are dealing with such DPs. Our Company was advised to update the DP inspection checklist on a timely basis and verify internal audit report submission during the inspection on a sample basis. (xxiii) Failure to adhere to the timelines regarding redressal of investor complaints stipulated under Regulation 7(g) of D&P Regulations and para 4.08.2.2 of the Master Circular for Depositories. (xxiv) <u>Prevention of Money Laundering Act (PMLA) related:</u> (a) Failure to provide ongoing employee training to all its employees. (b) Failure to identify key positions within the organisation structures having regards to the risk of money laundering and terrorist financing and the size of their business as required. Our Company was advised to ensure internal approved SOP to ensure compliance. (c) Failure to develop client acceptance policies, client identification procedure and risk management systems at the Company to implement money-laundering provisions as envisaged under PMLA.	on April 30, 2025 and the list of rescinded circulars were included in Annexure 3 to the circular. (vii) Our Company acknowledged the observation regarding the use of the NSDL brand name by subsidiaries not engaged in the securities market. Our Company has submitted a representation to SEBI on June 9, 2025, requesting approval for NPBL to continue using the NSDL brand name and logo. (viii) Our Company informed that list of non-compliant companies is getting published on its website on a monthly basis. The SOP has been amended suitably. (ix) SEBI observed that some stock brokers' demat accounts lacked the prescribed nomenclature. While our Company stated its existing framework complies with regulations, it is now implementing changes to add required suffixes to stockbrokers' demat account names in line with SEBI's observations. The changes are planned to go-live by September 5, 2025. (x) Participants were instructed to promptly update DIS booklet or loose slip issuance details in the e-DPM system, as per NSDL Circular No. NSDL/POLICY/2025/0073 dated June 11, 2025. The necessary system changes to support this update have also been implemented. (xi) Our Company took note and ensured future compliance. The expected timelines for development of system control is by September 30, 2025. (xii) Efforts have been made to ensure timely resolution of complaints, resulting in no delays in addressing CAS-related complaints within the regulatory timelines for the quarter ending June 2025. (xiii) The required system changes have been developed and are currently under testing. These changes, along with those related to Phase II of SEBI's revamped nomination guidelines, are tentatively scheduled for implementation by July 31, 2025. (xiv) The compensation limit, currently stated in the FAQ section of the NSDL website, will be incorporated into the official policy by August 31, 2025, and the updated policy will be published on the website.

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		(d) Undue delay in determining the suspicious transactions during the inspection period. Our Company was advised to incorporate defined timelines for completing the entire process of analysing, verifying and determining the suspicious transaction in our Company's SOP for Anti-Money Laundering and Countering the Financing of Terrorism. (xxv) Failure to timely updation of change in content of its website. Certain advisories were also issued to our Company pursuant to the letter.	(xv) Our Company informed that as the IPF Trust is a separate entity, its policy is approved by the Board of Trustees. However, the Investment Policy of the IPF Trust was approved by the Board in its meeting held on May 23, 2025. (xvi) Our Company has noted SEBI's observation and will ensure compliance by preparing a Standard Operating Procedure (SOP) outlining the process for handling complaints against conciliators, arbitrators, and the ODR Institution by August 31, 2025. (xvii) Our Company informed that it will ensure that the ODR Institution completes all information and data related to the appointment of neutrals in line with Company's SOP on empanelment of Arbitrators/ Conciliators dated May 31, 2025. Additionally, the SOP has been revised to include version control and a matrix, as advised. (xviii) Our Company informed that it will ensure that all arbitrators and conciliators comply with the Code of Conduct specified in SEBI's Master Circular on ODR by coordinating with the ODR Institution. Additionally, it will review the declarations submitted by neutrals at the time of their appointment as conciliators or arbitrators. (xix) Our Company has directed the ODR Institution to ensure parties submit challenges via the SMART ODR Portal, not by email. The ODR Institution must notify our Company of any email submissions for monitoring. An SOP for handling challenges to Arbitral Awards has also been implemented. (xx) Our Company maintains MIS reports as required under Clause 34 of the SEBI Master Circular for ODR. Additionally, as advised by SEBI, our Company will review these reports and share any concerns with the relevant Market Participant. (xxi) Our Company ensures that all the DPs get themselves registered on the ODR Platform by September 30, 2025. (xxii) Our Company informed that compliance requirement is covered in Company's Inspection Checklist and Internal Audit Report, both of which are periodically reviewed to ensure

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			alignment with NSDL/SEBI guidelines. The latest checklist is in Inspection Manual Version 39, and the Internal Audit scope is defined in Circular No. NSDL/Policy/2025/0047 dated April 11, 2025. (xxiii) Our Company informed that corrective steps have been taken by the department like daily monitoring to ensure closure of timely redressals. Team has been sensitized on the same. (xxiv) <u>Prevention of Money Laundering Act (PMLA) related:</u> (a) Our Company informed that it has amended its AML Policy to mandate annual AML training for all employees. The online training module has already been rolled out, and the training is scheduled to be completed by August 15, 2025. (b) Our Company informed that it has enhanced its background verification process by including AML and CIBIL checks for all new hires, in line with SEBI guidelines. A one-time AML, criminal, and CIBIL check has been completed for all existing employees. Key departments—Surveillance, Inspection, Compliance, Risk, HR, and DP Admission—are identified for mandatory AML checks. The Recruitment SOP has been updated to include AML checks in the background verification process. (c) As per discussions with SEBI, Depository Participants (DPs) are treated as “Clients” from an AML perspective. Our Company currently follows SOPs for identifying UBOs and screening names during DP admission. By September 30, 2025, Company will implement client acceptance policies, identification procedures, and risk management systems in line with PMLA provisions. These policies will be presented for approval to the ROC and Board in their August 2025 meetings. (d) Our Company ensured future compliance and informed that timeline has been defined for the end-to-end process of analysing, verifying and determining the suspicious transaction in the SOP. (xxv) Our Company informed that the policies are uploaded after it has been approved by the Board.

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25.	June 3, 2025	Pursuant to its inspection of our Company's information technology section, SEBI observed the following cases of warning and deficiency for Financial Year 2024-25: <i>A. Cases of warning:</i> (i) <u>With regards to the asset management, our Company failed to:</u> (a) Maintain up-to-date inventory of its hardware and systems, software and information assets, as prescribed under the Master Circular for depositories dated October 6, 2023. (b) Maintain correct and comprehensive details of all its assets, conduct comprehensive review of its critical assets and ensure after monitoring of all its assets. (c) Ensure one to one correspondence between PDC and DRS as prescribed under the Master Circular for depositories dated October 6, 2023. (ii) Our Company failed to link all its systems/applications with the security monitoring tools and monitor and analyse its network devices, logs from systems etc on a 24x7x365 basis. Further, our Company also failed to properly track all the cyber alerts and ensure their resolution within the stipulated timelines, as prescribed under the Master Circular for depositories dated October 6, 2023. <i>B. Cases of deficiency:</i> (i) Failed to ensure that its cyber auditor conducts detailed verification of physical assets, records, and documents, testing of relevant systems, relevant system generated reports, etc, as prescribed under the Master Circular for depositories dated October 6, 2023. (ii) Failed to conduct comprehensive cyber audit of its systems and applications by not providing complete and updated terms of reference to cyber auditor. (iii) Failed to ensure the submission of cyber audit report within six weeks from the date of commencement of the audit. (iv) Failed to ensure the submission of cyber audit corrective action report to SEBI within timelines. (v) Failed to ensure quarterly comprehensive review of its cybersecurity preparedness by the SCOT.	Our Company responded by its letter dated July 3, 2025 as set forth below: <i>A. Cases of warning:</i> (i) With regards to the asset management, (a) Our Company informed that up to date inventory of hardware and systems, software and information assets are available and are currently maintained in excel sheets further our companies in the processing ITSM tool for asset management with auto-discovery of assets. (b) Our Company informed that (a) network devices are being monitored through OP Manager; (b) all assets are being monitored through Manage Engine; (c) observability of Critical applications are being monitored through Dynatrace. Further, list of critical assets have been shared with NSDL SCOT in the latest meetings. (c) Our Company informed that insurance dates are available for all IT devices. The ones where insurance dates are not mentioned are Network Links. The details provided in the asset list are of those systems which are on premises and managed by our Company. HR System is a SaaS based model and the service has been taken from Darwinbox which is hosted in cloud. Hence the same is not included in the asset list of DC. Moreover, the asset list provided during the IT Inspection did not include details of Network Links maintained in DC & DR. The asset list provided in response to Query no 22, Chapter 2 of PIQ included 14 Network links (7 each in DC & DR) which was inadvertently missed while providing Asset sheet during the IT Inspection discussion. (ii) Our company informed that all systems and applications are linked with security monitoring tools and monitor and analysis network devices, logs for system on 24x7x365 day basis. Our company informed that it is properly tracking all the cyber security alerts and ensures resolution of the same. Further our Company informed that

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		(vi) Failed to ensure review of various risks in outsourcing of the SOC operations from risk committee. (vii) Failed to ensure up to date capability of its C-SOC by deploying latest tools, i.e. honeypot, data classification, database activity management and ticketing tool etc. (viii) Failed to ensure that DR site has a contingent CSOC with identical capabilities with respect to its primary site. Further, failed to conduct monthly live operations from its DR C-SOC. (ix) Failed to share relevant cyber related alerts with its members/ participants/intermediaries. (x) Failed to ensure SCOT and board approved cyber capability index reports to SEBI. (xi) Failed to ensure that software vendors undertake security audit at least once a year. (xii) Failed to encrypt data at rest within SEBI described timelines. (xiii) Failed to submit the VAPT reports to SEBI along with the comments of the SCOT, within prescribed timelines. Further our Company also failed to ensure permanent closure of VAPT observations within describe timelines. (xiv) Failed to conduct periodic BCP trainings for its employees, outsourced/support staff and vendors. (xv) Failed to test a DR scenario of both DC and DR getting affected by ransomware attack at the same time. (xvi) Failed to conduct DR drills independently without the involvement of any staff based at PDC. (xvii) Failed to ensure that timing diagrams clearly identifying resources at both ends (DRS as well as PDC) are in place at the DR site. (xviii) Failed to submit the results and observations of the drill exercise along with comments of the governing board to SEBI within a month of the DR drill as mandated. (xix) Failure to ensure that the DR drills are conducted to be closer to real life scenario with minimal notice to the DRS staff and members involved. (xx) Failed to complete the systems and network audit within timelines. (xxi) Failed to conduct details of complied observations, compliance with all the relevant SEBI circulars, exceptional observations along with compliance status of previous year observations in the required format.	it has started tracking all alerts and assigned to the action owners for their response and it is also under process to strengthen the incident response team for timely response and closure of the alerts <i>B. Cases of deficiency:</i> (i) Our Company informed that the cyber security audit was conducted through evidence collected by inspecting physical assets, records, documents, relevant system generated reports in order to ascertain the compliance of various controls defined by SEBI. Therefore, our Company informed that it is compliance with the SEBI master circular. (ii) Our Company informed that it had implemented the measures as per requirement of the letter regarding implementation of additional measures to strengthen resilience of MILs by (a) conducting comprehensive scenario-based resilience testing/BCP testing; (b) Conducted ransomware readiness exercise during the month of April 2024; (c) conducted half yearly cyber attack simulation exercise. (iii) Our Company informed that it will ensure that the auditor submits the report within six weeks of commencement of audit. (iv) Our Company informed that it is submitting the cyber audit corrective action report within three months as prescribed by SEBI. And there is only one observation pertaining to end of support system which is under upgradation and is expected to be completed by July 31 2025. (v) Our Company ensure that it will put up a more comprehensive review of cybersecurity preparedness by SCOT in the upcoming meeting. (vi) Our Company ensured that it will put up a note on outsourcing SOC operations to risk management committee in the upcoming meeting for review. (vii) Our Company informed that DAM tool has been deployed and under fine tuning. Other tools are under implantation and are expected to be completed by December 31, 2025.

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		(xxii) Failure to ensure that its systems and network auditor certifies the conformity of entire network architecture, connectivity (including co-lo facility) and its linkage to the trading infrastructure with SEBI's regulatory framework. (xxiii) Failed to provide executive summary in the required format in the system audit report. (xxiv) Failure to ensure physical verification of systems by the auditor in its system and network audit. (xxv) Failure to frame policy or SOP for identification and reporting of technical glitches. Further our company also failed to ensure that the major technical issues related to wider gamut of operational issues are covered in the ambit of technical glitches are reported to SCOT and the board of our Company. Certain advisories were also issued to our Company pursuant to the letter.	(viii) Our Company informed that It is under process to upgrade the server at DR site to make SOC tool (SIEM) identical to DC site. Our company further confirmed that it will conduct monthly operation from its DR C-SOC. (ix) Our Company informed that it has started sending relevant cyber related alerts with its members, participants, intermediaries. The expected date of completion is June 18, 2025. (x) Our Company informed that it has started sending CCI reports with comment of SCOT and governing board. Completion is June 8, 2025. (xi) Our Company informed that the said deficiency pertains to websites of MII if it is managed by third party vendors. Websites of are the internal team and discovered bi-annual cybersecurity audit. (xii) Our Company informed that encryption of data at rest in Hadoop systems in both, PROD and DR environments has been completed on February 23, 2025. Our company informed that the point related to lack of rate limiting in APIs was fixed with a slight delay for which an exception for extension of implementation was sought from SCOT and the issued was closed in March 2025. Low level of vulnerability was reported in eDPM, DM and SHR applications of the Core Depository which is central application, making the total count as 3. An exception approval was taken from our governing board to fix this vulnerability in all 3 application and there are compensatory controls that have been put in place at the web application firewall level till the fix is implemented. (xiii) Our Company informed that it has started sending VAPT reports within the timelines along with comment of SCOT and governing board. The date of completion for the same is June 6, 2025. (xiv) Our Company informed that BCP Trainings will be further intensified by BCMS team to enhance the preparedness and awareness level among its employees and outsourced staff, vendors etc.

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			(xv) Our Company informed that it has conducted recovery test in isolated environment other than DC and DR, assuming the Production VLAN of the Primary Site (DC)-Disaster Recovery (DR) was unavailable. During the audit period, our Company had performed tests for vault system in isolated environment to simulate ransom ware scenarios. Further, restoration tests for database and filesystems were also performed in isolated environment to test the recovery. Additionally, our Company has implemented an AirGap setup, and a clean copy of the backup is being monitored. (xvi) Our Company informed that all the DR Drills are performed using orchestration tool and the work flows are executed by DR team only. (xvii) Our Company confirmed that timing diagrams are maintained. (xviii) Our Company informed that the reports have now been submitted to SEBI as per guidelines. (xix) Our Company informed that the it has performed the DR Drill tests with minimal notice to DR staff. (xx) Our Company informed that the system and network audit is in progress and it will be completed within timelines. (xxi) Our Company will ensure that system audit reports are submitted in SEBI prescribed format and that physical verification of systems will be done by the auditor for system and network audit. (xxii) Our Company will ensure that it is getting covered in system and network audit, which is under progress. (xxiii) Our Company will ensure that system audit reports are submitted in SEBI prescribed format. (xxiv) Our Company will ensure that will ensure that physical verification of systems by the auditor for system and network audit. (xxv) Our Company informed that based on SEBI circular dated July 5, 2021, a Common Standard Operating Procedure (CSOP) for handling technical glitches was finalized jointly by the depositories and clearing corporations. The CSOP

S. No.	Date of deficiency / warning letter / email	Concerns / issues raised	Company's response
			defines what constitutes a business disruption and/or disaster and outlines the applicability of financial disincentives depending on the nature of the technical glitch. The finalized CSOP was duly submitted to SEBI on February 13, 2023. Accordingly, our Company framed its Incident SOP in alignment with the CSOP, which was approved by SCOT/Board on May 22, 2023. Further, as per SEBI's subsequent guidance, all incidents impacting business partners are being reported to SEBI effective December 2024, and the same are also presented in the SEBI TAC for closure.

Additionally, in relation to its business and operations as an MII, our Company also receives letters from SEBI which are in the nature of advisories from time to time. While we have taken the necessary corrective steps, placed such letters before our Board from time to time and responded to the observations, findings, directions and regulatory non-compliances identified by SEBI and in certain instances are in the process of taking actions, we cannot assure you that SEBI will not issue similar letters in the future or actions taken by us have been or will be addressed to the satisfaction of SEBI. In the event we are unable to resolve such deficiencies and other matters to the SEBI's satisfaction or are otherwise in non-compliance with the SEBI's observations or directions, we may be subject to penalties or enforcement actions by SEBI. Imposition of any penalty or action by SEBI during ongoing or any future inspections may therefore have an adverse effect on our business, results of operations, financial condition and reputation.

10. *Our Company has been subject to enforcement actions, in the past, by way of issuance of show cause notices by SEBI in relation to violations/ non-compliances of relevant SEBI laws by our Company. There can be no assurance that such actions will not be taken against our Company in the future.*

Our Company is exposed to various forms of operational, legal and regulatory risks due to the nature of its business activities. SEBI regularly conducts inspection and investigations in relation to our operations. For further details, see “*SEBI has issued certain observations pursuant to inspections and has also issued administrative warning letters and deficiency letters in relation to certain non-compliances by our Company. There can be no assurance that further observations, administrative warning or deficiency letters would not be issued in the future.*” on page 48. We have in the past been subject to enforcement actions by way of issuance of show cause notices from SEBI in relation to certain alleged violations/ non-compliances of relevant SEBI laws by our Company. As on the date of this Red Herring Prospectus, there is an outstanding regulatory proceeding against our Company pursuant to a show cause notice issued by SEBI pursuant to the observations made during the onsite inspection conducted by our Company for the Financial Years 2024 and 2023. For a detailed description of such proceedings, please see “*Outstanding Litigation and Material Developments*” on page 384.

Set forth below is a brief summary of all the show cause notices issued by SEBI to our Company which are not pending as on date of this Red Herring Prospectus:

S. No.	Date of show cause notice	Description of matter
1.	February 27, 2006	Our Company received a show cause notice in respect of termination of a depository participant. Pursuant to the show cause notice, SEBI passed an order dated December 4, 2008 wherein certain adverse observations were made against our Company (“ SEBI Order ”). Our Company filed an appeal before SAT against the SEBI Order on the grounds that our Company had revised its business rules and put additional procedures in place to deal with beneficial owner accounts in the event of deactivation / termination of a depository participant. SAT passed an order dated June 22, 2010, directing that the observations made in the SEBI Order shall stand expunged in so far as they are adverse to our Company. The matter is not pending as on date.
2.	July 23, 2019	Our Company received a show cause notice in relation to alleged failure of implementation of the SEBI circular on activation of International Securities Identification Number (ISIN) dated September 11, 2012 read with circular dated August 2, 2012 (“ SEBI Circulars ”) and certain provisions of the SEBI D&P Regulations on account of not taking steps to freeze certain securities of a listed company till the time of its final listing/ trading permission. On November 29, 2019, SEBI passed an order and held that the allegations contained in the show cause notice with respect to violation of provisions of the SEBI Circulars and the SEBI D&P Regulations do not stand established against our Company. The matter is not pending as on date.
3.	March 7, 2021	Our Company received a show cause notice in relation to role of depositories in cases of share reconciliation issues noted in 14 listed companies. It was alleged that our Company had failed to discharge the responsibility cast upon it under the Depositories Act and the SEBI D&P Regulations. Thereafter, post consideration of facts and circumstances involving the matter, SEBI passed an order dated July 28, 2021 disposing of the allegations levelled against our Company. The matter is not pending as on date.
4.	May 10, 2021	Our Company received a show cause notice in relation to alleged fraud committed by Karvy Stock Broking Limited (“ KSBL ”). It was alleged <i>inter alia</i> that our Company did not comply with regulatory norms including violation of certain provisions of the Depositories Act and failure to adopt proper due diligence while processing investor complaints with respect to misutilization of securities held with KSBL. Our Company responded to the show cause notice and also presented its submissions before the adjudicating officer of SEBI. The adjudicating officer passed an order dated November 25, 2022 disposing of the proceedings against our Company. The matter is not pending as on date.
5.	May 24, 2023	Our Company received a show cause notice from Adjudicating Authority under the Prevention of Money Laundering Act, 2002 in relation to a proceedings initiated by the Directorate of Enforcement, Chennai under Section 8 of the Prevention of Money Laundering Act, 2002 against M/s. Quantum Global Securities Limited and certain persons (together, the “ Defendants ”), wherein the ED has passed a provisional attachment order dated April 19, 2023 (“ Provisional Order ”), whereby certain immovable and movable properties of the Defendants were provisionally attached on account of allegations of cheating, forgery, criminal breach of trust, criminal misappropriation and fabrication of documents, among others. Based on the Provisional Order, our Company had frozen demat accounts of the Defendants. Pursuant to the show cause notice, our Company was impleaded as one of the parties to the proceedings and was called upon to file its written reply with the Adjudicating Authority. Subsequently, the Adjudicating Authority passed an order dated October 9, 2023, confirming the Provisional Order and allowing the original compliant. The matter is not pending as on date.
6.	February 8, 2024	Our Company received a show cause notice in relation to non-compliance by our Company with an order dated October 12, 2022 passed by the Securities Appellate Tribunal (“ SAT Order ”). It was alleged that our Company violated the code of conduct under certain provisions of the SEBI D&P Regulations on account of failing to defreeze the demat accounts of certain entities as directed by SAT in its order dated October 12, 2022 and directions from SEBI issued by way of its email dated December 13, 2022. Our Company filed an affidavit dated November 30, 2023 submitting that it was not a party to the proceedings before SAT in the matter and duly complied with the SAT Order when it was made aware of the same. Subsequently, our Company filed a settlement application dated February 29, 2024 with SEBI, and filed a reply to the show cause notice dated April 12, 2024 denying the allegations raised in the show cause notice. Thereafter, a settlement order dated

S. No.	Date of show cause notice	Description of matter
		October 17, 2024 was passed by the adjudicating officer disposing of the show cause notice, pursuant to acceptance of the settlement terms and receipt of the settlement amount. The matter is not pending as on date.

We cannot assure you that we would not be subjected to any such proceedings in the future, or that no further liability will arise out of any such proceedings in the future. Such proceedings could divert management time and attention, and consume financial resources in their defense or prosecution.

11. *We are subject to various legal and regulatory obligations which may expose us to regulatory proceedings and legal actions by the concerned authorities.*

Our business and operations require us to comply with various other laws including labor laws. We have, in the past, delayed in compliance with labor law legislations like the Employees Provident Fund & Miscellaneous Provisions Act, 1952, Employees Deposit Linked Insurance Scheme 1976, Employees' Pension Scheme, 1995 and Employees Provident Fund Scheme, 1952. Although, no actions were taken by the authorities and no penalties have been levied on us in the last three Financial Years, any such delays in the future may result into penalties and fines on account of such delays. Certain of our activities in respect of government securities are subject to regulatory scrutiny by RBI and the requirements and directions issued by it. For instance, our Company received a show cause notice dated November 28, 2023 from the RBI ("**Notice**") in relation to violation of directions issued under Government Securities Act, 2006, whereby RBI has noted certain instances in relation to violations of the operation of the constituents' subsidiary general ledger (CSGL) account and failure by our Company in complying with submission requirements stipulated under certain guidelines issued by RBI. Our Company had responded to the Notice by way of its letter dated December 27, 2023, pursuant to which RBI, by its letter dated June 11, 2024 directed our Company to submit a detailed response on the measures taken to strengthen internal governance. Our Company submitted a detailed report to RBI by way of its letter dated July 5, 2024. While no further action has been taken by the RBI in relation to the notice, any such instance in the future may result in penalties or regulatory proceedings against our Company.

Further, our Subsidiaries, NPBL and NDML, are governed by the regulatory requirements and directions issued by the various authorities including RBI, SEBI, UIDAI and IRDAI, as applicable. For further details, see "*Payments banks in India, including our Subsidiary, NPBL, are subject to regulatory requirements and prudential norms. Its inability to comply with applicable laws, regulations and norms may have an adverse effect on our reputation, businesses, financial condition and results of operations*" and "*On account of its operations, our Subsidiary, NDML, is subject to regulatory requirements prescribed by various authorities including IRDAI, SEBI, UIDAI and RBI. Its inability to comply with applicable laws, regulations and norms may have an adverse effect on our reputation, businesses, financial condition and results of operations*" on pages 86 and 46, respectively. As on the date of this Red Herring Prospectus, neither our Company nor our Subsidiaries have received any suspension or revocation of any license and/or approval from relevant authorities or any penalties or fines, in this regard.

Any failure to comply with the applicable laws, regulations or requirements could subject us, or our Subsidiaries, to inspection, audit and enforcement actions by the relevant authorities, and may lead to suspension and revocation of the relevant license or approval. Civil and criminal penalties including payment of damages to the aggrieved party and payment of fines, may accrue pursuant to this non-compliance. Additionally, we are subject to various local and municipal laws that govern our operations and non-compliance with any such laws or regulations may result in the respective authorities taking action against us including issuance of notices, imposition of penalties, etc. For instance, we have, in the past, received a notice from the Municipal Corporation of Greater Mumbai ("**MCGM**") for carrying out unauthorized changes in our earlier registered office premises against the plan as approved by the MCGM. MCGM had issued a notice dated October 17, 2020 ("**MCGM Notice**") directing us to remove the unauthorized work, failing which the same will be demolished by MCGM. The Trade World Premises Co-op Society Ltd. (of which our Company is also a member) had filed a writ petition before the High Court of Judicature at Bombay against MCGM praying for regularization of such unauthorized changes. The High Court of Judicature at Bombay, through its order dated February 3, 2021, stayed the order of MCGM and directed that MCGM shall not proceed with further demolition of the structure. While our structures were not demolished pursuant to such MCGM Notice, MCGM has been imposing additional property tax

on us since Financial Years 2023 to 2025. Further, it may demolish the unauthorized construction and recover cost of demolition from us as arrears of property tax if the writ petition is not decided in our favor.

12. *There can be no assurance that we will be successful in implementing our current and future strategic plans, and our efforts to expand our service offerings and market reach may not succeed and may impact our revenue and growth.*

We derive a large portion of our revenue from our depository business, including custody fees and transaction fees collected from our depository participants. In addition to introducing technologically advanced and varied products and services in our core business, we have entered into other ancillary businesses that include our database management and payments bank businesses, through our Subsidiaries, NDML and NPBL, respectively. Revenue from our banking services also contributes significantly to our consolidated revenue from operations. Set forth below is the segment-wise revenue generated from our operating segments for the Financial Years 2025, 2024 and 2023, also expressed as a percentage of total revenue from operations for such years.

Segment	For the Financial Year					
	2025		2024		2023	
	Operating Revenue (₹ in million)	(% of Total Revenue from Operations)	Operating Revenue (₹ in million)	(% of Total Revenue from Operations)	Operating Revenue (₹ in million)	(% of Total Revenue from Operations)
Depository	6,186.04	43.56%	4,730.34	37.30%	4,091.46	40.03%
Banking services	7,199.34	50.69%	7,192.40	56.71%	5,407.78	52.92%
Database management	816.08	5.75%	759.70	5.99%	720.64	7.05%
Total Operating Revenue	14,201.46	100.00%	12,682.44	100.00%	10,219.88	100.00%

We have undertaken and continue to undertake new initiatives to increase our network of depository participants, increase our market share as a depository and introduce additional products and value-added services to the financial and securities markets in India. We have undertaken a review of our strategies and goals and intend to continue to focus on our growth potential and increase market penetration, invest in and upgrade our IT infrastructure systems, diversify our offerings and enhance our database management business, and increase the market share of our payments bank business. For details, please see “*Our Business – Our Strategies*” on page 223.

Some factors that may have an effect on our current and future strategic plans include:

- increased competition from our competitors with more affordable products and services at favorable terms;
- our inability to successfully introduce new services and products;
- our inability to onboard new depository participants (including new age fin-tech brokers); see also “*We have in the past experienced a loss of market share in the depository business due to the rapid emergence of new age fin-tech brokers*” on page 100;
- the pace of growth and activities in the capital markets in India;
- the inability of our depository participants to bring in new demat account holders; and
- adverse changes in the regulatory environment in India.

Any failure to broaden the scope of our products and services may inhibit the growth our business, as well as increase the vulnerability of our depository business. Many of these factors remain beyond our control. As a result, there can be no assurance that we will be able to successfully implement our current and future strategic plans.

13. *We are required to obtain various approvals in relation to our business and our inability to be able to obtain or renew such approvals may affect our business and results of operations.*

The laws and regulations governing our businesses are evolving and may be amended, supplemented or changed from time to time. As a result, we may be required to seek for and follow additional procedures, modify or adjust certain activities, restructure our ownership structure, obtain new and additional licenses and incur additional expenses to comply with such laws and regulations, which could adversely affect our future development and business. Our depository business is governed by the Depositories Act and

regulations prescribed by SEBI. Moreover, the businesses carried on by our Subsidiaries, NPBL and NDML, are governed by the laws of various regulatory and statutory authorities including the RBI, SEBI, UIDAI and IRDAI. Market intermediaries, which contribute significantly to our revenues, are also governed by regulations issued by regulatory authorities such as SEBI, RBI and IRDAI. For example, we have approvals from SEBI in relation to, among others, registration as a securities depository and registration to act as a registrar to an issue. For a detailed description of our licenses and approvals, please see “*Government and Other Approvals*” on page 393.

Some of the licenses and approvals that have been issued to our Company or our Subsidiaries contain certain conditions and restrictions. For instance, the license to operate as a payments bank issued by the RBI requires NPBL to comply with certain terms and conditions including maintaining a minimum net worth of ₹1,000 million and compliance with corporate structure provisions pertaining to shareholding and appointment of board of directors. In the event that NPBL is unable to comply with any or all of these terms and conditions, the RBI may place stringent restrictions on it which may impact our operations to the extent of our offering services and may adversely impact our reputation and financial condition. If we fail or allegedly fail to satisfy the conditions or comply with the restrictions imposed by the relevant licenses and approvals, or the restrictions imposed by any statutory or regulatory requirements, we may become subject to regulatory enforcement or be subject to fines, penalties or additional costs or revocation of these licenses and approvals.

Further, our operations are subject to continued review and the governing regulations may change. While we currently have or have applied for all material approvals required for our business or are in the process of applying for the approvals, we may not have, or may not receive, all necessary approvals, or be able to obtain renewals of all our approvals within the time frames anticipated by us or may not obtain the same at all, which could adversely affect our business. For a detailed description of our approvals which are either pending renewal or are yet to be applied for, please see “*Government and Other Approvals*” on page 393. Any failure to obtain, renew or maintain any required approvals or registrations or to meet any regulatory requirements could potentially result in the interruption of all or some of our operations, constrain our ability to scale-up our business or to introduce new products and services and could materially and adversely affect our business and financial results. For instance, IRDAI has advised NDML to operate its insurance repository business *via* a separate company on February 23, 2024, and May 13, 2025. NDML is in the process of preparing its proposal for submission to IRDAI. The setting up of a separate company, which will be a new subsidiary, and investment into such company will be required to be approved by the Company and SEBI. Further, we may require regulatory approvals and licenses that we do not currently possess for certain of our proposed products/ services. While we have in the past successfully obtained such approvals and licenses for certain proposed products/services that have yet to be undertaken or launched, there can be no assurance that we will be able to obtain them at all or in a timely manner in the future. Additionally, the inability of the market intermediaries associated with us to maintain or renew their approvals/registrations may adversely affect our business, cash flows, results of operations and financial condition.

14. ***SEBI in-principle approval requires us to complete the listing process before April 13, 2024, which has been extended till August 14, 2025. If we fail to comply with this deadline, we may be required to apply for an extension or a fresh approval, which may not be granted in a timely manner, or at all.***

SEBI, through its letter dated April 13, 2023, had granted us the in-principle approval to list our Equity Shares on a recognized stock exchange, subject to certain conditions, including, compliance with the provisions of the SEBI D&P Regulations and the shareholding norms prescribed therein, compliance with the SEBI ICDR Regulations, and completion of the entire listing process within one year from the date of issuance of the in-principle approval, i.e., before April 13, 2024. Pursuant to its letter dated July 21, 2025, SEBI has allowed a further extension for listing of our Equity Shares by August 14, 2025. Our failure to not comply with any of these conditions may require us to apply for an extension or a fresh approval from SEBI. This may not be granted to us in a timely manner, or at all.

15. ***Our principal Shareholders, IDBI Bank Limited and National Stock Exchange of India Limited, are required to dilute their shareholding in our Company on or before August 14, 2025, as required under the SEBI D&P Regulations.***

The SEBI D&P Regulations provide that any shareholding or voting rights in a company engaged in the depository business beyond the permissible limit of 15% shall be reduced to the specified limit within a period of five years from the commencement of SEBI D&P Regulations, i.e., on or before October 2,

2023(“**Dilution Deadline**”). Our Shareholders, IDBI Bank Limited and National Stock Exchange of India Limited currently hold 26.10% and 24.00% of the paid-up Equity Share capital, respectively, of our Company, which is in excess of the maximum permissible limit of 15%. Therefore, IDBI Bank Limited and National Stock Exchange of India Limited are required to mandatorily dilute their respective shareholding in our Company in order to comply with the requirements prescribed under the SEBI D&P Regulations. Any failure to comply with this requirement within the stipulated timeline may lead to adverse observations or directions from SEBI, which may impact our business and operations. Pursuant to its letter dated July 21, 2025, SEBI has *inter alia* extended the Dilution Deadline up till August 14, 2025 for our shareholders, IDBI Bank Limited and National Stock Exchange of India Limited.

16. There are outstanding legal proceedings involving our Company, our Directors, and our Subsidiaries.

There are outstanding legal proceedings involving our Company, our Directors, our Subsidiaries and our Group Companies. These proceedings are pending at different levels of adjudication before various judicial authorities, from which further liability may arise.

A summary of outstanding litigation proceedings involving our Company, our Directors, our Subsidiaries and Group Companies, is set out below. For further details of the outstanding litigation proceedings, see “*Outstanding Litigation and Other Material Developments*” on page 384.

Name of Entity	Criminal proceedings	Tax proceedings	Statutory or regulatory proceedings	Material civil litigation	Aggregate amount involved (₹ in million) ⁽¹⁾
Company					
By our Company	-	17	-	-	1,315.28
Against our Company	1	-	4	3	3,196.86
Directors					
By the Directors	-	-	-	-	-
Against the Directors	5	-	-	-	-
Subsidiaries					
By the Subsidiaries	-	17	-	-	67.71
Against the Subsidiaries	-	-	-	-	-
Key Management Personnel or Senior Management					
By the KMP or Senior Management	-	-	-	-	-
Against the KMP or Senior Management	-*	-	-	-	-

(2) The aforementioned amounts are stated to the extent they can be quantified, and rounded off to the nearest rupees in millions, with precision up to two decimal places.

*Excludes four criminal proceedings involving Vijay Chandok, our Managing Director and Chief Executive Officer which are already covered under proceedings involving “Directors” in the table.

For details in relation to the pending regulatory proceedings and other material litigation involving one of our Group Companies, see “*Outstanding Litigation and Other Material Developments - Litigation involving our Group Companies*” on page 390.

We cannot assure you that any of these proceedings will be decided in favor of our Company, our Directors and our Subsidiaries, or that no further liability will arise out of these proceedings. Such proceedings could, however, divert management time and attention, and consume financial resources in their defense or prosecution. Our Company is in the process of litigating these matters and based on the assessment in accordance with applicable accounting standards, our Company has presently not made provision for any of the pending legal proceedings. For details of our contingent liabilities, see “*Summary of the Offer Document – Summary of contingent liabilities and other commitments of our Company*”, “*– Materialization of our contingent liabilities could adversely affect our financial condition*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations – Contingent Liabilities and Assets*” on pages 28, 97 and 365, respectively.

Further, an unfavorable outcome in any of these proceedings, even though not quantifiable, may affect our reputation, standing and future business, and could have an adverse effect on our business, prospects, financial condition and results of operations.

17. *We may not be sufficiently protected or insured for certain losses that we may incur or claims that we may face against us.*

We are obligated, as per Section 16 of the Depositories Act, 1996, to indemnify the beneficial owners (“BOs”) in the event of any loss incurred by them due to our own negligence or the negligence of our depository participants.

We maintain insurance coverage under various insurance policies such as business operational risk insurance which also covers cyber security threat, directors’ and officers’ liability insurance and asset insurance.

In order to indemnify the beneficial owners in accordance with the Depositories Act, our insurance coverage includes a business operational risk insurance policy (with an excess business operational risk insurance policy) up to an overall limit of ₹2,000 million, covering cyber liability for up to ₹1,000 million, and a provision for reinstatement under the business operational risk insurance policy up to ₹1,000 million, to maintain an insurance cover in respect of error, omission, fraud and system failure. Further, we have had instances in the past where depository participants have made insurance claims under our Company’s business risk insurance policy, for the losses suffered by them. While we believe that our insurance policies and coverage is sufficient for our business and operational needs, the insurance policy amount may not be adequate to cover our claims or may not be available to the extent we expect and are subject to exclusions and deductibles, which may lead to financial liability and other adverse consequences.

As of March 31, 2025, the amount of our insured property, plant and equipment was ₹1,876.72 million, representing 70.21% of our property, plant and equipment and 6.29% of our total assets (including certain of our assets which are not insurable). Any business disruption, litigation, regulatory action, outbreak of an epidemic disease, adverse weather conditions or natural disasters could also expose us to substantial costs and diversion of resources. If we incur any loss, our business, cash flows, financial condition and results of operations could be adversely affected. For details, see “*Our Business— Insurance*” on page 240.

18. *We have entered into and will continue to enter into related party transactions. We cannot assure you that such transactions will not have an adverse impact on our business, financial condition, cash flows and results of operations.*

We have entered into various related party transactions, which arithmetically aggregated to an absolute total amount of ₹609.06 million, ₹368.82 million and ₹438.05 million, representing 4.29%, 2.91% and 4.29% respectively, of our total revenue from operations during the Financial Years 2025, 2024 and 2023. For further details of the related party transactions, see “*Related Party Transactions*” on page 383. While all our related party transactions have been conducted on an arm’s length basis and in compliance with all the applicable laws, we cannot assure you that we could not have achieved more favorable terms had such transactions been entered into with unrelated parties. It is possible that we may enter into related party transactions in the future. We cannot assure you that such future transactions, individually or in the aggregate, will not have an adverse effect on our business, financial condition, cash flows and results of operations or that we could not have achieved more favorable terms if such future transactions had not been entered into with related parties. Further, any future transactions with our related parties could potentially involve conflicts of interest which may be detrimental to our Company. We cannot assure you that our Directors and executive officers will be able to address such conflicts of interests or others in the future.

19. *We utilize the services of certain third-party vendors for our operations. Any deficiency or interruption in their services could adversely affect our business and reputation.*

We engage third party service providers for certain parts of our operations including for providing services relating to the development of applications and updates to our platform, and product distribution. While all business activities relating to our depository operations are carried out entirely by our Company, due to our specialized technological needs as being a depository, we rely on a few third-party vendors to handle critical IT operations for us such as system maintenance, system development and testing, infrastructure management and information security. Furthermore, we rely on third-party vendors to also provide junior-level resources for certain support activities such as human resource services, administration services and accounts, each of which are carried out under the supervision of our employees. Certain of our agreements with them include non-compete clauses, which are subject to written intimation to our Company. Accordingly, the service providers can work with our competitors during the subsistence of the agreements

entered into with our Company upon providing such intimation. There can be no assurance that they may be able to efficiently and effectively engage in significant product distribution in comparison with our competitors, or at all. Our dependence on these vendors imposes limitations on our ability to transition the services they provide to alternative vendors in a timely manner. Our ability to control the manner in which services are provided by third party service providers is limited and we may be held liable on account of any deficiency of services on the part of such service providers. Due to our reliance on third-party service providers, any shortcomings in their products or services could result in deficiencies, delays, or failures in the services we deliver, see also “- *We rely on complex information technology networks and systems to operate our business. Any significant system or network disruption due to a technical glitch, breach in the security of our IT systems or otherwise, could have a negative impact on our business, reputation, results of operation and financial condition including levy of financial disincentive by SEBI*”. While there have been no instances of any material deficiency or interruption of our services on account of any lapse or lack of quality by the third party vendors in the last three Financial Years, we cannot assure you that we will be successful in continuing to receive uninterrupted and quality services from our third-party service providers. In addition, if we fail to supervise and control the sales and marketing activities of such third parties, the quality of services they provide may deteriorate, which could adversely affect our brand value. Some third-party vendors may also be small companies which are likely to experience financial or operational difficulties than larger, well-established companies due to limited financial and other resources. This may result in a delay of services or products delivered to us and we may be unable to find alternative vendors. Any disruption or inefficiency in the services provided by our third-party service providers could affect our business and reputation.

20. *Non-compliance with laws relating to privacy and data protection could result in claims, harm our results of operations, financial condition, and prospects.*

We are subject to a variety of laws, rules, directives, and regulations, as well as contractual obligations, relating to the processing and storage of personal information, including personally identifiable information. The regulatory framework for privacy and data protection worldwide is rapidly evolving and, as a result, implementation standards and enforcement practices are likely to continue to evolve for the foreseeable future which could have a significant impact on our current and planned privacy and data protection-related practices; our processing of personal information; and our current or planned business activities.

Compliance with current or future privacy and data protection laws (including those regarding security breach notification) affecting personal information to which we are subject could result in higher compliance and technology costs and could restrict our ability to provide certain products and services (such as products or services that involve us sharing personal information with third parties or storing personal information), which could materially and adversely affect our financial position and could reduce income from certain business initiatives. As part of our operations, we are required to comply with the Information Technology Act, 2000 and the rules notified thereunder. For details, see “*Key Regulations and Policies in India*” on page 242. The Digital Personal Data Protection Act, 2023 (the “**DPDP Act**”) was enacted on August 11, 2023. The DPDP Act provides for the processing of digital personal data in a manner that recognises both the rights of individuals to protect their personal data and the need to process personal data for lawful purposes and matters incidental thereto. As the relevant rules are yet to be notified, the impact on the DPDP Act on our business and operations remains uncertain. In terms of its scope, the DPDP Act is specifically geared towards regulating personal data, regardless of whether it was originally gathered in a digital format or digitised subsequently. Additionally, it possesses extraterritorial reach, affecting the processing of digital personal data conducted outside India, but solely when such processing is linked to offering of goods or services to data principals (i.e., (i) a child, including parents or lawful guardian of such a child, and (ii) a person with disability, including their lawful guardian, acting on their behalf, (together with (i) and (ii) the “**Data Principals**”)) within India. The DPDP Act provides for protection of personal data and processing the same only for lawful purposes. It also grants certain rights to Data Principals including the right to access information and seek correction and erasure of personal data. Further, the Data Principal also has the right of grievance redressal, right to nominate an individual to exercise rights on their behalf in the event of their death or incapacitation etc. The DPDP Act requires companies that collect and deal with high volumes of personal data, known as significant data fiduciaries, to fulfil certain additional obligations such as appointment of a data protection officer for grievance redressal and an independent data auditor to evaluate compliances with the DPDP Act. The DPDP Act establishes a data protection board of India to adjudicate non-compliance with the provisions of the DPDP Act. Owing to the DPDP Act being new, its interpretation and application remain uncertain and are also subject to change and may become

more restrictive in the future with respect to our ability to collect, use, disclose and transfer information pertaining to our counterparties. Our failure to take reasonable security precautions, safeguard personal information or collect such information in the future may have a material adverse effect on our business, financial condition and results of operations.

Despite our efforts to comply with applicable laws, regulations, and other obligations relating to privacy, data protection, and information security, it is possible that our interpretations of the law or practices could be inconsistent with or fail or be alleged to fail to meet all requirements of, such laws, regulations, or contractual obligations. Our failure, or the failure of any third party with whom we conduct business, to comply with privacy and data protection laws or regulations or any other obligations relating to privacy, data protection, or information security, or any compromise of security that results in unauthorized access to, or use or release of personally identifiable information or other data, or the perception that any of the foregoing types of failure or compromise has occurred, could result in potentially significant regulatory investigations and government actions, litigations, fines, or sanctions, consumer, funding source, bank partner, and damage to our reputation and brand, all of which could have a material adverse effect on our business. Complying with privacy and data protection laws and regulations may cause us to incur substantial operational costs or require us to change our business or privacy and security practices. We may not be successful in our efforts to achieve compliance either due to internal or external factors, such as resource allocation limitations or a lack of cooperation from third parties. Although, we have not received complaints or notifications from third parties alleging that we have violated applicable privacy and data protection laws and regulations, we cannot assure you that this will not occur in the future.

21. *Payments banks in India, including our Subsidiary, NPBL, are subject to regulatory requirements and prudential norms. Its inability to comply with applicable laws, regulations and norms may have an adverse effect on our reputation, businesses, financial condition and results of operations.*

Payments banks in India, including our Subsidiary, NPBL, are subject to various requirements and restrictions in relation to their functioning, corporate ownership and governance which are prescribed under the applicable acts such as the Banking Regulation Act, 1949, as amended, along with applicable regulations prescribed by the RBI from time to time. These include, but are not limited to, maintaining a minimum net worth of ₹1,000 million at all times; ensuring ownership and control by Indian residents in accordance with the Foreign Exchange Management Act, 1999, as amended, read with rules and regulations thereunder; obtaining prior approval from the RBI for any change in its shareholding by way of fresh issue or transfer of shares, directly or indirectly, to a particular investor, acting alone or in concert with any other person, to the extent of 5% or more of its paid-up share capital or 5% or more of its voting rights; an inability to undertake lending activities; prudential norms specified in respect of market risk and operational risk, maintenance of regulatory ratios including cash reserve ratio on its demand and time liabilities and statutory liquidity ratio; periodic disclosure requirements (including in presentation of financial information and financial statements); fraud classification and reporting; and cyber security compliance. In addition, the Payments Bank Licensing Guidelines, Payments Bank Operating Guidelines and other applicable regulations along with the payments bank license issued by the RBI require NPBL to comply with certain conditions in relation to its operations. Further, our Company is required to ensure that its shareholding in NPBL does not fall below 40% of the paid-up equity share capital during the first five years from the date of commencement of NPBL's business operations as a payments bank, i.e., October 29, 2018. Moreover, the equity shares of NPBL are required to be mandatorily listed on the stock exchanges within three years from the date of reaching a net worth of ₹5,000 million. As on March 31, 2025, the net worth of NPBL was ₹1,476.81 million. For details, see "Key Regulations and Policies in India" on page 242. Further, under the Banking Regulation Act, NPBL's directors and certain key personnel, prior to their appointment, are required to meet the requisite eligibility criteria and additionally we have to obtain a prior approval from the RBI for various corporate actions, including appointment / re-appointment / removal of the chairman, director, chief executive officer and auditors. Any procedural or regulatory delay or failure in obtaining or procuring such prior approval from the RBI may have an adverse impact on our operations.

In case of any failure to comply with the prescribed conditions, applicable directives, reporting requirements, requirements to meet the prescribed prudential norms or any other ongoing regulations or requirements from RBI or other regulators, the RBI may charge penalties, penalize NPBL's management, restrict NPBL's banking activities or otherwise enforce increased scrutiny and control over NPBL's banking operations, including by way of withholding approvals, or issuing conditional approvals in respect of any proposed actions for which NPBL may seek approval in the future, or even cancel NPBL's banking license. For instance, NPBL has, in the past, received a letter from RBI conveying its displeasure regarding

non-compliance with certain provisions of the Master Direction on Issuance and Operation of Prepaid Payment Instruments (“**PPIs**”) dated October 11, 2017, and Master Directions on PPIs dated August 27, 2021 (as updated from time to time) (“**Master Directions**”) issued by RBI in relation to co-branding arrangement between a bank and non-bank entity. RBI stated that NPBL had entered into a co-branding arrangement with the said non-bank entity for issuance and operations of PPIs and observed that the role of non-bank entity in the instant arrangement exceeded the activities permitted under the instructions of the said Master Directions. Our Company had replied to the said letter stating that it will comply with the Master Directions and make appropriate arrangements to ensure zero non-compliance to the Master Directions. Further, NPBL received a notice dated February 28, 2024 from RBI observing violation of paragraph 4(i) of the guidelines on licensing for payments banks due to alleged breaches in the prescribed maximum EOD balance in customer accounts. While NPBL had responded to the said letter and implemented necessary controls to ensure compliance with the guidelines prescribed by RBI, we cannot assure you that such non-compliances will not happen in the future and that we will not be subject to any action by the RBI which may adversely affect our operations and financial position.

NPBL is subject to periodic on-site inspections by the RBI in relation to its compliance with licensing conditions, operating guidelines and matters relating to its banking operations pursuant to the relevant provisions, circulars and master directions issue at regular intervals under the Banking Regulation Act, 1949. During the annual inspection conducted by RBI from August 19, 2024 to September 13, 2024 pursuant to Section 35 of the Banking Regulation Act, 1949, RBI made certain observations, such as breach in licensing condition i.e. maximum EOD balance in 12 active accounts and 14 blocked/closed/frozen accounts were having balance exceeding prescribed EOD limit of 2 lakh since April 2023 till DPI, certain deficiencies in our KYC/AML framework, IT systems and control, outsourcing arrangement and conducting performance review of BC. RBI also shared a draft of the risk mitigation plan for NPBL.

While NPBL has taken actions and responded to such observations, findings, directions and regulatory non-compliances and in certain instances are in the process of taking actions, we cannot assure you that the RBI will not make similar or other observations in the future, or such actions have been or will be addressed to the satisfaction of RBI. In the event NPBL is unable to resolve such deficiencies and other matters to the RBI’s satisfaction, or are otherwise in non-compliance with the RBI’s directions, the RBI may charge penalties, penalize our management, restrict our banking activities or otherwise enforce increased scrutiny and control over our banking operations, including by way of withholding approvals, or issuing conditional approvals, or even cancel our banking license. Imposition of any penalty or adverse findings by the RBI during ongoing or any future inspections may therefore have an adverse effect on our business, results of operations, financial condition and reputation.

Further, to ensure compliance with the regulatory framework applicable to payments banks, NPBL may need to allocate additional resources, which may increase the regulatory compliance costs and divert management attention. The inability to comply with laws and regulations applicable to a payments bank may have an adverse effect on NPBL’s business, cash flows, financial condition and results of operations which may also have a resultant impact on our reputation and consequently an adverse effect on our cash flows, financial conditions and results of operations.

Additionally, under the Banking Regulation Act, the RBI has the authority to remove any director, chairman, CEO, or other officers or employees of a bank, including payments banks, if their conduct is detrimental to the interests of depositors or public interest. The RBI can also supersede the board of directors of a payments bank and appoint an administrator to manage the bank in line with regulations, with the power to freeze remuneration levels and take other measures. In such circumstances, the management of the bank will vacate their office, and the administrator will exercise all powers, functions, and duties under applicable law.

Any such action by the RBI could negatively impact our reputation, business, financial condition, results of operations, and cash flows. We may face challenges in managing NPBL’s affairs during the supersession period, and the appointment of an administrator could lead to a loss of control over our business operations. We are dependent on our management team at NPBL for our business and growth and therefore, any regulatory action by the RBI against our management could have significant adverse effects on our operations, financial performance, and reputation.

22. *Appointment of our Public Interest Directors does not require shareholders’ approval*

The appointment of public interest directors on the board of directors of the depositories, including our Company, is subject to the provisions of the SEBI D&P Regulations. Further, Section 152 and Section 149(10) of the Companies Act provides that every director appointed on the board of directors of a company is to be appointed in a general meeting unless the Companies Act provides otherwise. Accordingly, the appointment of an independent director is subject to the approval by the shareholders. As per the SEBI D&P Regulations a 'public interest director' is an independent director, representing the interest of investors in securities market and who is not having any association, directly or indirectly, which in the opinion of the Board, is in conflict with his role. Further, regulation 25(2) read with Part C of Schedule II of the SEBI D&P Regulations does not necessitate approval of the shareholders of the depository for the appointment of public interest directors on the board of directors of such depositories. Therefore, as provided in the SEBI D&P Regulations the appointment of our Public Interest Directors will not be subject to any Shareholders' approval. For details, see "*Our Management- Corporate Governance*" on page 269.

- 23. *NPBL is required to comply with applicable know-your-customer, anti-money laundering and anti-terrorism laws in India. However, NPBL may not be able to detect money-laundering and other illegal or improper activities in a comprehensive manner or on a timely basis, which could expose us to additional liability and harm our business or reputation.***

As a payments bank, our Subsidiary, NPBL is required to comply with applicable know-your-customer, anti-money laundering and anti-terrorism laws in India. These laws and regulations require it to adopt certain measures, including, to adopt and enforce adequate know-your-customer, anti-money laundering and anti-terrorism safeguards and procedures to report suspicious transactions to regulatory authorities in India. We may face significant challenges with implementation of new system and/or upgrading the existing system to meet the requirements of such regulatory developments. While we have adopted policies and procedures for complying with applicable know-your-customer, anti-money laundering and anti-terrorism laws in India, such policies and procedures may not eliminate instances where its platforms and services may be used by other parties to engage in money-laundering and other illegal or improper activities. While there have been no adverse regulatory actions against NPBL in this regard, in the event accounts are not routinely monitored or if subsequent complete KYC checks are not carried out, and if any such parties use NPBL's channels for money-laundering or illegal or improper purposes, NPBL may be subject to adverse regulatory actions which will significantly impact our business and reputation.

- 24. *We are subject to higher penalties and settlement amounts as a market infrastructure institution and may be required to contribute a higher percentage of our profits to the Investor Protection Fund, which may adversely affect our profitability and dividend payments.***

As a market infrastructure institution, we are required to comply with various regulatory requirements and governance norms prescribed by SEBI and other authorities. Any non-compliance or violation of these requirements and norms may expose us to higher penalties and settlement amounts than other market participants. For instance, under the SEBI (Settlement Proceedings) Regulations, 2018, the residuary base amount for most units of alleged default is the highest for market infrastructure institutions. Any such penalties or settlement amounts may reduce our profits and cash flows.

Further, under the SEBI D&P Regulations, we are required to contribute five per cent (or such percentage as may be specified by SEBI) of our net profits to the Investor Protection Fund every year, which is used for various purposes such as investor education and awareness. SEBI may increase this percentage in the future, which may result in lower distributable profits and dividends for our shareholders. Any such increase in the contribution to the Investor Protection Fund may adversely affect our profitability and dividend payments.

- 25. *We operate in a business environment that continues to experience significant and rapid changes in technology. Any failure to keep up with these changes may have an adverse impact on our business.***

We operate in a business environment that continues to experience significant and rapid changes in technology, which is a key component of our operations and business strategies and is crucial to our success. We seek to offer market participants a comprehensive suite of technology solutions in a centralized environment through a range of product offerings and services. However, the business environment in which we operate has undergone, and continues to experience, significant and rapid technological change. In recent years, electronic trading has grown significantly, and customer demand has increased. To remain

competitive, we aim to continue to enhance and improve the responsiveness, functionality, capacity, accessibility and features of our platforms, software, systems and technologies. Our success will depend, in part, on our ability to:

- develop and effectively monetize technology platforms;
- enhance existing platforms and services and create new platforms and services;
- respond to customer demands, technological advances and emerging industry standards and practices on a cost-effective and timely basis;
- continue to attract and retain highly skilled technology staff to maintain and develop existing technology; and
- to adapt to and manage emerging technologies including block chain.

In the event that we are unable to anticipate and respond to the demand for new services and products driven by new technologies in a timely and cost-effective basis and to adapt to technological advancements and changing standards, we may be unable to compete effectively, which could adversely affect our business, financial condition and results of operations. Similarly, a significant risk to our payments bank business is the increasing adoption of UPI and other government interventions aimed at promoting digital payments by reducing or capping processing costs. As a result of these initiatives, we may experience a decline in revenue and margins from our payments bank business. Furthermore, the implementation of such initiatives may result in increased competition from existing and new players which may adversely affect our ability to acquire and retain customers. While we may explore new revenue streams or cost-cutting measures to mitigate this risk, there is no assurance that such efforts will be successful. Any material adverse impact on the business of NPBL or NDML, respectively, could have a negative effect on our financial condition, results of operations, and cash flows.

Additionally, in line with the rapid technological enhancements, we will need to be more vigilant and proactive in developing adequate safeguarding infrastructure to address the threats to sensitive financial and customer data. Based on enhanced functional specifications, regulatory requirements and technology changes, we may need to further enhance and re-develop our platforms to meet the requirements of the users. This may entail necessary upgrade costs and incidental timelines. We may incur substantial development, sales and marketing expenses and expend significant management effort to adapt to the evolving technologies. Even after incurring these costs, we ultimately may not realize any, or may realize only small amounts of, revenues for these new products or services. Consequently, if our revenues do not increase in a timely manner as a result of these initiatives, the up-front costs associated with expansion may exceed related revenues and reduce our working capital and income. In addition, these investments may not be profit enhancing, or seek to improve operating efficiencies and/or lower operational costs, which if not realized may adversely affect our business, financial condition and results of operations.

26. *A failure to generate income from fee and commission-based activities by NPBL may have a negative impact on our financial performance.*

Our ability to generate revenue through fees and commissions charged by NPBL is subject to various factors, both internal and external, which may adversely affect our financial performance. Set forth below are the details of our revenue from operations from our banking services for the Financial Years 2025, 2024 and 2023:

Particulars	For the Financial Year					
	2025		2024		2023	
	(₹ in million)	(% of Total Revenue from Operations)	(₹ in million)	(% of Total Revenue from Operations)	(₹ in million)	(% of Total Revenue from Operations)
Revenue from operations from banking services	7,199.34	50.69%	7,192.40	56.71%	5,407.78	52.92%

The primary source of our revenue is from fees and commissions charged for our products and services, which is influenced by our business strategy, transaction expenses, volume of transactions, and promotional offers. Additionally, external factors such as general economic conditions, market value, regulatory instructions, changes in banking activity, and competition with other fintech companies can impact our revenue stream. Furthermore, the volume of transactions carried out by NPBL is dependent on various factors, including the availability of customer touchpoints, the usability and reliability of our technology,

marketing efforts, and customer care initiatives. External factors such as macro-economic conditions, government initiatives, and competition also affect transaction volume. Failure to manage these factors could result in inadequate fee and commission structures, missed revenue opportunities, and an inability to increase transaction volume, all of which could negatively impact our financial condition, results of operations, and cash flows. For risks in relation to the increase in our cost-to-income ratio for our banking business, please see “- Our payments bank business involves high operating expenses leading to a high cost-to-income ratio.” below.

27. Our payments bank business involves high operating expenses leading to a high cost-to-income ratio and had incurred losses in the past.

As per the report on trend and progress of banking in India (2023-2024) published by the Reserve Bank of India (RBI), payments banks in India experienced minimal profit margins at a slower pace during the Financial Year 2024 compared to the Financial Year 2023. This was primarily attributed to high operating expenses, resulting in a cost-to-income ratio of 97.2% for the same period.

In relation to our payments bank, the specific details regarding total allocable revenue and allocable expenses for the Financial Years 2025, 2024 and 2023, are as set below:

Segment	For the Financial Year					
	2025		2024		2023	
	(₹ in million)	(% of Total Revenue/ Expense /Results from Operations)	(₹ in million)	(% of Total Revenue/ Expense /Results from Operations)	(₹ in million)	(% of Total Revenue/ Expense /Results from Operations)
Total allocable revenue	7,199.34	50.69%	7,192.40	56.71%	5,407.78	52.92%
Total allocable expense	7162.73	66.32%	7,169.90	71.18%	5,323.71	67.55%
Segmental results/ Operating margin	36.61	1.08%	22.50	0.86%	84.07	3.59%

We cannot assure you that we will be able to efficiently increase the volume of our transactions and improve our cost to income ratio leading to wider margins of income and the resultant profitability. If we are not able to manage our operations without significantly addressing our operating costs, in the light of changing market patterns and economic conditions, it may not be commercially viable for us to operate our payments bank business which may adversely affect our revenue from operations, future prospects and cashflow.

28. A majority of our revenue from operations are derived from our banking services.

We derive a majority of our revenue from the banking services of our Subsidiary, NPBL. Set forth below is the segment-wise revenue generated from our operating segments for the Financial Years 2025, 2024 and 2023, also expressed as a percentage of our total revenue from operations for such years.

Segment	For the Financial Year					
	2025		2024		2023	
	Operating Revenue (₹ in million)	(% of Total Revenue from Operations)	Operating Revenue (₹ in million)	(% of Total Revenue from Operations)	Operating Revenue (₹ in million)	(% of Total Revenue from Operations)
Depository	6,186.04	43.56%	4,730.34	37.30%	4,091.46	40.03%
Banking services	7,199.34	50.69%	7,192.40	56.71%	5,407.78	52.92%
Database management	816.08	5.75%	759.70	5.99%	720.64	7.05%
Total Operating Revenue	14,201.46	100.00%	12,682.44	100.00%	10,219.88	100.00%

For further details in relation to our segment-wise results of operations, see “Management’s Discussion and Analysis of Financial Condition and Results Of Operations – Significant Factors Affecting our Financial Condition and Results of Operation” on page 356.

Any failure to continue to grow our banking services or any impact on banking services regulations in India may hamper the growth of our business, many of these factors remain beyond our control. For further details on the banking regulations in India, see “– Payments banks in India, including our Subsidiary,

NPBL, are subject to regulatory requirements and prudential norms. Its inability to comply with applicable laws, regulations and norms may have an adverse effect on our reputation, businesses, financial condition and results of operations” and “Key Regulations and Policies in India” on pages 86 and 242, respectively.

29. We have experienced negative cash flows in the past. Any negative cash flows in the future could adversely affect our results of operations and financial condition.

We have experienced negative cash flows from our investing and financing activities during the Financial Years 2025, 2024 and 2023. The following table summarizes our cash flows data for the periods indicated:

Particulars	For the Financial Year		
	2025	2024	2023
	(₹ in million)		
Net cash generated from operating activities	5,578.46	1,128.82	5,079.39
Net cash used in investing activities	(5,023.18)	(1,775.64)	(4,417.05)
Net cash used in financing activities	(163.82)	(200.00)	(200.00)
Net (decrease)/increase in cash and cash equivalents	391.47	(846.82)	462.34

Our cash flows are subject to substantial changes during any particular period or fiscal year. NPBL, as a result of the nature of its business, particularly, the purchase and sale of certain products, transacts in and settles a significant amount of money on a day-to-day basis. Such amounts are consolidated in our Restated Consolidated Financial Information and accordingly is a significant contributor to our changes in cash flows from operating and investing activities. For example, net cash generated from operating activities increased from ₹1,128.82 million for the Financial Year 2024 to ₹5,578.46 million for the Financial Year 2025 primarily due to the increase in security deposits received from unlisted issuers, increase in stamp duty advances and settlement charges payable to SEBI. However, net cash generated from operating activities decreased by 77.8% from ₹5,079.39 million for the Financial Year 2023 to ₹1,128.82 million for the Financial Year 2024 primarily due to the amounts deposited as service tax demand for the depository business and the increase in amounts placed in fixed deposits for tenure more than 12 months, resulting in an increase in other financial assets (non-current) of NPBL. Net cash used in investing activities also increased from ₹1,775.64 million for the Financial Year 2024 to ₹5,023.18 million primarily due to the increase in purchase of current investments (net), purchase of non-current investments and net amount placed of other deposit accounts with original maturity of more than three months.

Any negative cash flows in the future could adversely affect our results of operations and financial condition. For further details, see “*Management’s Discussion and Analysis of our Financial Condition and Results of Operations – Cash Flows*” on page 376.

30. Delays or defaults in relation to our trade receivables could adversely affect our financial condition.

We are exposed to payment delays and defaults which may require us to make significant working capital investments. Set forth below are the details of trade receivables and receivables outstanding for more than 180 days as of March 31, 2025, March 31, 2024 and March 31, 2023.

Particulars	For the Financial Year		
	2025	2024	2023
Trade receivables gross (₹ in million)	1,879.55	1,211.53	1,116.55
Trade receivables provided for (₹ in million)	580.95	380.14	260.27
Receivables outstanding for more than 180 days (₹ in million)	478.32	425.67	527.98
Receivables outstanding for more than 180 days as a percentage of total receivables (%)	25.45%	35.13%	47.29%

There is no surety on the timeliness for recovery of all or any part of our trade receivables. If a party defaults in making payments where we have devoted significant resources or have invested significant resources,

or if such payment is delayed, cancelled or does not proceed to completion, it could have an adverse effect on our financial condition.

31. *Our Company is neither associated with nor related to Protean eGov Technologies Limited. Further, the business of our Company is not similar to that of Protean eGov Technologies Limited.*

Protean eGov Technologies Limited (the ‘**Transferor Company**’) was originally incorporated as National Securities Depository Limited, a company providing, among others, depository services under the Depositories Act. In 2012, the Transferor Company filed for a scheme of arrangement under Sections 391 to 394 of the Companies Act, 1956 before the High Court of Bombay to re-organize and segregate its depository business, by way of demerger, and vest it in our Company (“**Transferee Company**”), its erstwhile wholly owned subsidiary (the “**Scheme of Arrangement**”). Pursuant to the Scheme of Arrangement, and as sanctioned by the High Court of Bombay by its order dated November 2, 2012, the depository undertaking, engaged in the business of providing depository services under the Depositories Act, was transferred and vested in the Transferee Company, as a going concern and all assets and properties (whether movable or immovable, tangible or intangible), sundry debtors, outstanding loan and advances, including all permits, no-objection certificate, contracts, permission, approvals, consents, rights, entitlement and licenses and all staff, workmen and employees (excluding the contractual staff) of the Transferor Company were deemed to be a part of the Transferee Company. Upon the Scheme of Arrangement coming into effect, the Transferor Company was renamed as ‘*NSDL e-Governance Infrastructure Limited*’ and was further renamed as ‘*Protean eGov Technologies Limited*’. Similarly, we were renamed as ‘National Securities Depository Limited’ from ‘NSDL Depository Limited’. For further information in relation to the Scheme of Arrangement, see “*History and Certain Corporate Matters - Scheme of Arrangement*” on page 258. As on the date of this Red Herring Prospectus, we are neither associated nor related to Protean in any manner. While we have engaged and continue to engage Protean eGov Technologies Limited for certain parts of our operations, for instance, authentication services for AADHAAR authentication and e-sign electronic online signature services, and similarly, Protean eGov Technologies Limited has engaged and continue to engage us for certain parts of its operations, for instance, account verification services, our business is substantially different from that of Protean eGov Technologies Limited, and currently there is no similar business activity that is being carried out by our Company and also by Protean eGov Technologies Limited. However, the public and third parties may associate us or our business with that of Protean. While the risks emanating from the association with Protean is low, we cannot assure you that any adverse developments or negative publicity in relation to Protean in the future could accordingly impact our reputation and image which in turn could have an adverse impact on our business, financial condition and results of our operation.

32. *Our payments bank operations depend on the accuracy and completeness of information about merchants, business correspondents, customers and business partners which, if inaccurate or materially misleading, could adversely affect our business and results of operations.*

Our ability to offer our payments bank services to a range of low-income households, small businesses, and other unorganized sector entities, depends on the accuracy and completeness of information provided by our merchants, business correspondents, customers, and business partners. If we receive inaccurate or materially misleading information, or if there are failures in the onboarding and KYC processes, or if there is a non-disclosure of material information, we may be unable to properly assess the financial condition and risk of these parties. This may result in a failure to detect potential fraud, financial instability, or other risks associated with these relationships, which could adversely affect our business and results of operations.

Given the nature of transactions carried out on NPBL’s platform, it may be difficult to carry out a formal analysis on some of the account holder customers based on the information that we are provided by the business partners with whom NPBL has entered into business arrangements. Pursuant to the nature of our banking operations as an acquiring bank, a substantial number of our customers include issuing banks for clearance of services like cash withdrawals and remittance. Therefore, we may not be able to comprehensively analyze customer transactions due to the inherent nature of business. Our risk management controls may not be sufficient to identify and mitigate all risks associated with these relationships, which could result in the need for additional risk management strategies. Failure to maintain adequate risk assessment policies and adherence to the risk assessment and mitigation practices could adversely affect our product and service portfolio and could have a material adverse effect on our results of operations, financial condition, and cash flows.

33. *We depend on our brand recognition. Negative publicity, failure to maintain and enhance awareness of our brand or any damage to our reputation could have a material adverse effect on our business.*

Our reputation is a key asset of our business. As part of our business operations, including through the businesses conducted by our Subsidiaries under our brand name, we provide a wide range of products and services and our ability to attract and retain clients is highly dependent on the external perceptions of our level of service, trustworthiness, business practices, financial condition and other subjective qualities. Negative perceptions or publicity regarding these matters or others could erode trust and confidence and damage our reputation among existing and potential clients, which could make it difficult for us to attract new clients and maintain existing ones as mentioned above. If we fail to maintain this brand recognition with our existing and target customers due to any issues with our product offerings, a deterioration in service quality, or otherwise, or if any premium in value attributed to our business or to the brands under which our services are provided declines, market perception and customer acceptance of our brands may also decline. Further, the usage of the brand name and logo of our Company by our Subsidiaries may expose our Company to reputational risks.

Negative public opinion could also result from actual or alleged conduct by us or those currently or formerly associated with us in any number of activities or circumstances, including operations, regulatory compliance, and the use and protection of data and systems, satisfaction of client expectations, and from actions taken by regulators or others in response to such conduct. This damage to our reputation could further affect the confidence of our clients, regulators, stockholders and the other parties in a wide range of transactions that are important to our business having a material adverse effect on our business, financial condition and operating results.

We offer our products and services to the holders of securities through our network of depository participants over whom we have limited control. Any regulatory action taken against such third parties or any adverse publicity relating to such party could, in turn, result in negative publicity about us and adversely impact our reputation. For further information, see “*Our Business – Intellectual property*” and “*Government and Other Approvals – Intellectual Property Rights*” on pages 241 and 396, respectively.

34. *We are subject to the risks associated with certain of our premises being leased. Non-renewal or dispute with the lessors may disrupt our business, and we may be subject to significant increases in lease rentals.*

We do not own certain premises where few of our offices are situated, including the registered office of NPBL and NDML. Such premises are maintained on a leasehold basis. Such leasehold arrangements require renewal or escalations in rentals from time to time during the lease period. If we are unable to renew the relevant lease agreements, or if such agreements are renewed on unfavorable terms and conditions, we may be required to relocate operations and incur additional costs in such relocation. See also “-- *We are subject to various legal and regulatory obligations which may expose us to regulatory proceedings and legal actions by the concerned authorities*”. We may also face the risk of being evicted in the event that our landlords allege a breach on our part of any terms under these lease agreements and there is no assurance that we will be able to identify suitable locations to re-locate our operations. Moreover, we may face significant increases in the lease rental rates. Any of the foregoing factors may cause a disruption in our operations or result in increased costs, or both, which may materially adversely affect our business, financial condition, results of operations, cash flows and prospects.

35. *We face risks when entering into or increasing our presence in markets where we do not currently operate or when entering into new business lines. Demand and market acceptance for our products and services within these markets would be subject to a high degree of uncertainty and risk.*

We face risks when entering into or increasing our presence in, markets that have established competitors who may enjoy the protection of high barriers to entry. For instance, in October 2018, we commenced our payments bank business, and later diversified into provision of, among others, Aadhaar enabled payment services, 3-in-1 savings account that combines the features of savings, demat and trading accounts, product-specific prepaid cards, and third-party product distribution. Additionally, our Subsidiary, NDML, has received the certificate of registration from IRDAI to act as an insurance repository, authorisation from RBI to provide the services of a payment aggregator, consent from SEBI to operate as a KRA and registrar and transfer agent, and approval from SEBI to act as an accreditation agency.

In 2018, in partnership with other lending partners, we launched a facility for availing digital loans against securities, and in 2021, we launched digital commercial paper issuance process. During the Financial Year 2022, we launched our blockchain based market platform to manage and monitor the security and covenants related to issuance of bonds. Blockchain systems could face integration challenges with other blockchain networks and systems due to the lack of standardized blockchain protocols. This limits the interoperability of blockchain networks. Additionally, any compromise of a single node within a specific node operator's infrastructure can result in significant data inconsistency implications. The data on the breached nodes will be inconsistent with the data across the network on other nodes. In such scenarios, the violated node will have to be taken out of the network and reconnected once security protocols and policies are reinstated as part of risk mitigation. Given the evolving nature of blockchain technology, we may be unable to accurately anticipate or adequately address such risks or the potential impact of such risks. The occurrence of any such risks could materially and adversely affect our business, financial condition, results of operations, reputation and prospects.

We may also expand our presence or enter into newly developing arenas of competition where less regulated competitors exist and demand for such services is subject to uncertainty. As a result, demand and market acceptance for our products and services within these markets would be subject to a high degree of uncertainty and risk and we may be unable to enter into or increase its presence in these markets and compete successfully.

36. *We may, on our own accord pursuant to commercial requirements or pursuant to directions from regulators, divest our stake in our Subsidiaries, or may demerge certain of our businesses into a new entity.*

Our businesses are conducted under strict regulatory supervision. We may incur increased costs and other burdens relating to compliance with certain regulatory requirements which may require significant management time and other resources. Pursuant thereto, it may be commercially viable for our Company to divest our stake in our Subsidiaries or demerge certain of our businesses into a new entity. To expand our non-core business initiatives, we may pursue strategic partnerships relevant to our existing or proposed product offerings. These partnerships can provide additional value to our customers and strengthen our position in the market.

We may receive regulatory directions that impact our operations. For instance, on February 23, 2024 and May 13, 2025, IRDAI advised NDML to operate its insurance repository business *via* a separate company. NDML is in the process of preparing its proposal for submission to IRDAI. The setting up of a separate company, which will be a new subsidiary, and investment into such company will be required to be approved by the Company and SEBI. We will actively address any challenges arising from regulatory directions to mitigate their impact on our overall performance.

37. *NDML's KRA operations are subject to certain regulatory mandates and market risks, which may adversely affect our results of operations.*

Our Subsidiary, NDML, is registered with SEBI and has received its assent to operate as a KRA under SEBI under the SEBI KRA Regulations. The SEBI KRA Regulations were notified in 2011 to centralize the KYC process by taking on the KYC details of the clients and collating such details into the central KYC repository of KYC details of clients in the securities market.

The Government of India has authorized the Central Registry of Securitization Asset Reconstruction and Security Interest of India (CERSAI) to perform the functions of the Central KYC Records Registry under the Prevention of Money-Laundering Act, 2002, thereby forming a centralized depository of KYC records of customers engaged in various financial market segments. As per the Prevention of Money-laundering (Maintenance of Records) Amendment Rules, 2015, reporting entities are required to file the electronic copy of the client's KYC records with the Central KYC Records Registry within 10 days after the commencement of an account-based relationship with a client. Further, if the Government of India or SEBI mandates the use of only the Central KYC Records Registry for investments in the securities market, our KRA business may cease to exist.

Further, a key risk to our KRA business is the reduction in usage charges for acting as a KRA under NDML, pursuant to the directions from regulatory authorities and/or competition that we face. The reduction in usage charges may result in lower revenue and margins for our business, which could materially adversely

affect our financial condition, results of operations, and cash flows. We may need to offset this reduction in revenue by increasing our customer base or by exploring new revenue streams, but there is no assurance that such efforts will be successful. Additional regulatory directives for system enhancements, information and cyber security measures could potentially result in the temporary interruption of all or some of our operations, constrain our ability to scale-up our business or to introduce new products and services and could materially and adversely affect our business and financial results.

38. *Proposed changes in the Government policies and other factors beyond our control may result in a potential loss of revenue for NDML's SEZ Online business.*

NDML's SEZ Online business pursuant to an agreement with the Ministry of Commerce & Industry and provides a platform for SEZ units, developers, and co-developers to file custom transactions and administrative filings. The Government of India has announced plans to process the customs functions of SEZ Online systems through the Indian Customs Electronic Data Interchange Gateway ("ICEGATE") system. Accordingly, Ministry of Commerce & Industry ("MOCI") issued notification for SEZ units from non-IT SEZs to file customs transactions for merchandise on ICEGATE portal effective July 1, 2024. Correspondingly, filing of Customs transactions through ICEGATE have begun. Pursuant to its notification dated March 25, 2025, MOCI has further extended the timeline for shifting from SEZ Online System to ICEGATE in relation to certain modules, until further orders are issued in this regard. When such shifting from SEZ Online System to ICEGATE is completed, while the service category of the customs' transaction will continue to be processed by NDML, NDML will no longer be involved in the processing of the merchandise category of the customs' transactions for SEZs which will result in a significant loss of revenue for us. This change in government policy will have a material adverse effect on our business, financial condition, and results of operations. Further, the Government of India has proposed to replace the Special Economic Zones Act, 2006 with a new legislation namely, Development of Enterprise and Service Hubs ("DESH"). We cannot predict whether any changes to the legal environment made pursuant to the DESH would have an adverse effect on our business and operations or on the industry in which we operate.

Further, in the past, NDML was required to hold the renewal of its memorandum of understanding in relation to its SEZ Online business with the Ministry of Commerce, Government of India, pending discussions and concerns over its usage charges, due to which, NDML had to substantially reduce its usage charges. Any such instances in the future may adversely affect our cash flows, reputation and financial results.

39. *If we are unable to keep our business development strategies and other commercial decisions confidential, it could adversely affect our competitive advantage.*

Our employees possess extensive knowledge about our commercial decisions and business development strategies. Such knowledge is a significant independent asset, which may not be adequately protected by employment agreements with our employees. As a result, we cannot be certain that such knowledge will remain confidential in the long run.

Even if all reasonable precautions, whether contractual or otherwise, are taken to protect our confidential knowledge of our services and business, there is still a danger that certain proprietary knowledge may be leaked, either inadvertently or wilfully. A significant number of our employees have access to confidential design and service information and there can be no assurance that this information will remain confidential. Moreover, certain of our employees may leave us and join our competitor. While we have implemented confidentiality and non-compete obligations and covenants in our employee contracts and while we may seek to enforce confidentiality obligation in terms of our staff rules, we cannot guarantee that we will be able to successfully enforce such rules. In the event that the confidential technical information in respect of our services or business becomes available to third parties or to the general public, any competitive advantage that we may have over other companies could be harmed. If our competitor is able to reproduce or otherwise capitalize on our technology, it may be difficult and/or expensive for us to obtain necessary legal protection. Consequently, any leakage of confidential technical information could have an adverse effect on our business, results of operations, financial condition and future prospects.

40. *Our principal Shareholders will continue to hold a substantial equity stake in our Company after the Offer and will continue to be able to influence the outcome of any shareholder voting, which may conflict with the interests of other shareholders.*

Following completion of the Offer, our principal Shareholders, National Stock Exchange of India Limited and IDBI Bank Limited will continue to hold a substantial percentage of our Equity Share capital. Our principal Shareholders will therefore have the ability to influence our operations, including the ability to approve actions at Board and at shareholders' meetings such as issuing Equity Shares, paying dividends, and determining business plans and mergers and acquisitions strategies. The trading price of our Equity Shares could be adversely affected if potential new investors perceive disadvantages due to the shareholding being concentrated in our principal Shareholders. For details of our Equity Shares held by our principal Shareholders, see "*Capital Structure*" and "*Our Principal Shareholders*", on pages 129 and 284 respectively.

41. *If we are unable to obtain, protect or use our intellectual property rights, our business may be adversely affected.*

We rely on our intellectual property which includes our certain trademarks and domain names. Our intellectual property rights and domain names may expire, and we cannot assure you that we will be able to renew them after expiry. For further details, see "*History and Certain Corporate Matters*" on page 251. If any of these trademarks are registered in favor of a third party, we may not be able to claim registered ownership of such trademarks, and consequently, we may be unable to seek remedies for infringement of those trademarks by third parties other than relief against passing off by other entities. Our inability to obtain or maintain these registrations may adversely affect our competitive position and, in turn, our business, financial condition and results of operations. For further details, see "*Our Business – Intellectual Property*" and "*History and Certain Corporate Matters*" on pages 241 and 251, respectively.

While we intend to defend against any threats to our intellectual property, we cannot assure you that our intellectual property rights can be adequately protected in a timely manner. We rely on protections available under Indian law, which may not be adequate to prevent unauthorized use of our intellectual property by third parties. Furthermore, the application of laws governing intellectual property rights in India is uncertain and evolving, and could expose us to substantial risks and costs. Notwithstanding the precautions we take to protect our intellectual property rights, it is possible that third parties may copy or otherwise infringe on our rights, which may have an adverse effect on our business.

Further, while we take care to ensure that we comply with the intellectual property rights of others, we cannot determine with certainty whether we are infringing any existing third-party intellectual property rights which may force us to alter our offerings. If such claims are raised against us in the future, they could result in costly litigation, divert management's attention and resources, subject us to significant liabilities and require us to enter into potentially expensive royalty or licensing agreements or to cease use of certain of our brands, can result in significant damages being awarded and injunctions that could prevent us from offering our products and services. Any of the foregoing could have an adverse effect on our business.

42. *We depend on our Key Management Personnel and Senior Management, as well as our experienced and capable employees. During the Financial Year 2025, we had an overall employee attrition rate of 23.23%. Any failure to attract, motivate, and retain our employees could harm our ability to maintain and grow our business.*

Our future success is significantly dependent upon the continued service of our executives and other key employees. During the Financial Year 2023 to Financial Year 2025, a few Key Management Personnel and Senior Management did not continue in their present positions. While we were able to locate suitable or qualified replacements, we cannot guarantee that we will be able to do so in the future and this could severely disrupt our business and growth. As of March 31, 2025, we had 450 full-time employees, and during the Financial Year 2025, we had an overall employee attrition rate of 23.23%. See "*Our Business – Employees*" on page 239.

To maintain and grow our business, we will need to identify, hire, develop, motivate, and retain highly skilled employees. Identifying, recruiting, training, integrating, and retaining qualified individuals requires significant time, expense, and attention. We may need to invest significant amounts of cash to attract and retain new employees and expend significant time and resources to identify, recruit, train, and integrate such employees, and we may never realize returns on these investments. If we are not able to retain and motivate our current personnel or effectively manage our hiring needs or successfully integrate and retain new hires, our efficiency, ability to achieve our strategic objectives, meet forecasts, and employee morale,

productivity, and engagement could suffer, which could adversely affect our business, financial condition, cash flows and results of operations.

In addition, from time to time, there may be changes in our management team that may be disruptive to our business. If our management team, including any new hires that we make, fails to work together effectively and to execute our plans and strategies on a timely basis, our business could be harmed. If we fail to identify, recruit and integrate strategic personnel, our business could be adversely affected. Any loss of members of our management team or key personnel could significantly delay or prevent the achievement of our business objectives, affect our succession planning and could harm our business and consumer relationships.

43. *Any failure to maintain the quality of customer service across our businesses, and deal with customer complaints in a timely manner could materially and adversely affect our business and operating results.*

Our revenue is significantly dependent on the overall size of our customer base across our businesses, which is determined in part by our ability to provide consistent and quality customer service. We provide customer support at all stages of our product and service offerings, including through call centers, e-mail and web-based support. We provide our banking customers with the option of being able to raise service requests through their mobile applications as well. If we fail to provide a high level of customer service, our customers may be less inclined to use our services or recommend us to new customers and may be inclined to avail products and services offered by our competitors.

Further, if market intermediaries such as depository participants and third-party service providers experience any difficulty in meeting our requirements for quality and customer service standards including any operational or system interruptions, our reputation could suffer, and our business could be adversely affected. For instance, we have had occurrences where depository participants have not provided proper services to the customer, which led to complaints or litigation being filed against such depository participants. Our Company has also been made party to the matter due to the nature of our operations. There can be no guarantee that such complaint or litigation will not have any adverse impact on our business, operations and reputation.

44. *Materialization of our contingent liabilities could adversely affect our financial condition.*

As of March 31, 2025, we had the following contingent liabilities which have not been provided for:

(₹ in million)

Particulars	As of March 31, 2025
Demand from income tax authorities	701.22
Demand from service tax authorities	523.62
Demand from goods and service tax authorities	24.46
Fixed deposits placed on behalf of NPBL	2.50
Disputed transactions with merchants of payment gateway	0.92
Total	1,252.72

*Note: The above table does not include other contingent liabilities which are not quantifiable such as two pending civil appeals before the Hon'ble Supreme Court challenging the Order of Securities Appellant Tribunal ("SAT") dated December 20, 2023 in the matter of Karvy Stock Broking Limited and the settlement amount payable in relation to show cause notice dated October 11, 2024.

Further, there may be additional liabilities on account of interest and/or penalties on the demands from regulatory authorities or clients. For instance, NDML had received a work order dated March 31, 2021 from Gujarat State Road Transport Corporation ("GSRTC") to provide payment gateway aggregator on the GSRTC portal for a period on one year. Upon expiry of one year, in absence of any communication from GSRTC, NDML continued to provide its services for additional 10 months and deducted the required amount aggregating to ₹0.8 million from the daily settlements. Subsequently, GSRTC, via its email dated April 7, 2025, has initiated the invocation of a bank guarantee for an amount of ₹0.8 million, submitted by NDML in favour of GSRTC under the work order dated March 31, 2021. The bank guarantee issued by IDBI Bank Limited was 100% backed by a fixed deposit of ₹0.8 million held with IDBI Bank Limited. We cannot guarantee that we will not face similar or increased levels of contingent liabilities in the future. In the event that these contingent liabilities do materialize, it could have an adverse impact on our financial condition, cash flows, and results of operations.

45. ***This Red Herring Prospectus contains information from an industry report prepared by an independent third-party research agency, CRISIL Intelligence, a division of CRISIL Limited (“CRISIL”), which we have commissioned and paid for exclusively in connection with the Offer and any reliance on such information for making an investment decision in the Offer is subject to inherent risks.***

The industry and market information contained in this Red Herring Prospectus includes information derived from an industry report prepared by CRISIL Intelligence, a division of CRISIL Limited titled “Assessment of the Depository System, Database Management and Payments Banks in India” dated July 2025 (the “**CRISIL Report**”). The CRISIL Report has been commissioned and paid for by us for the purposes of confirming our understanding of the industry exclusively in connection with the Offer. We officially engaged CRISIL in connection with the preparation of the CRISIL Report pursuant to an engagement letter dated June 19, 2025. The CRISIL Report uses certain methodologies for market sizing and forecasting and may include numbers relating to our Company that differ from those we record internally. Given the scope and extent of the CRISIL Report, disclosures herein are limited to certain excerpts and the CRISIL Report has not been reproduced in its entirety in this Red Herring Prospectus. Accordingly, investors should read the industry-related disclosure in this Red Herring Prospectus in this context.

Industry sources and publications are also prepared based on information as of specific dates. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Further, the CRISIL Report is not a recommendation to invest / disinvest in any company covered in the CRISIL Report.

Due to possibly flawed or ineffective collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced for other economies and should not be unduly relied upon. Further, we cannot assure you that they are stated or compiled on the same basis or with the same degree of accuracy as may be the case elsewhere. Statements from third parties that involve estimates are subject to change, and actual amounts may differ materially from those included in this Red Herring Prospectus. Accordingly, prospective investors should not place undue reliance on, or base their investment decision solely on this information.

In view of the foregoing, you may not be able to seek legal recourse for any losses resulting from undertaking any investment in the Offer pursuant to reliance on the information in this Red Herring Prospectus based on, or derived from, the CRISIL Report. You should consult your own advisors and undertake an independent assessment of information in this Red Herring Prospectus based on, or derived from, the CRISIL Report before making any investment decision regarding the Offer. See “*Industry Overview*” on page 161. For the disclaimers associated with the CRISIL Report, see “*Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation – Industry and Market Data*” on page 21.

46. ***We track certain operational and key business metrics with internal systems and tools. Certain of our operational metrics are subject to inherent challenges in measurement which may adversely affect our business and reputation.***

We track certain operational and key business metrics with internal systems and tools which may differ from estimates or similar metrics published by third parties due to differences in sources, methodologies, or the assumptions on which we rely. Our methodologies for tracking these metrics may change over time, which could result in unexpected changes to our metrics, including the metrics we publicly disclose. If the internal systems and tools we use to track these metrics undercount or over count performance or contain algorithmic or other technical errors, the data we report may not be accurate.

Further, these and other non-GAAP metrics presented in this Red Herring Prospectus are supplemental measure of our performance and liquidity that is not required by, or presented in accordance with Ind AS, Indian GAAP, IFRS or US GAAP. Further, these metrics are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, IFRS or US GAAP and should not be considered in isolation or construed as an alternative to cash flows, profit/(loss) for the year or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, IFRS or US GAAP. Although these non-GAAP metrics are not a measure of performance calculated in accordance with applicable accounting standards, our management believes that they are useful to an

investor in evaluating us, as these metrics are widely used measured to evaluate an entity's operating performance. In addition, these are not standardized terms, hence a direct comparison of these measures between companies may not be possible. Other companies may calculate these measures differently from us, limiting its usefulness as a comparative measure. If our operating metrics are not accurate representations of our business, if investors do not perceive our operating metrics to be accurate, or if we discover material inaccuracies with respect to these figures, we expect that our business, reputation, financial condition, results of operations and cash flows would be adversely affected. For further details, see "Our Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 215 and 354, respectively.

47. *Our role and responsibilities as a securities depository may conflict with our Shareholders' interests.*

As a depository operating in the Indian securities market, we are subject to various regulations and guidelines that require us to act in the interests of the investors in the securities market, and to manage risks prudently in order to ensure an orderly and fair market. Our functions as a depository are governed by the Depository Act 1996 and the rules and regulations framed there under. The SEBI D&P Regulations governs situations relating to conflicts of interest for the depository as an entity and also prescribes a suitable code of conduct for its governing board, directors, committee members and key management personnel. Under the code of conduct, a depository is, amongst others, required to take appropriate measures towards investor protection and education of investors, take a proactive and responsible attitude towards safeguarding the interests of investors, the integrity of depository's systems and the securities market, act in utmost good faith and avoid conflict of interest in the conduct of its functions. Further, a PID has a duty to identify and report to the SEBI, important issues which involve conflict of interests for the depository, or issues which may have a significant impact on the functioning of the depository, or which may not be in the interest of the Indian securities market. We cannot assure you that there will not be a conflict of interest between our responsibilities as a securities depository and our Shareholders' interests in our Company.

Additionally, any failure to act in accordance with regulatory guidelines and requirements could result in regulatory penalties or damage to our reputation, which could negatively impact our financial results and shareholder value.

48. *Some of our investments in debt instruments are unsecured, or carry interest rates lower than the market rate, and we have not made any provision for a decline in the value of our investments.*

Some of our unsecured investments include investments in interest/dividend bearing liquid debt instruments including investments in debt mutual funds and other financial products, such as principal protected funds, listed debt instruments, rated debentures or deposits with banks and other entities. Some of our unsecured investments carry interest rates which are lower than the prevailing market rates. Market interest rates in India fluctuate on a regular basis. Consequently, some of our investments may continue to carry interest rate lower than the market rates in the future and we had made provisions for decline in our investments in the past. In the event there is such a decline in any of our investments, our financial condition may be adversely affected. Set forth below are the details of the amount of our investments in unsecured debt instruments as on March 31, 2025:

(₹ in million)

Particulars	As of March 31, 2025
Investments in unsecured debt instruments as on March 31, 2025 ⁽¹⁾	6,680.05
Total Investment as on March 31, 2025	19,955.88
Unsecured debt instrument as % the total investments	33.47%

(1) This does not include our investments in Central Government Security (G-Sec), Treasury Bills, State Government Securities (SDL) and Bharat Bond ETF aggregated to ₹7,608.53 million constituting 38.13% of the total investments.

49. *In the event of a default in relation to an investment, we will bear a risk of loss of principal and accrued interest. The geographic concentration of our investment portfolio makes us vulnerable to a downturn in the Indian economy.*

We primarily invest in Indian debt securities like bonds, debentures, and government securities, and the interest income from these investments forms a significant portion of our other income. Our investment portfolio is geographically concentrated in India, which means that any difficulties in the Indian economy or debt markets could result in significant losses. We are exposed to fluctuations in market interest rates, which can affect our profitability by impacting the spread between income we receive on our debt

securities, the value of our interest-earning investments, our ability to realize gains from the sale of investments. Our investments in debt securities are subject to credit risks associated with the possibility of issuers' declining creditworthiness, default, and potential insolvency during periods of economic downturn or rising interest rates.

50. *Our Company may be subject to operational risks, such as failures in execution, wrong execution and/or fraud, in the future impacting our business, financial conditions and results of operation.*

Our Company primarily processes transactions based on electronic instructions received in our depository system from Depository Participants or Issuers / Registrar and Transfer Agents (“RTA”) relating to market transfers, off-market transfers, pledge of securities, margin pledge, issuance of securities etc., and executes freezing / unfreezing of demat account holdings based on orders received from SEBI, tax authorities and other statutory bodies, which can be prone to failures or wrong execution on account of human error at the end of the RTA, issuers, Depository Participants, or our Company. We cannot assure that our Company will not be subject to such operational risks in the future, arising from, amongst others, the potential inadequacy or failure of internal processes or systems, system related risks in connection with the integrated trading and bidding platform of stock exchanges or the integration with other intermediaries in the securities market. System integration issues can disrupt critical activities during (i) pre-trade such as e-DIS mandates, margin pledges, and on-market transfers, preventing retail investors from executing trades or availing margin benefits and (ii) post-trading such as pay-in/pay-out delays, inter-depository transfer issues, and disruptions in contract note processing. Ensuring seamless connectivity between stock exchanges, depositories, brokers, and clearing corporations is essential to maintaining market stability. While we have a robust high-availability architecture in production which is strengthened with an automated fail-over from production to the disaster recovery site for business continuity, we cannot assure you that we will be successful in continuing to mitigate all system-related risks. Further, our actions may not be sufficient to ensure effective internal checks and balances in all circumstances. Such failures and frauds could have an adverse impact on our business, financial condition, results of operations and liquidity. While we have not had any past instances of system failures and corrective steps taken with regard to demat related frauds, PAN verification system and various online services known as e-services for the past three Financial Years, we cannot assure you that such instances will not happen in the future.

51. *Our depository operations are exposed to a financial risk of issuers not paying our annual custody fees for our depository services.*

As a depository, we are exposed to the risk of issuers failing to meet their financial obligations and the non-payment of the annual custody fees that we charge issuers of securities for our depository services. This risk poses potential financial and operational challenges for us. Set forth below are details of outstanding annual custody fees due from issuers for the Financial Years 2025, 2024 and 2023.

Particulars	For the Financial Year		
	2025	2024	2023
	(₹ in million)		
Outstanding annual custody fees due from issuers	619.63	461.67	319.02

To address this concern, we have established a series of remedial measures to ensure the timely collection of our annual custody fees. We begin by sending reminders to issuers when the invoices become due, serving as initial prompts for payment. Recognizing the importance of timely payments, we deploy a multi-channel reminder system, including emails, SMSs, and phone calls, with a frequency of at least once or twice a month. In instances of outstanding dues, we escalate our efforts by directly contacting senior management members of issuers. Additionally, we engage in personalized in-person or virtual meetings with the company secretary or relevant secretarial team members of issuers to resolve outstanding payment issues. To deter delays in payment, we impose an interest rate of 12% per annum on the overdue amount.

52. *We have in the past experienced a loss of market share in the depository business due to the rapid emergence of new age fin-tech brokers.*

We have in the past experienced a loss of market share in the depository business due to the rapid emergence of new age fin-tech brokers whose market share increased from 5.00% in Financial Year 2016 to 70.00% for the Financial Year 2025 (Source: *CRISIL Report*). The non-adaptation of NSDL system and its services by these new age fin-tech brokers could result in a significant loss of potential business and

market share to our primary competitor, CDSL, and any failure to do so could lead to a further erosion of our market share, which may impact our revenue growth with respect to the increase in our expenses, ultimately impacting our revenue, profitability and profit margins. For the Financial Years 2025, 2024 and 2023 our demat accounts (excluding closed accounts) aggregated to 39.45 million, 35.77 million and 31.46 million, respectively, as compared to CDSL, whose demat accounts (excluding closed accounts) for the corresponding periods aggregated to 152.98 million, 115.61 million and 83.00 million, respectively. See also “*Management’s Discussion and Analysis of Financial Condition and Results of Operations – Significant Factors Affecting our Financial Condition and Results of Operation – Emergence of new age fin-tech brokers*” and “*Basis for Offer Price – Comparison of our Company and listed peer based on some of the KPIs*” on pages 357 and 148.

53. *The operations of our core depository business, including introduction of new products and the amount charged for provision of various depository services, are highly regulated.*

The operations of our core depository business, including introduction of new products and the amount charged for provision of various depository services, are highly regulated. This involves a meticulous evaluation of the product’s compliance with existing laws and regulations, its potential impact on the market, and its alignment with the broader financial ecosystem. We may be required to seek approval or clearance from relevant authorities including SEBI before implementing any changes in our depository operations. The regulatory approval process for such products can be time-consuming and may require extensive documentation, market research, and collaboration with regulatory authorities. Such changes may also need to be communicated to clients in a clear and timely manner, with proper regulatory notifications and approvals.

Accordingly, we may not be able to introduce new products in a timely manner that could potentially result in losing market opportunities, or may affect our growth prospects, or operations and cashflow. Further, we may encounter difficulties in navigating the regulatory landscape in connection with the introduction of new products and the amount charged for provision of depository services, which could potentially hinder our ability to exploit market opportunities efficiently or within anticipated timeframes. Such regulatory constraints may, in turn, influence our growth prospects, financial results, and cash flows. See also “*Management’s Discussion and Analysis of Financial Condition and Results of Operations – Significant Factors Affecting our Financial Condition and Results of Operation - Regulatory Oversight and Changes in Governmental Policy and Regulation*” on page 359.

54. *Our roles and responsibilities as a securities depository may conflict with the interests of certain of the BRLMs and their group companies.*

Certain of the BRLMs and a few group companies of the BRLMs are full service financial institutions engaged in various activities which may include, securities trading, commercial and investment banking, principal investment, hedging, financing and brokerage activities and are also depository participants registered with our Company.

During the Financial Years 2025, 2024 and 2023, several regulatory or penal actions were taken by our surveillance and inspection departments against various depository participants including certain of the BRLMs or the group companies of certain of the BRLMs relating to certain surveillance and compliance activities.

Any such action taken by our Company against any depository participants registered with us and on whom we depend for our business could have an adverse impact on our business, financial condition and results of operations.

55. *The risk management system of our Company may not always be adequate and compliant with the SEBI laws.*

Our Company is compliant with the provisions of the SEBI D&P Regulations, the SEBI circular dated January 12, 2015 titled ‘Risk Management Policy at Depositories’, and the SEBI circular dated January 10, 2019 titled ‘Committees at Market Infrastructure Institutions (MIIs)’ prescribing the terms of reference of risk management committee pertaining to the risk management system, and the SEBI circular dated June 25, 2024 titled “Statutory Committees at Market Infrastructure Institutions (MIIs)” prescribing the terms of reference of risk management committee pertaining to the risk management system. Further, the Risk

Management Policy, as approved by the Board, has also been adopted by our Company. For instance, in the past, SEBI vide its letter dated April 3, 2023 (the “**SEBI Letter**”) highlighted a deficiency in relation to failure to place investor complaints, inspections, system audit etc before the Risk Management Committee. Subsequently, our Company has taken necessary steps to address the above deficiency and started placing the above matters before the Risk Management Committee beginning with their meeting held on July 26, 2023. For further details in relation to the deficiency letter, please see “- *SEBI has issued certain observations pursuant to inspections and has also issued administrative warning letters and deficiency letters in relation to certain non-compliances by our Company. There can be no assurance that further observations, administrative warning or deficiency letters would not be issued in the future.*” on page 48. While there have been no other past instance of non-compliance or inadequacy of the risk management system, observed by SEBI inspection, we cannot assure you that SEBI will not make observations in the future.

56. Any delay in payment of statutory dues or non-payment of statutory dues in dispute may attract financial penalties from the respective government authorities and in turn may have an adverse impact on our financial condition and cash flows.

There have been some instances of delay/default in payment of statutory dues by our Company and Subsidiaries in the past which were not material in nature and the same were regularized subsequently. The table below provides details of the delay/default in payments of statutory dues of our Company and Subsidiaries for the past three Financial Years:

Sr No	Particular	Due date of Payment	Actual Date of Payment	Amount paid (₹ in million)
I	NSDL:			
(i)	Employee provident fund (April 2022)	May 15, 2022	July 15, 2022	0.04
(ii)	Employee provident fund (May 2022)	June 15, 2022	July 15, 2022	0.03
(iii)	Employee provident fund (March 2023)	April 15, 2023	April 17, 2023	4.47
(iv)	Employee provident fund (Nov 2024)	December 15, 2024	December 17, 2024	5.09
(v)	Tax deducted at source (Tax Deposit) (March 2022)	April 30, 2022	May 18, 2022	0.16
(vi)	Maharashtra Labour Welfare Fund (June 2024)	July 15, 2024	July 17, 2024	0.03
(vii)	Delhi Labour Welfare Fund (June 2023)	July 15, 2023	July 17, 2023	0.00
(viii)	Delhi Labour Welfare Fund (June 2024)	July 15, 2024	July 18, 2024	0.00
II	NDML			
(i)	Employee provident fund (June 2023)	July 15, 2023	July 17, 2023	1.05
(ii)	Maharashtra Labour Welfare Fund (June 2024)	July 15, 2024	July 29, 2024	0.01
(iii)	Tax Deducted at Source (Tax Deposit) (May 2024)	June 7, 2024	February 6, 2025	0.01
(iv)	Tax deducted at source (tax deposit) (June 2024)	July 7, 2024	July 29, 2024	0.00
(v)	Tax deducted at source (tax deposit) (June 2024)	July 7, 2024	February 6, 2025	0.01
(vi)	Tax deducted at source (tax deposit) (August 2024) ⁽¹⁾	September 7, 2024	November 22, 2024	0.03
(vii)	Tax deducted at source (tax deposit) (August 2024)	September 7, 2024	February 6, 2025	0.00
(viii)	Tax deducted at source (tax deposit) (September 2024) ⁽¹⁾	October 7, 2024	November 22, 2024	0.00
(ix)	Tax deducted at source (tax deposit) (October 2024) ⁽¹⁾	November 7, 2024	November 22, 2024	0.01
(x)	Tax Deducted at Source (Tax Deposit) (December 2024)	January 7, 2025	February 6, 2025	0.00
(xi)	Tax Deducted at Source (Tax Deposit) (January 2025) ⁽¹⁾	February 7, 2025	April 7, 2025	0.00
(xii)	Tax Deducted at Source (Tax Deposit) (March 2025)	April 30, 2025	May 27, 2025	0.01
III	NPBL			
(i)	GST – Maharashtra (October 2024)	November 21, 2024	November 22, 2024	146.44
(ii)	Employee provident fund (September 2023)	October 15, 2023	October 16, 2023	1.32
(iii)	Maharashtra Labour Welfare Fund (June 2024)	July 15, 2024	July 24, 2024	0.01
(iv)	Tax deducted at source (tax deposit) (September 2022)	October 7, 2022	October 28, 2022	0.67

Sr No	Particular	Due date of Payment	Actual Date of Payment	Amount paid (₹ in million)
(v)	Tax deducted at source (tax deposit) (October 2022)	November 7, 2022	November 30, 2022	1.77
(vi)	Tax deducted at source (tax deposit) (October 2022)	November 7, 2022	January 25, 2023	0.44

(1) The delay in depositing TDS was on account of Lower Tax Deduction Certificate issued by the deductee, which was later found to be incorrect, and remedial action taken by NDML after the same was brought to their knowledge.

There can be no assurance that delays or default with respect to payment of statutory dues will not occur in the future, that such delays or default will not result in any regulatory penalties against our Company, our Subsidiaries, or that our audit reports for any future financial years will not contain any qualifications, matters of emphasis or other observations on account of such delay/default which in turn may affect our reputation and financial results.

57. ***One of our Directors, Sriram Krishnan is a director on the board of directors of India International Depository IFSC, which is in the same line of business as our Company. Any conflict of interest that may occur as a result could adversely affect our business, financial condition, results of operations and cash flows.***

Sriram Krishnan, a Non-Independent Director, is a director on the board of directors of India International Depository IFSC (“**IIDI**”), a company engaged in a line of business same as that of our Company. IIDI may provide comparable services, expand their presence, solicit our employees or acquire interests in competing ventures in the segments in which we operate. A conflict of interest may occur between our business and the business of IIDI, which could have an adverse effect on our business, financial condition, results of operations and cash flows. While we will adopt necessary procedures and practices as permitted by law to address any instances of conflict of interest if and when they may arise, we cannot assure you that these or other conflicts of interest will be resolved in an impartial manner.

EXTERNAL RISK FACTORS

Risks Related to India

58. ***The securities market in India is influenced by various factors beyond our control. Any disruption in the Indian securities market may adversely affect our financial conditions and revenue from operations.***

The Indian economy and capital markets are influenced by global and domestic economic, political and market conditions, making the securities market in India vulnerable to such adverse eventualities. Unfavorable economic conditions may negatively impact the results of operations of issuers of securities listed or intending to list on Indian stock exchanges. This may result in reduced liquidity and lower trading prices of securities of these companies, along with a drop in the trading volume of securities. Further, this may lead to a decline in the number of trading members and new listings on trading platforms. Additionally, investors’ reactions to developments in other countries can affect the market value, trading volume or trading frequency of financial assets listed in the securities market in India. Conditions outside India may also contribute to a slowdown in the Indian economy or changes in India’s economic policies and regulations, which could adversely affect the level of trading activity in the securities market. Changing market trends may also cause trading volumes among asset classes to fluctuate at the expense of each other. Factors such as availability of alternative investment opportunities, volatility of interest rates and gross domestic product growth, legislative and regulatory changes, and unforeseen market closures or other disruptions in trading, may significantly affect the Indian securities market.

We derive our revenues from, among others, annual fees, custody fees, registration fees and transaction fees, of which, transaction fees contribute significantly to our revenue from operations. Issuers of securities and the depository participants operating in the Indian securities market also contribute significantly to our transactional income. As of March 31, 2025, we had over 39.45 million active demat accounts. Our revenue from operations is sensitive to any disruption in the Indian securities market and the resultant drop in the securities’ transactional volume in India. For instance, the outbreak of the COVID-19 pandemic led to a major disruption of liquidity across the globe, which in turn affected the spending and investing capacity along with the investment propensity of consumers globally. Similar factors, such as the Russia-Ukraine

war, tensions between Israel and Iran, power shortages in Europe, and rising inflation rates globally, may affect the investment opportunities or transactional market sentiment in India. Further, the imposition of quotas or tariffs on imports by the U.S. government and/or retaliatory countermeasures by foreign governments could result in changes in political conditions in foreign countries, resulting in market uncertainty and volatility. The uncertainty and the volatility of the stock markets expose us to adversities of the market. Any adverse change in the regulatory environment in India, domestic or international political turmoil, global health scares, adverse economic conditions, rise in the rate of unemployment, fluctuation in foreign currency exchange rates or a significant change in the investment behavior, may have a material adverse effect on our business, results of operations, financial condition and prospects.

59. *A substantial portion of our business and operations are located in India and we are subject to regulatory, economic, social and political uncertainties in India, many of which are beyond our control.*

We are incorporated in India, and all of our business and all of our personnel are located in India. Consequently, our business, cash flows and results of operations will be affected by a number of macroeconomic and demographic factors in India which are beyond our control. In particular, our profitability is influenced by general economic conditions. Recessionary economic cycles, a protracted economic slowdown, a worsening economy, increased unemployment, increased energy prices, rising interest rates or other industry-wide cost pressures could also affect consumer behavior and investing trends which could lead to a decline in our total income and profitability. While our results may not necessarily track India's economic growth figures, the Indian economy's performance affects the environment in which we operate. These factors could have an adverse effect on our business, financial condition, cash flows and results of operations.

Any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy, could adversely affect our business, results of operations, cash flows and financial condition and the price of the Equity Shares.

60. *Changing laws, rules and regulations and legal uncertainties, including any adverse application of corporate and tax laws, may adversely affect our business, cash flows, prospects and results of operations.*

The regulatory and policy environment in which we operate is evolving and subject to change. Such changes, including the instances mentioned below, may adversely affect our business, cash flows, results of operations and prospects, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy.

Further, the Government of India announced the union budget for Fiscal 2026, following which the Finance Bill, 2025 was enacted by the Parliament of India after receiving the President's assent on March 29, 2025, becoming the Finance Act, 2025. Investors are advised to consult their own tax advisors and to carefully consider the potential tax consequences of owning, investing or trading in the Equity Shares. There is no certainty on the impact that the Finance Bill may have on our business and operations or on the industry in which we operate. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may affect the viability of our current business or restrict our ability to grow our business in the future. Additionally, the Union Cabinet, Government of India has recently approved the Income Tax Bill, 2025 which inter alia, proposes to amend the income tax regime and replace the Income Tax Act, 1961. There is no certainty on the impact of the Income Tax Bill, 2025, once enacted, on tax laws or other regulations, which may adversely affect our business, financial condition, results of operations or on the industry in which we operate.

Unfavorable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment and stamp duty laws governing our business and operations could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals. We may incur increased costs and other burdens relating to compliance with new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, cash flows, results of operations and prospects. Uncertainty in the application, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may

be time consuming as well as costly for us to resolve and may impact the viability of our current business or restrict our ability to grow our businesses in the future.

61. *A downgrade in ratings of India, may affect the trading price of the Equity Shares.*

Our Company's business and future financial performance may be adversely affected by a potential downgrade of India's sovereign debt rating from the current level of BBB-. Such a downgrade could occur due to factors beyond our control, including changes in tax or fiscal policy or a decline in India's foreign exchange reserves, all which are outside the control of our Company. This could have an adverse effect on our business and future financial performance.

62. *Under Indian law, foreign investors are subject to investment restrictions that limit our ability to attract foreign investors, which may adversely affect the trading price of the Equity Shares.*

Foreign investment in Indian securities is subject to regulation by Indian regulatory authorities. Under foreign exchange regulations which are currently in force in India, transfer of shares between non-residents and residents is freely permitted (subject to compliance with sectoral norms and certain other restrictions) provided they comply with the pricing guidelines and reporting requirements specified under applicable law. Further, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment.

Further, in accordance with Rule 6(a) of the FEMA Rules and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares a land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, will require prior approval of the Government of India. These investment restrictions shall also apply to subscribers of offshore derivative instruments. Further, the SEBI D&P Regulations also prescribes certain investment restrictions. We cannot assure investors that any required approval from the RBI or any other governmental agency can be obtained on any particular terms and conditions or at all. For further information, see "*Restrictions on Foreign Ownership of Indian Securities*" on page 456. Our ability to raise any foreign capital under the FDI route is therefore constrained by Indian law, which may adversely affect our business, cash flows, financial condition, results of operations and prospects.

63. *Financial instability in other countries may cause increased volatility in Indian financial markets.*

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, including conditions in the United States, Europe and certain emerging economies in Asia. Financial turmoil in Asia, Russia and elsewhere in the world in recent years has adversely affected the Indian economy. Any worldwide financial instability may cause increased volatility in the Indian financial markets and, directly or indirectly, adversely affect the Indian economy and financial sector and us.

Furthermore, economic developments globally can have a significant impact on India. In particular, the global economy has been negatively impacted by the conflict between Russia and Ukraine. Governments in the United States, United Kingdom, and European Union have imposed sanctions on certain products, industry sectors, and parties in Russia. The conflict could negatively impact regional and global financial markets and economic conditions, and result in global economic uncertainty and increased costs of various commodities, raw materials, energy and transportation. In addition, recent increases in inflation and interest rates globally, including in India, could adversely affect the Indian economy.

In addition, China is one of India's major trading partners and there are rising concerns of a possible slowdown in the Chinese economy as well as a strained relationship with India, which could have an adverse impact on the trade relations between the two countries. The sovereign rating downgrades for Brazil and Russia (and the imposition of sanctions on Russia) have also added to the growth risks for these markets. These factors may also result in a slowdown in India's export growth. Any significant financial disruption could have an adverse effect on our business, financial condition, cash flows and results of operation.

64. *If inflation rises in India, increased costs may result in a decline in profits and result of operations may be adversely affected.*

Inflation rates in India have been volatile in recent years, and such volatility may continue. Increasing inflation in India could cause a rise in the costs of third-party suppliers and contract manufacturers, rents, wages, and other expenses. In recent years, India has experienced consistently high inflation, especially and increasingly so in recent months, which has increased the price of, among other things, our rent, and wages. Further, while the Government of India has previously initiated economic measures to combat high inflation rates, it is unclear whether these measures will remain in effect, and there can be no assurance that Indian inflation levels will not worsen and rise in the future. If we are unable to increase our revenues sufficiently to offset our increased costs due to inflation, it could have an adverse effect on our business, prospects, financial condition, results of operations and cash flows.

65. *Significant differences exist between the Indian Accounting Standards (Ind AS) used to prepare our financial information and other accounting principles, such as the United States Generally Accepted Accounting Principles (U.S. GAAP) and the International Financial Reporting Standards (IFRS), which may affect investors' assessments of our Company's financial condition.*

Our Restated Consolidated Financial Information included in this Red Herring Prospectus have been compiled from our audited consolidated financial statements as at and for the Financial Years ended March 31, 2025, March 31, 2024 and March 31, 2023, prepared in accordance with the Indian Accounting Standards (“Ind AS”) as prescribed under Section 133 of the Companies Act, read with relevant rules issued thereunder, as amended, and other accounting principles generally accepted in India. Ind AS differs from accounting principles with which prospective investors may be familiar, such as Indian GAAP, IFRS and U.S. GAAP. Accordingly, the degree to which the Restated Consolidated Financial Information and financial information included in this Red Herring Prospectus, will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting practices. Persons not familiar with Indian accounting practices, Ind AS, the Companies Act and the SEBI ICDR Regulations should limit their reliance on the financial disclosures presented in this Red Herring Prospectus.

66. *Our business and activities may be subjected to the Competition Act, 2002 and proceedings may be enforced against us.*

The Competition Act, 2002, as amended (the “Competition Act”) was enacted for the purpose of preventing practices that have or are likely to have an adverse effect on competition in India and has mandated the Competition Commission of India (the “CCI”) to separate such practices. Under the Competition Act, any arrangement, understanding or action, whether formal or informal, which causes or is likely to cause an appreciable adverse effect on competition is void and attracts substantial penalties.

Further, any agreement among competitors which directly or indirectly involves determination of purchase or sale prices, limits or controls production, or shares the market by way of geographical area or number of consumers in the relevant market is presumed to have an appreciable adverse effect on competition in the relevant market in India and shall be void. Further, the Competition Act prohibits abuse of dominant position by any enterprise.

The combination regulation (merger control) provisions under the Competition Act require that the acquisition of shares, voting rights, assets or control or mergers or amalgamations which exceed any of the prescribed asset and turnover based thresholds shall be mandatorily notified to and pre-approved by the CCI. Further, the CCI has extra-territorial powers and can investigate any agreements, abusive conduct or combination occurring outside of India if such agreement, conduct or combination has an appreciable adverse effect in India. Any breach of the provisions of the Competition Act by our Company may attract substantial monetary penalties.

The applicability or impact of the provisions of the Competition Act on the agreements entered into by us cannot be predicted with certainty at this stage. However, if we pursue an acquisition driven growth strategy, we may be affected, directly or indirectly, by the application or interpretation of any provision of the Competition Act, any enforcement proceedings initiated by the CCI, any adverse publicity that may be generated due to scrutiny or prosecution by the CCI, or any prohibition or substantial penalties levied under the Competition Act, which would adversely affect our business, results of operations, cash flows and prospects.

For instance, our Company and its subsidiary, NDML, have, in the past, been a party of proceedings under the Competition Act, wherein the Registrar Association of India (“**Informant**”) alleged that we had contravened the provisions of Section 3 and Section 4 of the Competition Act by filing an application with the SEBI for registering as a registrar and transfer to the issue and a share transfer agent (“**RTI/STA**”). The Informant alleged that we are trying to enter into the participant market as an RTI/ STA wherein we are also the regulator of such market and that such conduct was likely to cause anti-competitive effect in the market. CCI noted that the allegations made by the Informant were premature as the application of NDML was in the preliminary stage of processing before SEBI and the alleged anti-competitive conduct could not be examined in terms of the provisions of Sections 3 and 4 of the Competition Act and the matter was accordingly closed. As on date, NDML is registered as an RTI/STA with SEBI. Although, we are not currently party to any outstanding proceedings in relation to non-compliance with the Competition Act, any enforcement proceedings initiated by the CCI in future, or any adverse publicity that may be generated due to scrutiny or prosecution by the CCI may affect our business, financial condition and results of operations.

67. *Our Company is a public limited company, and in accordance with Section 111 of the Companies Act, 1956 and Section 58 of the Companies Act, 2013, may be unable to impose restrictions on the transfer of Equity Shares by our Shareholders.*

As on the date of this Red Herring Prospectus, our Company has 34,802 Shareholders (based on beneficiary position statement as of July 22, 2025). The number of shareholders can be attributed to subsequent secondary transactions by the shareholders, as our Equity Shares are freely transferable. For further details, see “*Capital Structure—Share Capital history of our Company*” on page 131. As our Company is a public limited company, in accordance with Section 111 of the Companies Act, 1956 and Section 58 of the Companies Act, 2013, it may be unable to impose restrictions on the transfer of Equity Shares by our Shareholders.

Risks Related to the Offer

68. *We cannot assure payment of dividends on the Equity Shares in the future and our ability to pay dividends in the future will depend upon future earnings, financial condition, cash flows, working capital requirements, capital expenditures and restrictive covenants of our financing arrangements.*

We have a formal dividend policy and have declared dividends on the Equity Shares during the last three Financial Years. However, our ability to pay dividends in the future will depend upon our future results of operations, financial condition, cash flows, sufficient profitability, working capital requirements and capital expenditure requirements and other factors considered relevant by our directors and shareholders. We cannot assure you that we will be able to pay dividends on the Equity Shares at any point in the future.

Our Company has declared 50.00% dividend on the Equity Shares during the Financial Years 2023 and 2024. For the Financial Year 2025, our Board has recommended a dividend of 100.00% which is subject to approval of the shareholders at the annual general meeting of the Company. For further details of the dividend declared and paid by the Company in the last three Fiscals and until the date of this Red Herring Prospectus, please see “*Dividend Policy*” on page 285.

The declaration and payment of dividends will be recommended by the Board of Directors and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act. We may retain all future earnings, if any, for any contingencies and/or use in the operations and expansion of the business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board and will depend on factors that our Board deems relevant, including among others, our future earnings, financial condition, cash requirements, business prospects and any other financing arrangements. We cannot assure you that we will be able to pay dividends in the future. Accordingly, realization of a gain on the Shareholders’ investments will depend on the appreciation of the price of our Equity Shares, which cannot be assured.

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

The Offer comprises an offer for sale by the Selling Shareholders. Accordingly, the proceeds from this Offer will be remitted to the Selling Shareholders and we will not receive any proceeds from the Offer. For more information, please see “*Objects of the Offer*” on page 138.

70. *Our Equity Shares have never been publicly traded, and after the Offer, the Equity Shares may experience price and volume fluctuations, and an active trading market for the Equity Shares may not develop.*

Prior to the Offer, there has been no public market for the Equity Shares, and an active trading market on the Stock Exchange may not develop or be sustained after the Offer. Listing and quotation do not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. Further, we are not listing on the National Stock Exchange of India Ltd (“NSE”) on account that NSE is our associate as per SEBI D&P Regulations and is one of our Selling Shareholders. As a result, our Equity Shares may face risks of lower trading volume and lower liquidity. NSE will continue to hold approximately 15.00% of Equity Shares after the Offer, and once the holding of NSE falls below 20.00%, and it does not qualify as our associate, our Company may evaluate its options to list on NSE, subject to regulatory approvals.

The determination of the Price Band is based on various factors and assumptions and will be determined by us in consultation with the BRLMs. The Offer Price of the Equity Shares is proposed to be determined by us in consultation with the BRLMs, through a book-building process. The Offer Price will be based on numerous factors, including factors as described under “*Basis for Offer Price*” on page 141, and may not be indicative of the market price of the Equity Shares at the time of commencement of trading of the Equity Shares or at any time thereafter. Further, the current market prices of some securities listed pursuant to certain previous issues managed by the BRLMs and the M-BRLM are below their respective issue prices. For further details, see “*Other Regulatory and Statutory Disclosures — Price information of past issues handled by the BRLMs and the M-BRLM*” on page 408. The market price of our Equity Shares may be subject to significant fluctuations, and may decline below the Offer Price, in response to, among other factors:

- quarterly variations in our results of operations;
- results of operations that vary from the expectations of research analysts and investors;
- results of operations that vary from those of our competitors;
- changes in expectations as to our future financial performance, including financial estimates by research analysts and investors;
- conditions in financial markets, including those outside India;
- announcements by us or our competitors of new products, significant acquisitions, strategic alliances or joint operations;
- claims or proceedings by third parties or governmental entities of significant claims or proceedings against us;
- new laws and governmental regulations or changes in laws and governmental regulations applicable to our industry;
- developments relating to our peer companies;
- additions or departures of Key Management Personnel and Senior Management Personnel; and
- general economic and stock market conditions

In addition, the stock market often experiences price and volume fluctuations that are unrelated or disproportionate to the operating performance of a particular company. There has been significant volatility in the Indian stock markets in the recent past, and the market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results, market conditions specific to the industry we operate in, developments relating to India, volatility in securities markets in jurisdictions other than India, variations in the growth rate of financial indicators, variations in revenue or earnings estimates by research publications, and changes in economic, legal and other regulatory factors. These broad market fluctuations and industry factors may materially reduce the market price of the Equity Shares, regardless of our performance. Consequently, the price of our Equity Shares may be volatile, and you may be unable to resell your Equity Shares at or above the Offer Price, or at all. A decrease in the market price of our Equity Shares could cause investors to lose some or all of their investment.

71. *Investors may be subject to Indian taxes arising out of income arising on the sale of and dividend on the Equity Shares.*

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares held as investments in an Indian company are generally taxable in India. Any capital gain realized on the sale of listed equity shares on a Stock Exchange held for more than 12 months immediately preceding the date of transfer will be subject to long term capital gains in India at the specified rates depending on certain factors, such as whether the sale is undertaken on or off the Stock Exchange, the quantum of gains and any available treaty relief. Accordingly, you may be subject to payment of long-term capital gains tax in India, in addition to payment of Securities Transaction Tax (“STT”). STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold.

Further, any capital gains realized on the sale of listed equity shares held for a period of 12 months or less immediately preceding the date of transfer will be subject to short term capital gains tax in India. Further, withholding tax may be applicable on sale of shares by Non- Resident / FPI under section 115E and 115AD.

No dividend distribution tax is required to be paid in respect of dividends declared, distributed or paid by a domestic company after March 31, 2020, and, accordingly, such dividends would not be exempt in the hands of the Shareholders both for residents as well as non-residents. Our Company may or may not grant the benefit of a tax treaty (where applicable) to a non-resident Shareholder for the purposes of deducting tax at source pursuant to any corporate action, including dividends.

In terms of the Finance Bill (No.2), 2024, with effect from July 24, 2024, taxes payable by an assessee on the capital gains arising from transfer of long-term capital assets (introduced as Section 112A of the Income-Tax Act, 1961) shall be calculated on such long-term capital gains at the rate of 12.5%, where the long-term capital gains exceed ₹125,000. The stamp duty for transfer of certain securities, other than debentures, on a delivery basis is currently specified at 0.015% and on a non-delivery basis is specified at 0.003% of the consideration amount. Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax in India. Short-term capital gains, arising from the sale of such equity shares on a stock exchange would be subject to tax at the rate of 15% (plus applicable surcharge and cess) for transfers taking place before July 23, 2024. However, per the amendment sought by the Finance Bill, short-term capital gains will be taxed at 20% for transfers taking place after July 23, 2024.

Further, the Government of India announced the union budget for Fiscal 2026, following which the Finance Bill, 2025 (“**Finance Bill**”) was introduced in the Lok Sabha on February 1, 2025. The above tax related information has been included for informational purposes only. Investors are advised to consult their own tax advisors before investing and to carefully consider the potential tax consequences of owning Equity Shares. Additionally, the Union Cabinet, Government of India has recently approved the Income Tax Bill, 2025 which *inter alia*, proposes to amend the income tax regime and replace the Income Tax Act, 1961. There is no certainty on the impact of the Income Tax Bill, 2025, once enacted, on tax laws or other regulations, which may adversely affect our business, financial condition, results of operations or on the industry in which we operate.

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

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are required to pay the Bid Amount on submission of the Bid and are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid. Retail Individual Investors and Eligible Employees Bidding in the Employee Reservation Portion can revise their Bids during the Bid/Offer Period and withdraw their Bids until the Bid/Offer Closing Date. While we are required to complete all necessary formalities for listing and commencement of trading of the Equity Shares on the BSE Limited where such Equity Shares are proposed to be listed including Allotment pursuant to the Offer within six Working Days from the Bid/Offer Closing Date, events affecting the Bidders’ decision to invest in the Equity Shares, including material adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operation or financial condition may arise between the date of submission of the Bid and Allotment. We may complete the Allotment of the Equity Shares even if such events occur, and such events may limit the Bidders’ ability to sell the Equity Shares allotted pursuant to the Offer or cause the trading price of the Equity Shares to decline upon listing. QIBs and Non-

Institutional Bidders will therefore not be able to withdraw or lower their bids following adverse developments in international or national monetary policy, financial, political or economic conditions, our business, results of operations, cash flows or otherwise, between the dates of submission of their Bids and Allotment.

73. *The Offer Price of the Equity Shares may not be indicative of the market price of the Equity Shares after the Offer.*

The Offer Price of the Equity Shares is proposed to be determined by our Company in consultation with the Book Running Lead Managers, through a book-building process. This price is based on numerous factors, as described under “*Basis for Offer Price*” on page 141 and may not be indicative of prices that will prevail in the open market following the Offer. The market price of our Equity Shares could be subject to significant fluctuations after the Offer and may decline below the Offer Price. In addition, the stock market often experiences price and volume fluctuations that are unrelated or disproportionate to the operating performance of a particular company. These broad market fluctuations and industry factors may materially reduce the market price of the Equity Shares, regardless of our Company's performance. As a result of these factors, we cannot assure you that investors will be able to resell their Equity Shares at or above the Offer Price.

74. *Investors may have difficulty enforcing foreign judgments against us or our management.*

Our Company is a public limited company incorporated under the Companies Act, 1956. All of our Directors, KMP and Senior Management are residents of India. All of our assets are located in India. As a result, it may be difficult for investors to effect service of process upon us or such persons outside India or to enforce judgments obtained against us or such parties outside India.

Recognition and enforcement of foreign judgments is provided for under Section 13 of the Code of Civil Procedure, 1908 (“CPC”), on a statutory basis. Section 13 of the CPC provides that foreign judgments shall be conclusive regarding any matter directly adjudicated upon, except: (i) where the judgment has not been pronounced by a court of competent jurisdiction; (ii) where the judgment has not been given on the merits of the case; (iii) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or a refusal to recognize the law of India in cases to which such law is applicable; (iv) where the proceedings in which the judgment was obtained were opposed to natural justice; (v) where the judgment has been obtained by fraud; and (vi) where the judgment sustains a claim founded on a breach of any law then in force in India. Under the CPC, a court in India shall, upon the production of any document purporting to be a certified copy of a foreign judgment, presume that the judgment was pronounced by a court of competent jurisdiction, unless the contrary appears on record. However, under the CPC, such presumption may be displaced by proving that the court did not have jurisdiction.

India is not a party to any international treaty in relation to the recognition or enforcement of foreign judgments. Section 44A of the CPC provides that where a foreign judgment has been rendered by a superior court, within the meaning of that Section, in any country or territory outside of India which the GoI has by notification declared to be in a reciprocating territory, it may be enforced in India by proceedings in execution as if the judgment had been rendered by the relevant court in India. However, Section 44A of the CPC is applicable only to monetary decrees not being of the same nature as amounts payable in respect of taxes, other charges of a like nature or of a fine or other penalties. Some jurisdictions including the United Kingdom, United Arab Emirates, Singapore and Hong Kong have been declared by the GoI to be reciprocating countries for the purposes of Section 44A of the CPC.

The United States and India do not currently have a treaty providing for reciprocal recognition and enforcement of judgments, other than arbitration awards, in civil and commercial matters. Therefore, a final judgment for the payment of money rendered by any federal or state court in the United States on civil liability, whether or not predicated solely upon the federal securities laws of the United States, would not be enforceable in India. However, the party in whose favor such final judgment is rendered may bring a new suit in a competent court in India based on a final judgment that has been obtained in the United States. The suit must be brought in India within three years from the date of the judgment in the same manner as any other suit filed to enforce a civil liability in India.

Further, there may be considerable delays in the disposal of suits by Indian courts. It is unlikely that a court in India would award damages on the same basis as a foreign court if an action were brought in India.

Furthermore, it is unlikely that an Indian court would enforce a foreign judgment if that court were of the view that the amount of damages awarded was excessive or inconsistent with public policy or Indian law. It is uncertain as to whether an Indian court would enforce foreign judgments that would contravene or violate Indian law. However, a party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI under the FEMA to execute such a judgment or to repatriate any amount recovered.

75. *Holders of Equity Shares could be restricted in their ability to exercise pre-emptive rights under Indian law and could thereby suffer future dilution of their ownership position.*

Under the Companies Act, a company having share capital and incorporated in India must offer holders of its Equity Shares pre-emptive rights to subscribe and pay for a proportionate number of Equity Shares to maintain their existing ownership percentages prior to the issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by holders of three-fourths of the Equity Shares who have voted on such resolution.

However, if the laws of the jurisdiction that you are in does not permit the exercise of such pre-emptive rights without us filing an offering document or registration statement with the applicable authority in such jurisdiction, you will be unable to exercise such pre-emptive rights unless we make such a filing. We may elect not to file a registration statement in relation to pre-emptive rights otherwise available by Indian law to you. To the extent that you are unable to exercise pre-emptive rights granted in respect of the Equity Shares, you may suffer future dilution of your ownership position and your proportional interests in us would be reduced.

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

On listing, our Equity Shares will be quoted in INR on the BSE. Any dividends in respect of our Equity Shares will also be paid in Indian Rupees and subsequently converted into the relevant foreign currency for repatriation, if required. Any adverse movement in currency exchange rates during the time that it takes to undertake such conversion may reduce the net dividend to foreign investors. In addition, any adverse movement in currency exchange rates during a delay in repatriating outside India the proceeds from a sale of Equity Shares, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares may reduce the proceeds received by Equity Shareholders. The exchange rate between the INR and USD has fluctuated in recent years and may continue to fluctuate substantially in the future, which may have an adverse effect on the returns on our Equity Shares, independent of our operating results.

77. *Any future issuance of Equity Shares or convertible securities or other equity linked securities by us may dilute your shareholding and any sale, pledge or encumbrance of the Equity Shares by our large Shareholders may adversely affect the trading price of the Equity Shares.*

We may be required to finance our growth through future equity offerings. Any future issuance of our Equity Shares, convertible securities or securities linked to our Equity Shares by us, including through exercise of employee stock options may dilute your shareholding in us. Any disposal of Equity Shares by our large Shareholders or the perception that such issuance or sales may occur, may adversely affect the trading price of the Equity Shares, which may lead to other adverse consequences including difficulty in raising capital through offering of the Equity Shares or incurring additional debt. We cannot assure you that we will not issue further Equity Shares or that the Shareholders will not dispose of, pledge or encumber the Equity Shares in the future. Any future issuances could also dilute the value of your investment in the Equity Shares.

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

Our Articles of Association, composition of our Board, Indian laws governing our corporate affairs, the validity of corporate procedures, directors' fiduciary duties, responsibilities and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights under Indian law may not be as extensive and widespread as shareholders' rights under the laws of other countries or jurisdictions. Investors may face challenges in asserting their rights as shareholder in an Indian company than as shareholders of an entity in another jurisdiction.

SECTION III – INTRODUCTION

THE OFFER

The following table summarizes details of the Offer:

The Offer comprises:	
Offer for Sale ⁽¹⁾⁽²⁾	Up to 50,145,001 Equity Shares of face value of ₹ 2 each, aggregating to ₹ [●] million
Of which:	
Employee Reservation Portion ⁽³⁾	Up to 85,000 Equity Shares of face value of ₹ 2 each aggregating to ₹ [●] million
Net Offer	Up to 50,060,001 Equity Shares of face value of ₹ 2 each aggregating to ₹ [●] million
The Net Offer comprises:	
A) QIB Portion ⁽⁴⁾⁽⁵⁾	Not more than [●] Equity Shares of face value of ₹ 2 each aggregating to ₹ [●] million
of which:	
(i) Anchor Investor Portion	Up to [●] Equity Shares of face value of ₹ 2 each
(ii) Net QIB Portion (assuming Anchor Investor Portion is fully subscribed)	Up to [●] Equity Shares of face value of ₹ 2 each
of which:	
(a) Available for allocation to Mutual Funds only (5% of the Net QIB Portion)	[●] Equity Shares of face value of ₹ 2 each
(b) Balance of the Net QIB Portion for all QIBs including Mutual Funds	[●] Equity Shares of face value of ₹ 2 each
B) Non-Institutional Portion ⁽⁶⁾	Not less than [●] Equity Shares of face value of ₹ 2 each aggregating to ₹ [●] million
Of which:	
One-third of the Non-Institutional Portion available for allocation to Bidders with an application size of more than ₹ 0.20 million and up to ₹ 1.00 million	[●] Equity Shares of face value of ₹ 2 each
Two-third of the Non-Institutional Portion available for allocation to Bidders with an application size of more than ₹ 1.00 million	[●] Equity Shares of face value of ₹ 2 each
C) Retail Portion ⁽⁶⁾	Not less than [●] Equity Shares of face value of ₹ 2 each aggregating to ₹ [●] million
Pre and post-Offer Equity Shares	
Equity Shares outstanding prior to the Offer and after the Offer	200,000,000 Equity Shares of face value of ₹ 2 each
Use of Offer Proceeds	Our Company will not receive any proceeds from the Offer. For further details, see “Objects of the Offer” on page 138.

- (1) The Offer has been authorized by a resolution of the Board dated June 27, 2023. Further, the IPO Committee has taken on record the approval for the Offer for Sale by the Selling Shareholders pursuant to its resolution dated July 7, 2023 and May 17, 2025.
- (2) The Equity Shares being offered by the Selling Shareholders have been held for a period of at least one year immediately preceding the date of filing the Draft Red Herring Prospectus with SEBI and are eligible for being offered for sale pursuant to the Offer in terms of the SEBI ICDR Regulations. For further details, see “Capital Structure” on page 129.
- (3) Each of the Selling Shareholders has, severally and not jointly, confirmed and approved its participation in the Offer for Sale, as set forth below:

S. No.	Selling Shareholder	Number of Offered Shares	Date of resolution	Date of consent letter
1.	IDBI Bank Limited	Up to 22,220,000 Equity Shares of face value of ₹ 2 each	October 31, 2022 and April 29, 2023	July 6, 2023 and May 17, 2025

S. No.	Selling Shareholder	Number of Offered Shares	Date of resolution	Date of consent letter
2.	National Stock Exchange of India Limited	Up to 18,000,001 Equity Shares of face value of ₹ 2 each	November 5, 2022 and July 22, 2023	July 7, 2023 and May 17, 2025
3.	Union Bank of India	Up to 500,000 Equity Shares of face value of ₹ 2 each	October 31, 2022 and April 15, 2025	June 26, 2023 and May 17, 2025
4.	State Bank of India	Up to 4,000,000 Equity Shares of face value of ₹ 2 each	July 4, 2023	July 5, 2023 and May 17, 2025
5.	HDFC Bank Limited (SS)	Up to 2,010,000 Equity Shares of face value of ₹ 2 each	May 11, 2023 and February 25, 2025	June 27, 2023 and May 17, 2025
6.	Administrator of the Specified Undertaking of the Unit Trust of India	Up to 3,415,000 Equity Shares of face value of ₹ 2 each	December 18, 2020	June 27, 2023 and May 17, 2025

- (4) In the event of under-subscription in the Employee Reservation Portion, if any, the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹ 0.20 million (net of employee discount), subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹0.50 million (net of Employee Discount). The unsubscribed portion, if any, in the Employee Reservation Portion (after allocation of up to ₹ 0.50 million, as applicable), shall be added to the Net Offer. For further details, see “Offer Structure” on page 428.
- (5) Our Company may, in consultation with the BRLMs, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis. The QIB Portion will accordingly be reduced for the Equity Shares allocated to Anchor Investors. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the QIB Portion. 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Offer Price. In the event the aggregate demand from Mutual Funds is less than as specified above, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be added to the Net QIB Portion and allocated proportionately to the QIB Bidders in proportion to their Bids. For details, see “Offer Procedure” on page 432.
- (6) Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in any category except the QIB Portion, would be allowed to be met with spill over from any other category or combination of categories, as applicable, at the discretion of our Company in consultation with the BRLMs, and the Designated Stock Exchange.
- (7) Allocation to Bidders in all categories, except Anchor Investor Portion, Non-Institutional Portion and the Retail Portion, if any, shall be made on a proportionate basis subject to valid Bids received at or above the Offer Price. The allocation to each Retail Individual Investor and Non-Institutional Investor shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion and Non-Institutional Investor Portion and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis. Allocation to Anchor Investors shall be on a discretionary basis. For details, see “Offer Procedure” on page 432.

For details, including in relation to grounds for rejection of Bids, refer to “Offer Structure” and “Offer Procedure” on pages 428 and 432, respectively. For details of the terms of the Offer, see “Terms of the Offer” on page 421.

SUMMARY OF FINANCIAL INFORMATION

The following table sets forth the summary of financial information derived from the Restated Consolidated Financial Information. The summary financial information presented below should be read in conjunction with “*Restated Consolidated Financial Information*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on pages 286 and 354, respectively.

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SUMMARY OF RESTATED CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES

(₹ in million)

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
ASSETS			
Non-Current Assets			
a) Property, plant and equipment	2,672.87	2,548.39	338.16
b) Capital work-in-progress	148.20	4.10	2.44
c) Intangible assets	465.32	223.26	188.09
d) Intangible asset under development	67.02	125.02	48.56
e) Right of use of assets	77.73	117.41	156.78
f) Financial assets			
i) Non-current investments	13,123.68	12,202.09	11,190.11
ii) Other financial assets	632.10	868.56	389.57
g) Deferred tax assets (net)	40.69	91.67	83.00
h) Income tax assets (net)	96.52	73.52	71.09
i) Other non-current assets	21.54	17.52	112.04
Total Non-Current Assets	17,345.67	16,271.54	12,579.84
Current Assets			
a) Financial assets			
i) Current investments	6,832.23	2,732.87	3,327.08
ii) Trade receivables	1,298.60	831.39	856.28
iii) Cash and cash equivalents	1,451.59	1,060.12	1,906.94
iv) Bank balances other than (iii) above	2,290.69	1,344.61	1,962.91
v) Other financial assets	101.34	55.37	70.98
b) Other current assets	528.25	281.45	230.72
Total Current Assets	12,502.70	6,305.81	8,354.91
Total Assets	29,848.37	22,577.35	20,934.75
EQUITY AND LIABILITIES			
Equity			
a) Equity share capital	400.00	400.00	400.00
b) Other equity	19,653.41	16,440.97	13,888.61
Total Equity	20,053.41	16,840.97	14,288.61
Liabilities			
Non-Current Liabilities			
a) Financial liabilities			
i) Lease liability	53.55	100.89	135.32
ii) Other financial liabilities	54.88	51.46	48.53
b) Deferred tax liability (Net)	-	0.74	0.12
c) Other non-current liabilities	53.18	60.66	58.37
d) Provisions	7.92	6.88	6.43
Total Non-Current Liabilities	169.53	220.63	248.77
Current Liabilities			
a) Financial liabilities			
i) Trade payables			
a) Total outstanding dues of micro enterprises and small enterprises	179.96	142.68	130.47
b) Total outstanding dues of creditors other than micro enterprises and small enterprises	712.20	553.68	481.38
ii) Lease liability	47.78	35.35	32.85
iii) Other financial liabilities	7,058.84	3,595.73	4,702.25
b) Provisions	343.62	304.54	280.39
c) Current tax liability (net)	152.63	96.75	81.06
d) Other current liabilities	1,130.40	787.02	688.97
Total Current Liabilities	9,625.43	5,515.75	6,397.37
Total Liabilities	9,794.96	5,736.38	6,646.14
Total Equity and Liabilities	29,848.37	22,577.35	20,934.75

SUMMARY OF RESTATED CONSOLIDATED STATEMENT OF PROFIT AND LOSS

(₹ in million)

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
INCOMES			
Revenue from operations	14,201.46	12,682.44	10,219.88
Other income	1,150.41	974.61	778.26
Total Income	15,351.87	13,657.05	10,998.14
EXPENSES			
Employee benefits expense	1,385.27	1,231.99	1,098.07
Depreciation and amortisation expense	354.03	241.23	216.89
Finance cost	40.97	20.60	18.73
Contribution to investor protection fund	154.21	114.83	98.86
Other expenses	8,906.92	8,485.27	6,466.80
Total Expenses	10,841.40	10,093.92	7,899.35
Profit before Share of Profit / (Loss) of investment accounted for using equity method and Tax	4,510.47	3,563.13	3,098.79
Share of Profit/(loss) of Associate*	23.96	(13.63)	(48.37)
Profit before Tax	4,534.43	3,549.50	3,050.42
Tax Expense			
Current tax	1,052.96	803.10	720.24
Deferred tax charge / (credit)	50.23	(8.05)	(17.92)
Total Tax Expenses	1,103.19	795.05	702.32
Profit after Tax	3,431.24	2,754.45	2,348.10
Other Comprehensive Income			
Items that will not be reclassified to profit or loss :			
i) Actuarial gain/(loss) on post retirement benefit plans	(41.39)	(12.86)	7.35
ii) Income tax relating to items that will not be reclassified to profit or loss	10.03	3.38	(1.77)
Items that will be reclassified to profit or loss :			
i) Share of Profit of Associate	10.48	3.48	17.44
Total Other Comprehensive Income	(20.87)	(6.01)	23.02
Total Comprehensive Income for the year	3,410.37	2,748.45	2,371.12
Basic and Diluted earnings per equity share of ₹2 each (₹)	17.16	13.77	11.74

*Our Company has acquired 20% equity shareholding in India International Bullion Holding IFSC limited ("IIBH") for an amount of ₹ 500 million. IIBH was loss making till March 31, 2024 and turned profitable in March 31, 2025. As per the process of consolidation under the applicable laws, company consolidates the share of loss/profit of the associate to arrive at the company's consolidated profit/loss for the respective financial year. Investment value is calculated by using accounting method under Ind AS by absorbing the cumulative profit/loss till the end of the financial year of the associate.

SUMMARY OF RESTATED CONSOLIDATED STATEMENT OF CASH FLOWS

(₹ in million)

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
A. Cash Flow from Operating Activities			
Profit before tax	4,534.43	3,549.50	3,050.42
Adjustments for :			
Depreciation and amortisation expense	354.03	241.23	216.89
Provision for compensated absences	9.03	3.70	(8.77)
Provision for investor awareness	69.72	65.81	64.03
Provision for doubtful trade receivables	201.41	120.73	70.47
Bad debts written off	1.09	11.28	9.96
Provision for doubtful rent deposit	-	(3.55)	9.56
Contribution to investor protection fund	154.21	114.83	98.86
Fair value gain on investments in mutual funds	(191.12)	(170.07)	(65.20)
Dividend income from current investments	-	(10.62)	(6.98)
Loss / (Profit) on sale of property, plant and equipment	9.30	-	6.09
Profit on sale of investments	(8.81)	(4.34)	(2.06)
Interest income	(915.38)	(751.07)	(656.69)
Operating Profit before Working Capital Changes	4,217.89	3,167.43	2,786.58
Changes in Working Capital :			
(Increase) / decrease other assets	(260.31)	(45.85)	9.69
(Increase) / decrease other financial assets	214.99	(458.91)	1,490.17
(Increase) / decrease trade receivables	(669.70)	(107.12)	85.70
Increase / (decrease) trade payables	195.81	84.50	359.35
Increase / (decrease) other financial liabilities	2,621.39	(774.73)	1,147.60
Increase / (decrease) provisions	(57.44)	(46.99)	(52.22)
Increase / (decrease) other liabilities	335.90	100.33	21.87
Cash generated from Operations	6,598.54	1,918.66	5,848.74
Net income tax paid	(1,020.07)	(789.84)	(769.35)
Net Cash generated from Operating Activities (A)	5,578.46	1,128.82	5,079.39
B. Cash Flow from Investing Activities			
Capital expenditure on property, plant and equipment, intangible assets, capital advance	(742.81)	(2,438.54)	(488.46)
Proceeds from sale of property, plant and equipment	0.78	-	0.09
Bank balances not considered as cash and cash equivalents			
i) Placed	(455.55)	(104.50)	(250.00)
ii) Matured	104.50	250.00	809.10
Purchase of non-current investments	(2,419.38)	(2,095.49)	(6,072.59)
Sale / Redemption of non-current investments	183.51	1,751.87	934.63
Proceeds / (Purchase) of current investments (Net)	(2,585.13)	110.88	(8.60)
Interest received	890.89	750.14	658.78
Net Cash used in Investing Activities (B)	(5,023.18)	(1,775.64)	(4,417.05)
C. Cash Flow from Financing Activities			
Dividend paid	(163.82)	(200.00)	(200.00)
Net Cash used in Financing Activities (C)	(163.82)	(200.00)	(200.00)
Net increase / (decrease) in Cash and Cash Equivalents (A+B+C)	391.47	(846.82)	462.34
Cash and Cash Equivalents at the beginning of the year	1,060.12	1,906.94	1,444.60
Cash and Cash Equivalents at the end of the year	1,451.59	1,060.12	1,906.94

GENERAL INFORMATION

Registered Office

National Securities Depository Limited

301, 3rd Floor, Naman Chambers
G-Block, Plot No. C-32, Bandra Kurla Complex
Bandra East, Mumbai – 400 051
Maharashtra, India

For details of change in our registered office, see “*History and Certain Corporate Matters – Changes in the registered office of our Company*” on page 251.

Company Registration Number and Corporate Identity Number

The registration number and corporate identity number of our Company are as follows:

- (a) Registration number: 230380
- (b) Corporate identity number: U74120MH2012PLC230380

The Registrar of Companies

Our Company is registered with the Registrar of Companies, Maharashtra at Mumbai, which is situated at the following address:

Registrar of Companies, Maharashtra at Mumbai

100, Everest, Marine Drive
Mumbai – 400 002
Maharashtra, India

Board of Directors

The following table sets out the brief details of our Board of Directors as on the date of this Red Herring Prospectus:

Name	Designation	DIN	Address
Vijay Chandok	Managing Director and Chief Executive Officer	01545262	Flat No. 102, Building No. 1, Sumer Trinity Towers, New Prabhadevi Road, Near Samana Press, Mumbai – 400 025, Maharashtra
Parveen Kumar Gupta	Chairman and Public Interest Director	02895343	Flat No. 702, C Wing, Amaltas CHS, Juhu Versova Link Road, Andheri West, Mumbai – 400 053, Maharashtra
Madhu Sudan Sahoo	Public Interest Director	01968430	Flat no.– 77, IES Apartments, Plot no.– 9, Sector - 4, Dwarka, N.S.I.T Dwarka, South West Delhi, Delhi – 110 078
Rajat Moona	Public Interest Director	09036263	Director Bungalow, IIT Gandhinagar, Palaj, Gandhinagar – 382 355, Gujarat
Sripriya Kumar	Public Interest Director	03319979	B-705, The Atlantic Residences, No. 3, Montieth Road, Egmore, Chennai – 800 008, Tamil Nadu
Sanjay Panicker	Non-Independent Director	03531776	A-233, Twin Tower, Veer Savarkar Marg, Prabhadevi, Mumbai – 400 025, Maharashtra
Sriram Krishnan	Non-Independent Director	07816879	A-1002, Lodha Bellissimo, N M Joshi Marg, Mahalaxmi, Mumbai – 400 011, Maharashtra

For further details of our Board of Directors, see “*Our Management - Board of Directors*” on page 262.

Company Secretary and Compliance Officer

Alen Wilfred Ferns is the Company Secretary and Compliance Officer of our Company. His contact details are as follows:

Alen Wilfred Ferns

301, 3rd Floor, Naman Chambers
G-Block, Plot No. C-32, Bandra Kurla Complex
Bandra East, Mumbai – 400 051
Maharashtra, India
Telephone: +91 22 6944 8500/8400
E-mail: cs_nsdl@nsdl.com

Book Running Lead Managers and M- BRLM

ICICI Securities Limited

ICICI Venture House
Appasaheb Marathe Marg, Prabhadevi
Mumbai – 400 025
Maharashtra, India
Telephone: +91 22 6807 7100
E-mail: nsdl.ipo@icicisecurities.com
Website: www.icicisecurities.com
Investor grievance e-mail:
customer@icicisecurities.com
Contact person: Aboli Pitre / Hitesh Malhotra
SEBI registration no: INM000011179

HSBC Securities and Capital Markets (India) Private Limited

52/60, Mahatma Gandhi Road, Fort
Mumbai – 400 001
Maharashtra, India
Telephone: +91 22 6864 1289
E-mail: nsdlipo@hsbc.co.in
Website: www.business.hsbc.co.in
Investor grievance e-mail:
investorgrievance@hsbc.co.in
Contact person: Harsh Thakkar / Harshit Tayal
SEBI registration no: INM000010353

Motilal Oswal Investment Advisors Limited

Motilal Oswal Tower
Rahimtullah Sayani Road
Opposite Parel ST Depot, Prabhadevi
Mumbai – 400 025
Maharashtra, India
Telephone: +91 22 7193 4380
E-mail: nsdl.ipo@motilaloswal.com
Website: www.motilaloswalgroup.com
Investor grievance e-mail:
moiaplredressal@motilaloswal.com
Contact person: Ritu Sharma / Sankita Ajinkya
SEBI registration no: INM000011005

Axis Capital Limited

1st Floor, Axis House
Pandurang Budhkar Marg, Worli
Mumbai – 400 025
Maharashtra, India
Telephone: +91 22 4325 2183
E-mail: nsdl.ipo@axiscap.in
Website: www.axiscapital.co.in
Investor grievance e-mail:
complaints@axiscap.in
Contact person: Simran Gadh / Harish Patel
SEBI registration no: INM000012029

IDBI Capital Markets & Securities Limited[#]

6th Floor, IDBI Tower
WTC Complex, Cuffe Parade
Mumbai – 400 005
Maharashtra, India
Telephone: +91 22 4069 1953
E-mail: nsdl.ipo@idbicapital.com
Website: www.idbicapital.com
Investor grievance e-mail:
redressal@idbicapital.com
Contact person: Indrajit Bhagat
SEBI registration no: INM000010866

SBI Capital Markets Limited[#]

1501, 15th Floor, A&B Wing
Parinee Crescenzo, BKC, Bandra East
Mumbai 400 051
Maharashtra, India
Telephone: +91 22 4006 9807
E-mail: nsdl.ipo@sbicaps.com
Website: www.sbicaps.com
Investor grievance e-mail:
investor.relations@sbicaps.com
Contact person: Sylvia Mendonca / Prashant Patankar
SEBI registration no: INM000003531

M- BRLM

HDFC Bank Limited**

Investment Banking Group
Unit No. 701, 702 and 702-A
7th Floor, Tower 2 and 3, One International Centre
Senapati Bapat Marg, Prabhadevi
Mumbai - 400 013
Maharashtra, India

Telephone: +91 22 3395 8233
E-mail: nsdl.ipo@hdfcbank.com
Website: www.hdfcbank.com
Investor grievance e-mail: investor.redressal@hdfcbank.com
Contact person: Bharti Ranga / Souradeep Ghosh
SEBI registration no: INM000011252

#IDBI Bank Limited and State Bank of India are participating as Selling Shareholders in the Offer. IDBI Bank Limited and State Bank of India are associates of IDBI Capital and SBICAPS respectively, in terms of the SEBI Merchant Bankers Regulations. Accordingly, in compliance with the proviso to Regulation 21A of the SEBI Merchant Bankers Regulations and Regulation 23(3) of the SEBI ICDR Regulations, IDBI Capital and SBICAPS would be involved only in the marketing of the Offer. IDBI Capital and SBICAPS have signed the due diligence certificate and have been disclosed as a BRLM for the Offer.

*** HDFC Bank Limited is also participating as a Selling Shareholder in the Offer. On account of the restrictions under Regulation 21A of the SEBI Merchant Bankers Regulations, HDFC Bank Limited, in its capacity as a book running lead manager to the Offer, will be involved only in the marketing of the Offer and its involvement in the Offer will be in accordance with the conditions disclosed under "Other Regulatory and Statutory Disclosures - Disclosure in respect of M- BRLM" on page 404.*

Syndicate Members

Motilal Oswal Financial Services Limited
Motilal Oswal Tower, Rahimtullah
Sayani Road, Opposite Parel ST Depot
Prabhadevi, Mumbai 400 025
Maharashtra, India
Telephone: +91 22 7193 4200 / 4263
E-mail: ipo@motilaloswal.com;
santosh.patil@motilaloswal.com
Website: http://www.motilaloswalgroup.com
Contact person: Santosh Patil
SEBI Registration Number: INZ000158836

SBICAP Securities Limited
Marathon Futurex, B Wing
Unit No. 1201, 12th Floor
N M Joshi Marg, Lower Parel, Mumbai 400 031
Maharashtra, India
Telephone: +91 22 6931 6411
E-mail: archana.dedhia@sbicapsec.com
Website: www.sbisecurities.in
Contact person: Archana Dedhia
SEBI Registration Number: INZ000200032

HDFC Securities Limited
I Think Techno Campus Building-B, 'Alpha'
8th Floor, Opp. Crompton Greaves, Near Kanjurmarg Station
Kanjurmarg (East), Mumbai 400 042
Maharashtra, India
Telephone: +91 22 3075 3400
E-mail: customercare@hdfcsec.com
Website: www.hdfcsec.com
Contact person: Dipesh A Kale
SEBI Registration Number: INZ000186937

Investec Capital Services (India) Private Limited
1103-04, 11th Floor
B-Wing, Parinee Crescenzo
Bandra Kurla Complex, Mumbai – 400 051
Maharashtra, India
Telephone: +91 22 6849 7400
E-mail: kunal.naik@investec.com
Website: //www.investec.com/india.html
Contact person: Kunal Naik
SEBI Registration Number: INZ000007138

Investor Grievances

Investors may contact the Company Secretary and Compliance Officer or the Registrar to the Offer in case of any pre-Offer or post-Offer related grievances including non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc. for all Offer related queries and for redressal of complaints, investors may also write to the BRLMs and M- BRLM.

All offer-related grievances, other than of Anchor Investors, may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary(ies) with whom the Bid cum Application Form was submitted, giving full details such as name of the sole or First Bidder, Bid cum Application Form number, Bidder's DP ID, Client ID, PAN, address of Bidder, number of Equity Shares applied for, ASBA Account number in which the amount equivalent to the Bid Amount was blocked or the UPI ID (for UPI Bidders who make the payment of Bid Amount through the UPI Mechanism), date of Bid cum Application Form and the name and address of the relevant Designated Intermediary where the Bid was submitted. Further, the Bidder shall also enclose the Acknowledgment Slip or the application number from the Designated Intermediaries in addition to the documents or information mentioned hereinabove. All grievances relating to Bids submitted through Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Offer. The Registrar to the Offer shall obtain the required information from the SCSBs for addressing any clarifications and grievances of ASBA Bidders.

All offer-related grievances of the Anchor Investors may be addressed to the Registrar to the Offer, giving full details such as the name of the sole or First Bidder, Anchor Investor Application Form number, Bidders' DP ID,

Client ID, PAN, date of the Anchor Investor Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Anchor Investor Application Form and the name and address of the BRLMs or M- BRLM where the Anchor Investor Application Form was submitted by the Anchor Investor.

Statement of inter-se allocation of responsibilities among the Book Running Lead Managers and M- BRLM

The responsibilities and coordination among the BRLMs and M- BRLM for various activities in the Offer are as follows:

Sr. No.	Activity	Responsibility	Co-ordinator
1.	Due diligence of the Company including its operations/ management/ business plans/ legal, etc. Drafting and designing of the Draft Red Herring Prospectus, this Red Herring Prospectus, the Prospectus, Abridged Prospectus and Bid cum Application form. The BRLMs shall ensure compliance with stipulated requirements and completion of prescribed formalities with BSE, RoC and SEBI including finalisation of Prospectus and RoC filing.	BRLMs*	I-Sec
2.	Capital structuring with the relative components and formalities such as type of instruments, size of issue, allocation between primary and secondary, etc.	BRLMs*	I-Sec
3.	Drafting and approval of all statutory advertisements	BRLMs*	I-Sec
4.	Drafting and approval of all publicity material other than statutory advertisements, including corporate advertising, brochures, media monitoring, etc. and filing of media compliance report	BRLMs*	Motilal Oswal
5.	Appointment of the Registrar and advertising agency	BRLMs*	I-Sec
6.	Appointment of intermediaries (including co-ordinating all agreements to be entered with such parties): printers, Banker(s) to the Offer, Share Escrow Agent, Syndicate Members/ brokers to the Offer and Underwriters.	BRLMs*	Motilal Oswal
7.	Preparation of road show presentation and frequently asked questions	BRLMs*	Motilal Oswal
8.	International institutional marketing of the Offer, which will cover, <i>inter alia</i> : • Institutional marketing strategy and preparation of publicity budget; • Finalising the list and division of international investors for one-to-one meetings; and • Finalising international road show and investor meeting schedules.	BRLMs and M-BRLM	HSBC and SBICAPS
9.	Domestic institutional marketing of the Offer, which will cover, <i>inter alia</i> : • Institutional marketing strategy and preparation of publicity budget; • Finalising the list and division of domestic investors for one-to-one meetings; and • Finalising domestic road show and investor meeting schedules.	BRLMs and M-BRLM	I-Sec and M-BRLM
10.	Non-institutional marketing of the offer, which will cover, <i>inter alia</i> : • Finalising media, marketing and public relations strategy; and • Finalising centres for holding conferences, etc.	BRLMs and M-BRLM	SBICAPS and Motilal Oswal
11.	Retail marketing of the offer, which will cover, <i>inter alia</i> : • Finalising media, marketing and public relations strategy including list of frequently asked questions at retail road shows; • Finalising centers for holding conferences for brokers etc.; • Follow-up on distribution of publicity and offer materials including forms, the Prospectus and deciding on the quantum of the Offer materials; and • Finalising collection centres.	BRLMs and M-BRLM	Axis and IDBI Capital
12.	Coordination with BSE for book building software, bidding terminals, mock trading, intimation to BSE for anchor portion.	BRLMs*	HSBC
13.	Managing the book and finalization of pricing in consultation with our Company	BRLMs*	HSBC
14.	Post-bidding activities including management of Escrow Account(s), coordination of allocation to Non-Institutional Investors, coordination with the Registrar, SCSBs, intimation of allocation and dispatch of refund to Bidders, etc.	BRLMs*	Axis

Sr. No.	Activity	Responsibility	Co-ordinator
	Post-Offer activities, which shall involve essential follow-up steps including allocation to Anchor Investors, follow-up with the Banker(s) to the Offer and SCSBs to get quick estimates of collection and advising the Company about the closure of the Offer, based on correct figures, finalisation of the Basis of Allotment or weeding out of multiple applications, coordination for unblock of funds by SCSBs, finalization of trading, dealing and listing of instruments, dispatch of certificates or demat credit and refunds and coordination with various agencies connected with the post-issue activity such as the Registrar, the Banker(s) to the Offer, SCSBs including responsibility for underwriting arrangements, as applicable. Payment of the applicable STT on sale of unlisted equity shares by the Selling Shareholders under the Offer to the Government of India and filing of the STT return by the prescribed due date as per Chapter VII of Finance (No. 2) Act, 2004. Co-ordination with SEBI and BSE for refund of 1% security deposit and submission of all post-offer reports including final post-offer report to SEBI.		

***Note:** Excluding IDBI Capital, SBICAPS and HDFC Bank Limited which are involved, as merchant bankers, only in the marketing of the Offer.*

IDBI Bank Limited and State Bank of India are participating as Selling Shareholders in the Offer. IDBI Bank Limited and State Bank of India are associates of IDBI Capital and SBICAPS respectively, in terms of the SEBI Merchant Bankers Regulations. IDBI Capital and SBICAPS have signed the due diligence certificate and have been disclosed as a BRLM for the Offer. Accordingly, in compliance with the proviso to Regulation 21A of the SEBI Merchant Bankers Regulations and Regulation 23(3) of the SEBI ICDR Regulations, IDBI Capital and SBICAPS would be involved only in the marketing of the Offer.

Further, HDFC Bank Limited is also participating as a Selling Shareholder in the Offer. On account of the restrictions under Regulation 21A of the SEBI Merchant Bankers Regulations, HDFC Bank Limited, in its capacity as a book running lead manager to the Offer, will be involved only in the marketing of the Offer and its involvement in the Offer will be in accordance with the conditions disclosed under "Other Regulatory and Statutory Disclosures - Disclosure in respect of M- BRLM" on page 404.

Legal advisor to the Company as to Indian law

Khaitan & Co

10th, 13th & 14th Floors, Tower 1C
One World Centre
841, Senapati Bapat Marg
Mumbai - 400 013
Maharashtra, India
Telephone: +91 22 6636 5000

Registrar to the Offer

MUFG Intime India Private Limited (Formerly Link Intime India Private Limited)

C-101, 247 Park, 1st Floor
L B S Marg, Vikhroli (West)
Mumbai 400 083
Maharashtra, India
Telephone: +91 810 811 4949
E-mail: nsdl.ipo@in.mpms.mufg.com
Investor grievance e-mail: nsdl.ipo@in.mpms.mufg.com
Website: <https://in.mpms.mufg.com>
Contact Person: Shanti Gopalkrishnan
SEBI Registration No.: INR000004058

Bankers to the Offer

Refund Bank and Sponsor Bank

Axis Bank Limited

Fortune 2000, Ground Floor, G Block
 Bandra Kurla Complex, Bandra East
 Mumbai 400 051
 Maharashtra, India

Telephone: +91 91670 02301

E-mail: bkc.branchhead@axisbank.com; bkc.operationshead@axisbank.com

Website: www.axisbank.com

Contact Person: Satish Sagale, Branch Head

SEBI Registration No.: INBI00000017

Public Offer Account Banks and Sponsor Banks**Kotak Mahindra Bank Limited**

Intellion Square, 501, 5th Floor, A Wing, Infinity IT
 Park, Gen. A.K. Vaidya Marg, Malad – East,
 Mumbai 400 097
 Maharashtra, India

Telephone: +91 022 – 6941 0754

E-mail: cmsipo@kotak.com

Website: www.kotak.com

Contact Person: Siddhesh Shirodkar

SEBI Registration No.: INBI00000927

ICICI Bank Limited

Capital Market Division
 163, 5th Floor, H.T. Parekh Marg
 Backbay Reclamation, Churchgate, Mumbai 400 020
 Maharashtra, India

Telephone: +91 22 6805 2182

E-mail: Ipocmg@icicibank.com

Website: www.icicibank.com

Contact Person: Varun Badai

SEBI Registration No.: INBI00000004

Escrow Collection Banks and Sponsor Banks**Axis Bank Limited**

Fortune 2000, Ground Floor, G Block
 Bandra Kurla Complex, Bandra East
 Mumbai 400 051
 Maharashtra, India

Telephone: +91 91670 02301

E-mail: bkc.branchhead@axisbank.com;
 bkc.operationshead@axisbank.com

Website: www.axisbank.com

Contact Person: Satish Sagale, Branch Head

SEBI Registration No.: INBI00000017

HDFC Bank Limited

FIG-OPS Department – Lodha, I Think Techno
 Campus, O-3 Level, Next to Kanjurmarg Railway
 Station, Kanjurmarg (East), Mumbai – 400 042,
 Maharashtra, India

Telephone: +91 22 3075 29 29 / 28 / 14

Email: Siddharth.jadhav@hdfcbank.com,
 sachin.gawade@hdfcbank.com,
 eric.bacha@hdfcbank.com,
 tushar.gavankar@hdfcbank.com,
 Pravin.teli2@hdfcbank.com

Website: www.hdfcbank.com

Contact person: Eric Bacha / Sachin Gawade / Pravin
 Teli / Siddharth Jadhav / Tushar Gavankar

SEBI Registration No.: INBI00000063

Designated Intermediaries**Self-Certified Syndicate Banks**

The list of SCSBs notified by SEBI for the ASBA process is available at <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>, or at such other website as may be prescribed by SEBI from time to time. A list of the Designated SCSB Branches with which an ASBA Bidder (other than a UPI Bidder using the UPI Mechanism), not bidding through Syndicate/Sub Syndicate or through a Registered Broker, RTA or CDP may submit the Bid cum Application Forms, is available at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>, or at such other websites as may be prescribed by SEBI from time to time.

Eligible SCSBs and mobile applications enabled for UPI Mechanism

In accordance with the SEBI ICDR Master Circular, UPI Bidders may only apply through the SCSBs and mobile applications using the UPI handles and whose names appear on the website of SEBI, which may be updated from time to time. A list of SCSBs and mobile applications, which are live for applying in public issues using UPI mechanism, is provided as 'Annexure A' for SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and specified on the website of SEBI (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>) and (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43>) respectively, as updated from time to time.

Syndicate SCSB Branches

In relation to Bids (other than Bids by Anchor Investors and RIIs) submitted under the ASBA process to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the members of the Syndicate is available on the website of the SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35>, as updated from time to time or any such other website as may be prescribed by SEBI from time to time. For more information on such branches collecting Bid cum Application Forms from the Syndicate at Specified Locations, see the website of the SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35> or any such other website as may be prescribed by SEBI from time to time.

Registered Brokers

Bidders can submit ASBA Forms in the Offer using the stock broker network of the Stock Exchanges, i.e., through the Registered Brokers at the Broker Centres. The list of the Registered Brokers eligible to accept ASBA Forms, including details such as postal address, telephone number and e-mail address, is provided on the websites of the Stock Exchanges at <https://www.bseindia.com> and <https://www.nseindia.com>, as updated from time to time.

Registrar and Share Transfer Agents

The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the websites of the Stock Exchanges at www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx? and <https://www.nseindia.com/products-services/initial-public-offerings-asba-procedures>, respectively, as updated from time to time.

Collecting Depository Participants

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as their name and contact details, is provided on the websites of the Stock Exchanges at www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx? and <https://www.nseindia.com/products-services/initial-public-offerings-asba-procedures>, respectively, as updated from time to time.

Experts

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

Our Company has received written consent dated July 23, 2025, from the Statutory Auditors namely, K C Mehta & Co LLP, Chartered Accountant, holding a peer review certificate from ICAI, to include their name as required under section 26 (1) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this RHP, and as an “expert” as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of their (i) examination report dated May 23, 2025 on our Restated Consolidated Financial Information; and (ii) their report dated July 8, 2025 on the statement of possible special tax benefits available to the Company, its shareholders and its Material Subsidiaries under the applicable tax laws in India, in this Red Herring Prospectus and such consent has not been withdrawn as on the date of this RHP. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.

Further, our Company has received written consent dated July 23, 2025, from the independent chartered accountant, namely, Motilal & Associates LLP, Chartered Accountants, holding a peer review certificate from ICAI, to include their name, as required under section 26 (5) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this RHP, and as an “expert” as defined under section 2(38) of the Companies Act, 2013 in respect of their certificates in connection with the Offer and such consent has not been withdrawn as on the date of this RHP. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.

Statutory Auditors

K C Mehta & Co LLP, Chartered Accountants
Meghdhanush

Racecourse Circle
Vadodara- 390 007
Gujarat, India
E-mail: shripal.shah@kcmehta.com
Telephone: +91 265 244 0400
Firm registration number: 106237W/ W100829
Peer review number: 016295

Changes in Auditors

Except as disclosed below, there has been no change in the statutory auditors of our Company in the three years preceding the date of this Red Herring Prospectus.

Sr. No.	Particulars	Date of change	Reason for change
1.	Deloitte Haskins & Sells Chartered Accountants LLP 19 th floor, Shapath – V S.G. Highway Ahmedabad – 380 015 Gujarat, India E-mail: pgorakshakar@deloitte.com Peer review number: 013894 Firm Registration number: 117364W / W100739	September 27, 2022	Retirement as statutory auditors of our Company due to expiration of tenure
2.	K C Mehta & Co LLP Meghdhanush Racecourse Circle Vadodara – 390 007 Gujarat, India E-mail: shripal.shah@kcmehta.com Peer review number: 016295 Firm Registration number: 106237W / W100829	September 27, 2022	Appointment as statutory auditors of the Company

Bankers to our Company

Bank of Baroda

13, Vaswani Chambers
Opp. Old Passport Office, 264-265
Dr A. B. Road, Worli
Mumbai – 400 030
Maharashtra, India
Telephone: +91 22 2432 6696
E-mail: worli@bankofbaroda.com
Website: www.bankofbaroda.in
Contact person: Bhagawan Sahai Mahawar

HDFC Bank Limited

Unit 401 & 402, 4th Floor,
Tower B, Peninsula Business Park,
Lower Parel,
Mumbai – 400 013
Maharashtra, India
Telephone: +91 98101 12970
E-mail: vishu.gupta@hdfcbank.com
Website: www.hdfcbank.com
Contact person: Vishu Gupta

ICICI Bank Limited

Capital Markets Group, N4W – 60
ICICI Bank Towers,
Bandra Kurla Complex, Bandra (East)
Mumbai – 400 051
Maharashtra, India
Telephone: +91 95610 86953
E-mail: bhushan.pande@icicibank.com
Website: www.icicibank.com
Contact person: Bhushan Pande

IDBI Bank Limited

485, West View CHS Apt
V S Marg, Prabhadevi
Mumbai – 400 025
Maharashtra, India
Telephone: +91 88888 03391
E-mail: ibkl0000026@idbi.co.in
Website: www.idbibank.in/
Contact person: Kundan Ramteke

Kotak Mahindra Bank Limited

27 BKC, 3rd Floor
Plot No. C-27, 'G' Block
Bandra Kurla Complex
Bandra East
Mumbai – 400 051
Maharashtra, India
Telephone: +91 22 6166 0332

NSDL Payments Bank Limited

4th Floor, Tower 3
One International Centre
Senapati Bapat Marg, Prabhadevi
Mumbai – 400 013
Telephone: +91 22 4914 2746
E-mail: pandeya@nsdlbank.co.in
Website: nsdlbank.com

E-mail: vithal.gaware@kotak.com
Website: www.kotak.com
Contact person: Vithal Gaware

Contact Person: Arunkumar Pandey

Grading of the Offer

No credit rating agency registered with the SEBI has been appointed in respect of obtaining grading for the Offer.

Appraising Entity

As the Offer is an offer for sale of Equity Shares, our Company will not receive any proceeds from the Offer. Accordingly, no appraising entity has been appointed in relation to the Offer.

Monitoring Agency

As the Offer is an offer for sale of Equity Shares, our Company is not required to appoint a monitoring agency for this Offer.

Credit Rating

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

Debenture Trustee

As this is an Offer of Equity Shares, no debenture trustee has been appointed for the Offer.

Green Shoe Option

No green shoe option is contemplated under the Offer.

Filing of Offer Documents

A copy of the Draft Red Herring Prospectus was uploaded on the SEBI Intermediary Portal at <https://siportal.sebi.gov.in>, in accordance with the erstwhile SEBI master circular bearing reference SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023 and the SEBI ICDR Regulations. It was also filed with the Securities and Exchange Board of India at:

Securities and Exchange Board of India

Corporation Finance Department Division of Issues and Listing
SEBI Bhavan, Plot No. C4 A, 'G' Block
Bandra Kurla Complex, Bandra (E)
Mumbai 400 051, Maharashtra, India

A copy of this Red Herring Prospectus, along with the material contracts and documents required to be filed under Section 32 of the Companies Act is being filed with the RoC and a copy of the Prospectus to be filed under Section 26 of the Companies Act, 2013 will be filed with the RoC at its office and through the electronic portal at <https://www.mca.gov.in/mcafoportal/login.do>. For the details of the address, see “- *The Registrar of Companies*” on page 118.

Book Building Process

Book Building Process, in the context of the Offer, refers to the process of collection of Bids from Bidders on the basis of this Red Herring Prospectus and the Bid cum Application Forms and the Revision Forms within the Price Band. The Offer Price, Price Band, Employee Discount (if any) and minimum Bid Lot will be decided by our Company, in consultation with the BRLMs, and advertised in all editions of Financial Express (a widely circulated English national daily newspaper), Jansatta (a widely circulated Hindi national daily newspaper) and Mumbai edition of Navshakti (a widely circulated Marathi daily newspaper, Marathi being the regional language of Maharashtra, where our Registered Office is located), at least two Working Days prior to the Bid/Offer Opening Date and shall be made available to BSE for the purposes of uploading on the website. Pursuant to the Book Building Process, the Offer Price shall be determined by our Company in consultation with the BRLMs, after the Bid/Offer Closing Date.

All Bidders, other than Anchor Investors, shall only participate in the offer through the ASBA process by providing the details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by the SCSBs or Sponsor bank, as the case may be. Anchor Investors are not permitted to participate in the Offer through the ASBA process. In addition to this, the UPI Bidders may participate through the ASBA process by providing the details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by the SCSBs or using the UPI Mechanism.

In accordance with the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are not permitted to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Retail Individual Investors Bidding in the Retail Portion and Eligible Employee Bidding in the Employee Reservation Portion can revise their Bids during the Bid/ Offer Period and withdraw their Bids until the Bid/ Offer Closing Date. Further, Anchor Investors are not allowed to withdraw their Bids after the Anchor Investor Bidding Date. Allocation to QIBs (other than Anchor Investors) and Non-Institutional Investors will be on a proportionate basis while allocation to Anchor Investors will be on a discretionary basis. Pursuant to SEBI circular no. (SEBI/HO/CFD/DIL2/CIR/P/2022/45) dated April 5, 2022, all individual investors applying in initial public offerings whose application amount is up to ₹ 0.50 million shall use UPI Mechanism. Eligible Employees Bidding under the Employee Reservation Portion for ₹ [●] million and individual investors Bidding under the Non-Institutional Portion Bidding for more than ₹ 0.20 million and up to ₹ 0.50 million, using the UPI Mechanism, shall provide their UPI ID in the Bid-cum-Application Form for Bidding through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

Our Company will comply with the SEBI ICDR Regulations and any other directions issued by SEBI in relation to this Offer. In this regard, our Company have appointed the BRLMs and M- BRLM to manage this Offer and procure Bids for this Offer.

The Book Building Process is in accordance with guidelines, rules and regulations prescribed by SEBI and are subject to change from time to time. Bidders are advised to make their own judgement about investment through the aforesaid processes prior to submitting a Bid in the Offer.

Bidders should note that the Offer is also subject to (i) filing of the Prospectus with the RoC; and (ii) obtaining final listing and trading approval from the BSE, which our Company shall apply for after Allotment or such other time period as prescribed under applicable law.

Each Bidder, by submitting a Bid in the Offer, will be deemed to have acknowledge the above restrictions and the terms of the Offer.

In terms of SEBI D&P Regulations, all shareholders are required to ensure compliance with the provisions of the SEBI D&P Regulations, including the fit and proper criteria. Accordingly, a declaration in the Bid cum Application Form stating that the applicant is fit and proper in terms of Regulation 22 and 23 of the SEBI D&P Regulations, will be included.

For further details on the method and procedure for Bidding, see “*Offer Procedure*” on page 432.

Underwriting Agreement

After the determination of the Offer Price and allocation of Equity Shares but prior to the filing of the Prospectus with the RoC, our Company and the Selling Shareholders intend to enter into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through the Offer. The extent of underwriting obligations and the Bids to be underwritten by each BRLM shall be as per the Underwriting Agreement. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters will be several and will be subject to certain conditions to closing, as specified therein. M- BRLM will not act as an Underwriter in respect of the Equity Shares being offered in the Offer for Sale by HDFC Bank Limited (SS).

The Underwriting Agreement is dated [●]. The Underwriters have indicated their intention to underwrite the following number of Equity Shares:

(The Underwriting Agreement has not been executed as on the date of this Red Herring Prospectus. This portion has been intentionally left blank and will be filled in before filing of the Prospectus with the RoC)

(in ₹ million)

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

The abovementioned underwriting commitment is indicative and will be finalized after determination of the Offer Price and Basis of Allotment and will be subject to the provisions of the SEBI ICDR Regulations.

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

Allocation among the Underwriters may not necessarily be in proportion to their underwriting commitment set forth in the table above. Notwithstanding the above table, the Underwriters shall be severally responsible for ensuring payment with respect to the Equity Shares allocated to investors respectively procured by them, in accordance with the Underwriting Agreement.

CAPITAL STRUCTURE

The share capital of our Company, as on the date of this Red Herring Prospectus, is set forth below:

(in ₹, except share data)

		Aggregate value at face value	Aggregate value at Offer Price ⁽¹⁾
A	AUTHORIZED SHARE CAPITAL⁽²⁾		
	500,000,000 Equity Shares of face value of ₹ 2 each	1,000,000,000	--
B	ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE AND AFTER THE OFFER		
	200,000,000 Equity Shares of face value of ₹ 2 each	400,000,000	-
C	THE OFFER		
	Offer for Sale of up to 50,145,001 Equity Shares of face value of ₹ 2 each aggregating to ₹ [●] million ⁽³⁾⁽⁴⁾	100,290,002	[●]
	<i>Which includes:</i>		
	Employee Reservation Portion of up to 85,000 Equity Shares of face value of ₹ 2 each aggregating to ₹ [●] million ⁽⁵⁾	[●]	[●]
	Net Offer of up to 50,060,001 Equity Shares aggregating to ₹ [●] million	[●]	[●]
D	SECURITIES PREMIUM ACCOUNT		
	Before the Offer		Nil
	After the Offer		Nil

⁽¹⁾ To be updated upon finalization of the Offer Price.

⁽²⁾ For details in relation to change in the authorised share capital of our Company, see "History and Certain Corporate Matters- Amendments to our Memorandum of Association" on page 251.

⁽³⁾ The Offer has been authorized by the Board pursuant to the resolution passed at its meeting dated June 27, 2023. Further, the IPO Committee has taken on record the approval for the Offer for Sale by the Selling Shareholders pursuant to its resolutions dated July 7, 2023 and May 17, 2025.

⁽⁴⁾ Each of the Selling Shareholders, severally and not jointly, confirm that their respective portion of the Offered Shares are eligible for being offered for sale in the Offer in terms of the SEBI ICDR Regulations. Further, the Selling Shareholders have, severally and not jointly, confirmed and authorized their participation in the Offer for Sale. For further details, see "The Offer" and "Other Regulatory and Statutory Disclosures" on pages 112 and 400, respectively.

⁽⁵⁾ Our Company in consultation with the BRLMs, may offer an Employee Discount of up to [●]% to the Offer Price (equivalent to [●] per Equity Share), which shall be announced at least two Working Days prior to the Bid/Offer Opening Date.

Notes to the Capital Structure

1. *Equity share capital history of our Company*

(a) The following table sets forth the history of the equity share capital of our Company:

Date of allotment / cancellation	Reason/nature of allotment / cancellation	Number of equity shares allotted / cancelled	Cumulative number of equity shares	Face value per equity share (₹)	Issue price per equity share (₹)	Form of consideration	Details of allottees
April 27, 2012	Initial subscription to the MOA*	50,000	50,000	10	10	Cash	49,940 equity shares were allotted to Protean eGov Technologies Limited, 10 equity shares were allotted to Gagan Rai**, 10 equity shares were allotted to Rajesh Doshi**, 10 equity shares were allotted to Jayesh Sule**, 10 equity shares were allotted to S. Ganesh**, 10 equity shares were allotted to Samar Banwat** and 10 equity shares were allotted to Prashant Vagal**
January 4, 2013	Further issue pursuant to the Scheme of Arrangement	40,000,000	40,050,000	10	N.A.	Other than cash	12,000,000 equity shares allotted to IDBI Bank Limited, 10,018,000 equity shares allotted to National Stock Exchange of India Limited, 2,732,000 equity shares allotted to Administrator of the Specified Undertaking of the Unit Trust of India, 2,000,000 equity shares allotted to State Bank of India, 1,250,000 equity shares allotted to Oriental Bank of Commerce, 1,125,000 equity shares allotted to Union Bank of India, 625,000 equity shares allotted to Dena Bank, 500,000 equity shares allotted to Canara Bank, 2,000,000 equity shares allotted to HDFC Bank Limited, 2,000,000 equity shares allotted to Axis Bank Limited, 1,250,000 equity shares allotted to Citibank N.A., 1,250,000 equity shares allotted to The Hongkong and Shanghai Banking Corporation Limited, 2,000,000 equity shares allotted to Deutsche Bank A.G., and 1,250,000 equity shares allotted to Standard Chartered Bank
January 16, 2013	Cancellation pursuant to the Scheme of Arrangement	(50,000)	40,000,000	10	N.A.	N.A.	49,940 equity shares held by Protean eGov Technologies Limited, 10 equity shares held by Gagan Rai**, 10 equity shares held by Rajesh Doshi**, 10 equity shares held by Jayesh Sule**, 10 equity shares held by S. Ganesh**, 10 equity

Date of allotment / cancellation	Reason/nature of allotment / cancellation	Number of equity shares allotted / cancelled	Cumulative number of equity shares	Face value per equity share (₹)	Issue price per equity share (₹)	Form of consideration	Details of allottees
							shares held by Samar Banwat** and 10 equity shares held by Prashant Vagal**, were cancelled
Pursuant to a resolution of the Board dated February 27, 2023 and a resolution of our Shareholders dated March 10, 2023, each equity share of our Company of face value of ₹ 10 each was sub-divided into 5 Equity Shares of face value of ₹ 2 each. Accordingly, the issued, subscribed and paid-up equity share capital of our Company was sub-divided from ₹ 400 million divided into 40,000,000 equity shares of face value of ₹ 10 each to ₹ 400 million divided into 200,000,000 Equity Shares of face value of ₹ 2 each.							

* Our Company was incorporated on April 27, 2012. The date of subscription to the Memorandum of Association is April 25, 2012 and the allotment of equity shares pursuant to such subscription was taken on record by our Board on April 27, 2012.

** As nominees of Protean eGov Technologies Limited

For further details on the Scheme of Arrangement, see “History and Certain Corporate Matters – Other disclosures - Scheme of Arrangement” on page 258.

2. Preference share capital history of our Company

Our Company does not have any outstanding preference shares as on the date of this Red Herring Prospectus.

3. Equity shares issued for consideration other than cash or out of revaluation reserves

Except as disclosed below, our Company has not issued equity shares for consideration other than cash:

Date of allotment	Reason/nature of allotment	Number of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Details of allottees	Benefits accrued to our Company
January 4, 2013	Further issue pursuant to the Scheme of Arrangement*	40,000,000	10	N.A	12,000,000 equity shares allotted to IDBI Bank Limited, 10,018,000 equity shares allotted to National Stock Exchange of India Limited, 2,732,000 equity shares allotted to Administrator of the Specified Undertaking of the Unit Trust of India, 2,000,000 equity shares allotted to State Bank of India, 1,250,000 equity shares allotted to Oriental Bank of Commerce, 1,125,000 equity shares allotted to Union Bank of India, 625,000 equity shares allotted to Dena Bank, 500,000 equity shares allotted to Canara Bank, 2,000,000 equity shares allotted to HDFC Bank Limited, 2,000,000 equity shares allotted to Axis Bank Limited, 1,250,000 equity shares allotted to Citibank N.A., 1,250,000 equity shares allotted to The Hongkong and Shanghai Banking Corporation Limited, 2,000,000 equity shares allotted to Deutsche Bank A.G., and 1,250,000 equity shares allotted to Standard Chartered Bank	The Scheme of Arrangement was undertaken pursuant to the requirement under Regulation 7(c) of the SEBI Depositories Regulations and there were no benefits accrued to our Company.

* For further information on the Scheme of Arrangement, see “History and Certain Corporate Matters – Other disclosures - Scheme of Arrangement” on page 258.

Further, our Company has not issued any equity shares out of revaluation reserves since incorporation.

4. ***Details of acquisition of Equity Shares of our Company through secondary transactions***

Except as disclosed below, there has been no acquisition of Equity Shares through secondary transactions by any Selling Shareholder, as on the date of this Red Herring Prospectus:

Date of transfer	Name of the transferor	No of securities	Face value (in ₹)	Nature of consideration	Transfer price per security (in ₹)
December 28, 2018	HDFC Bank Limited	1,979,900	10	Cash	825

5. ***Issue of equity shares under employee stock option schemes***

Our Company does not have any employee stock option scheme as on the date of this Red Herring Prospectus.

6. ***Issue of shares pursuant to any scheme approved under Sections 230 to 234 of the Companies Act, 2013***

Except for the allotment of 40,000,000 equity shares of face value of ₹10 each on January 4, 2013 pursuant to the Scheme of Arrangement, details of which are set forth in “- Notes to the Capital Structure – Equity Share capital history of our Company” on page 130, our Company has not allotted any equity shares or preference shares pursuant to any scheme approved under Sections 230 to 234 of the Companies Act, 2013. For further details in relation to the Scheme of Arrangement, see “History and Certain Corporate Matters - Other disclosures - Scheme of Arrangement” on page 258.

7. ***Equity Shares issued in the preceding one year below the Offer Price***

Our Company has not issued any Equity Shares at a price which may be lower than the Offer Price, during the period of one year preceding the date of this Red Herring Prospectus.

8. Shareholding Pattern of our Company

The table below presents the shareholding pattern of our Company as on the date of this Red Herring Prospectus.

Category (I)	Category of shareholder (II)	Number of shareholders (III)	Number of fully paid up Equity Shares held (IV)	Number of Partly paid-up Equity Shares held (V)	Number of shares underlying Depository Receipts (VI)	Total number of shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total number of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				Number of Equity shares underlying outstanding convertible securities (including warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in Equity Shares (XII)		Number of Equity Shares pledged or otherwise encumbered (XIII)		Number of Equity Shares held in dematerialised form (XIV)
								Number of Voting Rights			Total as a % of (A+B+ C)			Num ber (a)	As a % of total Shar es held (b)	Number (a)	As a % of total Shares held (b)	
								Class eg: Equity Shares	Class eg: Others	Total								
(A)	Promoter and Promoter Group	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(B)	Public	34,802	200,000,000	-	-	200,000,000	100.00	200,000,000	-	200,000,000	100.00	-	100.00	-	-	-	0.00	200,000,000
(C)	Non Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	34,802	200,000,000	-	-	200,000,000	100.00	200,000,000	-	200,000,000	100.00	-	100.00	-	-	-	0.00	200,000,000

Note: The total number of Shareholders has been computed based on the beneficiary position statement dated July 22, 2025.

9. **Other details of Shareholding of our Company**

- (a) As on the date of the filing of this Red Herring Prospectus, our Company has 34,802 holders of Equity Shares.
- (b) Set forth below is a list of Shareholders, holding 1% or more of the paid-up Equity Share capital of our Company (comprising at least 80% of the paid-up Equity Share capital) as on the date of filing of this Red Herring Prospectus:

Sr. No.	Name of the Shareholder	Number of Equity Shares of face value of ₹ 2 each held	Percentage of the Equity Share capital (%)
1.	IDBI Bank Limited	52,200,000	26.10%
2.	National Stock Exchange of India Limited	48,000,000	24.00%
3.	HDFC Bank Limited (SS)	15,909,500	7.95%
4.	Administrator of the Specified Undertaking of the Unit Trust of India	13,660,000	6.83%
5.	Deutsche Bank A.G.	10,000,000	5.00%
6.	State Bank of India	10,000,000	5.00%
7.	Citibank N.A.	6,250,000	3.13%
8.	The Hongkong and Shanghai Banking Corporation Limited	6,250,000	3.13%
9.	Union Bank of India	5,625,000	2.81%
10.	Canara Bank	4,590,000	2.30%
	Total	172,484,500	86.24%

Note: The information above has been computed based on the beneficiary position statement dated July 22, 2025.

- (c) Set forth below is a list of Shareholders, holding 1% or more of the paid-up Equity Share capital of our Company (comprising at least 80% of the paid-up Equity Share capital) as of 10 days prior to filing this Red Herring Prospectus:

Sr. No.	Name of the Shareholder	Number of Equity Shares of face value of ₹ 2 each held	Percentage of the Equity Share capital (%)
1.	IDBI Bank Limited	52,200,000	26.10%
2.	National Stock Exchange of India Limited	48,000,000	24.00%
3.	HDFC Bank Limited (SS)	15,909,500	7.95%
4.	Administrator of the Specified Undertaking of the Unit Trust of India	13,660,000	6.83%
5.	Deutsche Bank A.G.	10,000,000	5.00%
6.	State Bank of India	10,000,000	5.00%
7.	Citibank N.A.	6,250,000	3.13%
8.	The Hongkong and Shanghai Banking Corporation Limited	6,250,000	3.13%
9.	Union Bank of India	5,625,000	2.81%
10.	Canara Bank	4,590,000	2.30%
	Total	172,484,500	86.24%

Note: July 13, 2025 and July 12, 2025 being non-working days, the information above has been computed based on the beneficiary position statement as available on July 11, 2025.

- (d) Set forth below is a list of Shareholders, holding 1% or more of the paid-up Equity Share capital of our Company (comprising at least 80% of the paid-up Equity Share Capital) as of one year prior to filing this Red Herring Prospectus:

Sr. No.	Name of the Shareholder	Number of Equity Shares of face value of ₹ 2 each held	Percentage of the Equity Share Capital (%)
1.	IDBI Bank Limited	52,200,000	26.10%
2.	National Stock Exchange of India Limited	48,000,000	24.00%
3.	HDFC Bank Limited (SS)	17,899,500	8.95%
4.	Administrator of the Specified Undertaking of the Unit Trust of India	13,660,000	6.83%
5.	State Bank of India	10,000,000	5.00%
6.	Deutsche Bank A.G.	10,000,000	5.00%
7.	Citibank N.A.	6,250,000	3.13%
8.	The Hongkong and Shanghai Banking Corporation Limited	6,250,000	3.13%
9.	Standard Chartered Bank	6,250,000	3.13%
10.	Kotak Mahindra Life Insurance Company Limited	5,940,000	2.97%
11.	Union Bank of India	5,625,000	2.81%
12.	Canara Bank	4,590,000	2.30%
	Total	186,664,500	93.33%

Note: The information above has been computed based on the beneficiary position statement dated July 23, 2024.

- (e) Set forth below is a list of Shareholders, holding 1% or more of the paid-up Equity Share capital of our Company (comprising at least 80% of the paid-up Equity Share Capital) as of two years prior to filing this Red Herring Prospectus:

Sr. No.	Name of the Shareholder	Number of Equity Shares of face value of ₹ 2 each held	Percentage of the Equity Share capital (%)
1.	IDBI Bank Limited	52,200,000	26.10%
2.	National Stock Exchange of India Limited	48,000,000	24.00%
3.	HDFC Bank Limited (SS)	17,899,500	8.95%
4.	Administrator of the Specified Undertaking of the Unit Trust of India	13,660,000	6.83%
5.	State Bank of India	10,000,000	5.00%
6.	Deutsche Bank A.G.	10,000,000	5.00%
7.	Citibank N.A.	6,250,000	3.13%
8.	The Hongkong and Shanghai Banking Corporation Limited	6,250,000	3.13%
9.	Standard Chartered Bank	6,250,000	3.13%
10.	Kotak Mahindra Life Insurance Company Limited	5,940,000	2.97%
11.	Union Bank of India	5,625,000	2.81%
12.	Canara Bank	4,590,000	2.30%
	Total	186,664,500	93.33%

Note: July 23, 2023 and July 22, 2025 being non-working days, the information above has been computed based on the beneficiary position statement as available on July 21, 2023.

10. Our Company presently does not intend or propose and is not under negotiations or considerations to alter its capital structure for a period of six months from the Bid/Offer Opening Date, by way of split or consolidation of the denomination of Equity Shares, or by way of further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly for Equity Shares), whether on a preferential basis, or by way of issue of bonus Equity Shares, or on a rights basis, or by way of further public issue of Equity Shares, or otherwise.
11. There are no outstanding options or convertible securities, including any outstanding warrants or rights to convert debentures, loans or other instruments convertible into, or which would entitle any person any option to receive, our Equity Shares as on the date of this Red Herring Prospectus.
12. ***History of build-up of our promoter's shareholding and lock-in of promoter's shareholding in our Company***

Our Company is a professionally managed company and does not have any identifiable promoter in terms of the SEBI ICDR Regulations and the Companies Act, 2013. Accordingly, in terms of the proviso to Regulation 14(1) of the SEBI ICDR Regulations, there is no requirement of minimum promoter's contribution in this Offer and accordingly, none of the Equity Shares shall be locked-in as part of promoter's contribution pursuant to the Offer.

13. *Details of Equity Shares locked-in for six months*

The entire pre-Offer Equity Share capital of our Company, shall be locked-in for a period of six months from the date of Allotment or such other period as may be prescribed under the SEBI ICDR Regulations, including any unsubscribed portion of the Offer for Sale by the Selling Shareholders, in accordance with Regulations 17 of the SEBI ICDR Regulations, except for the Equity Shares transferred pursuant to the Offer. Such Equity Shares, in terms of Regulation 22 of the SEBI ICDR Regulations, may be transferred to any other person holding the Equity Shares which are locked-in, subject to continuation of the lock-in in the hands of transferees for the remaining period and compliance with the SEBI Takeover Regulations. Further, the lock-in requirements are not applicable for Equity Shares held by a venture capital fund (“VCF”) or alternative investment fund of category I or category II (“AIF”) or a foreign venture capital investor (“FVCI”), provided that such Equity Shares shall be locked in for a period of at least six months from the date of purchase by such shareholders.

14. *Lock-in of Equity Shares Allotted to Anchor Investors*

50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 90 days from the date of Allotment and the remaining 50% shall be locked-in for a period of 30 days from the date of Allotment.

15. Our Company, the Directors, the BRLMs or M- BRLM have no existing buyback arrangements and or any other similar arrangements for the purchase of Equity Shares.
16. Our Directors or their relatives have not purchased or sold any securities of our Company during the period of six months immediately preceding the date of filing of this Red Herring Prospectus.
17. There will be no further issue of Equity Shares whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from filing of this Red Herring Prospectus with SEBI until the Equity Shares are listed on the BSE or all application monies have been refunded, as the case may be.
18. There have been no financing arrangements whereby our Directors or their relatives have financed the purchase by any other person of securities of our Company during a period of six months immediately preceding the date of this Red Herring Prospectus.
19. All Equity Shares issued pursuant to the Offer shall be fully paid-up at the time of Allotment and there are no partly paid-up Equity Shares as on the date of this Red Herring Prospectus.
20. As on the date of this Red Herring Prospectus, our Company does not have a stock appreciation rights scheme.
21. All issuances of Equity Shares by our Company from the date of incorporation of our Company till the date of filing of this Red Herring Prospectus have been made in compliance with Companies Act 2013. The Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of this Red Herring Prospectus.
22. No person connected with the Offer, including our Company, the BRLMs, the Member of the Syndicate, or our Directors, shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Bidder for making Bid, except for fees or commission for services rendered in relation to the Offer.
23. None of the BRLMs or any associate of the BRLMs (other than mutual funds sponsored by entities which are associates of the BRLMs or insurance companies promoted by entities which are associates of the BRLMs or AIFs sponsored by entities which are associates of the BRLMs or FPIs (other than individuals, corporate bodies and family offices) sponsored by entities which are associates of the BRLMs) can apply under the Anchor Investor Portion.

24. Except as disclosed in the table below, the BRLMs, M- BRLM and their respective associates (as defined in the SEBI Merchant Bankers Regulations, 1992) do not hold any Equity Shares as on the date of this Red Herring Prospectus.

Sr. No.	Name of the BRLM / associate of the BRLM	Number of Equity Shares of face value of ₹ 2 each	Percentage of the total Equity Share capital (%)
1.	IDBI Bank Limited	52,200,000	26.10
2.	State Bank of India	10,000,000	5.00
3.	HDFC Bank Limited	15,909,500	7.95

SECTION IV – PARTICULARS OF THE OFFER

OBJECTS OF THE OFFER

The objects of the Offer are to (i) carry out the Offer for Sale of up to 50,145,001 Equity Shares of face value of ₹ 2 each aggregating to ₹ [●] million by the Selling Shareholders; and (ii) achieve the benefits of listing the Equity Shares on BSE. Further, our Company expects that the proposed listing of its Equity Shares will enhance our visibility and brand image as well as provide a public market for the Equity Shares in India.

Utilisation of the Offer Proceeds

Our Company will not receive any proceeds from the Offer (“**Offer Proceeds**”) and all such proceeds (net of any Offer related expenses to be borne by the Selling Shareholders) will go to the Selling Shareholders, in proportion to the Offered Shares sold by the respective Selling Shareholder as part of the Offer. For details of the Selling Shareholders and the number of Equity Shares offered by the Selling Shareholders in the Offer see “*The Offer*” and “*Other Regulatory and Statutory Disclosures*” on pages 112 and 400.

Offer related expenses

The Offer expenses are estimated to be approximately ₹ [●] million. The Offer expenses comprise, amongst others, the listing fee, underwriting fee, fees payable to the Book Running Lead Managers, M- BRLM, legal advisors, Registrar to the Offer, Escrow Collection Banks, processing fee to the SCSBs for processing ASBA Forms submitted by ASBA Bidders procured by the Syndicate and submitted to SCSBs, brokerage and selling commission payable to members of the Syndicate Registered Brokers, CRTAs and CDPs, fees payable to the Sponsor Banks for Bids made by UPI Bidders using UPI mechanism, printing and stationery expenses, advertising and marketing expenses, auditor’s fee and all other incidental expenses for listing the Equity Shares on the BSE.

Other than (i) the listing fees, audit fees of auditors (to the extent not attributable to the Offer), and expenses in relation to product or corporate advertisements, i.e., any corporate advertisements consistent with past practices of our Company (other than the expenses relating to marketing and advertisements undertaken in connection with the Offer) which shall be solely borne by our Company; and (ii) fees for counsel to the Selling Shareholders, if any, which shall be solely borne by the respective Selling Shareholders, the Selling Shareholders agree to share the costs and expenses (including all applicable taxes except securities transaction tax (“**STT**”) which shall be solely borne by the respective Selling Shareholder) directly attributable to the Offer, in proportion to their respective portion of the Offered Shares, upon completion of the Offer, i.e., the listing and commencement of trading of the Equity Shares on BSE pursuant to the Offer in accordance with applicable law. However, expenses relating to the Offer may be paid by our Company on behalf of the Selling Shareholders in the first instance and the Selling Shareholders agree that upon meeting set milestones, i.e., filing of the Draft Red Herring Prospectus, filing of this Red Herring Prospectus, receipt of listing and trading approval from BSE Limited pursuant to the Offer, each Selling Shareholder shall reimburse our Company for any expenses in relation to the Offer, paid by our Company on behalf of such Selling Shareholder as at such respective milestones, in proportion of their respective portion of the Offered Shares. In the event there is any residual amount due from any Selling Shareholder, for expenses incurred by our Company, such balance amount payable by such Selling Shareholder shall be deducted from their respective portion of the proceeds from the Offer for Sale directly from the Public Offer Account, in a manner described in the Cash Escrow and Sponsor Bank Agreement.

The expenses directly attributable to the portion with regard to Offer for Sale shall be borne by the Selling Shareholder and the estimated expenses will be deducted from the Offer proceeds, as appropriate, and only the remaining amount will be paid to the Selling Shareholder, in accordance with Section 28(3) of the Companies Act.

In the event that the Offer is withdrawn, abandoned, postponed or declared unsuccessful or the listing and trading approvals from the Stock Exchanges are not received, for any reason whatsoever, all costs and expenses (including all applicable taxes) with respect to the Offer (“**Expenses**”), shall be borne by the Selling Shareholders on a proportionate basis, which may have accrued up to the date of such withdrawal, abandonment or failure. In such an event, the BRLMs and legal counsel shall be entitled to receive fees and reimbursement for expenses which may have accrued to it up to the date of such postponement, withdrawal, abandonment or failure as set out in their respective engagement letters. Provided that, in the event any Selling Shareholder withdraws or abandons the Offer in respect of such Selling Shareholder at any stage prior to the completion of Offer, it shall reimburse to the Company all Expenses on a proportionate basis, up to the date of such withdrawal, abandonment or termination

by or with respect to such Selling Shareholder. Provided further that, if as a result of any or all Selling Shareholders withdrawing from the Offer, the aggregate Offer for Sale size changes by more than 50% from as disclosed in the DRHP, then the relevant Selling Shareholder(s) withdrawing from the Offer will bear the Expenses on a proportionate basis. It is hereby clarified that with respect to the respective Selling Shareholder, “proportionate basis” shall be calculated as a fraction with the numerator being the total number of Offered Shares transferred by the respective Selling Shareholder in the Offer and the denominator being the total Equity Shares Allotted in the Offer.

The break-up for the Offer expenses is as follows:

Activity	Estimated expenses ⁽¹⁾ (in ₹ million)	As a % of total estimated Offer expenses ⁽¹⁾	As a % of the total Offer size ⁽¹⁾
Book Running Lead Managers fees and commissions (including any underwriting commission, brokerage and selling commission)	[•]	[•]	[•]
Commission/processing fee for SCSBs, Sponsor Bank and Bankers to the Offer. Brokerage and selling commission and bidding charges for Members of the Syndicate, Registered Brokers, CRTAs and CDPs ⁽²⁾ (3)(4)	[•]	[•]	[•]
Fees payable to Registrar to the Offer	[•]	[•]	[•]
Others			
(a) regulatory filing fees, including SEBI and BSE fees, book building software fees, listing fees and other regulatory expenses.	[•]	[•]	[•]
(b) printing and distribution of issue stationery	[•]	[•]	[•]
(c) fee payable to legal advisors	[•]	[•]	[•]
(d) advertising and marketing expenses	[•]	[•]	[•]
(e) other advisors to the Offer such as Statutory Auditors, independent chartered accountant and CRISIL to provide an industry report exclusively in connection with the Offer.	[•]	[•]	[•]
(f) miscellaneous	[•]	[•]	[•]
Total estimated Offer expenses	[•]	[•]	[•]

⁽¹⁾ Offer expenses include applicable taxes, where applicable. Offer expenses will be incorporated at the time of filing of the Prospectus. Offer expenses are estimates and are subject to change.

⁽²⁾ Selling commission payable to the SCSBs on the portion for RIIs, Eligible Employees, and NIIs which are directly procured by the SCSBs, would be as follows:

Portion for RIIs	0.30% of the Amount Allotted* (plus applicable taxes)
Portion for Eligible Employees	0.15% of the Amount Allotted* (plus applicable taxes)
Portion for Non-Institutional Investors	0.15% of the Amount Allotted* (plus applicable taxes)

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

Selling Commission payable to the SCSBs will be determined on the basis of the bidding terminal id as captured in the Bid Book of BSE. No processing fees shall be payable by the Company and the Selling Shareholders to the SCSBs on the applications directly procured by them.

Processing fees payable to the SCSBs for capturing Syndicate Member/Sub-syndicate (Broker)/Sub-broker code on the ASBA Form for NIIs and Qualified Institutional Bidders with bids above ₹ 0.50 million would be ₹ 10 plus applicable taxes, per valid application subject to a maximum cap of ₹ 2.00 million. In case the total uploading charges/processing fees payable exceeds ₹ 2.00 million, then the amount payable to SCSBs would be proportionately distributed based on the number of valid applications such that the total uploading charges / processing fees payable does not exceed ₹ 2.00 million.

⁽³⁾ Brokerage, selling commission and processing/uploading charges on the portion for RIIs (using the UPI mechanism), Eligible Employee Bidders, and NIIs which are procured by members of the Syndicate (including their sub-Syndicate Members), RTAs and CDPs or for using 3-in-1 type accounts- linked online trading, demat & bank account provided by some of the brokers which are members of Syndicate (including their sub-Syndicate Members) would be as follows:

Portion for RIIs	0.30% of the Amount Allotted* (plus applicable taxes)
Portion for Eligible Employees	0.15% of the Amount Allotted* (plus applicable taxes)
Portion for Non-Institutional Investors	0.15% of the Amount Allotted* (plus applicable taxes)

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

The Selling commission payable to the Syndicate / sub-Syndicate Members (RII up to ₹ 0.20 million), and NII (from ₹ 0.20 - ₹ 0.50 million) will be determined on the basis of the application form number / series, provided that the application is also bid by the respective Syndicate / sub-Syndicate Members. For clarification, if a Syndicate ASBA application on the application form number / series of a Syndicate / sub-Syndicate Members, is bid by an SCSB, the Selling Commission will be payable to the SCSB and not the Syndicate / sub-Syndicate Members.

For NIIs (above ₹ 0.50 million), Syndicate ASBA Form bearing SM Code & Sub-Syndicate Code of the application form submitted to SCSBs for Blocking of the Fund and uploading on the Exchanges platform by SCSBs. For clarification, if a Syndicate ASBA application on the application form number / series of a Syndicate / Sub-Syndicate Member, is bid by an SCSB, the Selling Commission will be payable to the Syndicate / Sub Syndicate members and not the SCSB.

Uploading Charges payable to members of the Syndicate (including their sub-Syndicate Members), RTAs and CDPs on the applications made by RIIs, Eligible Employee Bidders using 3-in-1 accounts/Syndicate ASBA mechanism and NIIs which are procured by them and submitted to SCSB for blocking or using 3-in-1 accounts/Syndicate ASBA mechanism, would be as follows: ₹ 10 plus applicable taxes, per valid application bid by the Syndicate (including their sub-Syndicate Members), RTAs and CDPs.

Bidding charges/ Processing Charges payable on the application made using 3-in-1 accounts will be subject to a maximum cap of ₹ 2.50 million (plus applicable taxes), in case if the total Bidding charges /processing Charges exceeds ₹ 2.50 million (plus applicable taxes) then it will be paid on pro-rata basis for portion of (i) RII's (ii) NII's (iii) Eligible Employee, as applicable.

The selling commission and bidding charges payable to Registered Brokers, the RTAs and CDPs will be determined on the basis of the bidding terminal id as captured in the Bid Book of BSE or NSE.

Selling commission/ uploading charges payable to the Registered Brokers on the portion for RIIs, Eligible Employee Bidders, and NIIs which are directly procured by the Registered Broker and submitted to SCSB for processing, would be as follows:

Portion for RIIs*	₹ 10 per valid application (plus applicable taxes)
Portion for Eligible Employees*	₹ 10 per valid application (plus applicable taxes)
Portion for Non-Institutional Investors*	₹ 10 per valid application (plus applicable taxes)

* Based on valid applications

- (4) Uploading charges/ processing fees for applications made by RIIs using the UPI Mechanism (up to ₹ 0.20 million) and NIIs (from ₹ 0.20 - ₹ 0.50 million) would be as under:

Members of the Syndicate / CRTAs / CDPs	₹ 30 per valid application (plus applicable taxes) subject to a maximum cap of ₹ 20.00 million (plus applicable taxes)
ICICI Bank Limited	NIL per application. The Sponsor Bank shall be responsible for making payments to the third parties such as remitter bank, NPCI and such other parties as required in connection with the performance of its duties under applicable SEBI circulars, the Syndicate Agreement and other applicable laws
Axis Bank Limited	NIL per application. The Sponsor Bank shall be responsible for making payments to the third parties such as remitter bank, NPCI and such other parties as required in connection with the performance of its duties under applicable SEBI circulars, the Syndicate Agreement and other applicable laws
Kotak Mahindra Bank Limited	NIL per application. The Sponsor Bank shall be responsible for making payments to the third parties such as remitter bank, NPCI and such other parties as required in connection with the performance of its duties under applicable SEBI circulars, the Syndicate Agreement and other applicable laws
HDFC Bank Limited	NIL per application. The Sponsor Bank shall be responsible for making payments to the third parties such as remitter bank, NPCI and such other parties as required in connection with the performance of its duties under applicable SEBI circulars, the Syndicate Agreement and other applicable laws

The total uploading charges / processing fees payable to Members of the Syndicate, RTAs, CDPs, Registered Brokers will be subject to a maximum cap of ₹ 20.00 million (plus applicable taxes). In case the total uploading charges/processing fees payable exceeds ₹ 20.00 million, then the amount payable to Members of the Syndicate, RTAs, CDPs, Registered Brokers would be proportionately distributed based on the number of valid applications such that the total uploading charges / processing fees payable does not exceed ₹ 20.00 million.

All such commissions and processing fees set out above shall be paid as per the timelines in terms of the Syndicate Agreement and Cash Escrow and Sponsor Bank Agreement.

The processing fees for applications made by UPI Bidders using the UPI Mechanism, where made available, may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI RTA Master Circular, in a format as prescribed by SEBI, from time to time and in accordance with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.

Monitoring Utilization of Funds

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

Other Confirmations

Except to the extent of any proceeds received pursuant to the sale of Offered Shares proposed to be sold in the Offer by the Selling Shareholders, there are no material existing or anticipated arrangements whereby any portion of the Offer proceeds will be paid to our Directors, Key Management Personnel, Senior Management or Group Companies.

BASIS FOR OFFER PRICE

The Price Band and Offer Price will be determined by our Company in consultation with the BRLMs, on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process and on the basis of quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹2 each and the Offer Price is [●] times the Floor Price and [●] times the Cap Price of the Price Band. Investors should also see “Risk Factors”, “Our Business”, “Restated Consolidated Financial Information”, “Other Financial Information” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 34, 215, 286, 351 and 354, respectively, to have an informed view before making an investment decision.

Qualitative Factors

Some of the qualitative factors which form the basis for computing the Offer Price are:

- We are India’s first and leading depository and are the largest depository in India in terms of number of issuers, number of active instruments, market share in demat value of settlement volume and value of assets held under custody as of March 31, 2025 (*Source: CRISIL Report*). As the first and leading depository in the country, we introduced the concept of dematerialization of securities, revolutionizing the securities landscape in India (*Source: CRISIL Report*). We were also one of the initial few depositories globally to directly implement dematerialization, bypassing the traditional two-step process of immobilization and subsequent dematerialization (*Source: CRISIL Report*).
- We have a strong focus on technology-led product innovation. We have consistently invested in technology, enabling the development of a state-of-the-art depository system catering to diverse user groups such as depository participants, issuers, registrars, transfer agents, and clearing corporations. In August 2007, we were the first depository to introduce instant messaging alerts (over SMS) to investors (*Source: CRISIL Report*). Our comprehensive suite of value-added services includes Speed-e, which facilitates the electronic submission of depository transactions, STeADY for trade information exchange and institutional client contract notes, and IDeAS, an online platform for convenient access to depository accounts. Our other introductions to the market include the launch of a blockchain based-distributed ledger technology platform for security and covenant monitoring, including the monitoring of asset coverage relating to the issuance of debentures on a real-time basis, the launch of a tax service that addresses the documentation requirements for companies during dividend payments and the launch of our digital commercial paper issuance mechanism in 2021. This platform has received positive response from the industry with numerous issuers and securities onboarded since its launch (*Source: CRISIL Report*). We have also implemented a data processing framework that acts as a centralized repository for multiple datatypes, including master data, transactional data, documentational data, historical data, and archive data. Our strong focus on technology-led product innovation has helped us expand our service capabilities, enhance user experience, and continue to remain relevant in the financial and securities market in India.
- As of March 31, 2025, our IT team comprised 150 full-time employees and 249 contract employees. Our full-time employees are also equipped with industry standard certifications such as CEH (Certified Ethical Hacker), CISA (Certified Information Systems Auditor) and CISSP (Certified Information Systems Security Professional). Further, we also conduct periodic audits of our security and risk management practices to ensure that our operations are not exposed to risks and are in compliance with directives issued by regulatory bodies. Aligned with the regulatory guidelines set forth by SEBI, we have undertaken significant enhancements to our depository systems. These enhancements include the introduction of margin pledge and re-pledge as a new transaction type, validation of market transfers against trade obligations, blocking of client securities, direct pay-out facility, trading supported by block amount in secondary market, and the introduction of e-DIS (electronic delivery instruction slip). Moreover, we have successfully implemented the segregation of client securities by introducing CUSPAs. We have also introduced our Transaction Related Alerts of Demat Account received through SMS (“TRADeS”) facility to provide important updates to our clients about their depository accounts to facilitate risk mitigation and provide value added services. As of March 31, 2025, 37.99 million investors were registered for TRADeS as compared to 34.34 million investors as of March 31, 2024.

- Revenue from annual fees and annual custody fees is considered as a more stable and recurring source of revenue due to its lesser dependence on market cycle compared to revenue from transaction charges (Source: CRISIL Report). Our core depository services provide us with a steady source of recurring revenues and stability to our business model. In addition to our core depository services, we generate recurring revenue from certain other services. Set forth below are the details of our recurring revenue for the Financial Years 2025, 2024 and 2023:

Revenues	Financial Year 2025	Financial Year 2024	Financial Year 2023
	(in ₹ million)		
Recurring revenue from our Depository Business	2,612.72	2,296.56	2,117.78
Recurring revenue*	2,795.14	2,417.95	2,250.26

For the Financial Years 2025, 2024 and 2023, our revenue from custody fees and annual fees charged to depository participants aggregated to 86.98%, 88.18% and 86.52% of our recurring revenues, respectively. For the Financial Years 2025, 2024 and 2023, our revenue from these other services aggregated to 13.02%, 11.82% and 13.48% of our recurring revenues, respectively.

- Our demat account holders benefit from the ability to hold a wide variety of securities within their demat accounts, providing them with a comprehensive investment portfolio. Over the years, our depository participants have witnessed a significant increase in new demat accounts, with a substantial portion of these accounts being held by first-time demat account holders (in terms of PAN) across all our DPs. The table below sets forth the average value of assets held in Demat Accounts with us as compared to the overall, as of March 31, 2025:

Particulars	Holding per Demat Account (in ₹ million)	Holding per Demat Account (held by individuals, including NRIs, and HUFs) (in ₹ million)
Average Value of Assets (held in Demat Accounts with NSDL)	11.77	1.79
Overall market average value of assets	2.78	0.54

Source: CRISIL Report

In addition to the core depository services offered by our Company, we offer various other services through our Subsidiaries, NDML and NPBL.

For further details, see “Our Business – Our Strengths” on page 219.

Quantitative Factors

Some of the information presented below relating to our Company is derived from the Restated Consolidated Financial Information. For further details, see “Restated Consolidated Financial Information” on page 286.

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

Basic and Diluted Earnings per Equity Share (“EPS”):

Period	Basic EPS (in ₹)	Diluted EPS (in ₹)	Weight
Fiscal 2025	17.16	17.16	3
Fiscal 2024	13.77	13.77	2
Fiscal 2023	11.74	11.74	1
Weighted Average	15.13	15.13	

Notes:

- Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. (EPS x Weight) for each year / total of weights
- Basic EPS (₹) = Net profit after tax attributable to owners of the Company, as restated / Weighted average no. of Equity Shares outstanding during the year
- Diluted EPS (₹) = Net Profit after tax attributable to owners of the Company, as restated / Weighted average no. of potential Equity Shares outstanding during the year
- EPS calculations are in accordance with the notified Indian Accounting Standard 33 ‘Earnings per share’.
- The figures disclosed above are based on the Restated Consolidated Financial Information.

Price Earnings ratio (“P/E”) in relation to the Price Band:

Particulars	P/E at the Floor Price (no. of times)*	P/E at the Cap Price (no. of times)*
Based on basic EPS for Fiscal 2025	[●]	[●]
Based on diluted EPS for Fiscal 2025	[●]	[●]

*To be included at Prospectus.

Peer P/E ratio

Based on the peer information (other than the Company) given below, the highest, lowest and the average P/E ratio is 68.04.

Particulars	Industry Peer P/E (no. of times)	Name of the company	Face value of the equity shares (₹)
Highest	68.04	CDSL	10
Lowest	68.04	CDSL	10
Average	68.04	CDSL	10

Notes:

The industry high and low has been considered from the industry peer set provided later in this section. The industry composite has been calculated as the arithmetic average of P/E for industry peer set disclosed below. For further details, see “– Comparison with Listed Industry Peers and Accounting Ratios” on page 144.

Return on Net Worth (“RoNW”), as per the Restated Consolidated Financial Information:

Period ended	RoNW (%)	Weight
Fiscal 2025	17.11	3
Fiscal 2024	16.36	2
Fiscal 2023	16.43	1
Weighted Average	16.75	

Notes:

1. Weighted average RoNW = Aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e. (RoNW x Weight) for each year / Total of weights
2. RoNW (%) = Restated Consolidated Net Profit after tax attributable to owners of the Company and its Subsidiaries / restated net worth at the end of the year.
3. ‘Net worth’ under Ind AS: Net worth has been defined as the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation as on March 31, 2021, March 31, 2022 and March 31, 2023, in accordance with Regulation 2(1)(hh) of the SEBI ICDR Regulations.

Net Asset Value per Equity Share (“NAV”) (face value ₹ 2 each):

NAV	Amount (₹)
As on March 31, 2025	100.27
After completion of the Offer*	At Floor Price: [●] At Cap Price: [●]
At Offer Price*	[●]

*To be included at Prospectus.

Notes:

1. Net Asset Value per Equity Share = Net worth as per the Restated Consolidated Financial Information / Number of equity shares outstanding as at the end of year.
2. ‘Net worth’ under Ind-As: Net worth has been defined as the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation as on March 31, 2023, March 31, 2024 and March 31, 2025 in accordance with Regulation 2(1)(hh) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.

Comparison with listed industry peers and accounting ratios

Name of company	Face value (₹ per equity share)	Closing price as on July 22, 2025	Total income (in ₹ million)	EPS (₹)		NAV per equity share ⁽³⁾ (₹)	P/E Ratio ⁽⁴⁾	RoNW ⁽⁵⁾	Net worth (in ₹ million)	PAT (in ₹ million)
				Basic ⁽¹⁾	Diluted ⁽²⁾					
Our Company*	2	NA	15,351.87	17.16	17.16	100.27	NA	17.11%	20,053.41	3,431.24
Peers										
Central Depository Services (India) Limited	10	1,714.70	11,992.82	25.20	25.20	84.23	68.04	29.90%	17,603.45	5,263.26

*Financial information of the Company has been derived from the Restated Consolidated Financial Information for year ended March 31, 2025.

Source: All the financial information for listed industry peer mentioned above is sourced from the audited consolidated financial results as available for the respective company for the year ended March 31, 2025 submitted to the stock exchanges.

⁽¹⁾ Basic EPS is sourced from the audited consolidated financial results of the peer for the year ended March 31, 2025.

⁽²⁾ Diluted EPS is sourced from the audited consolidated financial results of the peer for the year ended March 31, 2025

⁽³⁾ NAV is computed as the closing net worth divided by the closing outstanding number of equity shares as on March 31, 2025.

⁽⁴⁾ P/E Ratio has been computed based on the closing market price of equity shares on July 22, 2025 on NSE, divided by the Diluted EPS provided under note 2 above.

⁽⁵⁾ RoNW is computed as net profit after tax (including profit attributable to non-controlling interest) divided by closing net worth. Net worth has been computed as sum of paid-up share capital and other equity (including attributable to non-controlling interest).

⁽⁶⁾ Listed peer are as identified by the management of our Company.

⁽⁷⁾ All the financial information for listed peer mentioned above is sourced from the audited consolidated financial results as available for the respective company for the year ended March 31, 2025, submitted to the stock exchanges.

Key Performance and Financial Indicators (“KPIs”)

The KPIs that our Company considers to have a bearing for arriving at the basis for Offer Price have been listed below. These KPIs have been used historically by our Company to understand and analyse the business performance, which in result, help us in analysing the growth of various verticals segments in comparison to our peers. The Bidders can refer to the below-mentioned KPIs, being a combination of financial and operational key financial and operational metrics, to make an assessment of our Company’s performance in various business verticals and make an informed decision.

The KPIs, as disclosed herein, are the only relevant and material KPIs pertaining to our Company which may have a bearing on the Offer Price. The KPIs set forth above, have been approved by the Audit Committee pursuant to its resolution dated July 18, 2025 and the Audit Committee has confirmed that other than the key financial and operational metrics set out below, our Company has not disclosed any other key performance indicators to investors at any point of time during the three years period prior to the date of this Red Herring Prospectus. Further, the KPIs have been verified and certified by, Chartered Accountants, by way of their report dated July 18, 2025, which has been disclosed as part of the ‘Material Contracts and Documents for Inspection’ on page 464.

A list of our KPIs for the Fiscals 2025, 2024 and 2023 is set out below:

- Demat custody value
- Issuers
- Total quantity of securities held in demat
- e-Voting
- Depository Participants
- DP Service Centres
- Demat Accounts (excluding closed accounts)
- Demat Custody Value per demat account
- Consolidated and Standalone Operating Revenue
- Consolidated EBITDA
- Consolidated PAT
- Consolidated Basic and Diluted Earnings per share
- Consolidated Network
- Consolidated and Standalone Operating Profit Margin

- Consolidated and Standalone PAT Margin
- Consolidated and Standalone ROE

Description on the historic use of the KPIs by our Company to analyse, track or monitor the operational and/or financial performance of our Company is below:

Sr. No.	KPIs	Explanation
1	Demat Custody Value (in ₹ billion)	This metric helps in determining the total value of securities held in accounts with our Company. The higher custody value will lead to higher market share and signifies better quality of accounts with our Company.
2	Issuers (Nos)	Increasing number of issuers contributes investors' ability to hold securities of wider number of issuers and aids in increasing revenues through issuer fees and transaction revenues through corporate actions, thereby increasing the overall revenue for the Company.
3	Total quantity of securities held in demat (in billion)	This metric is used by the management to assess the trust of large investors for safekeeping of their securities.
4	e-Voting	This metric is used by the management to assess the trust of Issuers (Corporates) in NSDL systems and e-voting services leading to higher market share.
5	Depository Participants (Nos)	Depository Participants are primary stakeholders as well as driver for the business. This helps in determining the reach of Company's services.
6	DP Service Centres (Nos)	This metric is used by the management to assess the physical presence across different locations within India and reach to service its customers.
7	Demat Accounts (excluding closed accounts) (in million)	This metric is used by the management to assess the trust of individuals and institutions such as, FIIs, FPIs, Corporates and MFs. An increasing number of demat accounts contributes to increasing transaction revenue.
8	Demat Custody Value per Demat Account (in ₹ million)	This metric is used by the management to assess the trust of large investors for safekeeping of their securities leading to higher market share.
9	Consolidated Operating Revenue (in ₹ million)	This metric is used by the management to assess stable revenue base with a significant proportion of recurring revenue on a consolidated level.
10	Standalone Operating Revenue (in ₹ million)	This metric is used by the management to assess stable revenue base with a significant proportion of recurring revenue on a Standalone level.
11	Consolidated EBITDA (₹ million)	This metric helps in determining and assessing the operating performance of the Company.
12	Consolidated PAT (in ₹ million)	This metric helps in determining and assessing the financial performance of the Company.
13	Consolidated Basic and Diluted Earnings per Share	This metric helps in determining and assessing the financial performance of the Company.
14	Consolidated Net worth (₹ million)	This metric is used by the management to assess the total equity of the company.
15	Operating Profit Margin (%)	This metric helps in determining and assessing the operating performance of the Company.
16	PAT Margin (%)	This metric helps in determining and assessing the financial performance of the Company.
17	Return on Equity (%)	This metric is used by the management to determine and assess the returns on the total equity.

We believe that the KPIs, disclosed herein, are the only relevant and material KPI pertaining to our Company which may have a bearing on the Offer Price. All the KPIs have been defined, consistently and precisely in 'Definitions and Abbreviations – Conventional and General Terms and Abbreviations' on page 15. For details of our other operating metrics, see 'Our Business' and 'Management's Discussion and Analysis of Financial Condition and Results of Operations' on pages 215 and 354, respectively.

Sr. No.	KPIs	Unit	Fiscal 2025	Fiscal 2024	Fiscal 2023
1	Demat custody value ⁽¹⁾	₹ (in billion)	464,164.04	423,441.88	302,188.90
	Individuals & HUF		70,167.65	65,110.07	43,060.50
	Non-Individuals		393,996.39	358,331.81	259,128.40
2	Issuers ⁽²⁾	Number	79,773	46,015	40,987
	Listed		6,287	5,942	5,804
	Unlisted		73,486	40,073	35,183

Sr. No.	KPIs	Unit	Fiscal 2025	Fiscal 2024	Fiscal 2023
3	Total quantity of securities held in demat ⁽³⁾	in billion	4,758.69	3,773.30	3,224.33
4	e-Voting ⁽⁴⁾				
	e-voting Revenue	₹ (in million)	443.94	355.65	328.86
	e-voting events	Number	4,988	4,304	3,951
5	Depository Participants ⁽⁵⁾	Number	294	281	283
6	DP Service Centres ⁽⁶⁾	Number	65,391	61,665	59,401
7	Demat Accounts (excluding closed accounts) ⁽⁷⁾	in million	39.45	35.77	31.46
	Individuals & HUF		39.27	35.61	31.31
	Non-Individuals		0.18	0.16	0.15
8	Demat custody value per demat account ⁽⁸⁾	₹ (in million)	11.77	11.84	9.61
	Individuals & HUF		1.79	1.83	1.38
	Non-Individuals		2,191.93	2,239.57	1,727.52
9	Consolidated Operating Revenue ⁽⁹⁾	₹ (in million)			
	Revenue		14,201.46	12,682.44	10,219.88
	Recurring Revenue ⁽¹⁰⁾		2,795.14	2,417.95	2,250.26
	Transaction Revenue		11,406.32	10,264.49	7,969.62
10	Standalone Operating Revenue ⁽¹¹⁾	₹ (in million)			
	Revenue		6,186.28	4,730.57	4,091.69
	Recurring revenue		2,612.72	2,296.56	2,117.78
	Transaction revenue		3,573.56	2,434.01	1,973.92
11	Consolidated EBITDA ⁽¹²⁾	₹ (in million)	4,929.43	3,811.33	3,286.04
12	Consolidated PAT ⁽¹³⁾	₹ (in million)	3,431.24	2,754.45	2,348.10
13	Consolidated Basic and Diluted Earnings per Share ⁽¹⁴⁾	₹	17.16	13.77	11.74
14	Consolidated Net Worth ⁽¹⁵⁾	₹ (in million)	20,053.41	16,840.97	14,288.61
15	Consolidated Operating Profit Margin ⁽¹⁶⁾	%	23.95%	20.57%	22.89%
	Standalone Operating Profit Margin ⁽¹⁶⁾	%			
	NSDL		50.21%	48.73%	48.04%
	NDML		31.67%	37.06%	40.20%
	NPBL		0.51%	0.31%	1.55%
16	Consolidated PAT Margin ⁽¹⁷⁾	%	22.35%	20.17%	21.35%
	Standalone PAT Margin ⁽¹⁷⁾	%			
	NSDL		43.97%	45.19%	43.42%
	NDML		34.97%	37.59%	37.62%
	NPBL		0.26%	0.22%	1.49%
17	Consolidated ROE ⁽¹⁸⁾	%	17.11%	16.36%	16.43%
	Standalone ROE ⁽¹⁸⁾	%			
	NSDL		17.78%	17.11%	16.58%
	NDML		12.13%	12.79%	12.68%
	NPBL		1.26%	1.09%	5.61%

To the extent quantifiable rounded off to the nearest rupees in million upto two decimals.

Notes:

- Demat custody value is expressed as the total value of securities held in accounts with the company.
- Issuers are the companies (both listed & unlisted) which are registered with our Company for various services such as annual custody fees, corporate action fee etc.
- Total quantity of securities held in demat is the total number of securities held under custody by our Company and a measure to assess the volume of safekeeping of securities of investors in Dematerialized form.
- e-Voting is a measure to assess trust of the corporates issuers that are taking the e-voting services from the company.
- Depository Participants are intermediaries, like brokers or financial institutions, that are registered with the company for services like opening demat account, facilitating of the transfer and settlement of securities.
- DP Centres are service centres providing demat services to investors across different locations within India.
- Demat Accounts (excluding closed accounts) is used to assess the trust of individuals and institutions such as, FIIs, FPIs, Corporates and MFs having active demat accounts with our Company.
- Demat custody value per Demat Account is expressed as the total Demat custody value divided by the total number of Demat account held with the Company.
- Consolidated Operating Revenue as per the Restated Consolidated Financial Statement which represent income arising in the course of our Group's ordinary activities from the services rendered to its customers.

10. *Recurring revenue refers to “services transferred over time” and transaction revenue refers to “services transferred at a point in time”.*
11. *Standalone Operating Revenue as per the Restated Financial Statement which represent income arising in the course of company's ordinary activities from the services rendered to its customers.*
12. *Consolidated EBIDTA as per the Restated Consolidated Financial Statement represents our Group's operating profits arrived at by adding Interest, Depreciation and Amortization in Profit Before tax.*
13. *Consolidated PAT as per the Restated Consolidated Financial Statement represents our Group's Profit after Tax.*
14. *Basic Earnings Per Share is calculated by dividing profit or loss attributable to ordinary equity holders of the parent entity (the numerator) by the weighted average number of ordinary shares outstanding (the denominator) during the period of Restated Financial Statement. Diluted Earnings Per Share, an entity shall adjust profit or loss attributable to ordinary equity holders of the parent entity, and the weighted average number of shares outstanding, for the effects of all dilutive potential ordinary shares.*
15. *Consolidated Networth as per the Restated Financial Statement is the aggregate value of the paid-up share capital and all reserves created out of the profits, securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation at a group level.*
16. *Operating Profit Margin is defined as Operating Profit as a percentage of Operating Revenue.*
17. *PAT Margin is Profit after Tax expressed as a percentage of Total Income.*
18. *ROE% is Profit after Tax expressed as a percentage of Total Equity.*

Our Company shall continue to disclose the KPIs disclosed in this section on a periodic basis, at least once in a year (or for any lesser period as determined by the Board), for a duration of one year after the date of listing of the Equity Shares, on BSE pursuant to the Offer, or for such other period as may be required under the SEBI ICDR Regulations. In case of any change in these KPIs, during the aforementioned period, our Company shall provide an explanation for the same.

Comparison of our Company and listed peer based on some of the KPIs

Sr. No.	KPIs	Unit	Our Company			Central Depository Services (India) Limited		
			Fiscal 2025	Fiscal 2024	Fiscal 2023	Fiscal 2025	Fiscal 2024	Fiscal 2023
1	Demat custody value	₹ (in billion)	464,164.04	423,441.88	302,188.90	70,524.02	64,206.28	39,711.27
	Individuals & HUF		70,167.65	65,110.07	43,060.50	33,178.76	28,377.63	16,923.63
	Non-Individuals		393,996.39	358,331.81	259,128.40	37,345.26	35,828.65	22,787.64
2	Issuers	Number	79,773	46,015	40,987	35922	23,060	20,323
	Listed		6,287	5,942	5,804	NA	NA	NA
	Unlisted		73,486	40,073	35,183	NA	NA	NA
3	Total quantity of securities held in demat	in billion	4,758.69	3,773.30	3,224.33	835.99	661.42	612.85
4	e-Voting	-						
	e-voting Revenue	₹ (in million)	443.94	355.65	328.86	_*	258.20	244.00
	e-voting events	Number	4,988	4,304	3,951	NA	NA	NA
5	Depository Participants	Number	294	281	283	574	580	588
6	DP Service Centres	Number	65,391	61,665	59,401	18,918	17,487	18,676
7	Demat Accounts (excluding closed accounts)	(in million)	39.45	35.77	31.46	152.98	115.61	83.00
	Individuals & HUF		39.27	35.61	31.31	152.89	115.52	82.92
	Non-Individuals		0.18	0.16	0.15	0.10	0.09	0.08
8	Demat custody value per demat account	₹ (in million)	11.77	11.84	9.61	0.46	0.56	0.48
	Individuals & HUF		1.79	1.83	1.38	0.22	0.25	0.20
	Non-Individuals		2,191.93	2,239.57	1,727.52	378.25	398.10	284.85
9	Consolidated Operating Revenue	₹ (in million)						
	Revenue		14,201.46	12,682.44	10,219.88	10,822.08	9,073.04	6,209.35
	Recurring Revenue*		2,795.14	2,417.95	2,250.26	_*	2,652.42	2,001.80
	Transaction Revenue		11,406.32	10,264.49	7,969.62	_*	5,470.15	3,549.10
10	Standalone Operating Revenue	₹ (in million)						
	Revenue		6,186.28	4,730.57	4,091.69	8,482.09	6,409.57	4,506.00
	Recurring revenue		2,612.72	2,296.56	2,117.78	_*	2,642.20	1,930.01
	Transaction revenue		3,573.56	2,434.01	1,973.92	_*	3,767.37	2,575.99
11	Consolidated EBITDA	₹ (in million)	4,929.43	3,811.33	3,286.04	7,439.88	90,730.39	62,093.51
12	Consolidated PAT	₹ (in million)	3,431.24	2,754.45	2,348.10	5,263.26	4,195.54	2,759.60
13	Consolidated Basic and Diluted Earnings per Share	₹	17.16	13.77	11.74	25.20	20.05	26.41
14	Consolidated Net Worth	₹ (in million)	20,053.41	16,840.97	14,288.61	17,603.45	14,633.43	12,137.30
15	Consolidated Operating Profit Margin	%	23.95%	20.57%	22.89%	53.15%	56.88%	54.72%
	Standalone Operating Profit Margin	%						
	NSDL / CDSL		50.21%	48.73%	48.04%	53.91%	57.88%	55.36%

Sr. No.	KPIs	Unit	Our Company			Central Depository Services (India) Limited		
			Fiscal 2025	Fiscal 2024	Fiscal 2023	Fiscal 2025	Fiscal 2024	Fiscal 2023
	<i>NDML / CDSL subsidiary</i>		31.67%	37.06%	40.20%	50.31%	52.98%	51.72%
	<i>NPBL</i>		0.51%	0.31%	1.55%	-	-	-
16	Consolidated PAT Margin	%	22.35%	20.17%	21.35%	48.63%	46.24%	44.44%
	Standalone PAT Margin	%						
	<i>NSDL CDSL</i>		43.97%	45.19%	43.42%	46.93%	48.91%	50.01%
	<i>NDML / CDSL subsidiary</i>		34.97%	37.59%	37.62%	-*	44.21%	38.34%
	<i>NPBL</i>		0.26%	0.22%	1.49%	-	-	-
17	Consolidated ROE	%	17.11%	16.36%	16.43%	29.90%	28.67%	22.74%
	Standalone ROE	%						
	<i>NSDL / CDSL</i>		17.78%	17.11%	16.58%	33.21%	31.32%	28.17%
	<i>NDML / CDSL subsidiary</i>		12.13%	12.79%	12.68%	-*	23.44%	14.63%
	<i>NPBL</i>		1.26%	1.09%	5.61%	-	-	-

To the extent quantifiable rounded off to the nearest rupees in million upto two decimal; RoE has been calculated as PAT/total equity at the end of financial year.

* Certain information relating to CDSL relating to the Financial Years 2025, 2024 and 2023 are not publicly available.

Source: CRISIL Report.

Disclosures in relation to weighted average cost of acquisition per Equity Share of our Company

(a) Price per share of our Company based on the primary / new issue of shares (equity / convertible securities)

Our Company has not allotted any Equity Shares or convertible securities, excluding shares issued under employee stock option schemes, equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated based on the pre-Offer capital before such transaction(s) and excluding employee stock options granted but not vested), in the last 18 months preceding the date of this Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of our Company in a single transaction or multiple transactions combined together over a span of rolling 30 days (“**Primary Transactions**”).

(b) Price per share of our Company based on the secondary sale / acquisition of shares (equity / convertible securities)

None of our Selling Shareholders have transferred or acquired Equity Shares, excluding gifts, equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated based on the pre-Offer capital before such transaction(s) and excluding employee stock options granted but not vested), where the acquisition or sale is equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated based on the pre-Offer capital before such transaction(s)), in the last 18 months preceding the date of this Red Herring Prospectus, in a single transaction or multiple transactions combined together over a span of rolling 30 days (“**Secondary Transactions**”).

(c) Price per share based on last five primary or secondary transactions

There are no such transactions to report to under (a) and (b) above. Therefore, the details of last five primary transactions or secondary transactions (where our Selling Shareholders are a party to the transaction) prior to the date of filing of this Red Herring Prospectus are below:

Secondary transactions:

Except as disclosed below, there have been no secondary transactions by the Selling Shareholders of our Company, in the last three years preceding the date of this RHP:

Date of transfer	Name of the transferor	No of securities	Face Value	Nature of consideration	Transfer price per security (in ₹)
December 21, 2022	HDFC Bank Limited	(400,000)	10	Cash	2,750
Pursuant to a resolution of the Board dated February 27, 2023, and approved by shareholders in an Extra- Ordinary General Meeting dated March 10, 2023, by passing an ordinary resolution, one equity share of our Company of ₹ 10/- each was sub-divided into five equity shares of ₹ 2/- each. Accordingly, the issued and paid-up equity share capital of our Company was sub-divided from 40,000,000 equity shares of ₹ 10/- each to 200,000,000 Equity Shares of ₹ 2/- each, therefore the weighted average cost of acquisition of the secondary sale is considered as ₹ 2,750 at face value for ₹ 10/- per equity share i.e., ₹ 550 at face value of ₹ 2/- per equity share.					
December 7, 2024	HDFC Bank Limited	(1,990,000)	2	Cash	815
Weighted average cost of acquisition (WACA) for secondary sale transactions (adjusted for the split in face value from ₹ 10 per equity share to ₹ 2 per Equity Share)					682.17

Weighted average cost of acquisition for secondary sale, floor price and cap price

Types of transactions	Transfer price (₹ per Equity Share)	Floor price (i.e., ₹ [●])	Cap price (i.e., ₹ [●])
WACA of Primary Transactions	NA	NA	NA
WACA of Secondary Transactions	NA	NA	NA
Since there were no Primary Transactions or Secondary Transactions to report under points (a) and (b) above, during the 18 months preceding the date of filing of this Red Herring Prospectus, the information has been disclosed for price per share of our Company based on the last five primary or secondary transactions (where Selling Shareholders are a party to the transaction) not older than three years prior to the date of this Red Herring Prospectus irrespective of the size of the transaction			

Types of transactions	Transfer price (₹ per Equity Share)	Floor price (i.e., ₹ [●])	Cap price (i.e., ₹ [●])
- Based on primary transactions	NA	NA	NA
- Based on secondary sale transactions	682.17 [#]	[●] times	[●] times

As certified by Motilal & Associates LLP, Chartered Accountants, pursuant to their certificate dated July 23, 2025.

**To be included on finalisation of Price Band.*

[#]Adjusted for the split in face value from ₹ 10 per equity share to ₹ 2 per Equity Share.

Detailed explanation for Offer Price/Cap Price being [●] price of weighted average cost of acquisition of primary issuance price/secondary transaction price of Equity Shares (set out in [●] above) along with our Company's key financial and operational metrics and financial ratios for Fiscal 2023, 2022 and 2021.

[●]*

**To be included on finalisation of Price Band.*

Explanation for Offer Price/Cap Price being [●] price of weighted average cost of acquisition of primary issuance price/secondary transaction price of Equity Shares (set out in [●] above) in view of the external factors which may have influenced the pricing of the Offer.

[●]*

**To be included on finalisation of Price Band.*

Investors should read the above-mentioned information along with “Risk Factors”, “Our Business”, “Management's Discussion and Analysis of Financial Condition and Results of Operations” and “Restated Consolidated Financial Information” on pages 34, 215, 354 and 286 respectively, to have a more informed view.

**STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY, ITS
SHAREHOLDERS AND ITS MATERIAL SUBSIDIARIES UNDER APPLICABLE TAX LAWS IN
INDIA**

To

The Board of Directors
National Securities Depository Limited
301, 3rd Floor, Naman Chambers
G Block, Plot No-C-32, Bandra Kurla Complex
Bandra East, Mumbai - 400 051
Maharashtra, India

Dear Sir/Ma'am,

Re: Statement of possible special tax benefits ("the Statement") available to National Securities Depository Limited, its shareholders and material subsidiaries

Sub: Proposed initial public offering of equity shares (the "Equity Shares") of face value ₹ 2 of National Securities Depository Limited (the "Company" and such initial public offering, the "Offer")

We, K C Mehta & Co LLP, Chartered Accountants, Statutory Auditors of the Company, hereby report that the enclosed **Annexure I** states the possible special tax benefits available to the Company, to its shareholders and its material subsidiaries namely NSDL Database Management Limited and NSDL Payments Bank Limited ("**Material Subsidiaries**") (hereinafter referred to as the "**Statement**"), under direct and indirect taxes (together "**the Tax Laws**"), presently in force in India as on the signing date.

This Statement in relation to the Tax Laws has been prepared to comply with the disclosure requirements of clause 9(L) of Part A of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "**SEBI ICDR Regulations**").

The special tax benefits discussed in the enclosed **Annexure I** states the possible special tax benefits under direct and indirect tax laws and Income Tax Rules, 1962 including amendments made by the Finance Act, 2025 and as applicable for financial year 2025-26 relevant to assessment year 2026-27 (hereinafter referred to as "Income Tax Laws"), Central Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, and Goods and Services Tax (Compensation to States) Act, 2017, including the relevant rules, notifications and circulars issued there under (collectively referred as "**Indirect Tax Regulations**") as amended, available to the Company, its shareholders and its material subsidiaries. Several of these benefits are dependent on the Company, its shareholders as the case may be, fulfilling the conditions prescribed under the relevant provisions of the statute. Hence, the ability of the Company, its shareholders to derive the special tax benefits is dependent upon their fulfilling such conditions, which based on business imperatives the Company, and its shareholders faces in the future, the Company and its shareholders may or may not choose to fulfill.

The benefits discussed in the enclosed Annexure I are neither exhaustive nor conclusive. The contents stated in Annexure I are based on the information and explanations obtained from the Company. This statement is only intended to provide general information to guide the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult their own tax consultant with respect to the specific tax implications arising out of their participation in the Offer. We are neither suggesting nor are we advising the investor to invest money or not to invest money based on this statement.

Management's Responsibility

- i. the preparation of the Annexure I as on the date of this Statement which is to be included in the Red Herring Prospectus ("RHP") is the responsibility of the management of the Company.
- ii. the management's responsibility includes designing, implementing and maintaining internal control relevant to the preparation and presentation of Annexure I, and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

Auditor's Responsibility

Pursuant to the SEBI ICDR Regulations and the Companies Act 2013 ('Act'), it is our responsibility to certify whether Annexure I prepared by the Company, presents, in all material respects, the possible special tax benefits available to the Company, to its shareholders and its Material Subsidiaries, in accordance with the Tax Laws as on the date of this Statement.

We consent to the references to us as "Experts" as defined under Section 2(38) of the Companies Act, 2013, read with Section 26(5) of the Companies Act, 2013 to the extent and in our capacity as the statutory Auditors of the Company and in respect of this report to be included in the RHP of the Company or in any other documents in connection with the Offer.

We conducted our examination for this certificate in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) ("**Guidance Note**") issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Inherent Limitations

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

- i) the Company, its shareholders and its Material Subsidiaries, will continue to obtain these possible special tax benefits in future; or
- ii) the conditions prescribed for availing the possible special tax benefits where applicable, have been/would be met with; or
- iii) the revenue authorities will concur with the views expressed herein.

Conclusion

The contents of the enclosed Annexure I are based on the information, explanation and representations obtained from the Company by us and auditors of the subsidiaries and on the basis of understanding of the business activities and operations of the Company and its material subsidiaries.

Restriction on Use

This certificate is for the information of and for inclusion (in part or full), along with the Annexure I, in the RHP prepared in connection with the Offer to be filed by the Company with the Securities and Exchange Board of India, Registrar of Companies, Maharashtra at Mumbai, and BSE Limited where the Equity Shares are proposed to be listed in connection with the Offer, as the case may be, and may be relied upon by the Company, the Book Running Lead Managers and the legal counsel to each of the Company and the Book Running Lead Managers and it is not to be used, referred to or distributed for any other purpose without our prior written consent.

We also consent to the inclusion of this certificate as a part of "*Material Contracts and Documents for Inspection*" of the Offer Documents prepared and filed in connection with the Offer, which will be available to the public for inspection from the date of filing of the Red Herring Prospectus until Bid/ Offer Closing Date and uploading of this certificate on the website of the Company and BSE Limited in accordance with the requirements under applicable laws and as set forth by BSE Limited, from time to time.

Yours faithfully,

For and on behalf of K C Mehta & Co LLP
Chartered Accountants
Firm Registration Number: 106237W/W100829

Name: Shripal Shah
Designation: Partner
Membership No. 114988
ICAI UDIN: 25114988BMLWQQ8844
Place: Ahmedabad
Date: July 8, 2025

Enclosed: Annexure I: Statement of possible special direct and indirect tax benefits available to the Company, to its shareholders and its Material Subsidiaries.

ANNEXURE I

STATEMENT OF POSSIBLE SPECIAL DIRECT TAX BENEFITS AVAILABLE TO THE COMPANY, ITS SHAREHOLDERS AND ITS MATERIAL SUBSIDIARIES UNDER THE APPLICABLE DIRECT TAX LAWS OF INDIA

A. Direct Taxation

We have outlined hereunder certain possible special tax benefits which may be available to the Company, its Shareholders and its Material Subsidiaries under the Income-tax Act, 1961 (read with Income Tax Rules, Circulars, Notifications) as amended by the Finance Act, 2025 (hereafter referred to as “**Indian Income Tax Regulations**”) and applicable for financial year 2025-26 relevant to assessment year 2026-27:

I. Direct tax benefits available to the Company.

Special direct tax benefits:

(1) Lower Corporate tax rate under section 115BAA of the Act

The Company has opted for the concessional corporate tax regime under section 115BAA of the Income-tax Act, 1961 (“the Act”), introduced by the Taxation Laws (Amendment) Act, 2019, effective from 01 April 1, 2020 (AY 2020-21 onwards).

Under this regime, domestic companies are liable to pay income tax at a reduced tax rate of 22% plus surcharge @ 10% and education cess @ 4%, resulting in an effective tax rate of 25.168% (inclusive of surcharge and cess). This is significantly lower than the earlier applicable corporate tax rate of 30% plus applicable surcharge and cess under the regular provisions of the Act.

Companies opting for this regime are also exempt from the applicability of Minimum Alternate Tax (MAT) under section 115JB of the Act. However, the option is subject to the condition that the company forgoes certain specified deductions and incentives under the Act, such as those under section 10AA, additional depreciation under section 32(1)(ia), deductions under section 35AD, among others. In addition, the company cannot claim MAT credit under section 115JAA or set off of brought forward losses attributable to such disallowed deductions.

The Company has exercised this option with effect from FY 2020-21 (i.e. AY 2021-22), and accordingly, the deferred tax asset/liability in the restated financial statements for FY 2019-20 has been recomputed using the lower tax rate of 25.168%.

Further, it shall be noted that since the option of paying under lower tax is exercised, it cannot be subsequently withdrawn for the same or any other previous year.

(2) Deduction in Respect of Inter-Corporate Dividends – Section 80M of the Act

Up to March 31, 2020, dividends distributed by domestic companies were subject to Dividend Distribution Tax (DDT), and such dividends were exempt in the hands of shareholders. However, the Finance Act, 2020 abolished the DDT regime, and with effect from April 1, 2020, dividends are now taxable in the hands of shareholders. Accordingly, the Company is required to deduct tax at source (TDS) on dividends paid, at the applicable rates under the Act, read with any relevant Double Taxation Avoidance Agreement (DTAA), if applicable.

To mitigate the cascading effect of taxation on inter-corporate dividends, a new section 80M was introduced, effective from FY 2020-21 onwards. Under this provision, where the gross total income of a domestic company includes dividend income received from another domestic company, a foreign company, or a business trust, a deduction is allowed to the extent such dividend income is further distributed as dividend by the recipient company on or before the "due date."

The "due date" for this purpose is defined as one month prior to the due date for furnishing the return of income under section 139(1) of the Act.

This provision ensures that dividend income passed through multiple corporate layers is not taxed multiple times, provided it is re-distributed within the specified timeline.

General direct tax benefits:

(3) Income from Investments in Tax-Free Bonds

The Company has invested in tax-free bonds issued by specified public sector undertakings and institutions. Interest income earned on such tax-free bonds is exempt from tax in the hands of the Company under section 10(15) of the Act.

Accordingly, no tax is payable on such interest income, and it does not form part of the total taxable income of the Company.

Further, in accordance with section 14A of the Act, any expenditure incurred in relation to such exempt income is not allowable as a deduction while computing the taxable income of the Company.

(4) Relief under section 90 / 90A of the Act

Where the Company earns income from a foreign country and such income is subjected to tax in that foreign jurisdiction, relief from double taxation is available in India in accordance with the provisions of section 90 or section 90A of the Act.

If India has entered into a Double Taxation Avoidance Agreement (DTAA) with the foreign country (section 90) or specified association (section 90A), the Company is eligible to claim relief either:

- by way of exemption of such income in India (if provided under the applicable DTAA), or
- by way of Foreign Tax Credit (FTC) in respect of taxes paid in the foreign country, against the tax liability in India, subject to the provisions of the Act and the applicable DTAA.

Such relief ensures that the same income is not taxed twice – once in the source country and again in the residence country.

II. Direct tax benefits available to the Shareholders of the Company

There are no special tax benefits available to the Shareholders of Company for investing in the shares of the Company. However, such shareholders shall be liable to concessional tax rates on certain incomes under the extant provisions of the Act. Further, it may be noted that there are general tax benefits available to equity shareholders, which are as under:

(1) Taxability of Dividend Income and Deduction under Section 80M

Dividend income received from the Company shall be taxable in the hands of the shareholders at applicable tax rates.

In case of domestic corporate shareholders, a deduction under section 80M of the Act may be available to the extent of onward distribution of dividend by such shareholder companies, subject to satisfaction of the prescribed conditions.

Credit for TDS on such dividend income by the Company may be claimed by the shareholders while computing their tax liability.

(2) Cap on Surcharge on Dividend Income for Certain Shareholders

For individuals, Hindu Undivided Families (HUFs), Association of Persons (other than co-operative society), Body of Individuals and artificial juridical persons, the applicable surcharge on dividend income is capped at 15%, irrespective of the total amount of dividend received during the year.

(3) Deductibility of STT for Business Income

Where the shares of the Company are held as stock-in-trade, and the gains on their transfer are taxable under the head “Profits and Gains from Business or Profession”, the amount of STT paid in respect of such transaction shall be allowed as a deduction under section 36(1)(xv) of the Act.

(4) Double Taxation Avoidance Agreement (DTAA) Benefits

In the case of non-resident shareholders, the tax rates and taxation of income (such as dividends or capital gains) shall be governed by the provisions of the Act, subject to the beneficial provisions of any applicable DTAA entered into by India with the country of residence of the shareholder, read with the Multilateral Instrument (MLI) provisions, where applicable.

(5) Exemption for Certain Shareholder Categories

Charitable institutions, pension funds, sovereign wealth funds, and venture capital funds/companies registered with SEBI or exempt under specific sections (like 10(23FE), 10(23FB), etc.) may get exemption on dividend or capital gains income if investment conditions are met. These are entity-specific, not general benefits for all shareholders.

(6) Benefit under Section 54F

Individual or HUF shareholders may claim exemption from LTCG tax under sections 54F, if proceeds are reinvested in residential property, though this is not company-specific, but rather general capital gain relief.

(7) Tax-Neutral Transactions

In certain cases such as transfers by way of gift, will, or to an irrevocable trust by individuals or HUFs, or transfers pursuant to mergers, demergers, or share swaps, shareholders may be eligible for tax-neutral treatment under specific provisions of the Act, such as sections 47(iii), 47(vii), 47(x), etc., subject to the fulfilment of prescribed conditions.

III. Special Tax Benefits available to the Material Subsidiaries are as given below:

NSDL Database Management Limited (NDML):

(1) Lower Corporate tax rate under section 115BAA of the Act.

A new section 115BAA has been inserted in the Act by the Taxation Laws (Amendment) Act, 2019 (“the Amendment Act, 2019”) w.e.f. April 1, 2020 (A.Y. 2020-21). Section 115BAA grants an option to a domestic company to be governed by the section from a particular assessment year. If a company opts for section 115BAA of the Act, it can pay corporate tax at a reduced rate of 25.168% (22% plus surcharge of 10% and education cess of 4%). Section 115BAA of the Act further provides that domestic companies availing the option will not be required to pay Minimum Alternate Tax (MAT) on their ‘book profits’ under section 115JB of the Act.

However, such a company will no longer be eligible to avail specified exemptions / incentives under the Act and will also need to comply with the other conditions specified in section 115BAA. Also, if a company opts for section 115BAA, the tax credit (under section 115JAA), if any, which it is entitled to on account of MAT paid in earlier years, will no longer be available. Further, it shall not be allowed to claim set-off of any brought forward loss arising to it on account of additional depreciation and other specified incentives.

NDML opted for the lower corporate tax rate of 25.168% (prescribed under section 115BAA of the Act) with effect from FY 2019-20. Thus, the deferred tax asset / liability in the restated financials for FY 2019-20 has been computed using such lower corporate tax rate of 25.168%.

Further, it shall be noted that since the option of paying under lower tax is exercised, it cannot be subsequently withdrawn for the same or any other previous year.

Except as mentioned above, no other special direct tax benefits are available to the Company.

NSDL Payments Bank Limited:

(1) Lower Corporate tax rate under section 115BAA of the Act.

The Bank has opted for the concessional corporate tax regime under section 115BAA of the Income-tax Act, 1961 ("the Act"), introduced by the Taxation Laws (Amendment) Act, 2019, effective from April 1, 2020 (AY 2020-21 onwards).

Under this regime, domestic companies are liable to pay income tax at a reduced tax rate of 22% plus surcharge @ 10% and education cess @ 4%, resulting in an effective tax rate of 25.168% (inclusive of surcharge and cess). This is significantly lower than the earlier applicable corporate tax rate of 30% plus applicable surcharge and cess under the regular provisions of the Act.

Companies opting for this regime are also exempt from the applicability of Minimum Alternate Tax (MAT) under section 115JB of the Act. However, the option is subject to the condition that the company forgoes certain specified deductions and incentives under the Act, such as those under section 10AA, additional depreciation under section 32(1)(iia), deductions under section 35AD, among others. In addition, the company cannot claim MAT credit under section 115JAA or set off of brought forward losses attributable to such disallowed deductions.

The bank has exercised this option with effect from FY 2022-23 (i.e., AY 2023-24) and accordingly the deferred tax asset/liability in the restated financial statements for FY 2021-22 has been recomputed using the lower tax rate of 25.168%.

Further, it shall be noted that since the option of paying under lower tax is exercised, it cannot be subsequently withdrawn for the same or any other previous year.

Except as mentioned above, no other special direct tax benefits are available to the bank.

Notes:

- i. This Annexure has been prepared on the basis that Equity Shares are proposed to be listed on BSE Limited.
- ii. This Annexure is prepared on the basis of information available with the management of the Company and there is no assurance that:
 - a. the Company, its shareholders and its Material Subsidiaries will continue to obtain these benefits in future;
 - b. the conditions prescribed for availing the benefits have been/ would be met with; and
 - c. the revenue authorities/courts will concur with the view expressed herein.
- iii. This Annexure covers only certain relevant possible special benefits under direct tax laws and does not cover any indirect tax law benefits or benefits under any other law.
- iv. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.

The tax benefits outlined above are based on the provisions of the enacted Finance Act, 2025. We are not providing any comments on the benefits that may arise under the proposed Income Tax Bill, 2025

For on behalf of
National Securities Depository Limited

Jigar Shah
(Chief Financial Officer)
Place: Mumbai
Date: July 8, 2025

STATEMENT OF POSSIBLE SPECIAL INDIRECT TAX BENEFITS AVAILABLE TO THE COMPANY, ITS SHAREHOLDERS AND ITS MATERIAL SUBSIDIARIES UNDER THE APPLICABLE INDIRECT TAX REGULATIONS IN INDIA

The statement of possible tax benefits available to the Company, to its shareholders and its Material Subsidiaries enumerated under the Central Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, and Goods and Services Tax (Compensation to States) Act, 2017, including the relevant rules, notifications and circulars issued there under (collectively referred as “**Indirect Tax Regulations**”).

I. Special Tax Benefits available to the Company

There are no special indirect tax benefits available to the Company under the Indirect Tax Regulations in India.

II. Special Tax Benefits available to the Shareholders of the Company

There are no special indirect tax benefits under the Indirect Tax Regulations in India available to shareholders for investing in the shares of the Company.

III. Special Tax Benefits available to the Material Subsidiaries of the Company

NSDL Database Management Limited (NDML):

There are no special indirect tax benefits available to the Company under the Indirect Tax Regulations in India except the following:

The Company has claimed the GST exemption vide entry 34 of Notification No.12/2017-Central Tax (Rate) dated June 28, 2017 towards the Services provided to any person in relation to settlement of an amount up to two thousand rupees in a single transaction transacted through credit card, debit card, charge card or other payment card service.

NSDL Payments Bank Limited:

Availment of GST Input credit

The **NSDL Payments Bank Limited** is a Payments Bank registered with the RBI. As per the provision of section 17(4) of the Central Goods and Service Tax Act, 2017, banking company or a financial institution including a non-banking financial company, engaged in supplying services by way of accepting deposits, extending loans or advances shall have the option to avail an amount equal to fifty per cent of the eligible input tax as Input tax credit on inputs, capital goods and input services.

Except as mentioned above no other special indirect tax benefits are available to the Bank under the Indirect Tax Regulations in India.

Notes:

- i. This Annexure has been prepared on the basis that Equity Shares are proposed to be listed on BSE Limited.
- ii. This Annexure is prepared on the basis of information available with the management of the Company and there is no assurance that the revenue authorities / courts will concur with the view expressed herein.
- iii. The above views are basis the existing provisions of indirect tax law and its interpretation, which are subject to change from time to time.

**For on behalf of
National Securities Depository Limited**

**Jigar Shah
(Chief Financial Officer)**

Place: Mumbai

Date: July 8, 2025

SECTION V - ABOUT OUR COMPANY

INDUSTRY OVERVIEW

Unless otherwise indicated, the information in this section is derived from the industry report titled “Assessment of the Depository System, Database Management” dated July 2025 prepared by CRISIL Intelligence, a division of CRISIL Limited (the “CRISIL Report”). We have commissioned and paid for the CRISIL Report for the purposes of confirming our understanding of the industry exclusively in connection with the Offer. We officially engaged CRISIL in connection with the preparation of the CRISIL Report pursuant to an engagement letter dated June 19, 2025. A copy of the CRISIL Report will be made available on the website of our Company at <https://nsdl.co.in/DRHP.php> from the date of filing of this Red Herring Prospectus until the Bid/Offer Closing Date the data included in this section includes excerpts from the CRISIL Report and may have been re-ordered by us for the purposes of presentation. There are no parts, data or information (which may be relevant for the Offer), that have been left out or changed in any manner. Unless otherwise indicated, all financial, operational, industry and other related information derived from the CRISIL Report and included herein with respect to any particular year, refers to such information for the relevant calendar year. For further details and risks in relation to commissioned reports, see “Risk Factors – Internal Risk Factors – This Red Herring Prospectus contains information from an industry report prepared by an independent third-party research agency, CRISIL Intelligence (CRISIL), which we have commissioned and paid for exclusively in connection with the Offer and any reliance on such information for making an investment decision in the Offer is subject to inherent risks.” on page 98.

Macroeconomic Scenario

As per IMF, Global economy is witnessing downside risks as major policy shifts take control

As per the International Monetary Fund (IMF) (World Economic Outlook – April 2025), global GDP growth is projected at 2.8% in calendar year 2025 and 3.0% in calendar year 2026 as compared to 3.3% projected in January 2025 for both calendar year 2025 and calendar year 2026. Global growth numbers have been revised on account of swift escalation of trade tensions and high level of policy uncertainty intensifying downside risks. Global inflation is projected at 4.3% in calendar year 2025 and 3.6% in calendar year 2026. Furthermore, the risks to inflation remain significant going forward, with tariffs being imposed by US on imports. US economy contracted by 0.2% in the first quarter of calendar year 2025 on account of lower consumer and government spending, offset by increase in fixed investments. The euro area’s GDP rose 0.6% in the first quarter of 2025 vs a growth of 0.3% in the previous quarter.

The Trump Administration in the United States (“US”) announced a host of tariffs on products such as automobile, automobile parts, steel and aluminium in the first three months of calendar year 2025. On April 5, 2025, US announced additional tariff of 10% on nearly all countries in addition to the existing tariffs. China and European Union announced retaliatory tariffs on the US. On April 9, 2025, US government paused differential tariffs for most countries for 90 days excluding China which will face a higher tariff of 125 percent. Introduction of tariffs on major global economies is expected to increase downside risks on global growth.

India expected to remain one of the fastest growing economies in the world

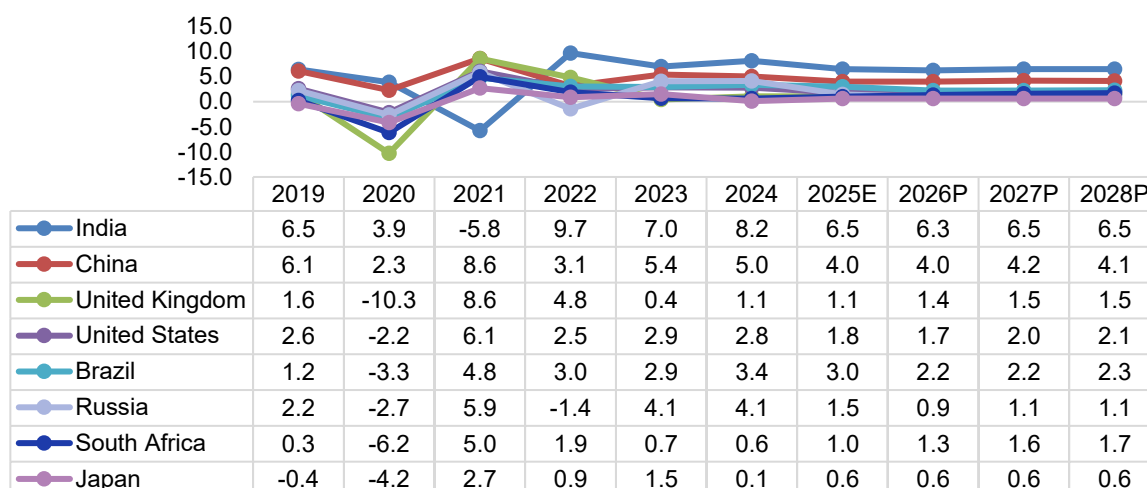
Going forward, the expectation of slower global growth, along with anticipated reciprocal tariffs on India after three months, is likely to exert downside risks to CRISIL Intelligence’s 6.5% growth forecast for Financial Year 2026. Uncertainty about the duration and frequent changes in tariffs could also hinder domestic investments. Interest rate cuts, income tax relief and easing inflation are expected to provide tailwinds to domestic consumption in Financial Year 2026, while the expected normal monsoon will support agricultural incomes. Moreover, the anticipated decline in global crude oil prices, resulting from a potential global slowdown, is expected to provide additional support to domestic growth.

Private consumption is expected improve further on expectations of healthy agricultural production and cooling food inflation. Softer food inflation should create space in household budgets for discretionary spending. Secondly, the tax benefits announced in Union Budget 2025-2026 and increased allocations towards key asset- and employment generating schemes are expected to support consumption. Easing monetary policy by the Reserve Bank of India (RBI) is expected to support discretionary consumption. Crisil Intelligence expects one more repo rate cut in Financial Year 2026, and a pause after that. The central bank’s recent liquidity-easing measures and easier regulations for non-banking financial companies are expected to transmit the benefits from an easier monetary policy to the broader economy. Geopolitics will continue to be the key monitorable, given the wide-

ranging changes that the Donald Trump administration is expected to bring about. Exports will have to navigate heightened uncertainties given US tariffs.

Over the past three financial years (Financial Year 2022- Financial Year 2024), Indian economy has outperformed its global counterparts by witnessing a faster growth. Going forward as well, IMF projects that Indian economy will remain strong and would continue to be one of the fastest growing economies.

India is one of the fastest-growing major economies (Real GDP growth, % year-on-year)



Note: All forecasts refer to IMF forecasts. GDP growth is based on constant prices. Data represented for other countries is for calendar years. Growth numbers for India until 2026 are for financial year 2025 is as per the NSO's second advance estimates for financial year 2025. Post financial year 2025, all estimates for India are as per the IMF and for calendar years; Source: IMF (World Economic Outlook – April 2025, Crisil Intelligence

Macroeconomic outlook for India (Financial Year 2026)

Macro variables	FY24	FY25P	FY26P	Rationale for outlook
Real GDP (y-o-y)	8.2%#	6.8%	6.5%	Lower inflation and RBI's rate cuts are expected to lift growth next fiscal, assuming a normal monsoon and lower crude oil prices. Any substantial pick up in investment growth will hinge on accelerating private capex. Exports face headwinds from tariff hikes initiated by the US.
Consumer Price Index (CPI) inflation (y-o-y)	5.4%	4.6%	4.3%	Inflation is expected to move closer to the RBI's target of 4% on expectations of a normal monsoon, high base effect in food inflation and softer global commodity prices. Some uptick is expected in non-food inflation due to an adverse base.
10-year Government security yield (Financial Year end)	7.1%	6.7%	6.5%	Rate cuts by RBI, lower inflation and softer crude oil prices are expected to lead to a mild softening of yields in Financial Year 2026. A rise in gross market borrowings will cap the downside to yields.
Fiscal Deficit (% of GDP) *	5.6%	4.8%	4.4%	Fiscal consolidation will be made possible via moderating revenue expenditure thrust even as capex focus is broadly maintained. The budget banks on revenue collection to remain robust.
CAD (Current Account Deficit as % of GDP)	-0.7%	-1.0%	-1.3%	Current account deficit (CAD) is expected to increase owing to headwinds to exports from US tariffs. Lower crude oil prices, healthy services trade balance and robust remittances growth will prevent CAD from widening too much.
₹/\$ (March average)	83.0	86.0	87.0	A manageable CAD would mean not much pressure on the rupee, but geopolitical shocks could keep the rupee volatile.

*FY: Financial Year; P – Projected, # As per NSO estimates * Financial Year 2024 and Financial Year 2025 numbers are government's revised and budget estimates; Source: Reserve Bank of India (RBI), National Statistics Office (NSO), Crisil Intelligence*

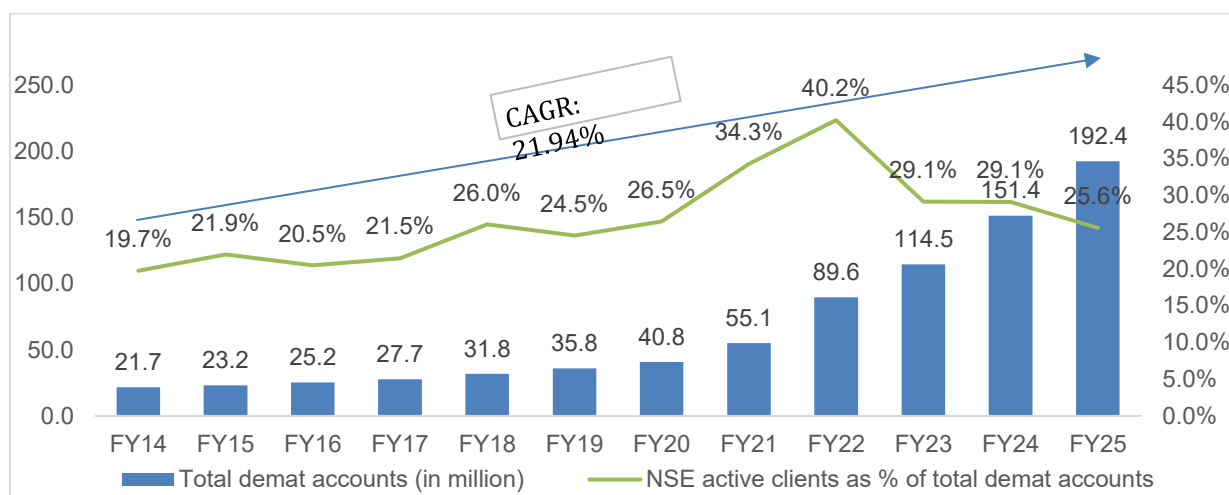
Trend in Market Capitalization to GDP

In Financial Year 2025, the equity markets in India have achieved record levels in terms of market capitalization of listed companies and the benchmark index performance. India's market capitalization rose to ₹410.9 trillion as of March 31, 2025. This translates into an annualized growth of 30% in the last five years from Financial Year 2020 to Financial Year 2025.

Trend in Demat accounts in India

The Demat Accounts in India have grown at 21.94% CAGR from Financial Year 2014 till Financial Year 2025. The above data points suggest the increasing awareness and willingness of the people to participate in capital markets for either trading or with long-term outlook. As of March 31, 2025, the total demat accounts stood at 192.4 million accounts.

Growth in Demat Accounts since Financial Year 2014 onwards and Active Client Base (as % of Demat Account) has improved substantially during last five years



Note: FY: Financial Year;

Source: NSE, SEBI, CRISIL Intelligence

The NSE Active Client Basis as a % of Demat Accounts increased from almost 19.7% in Financial Year 2014 to 25.6% in Financial Year 2025. Going forward, CRISIL Intelligence expects the demat accounts to grow at strong growth over the next five years and Active Client Base on NSE as a % of demat accounts to increase around 45-50%. Increased participation from retail investors is one of the key drivers for capital markets growth. Retail participation is one of the key enablers of rising demand for equity issuances.

Share of new age fin-tech brokers or discount brokers to grow to approximately 70-72% by Financial Year 2026 owing to retail participation, bank-based brokers are also considered safe options

Recently, there has been an emergence of a new kind of Depository Participants known as new age fin-tech brokers or discount brokers, who have revolutionized the Indian capital markets with a low-cost digital business model.

Leveraging their low operational costs, these new age fin-tech brokers have been able to transfer this benefit to their clients by significantly bringing down the cost of investing. This is achieved by charging minimal brokerage fees and introducing demat accounts with almost zero brokerage fees. As of March 31, 2025, these new age fin-tech brokers had a market share of approximately 70.00% as compared to 5.00% in Financial Year 2016.

The increasing financial literacy among India's technologically proficient young population, coupled with the availability of almost zero brokerage services offered by these new age fin-tech brokers through digital platforms, has resulted in a rapid expansion of market share for these new age fin-tech brokers.

Therefore, rising financial literacy of India's technologically proficient young population coupled with availability of zero brokerage services offered by new age fin-tech brokers or discount brokers and comfort of transacting through digital platforms led to accelerated market share gains for new age fin-tech brokers or discount brokers. Bank-based brokers on the other hand are also considered secure options for investors as the chances for defaulting or misappropriation is low and are less likely to violate SEBI norms. Although, the transaction costs are high for these brokers, they are considered suitable options for those investors who invest for long-term or are new to the

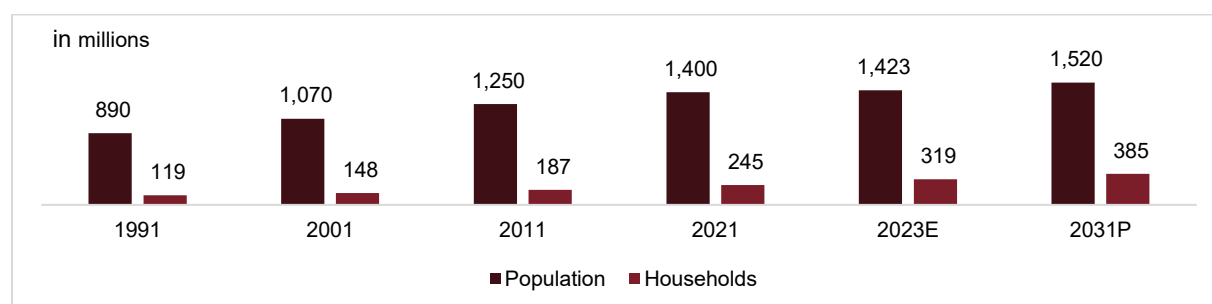
market. Moreover, bank-based brokers offer a host of value-added services including portfolio management services, research outlook, advisory services etc. that would attract investors.

Key growth drivers

India has the world's largest population

As per Census 2011, India's population was ~1.3 billion and comprised nearly 187 million households. The population, which grew at nearly 1.5% CAGR between 2001 and 2011, is expected by Crisil Intelligence to have increased at 1.1% CAGR between 2011 and 2021 and reached 1.4 billion. India's population is more than 1.44 billion as of calendar year 2024. The population is expected to reach 1.5 billion by 2031 from 1.4 billion in 2021, and the number of households are expected to reach to ~385 million in 2031 from 245 million in 2021, reporting a CAGR of 4.6% from Financial Year 2021 to Financial Year 2031.

India's population growth trajectory and number of households



Note: As at the end of each Financial Year. P: Projected, Source: United Nations Department of Economic and Social Affairs, (<https://population.un.org/wpp/>), Census India, Crisil Intelligence

Rising demand for corporate debt and equity issuance

Indian Capital market over the years played a pivotal role in development of Indian Economy. As India is surging ahead to become an economic powerhouse, Indian Capital Market is expected to play a greater role and remain in forefront in the days ahead. Resource Mobilisation through Public and Rights Issues (Equity and Debt) have seen a steady growth over the years with total capital seeing an increase from ₹919.5 billion in Financial Year 2019 to ₹2,181.2 billion in Financial Year 2025. Capital markets are expected to grow further with capital raised from the primary market through public and rights Issues increasing about 113% y-o-y in the Financial Year 2025 and about 42% y-o-y in Financial Year 2024. One of the crucial elements of Indian Capital Market is Corporate Bond Market. Persistent effort by Government and SEBI in the last few years enabled a nascent Corporate Bond Market to move in the direction of maturity. Also, many companies have equity issuances through IPOs over the last couple of years. This trend is expected to increase going forward as new age companies explore avenues to raise funds from capital markets.

On the demand side, credit default swaps, retail participation, index linked funds, and mechanisms to improve liquidity will be enablers. Besides these, attracting foreign capital is crucial to bridging the emerging supply-demand gap, especially given the crowding-out by gilts stemming from the huge borrowing programme of the government.

CRISIL Intelligence believes that the following measures will enable the Indian debt Capital Market to play an important role:

- Enhancing retail participation via tax sops to investments in debt mutual funds – similar to equity-linked savings schemes – and ensure parity in capital gains tax between equity and debt products.
- Improving liquidity in the market by fast-tracking the setting up of the institution to provide secondary market liquidity to corporate bonds, develop the Limited Purpose Clearance Corporation for corporate bond repos, and allow corporate bonds as collateral under the Reserve Bank of India's liquidity adjustment facility window.
- Attracting both domestic and foreign capital through exchange traded funds and other index-linked bond

funds, which offer lower costs, more transparency, better liquidity and potential to build diversified portfolios.

- ESG profiling of Indian corporates to attract foreign capital into the Indian debt capital markets

Digitization aided by technology to play pivotal role in growth of economy

Technology is expected to play an important role by progressively reducing the cost of reaching out to smaller markets. India has seen a tremendous rise in fintech adoption in the past few years. Among many initiatives by the government, the Unified Payments Interface (UPI) is playing a pivotal role towards financial inclusion. It provides a single-click digital interface across all systems for smartphones linked to bank accounts and facilitates easy transactions using a simple authentication method. The volume of digital transactions has also seen a surge in the past few years, driven by increased adoption of UPI. Apart from financial services industry, digitization in other industries like retail will also play an important role in the growth of economy.

Financial Inclusion on a fast path in India

Financial inclusion enables vulnerable households and businesses to increase financial literacy, protect confidence, avail formal credit with more ease, and subsequently bridge the credit gap in the country. Emphasizing on the financial inclusion initiatives would fast-track formalization of credit in the economy.

The two key initiatives launched by the Government to promote financial inclusion are the Pradhan Mantri Jan Dhan Yojana (PMJDY) and Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY). Under the PMJDY, the Government's aim is to ensure that every household in India has a bank account which they can access from anywhere and avail all financial services such as savings and deposit accounts, remittances, credit and insurance affordably. PMJJBY is a one-year life insurance scheme that offers a life cover of ₹0.2 million at a premium of ₹436 per annum per member, which can be renewed every year. The Government has also launched the Pradhan Mantri Suraksha Bima Yojana (PMSBY), an accident insurance policy that offers an accidental death and full disability cover of ₹0.2 million at a premium of ₹20 annually. As per the Government, more than 100 million people have registered for these two social security schemes.

As of 4th December 2024, 541.2 million PMJDY accounts had been opened, of which ~ 67% were in rural and semi-urban areas, and total deposits of ₹2,371 billion. (*Source: Pradhan Mantri Jan-Dhan Yojana: Progress Report*)

Financial penetration to rise with increase in awareness and access of financial products

Overall literacy in India was at 77.7% as per the results of NSO survey conducted from July 2017 to June 2018, which is still below the world literacy rate of 86.5%. However, according to the National Financial Literacy and Inclusion Survey (NCFE-FLIS) 2019, only 27% of Indian population is financially literate indicating huge gap and potential for financial services industry. The survey defines financial literacy as a combination of awareness, knowledge, skill, attitude, and behaviour necessary to make sound financial decisions and ultimately achieve individual financial wellbeing.

Government initiatives like Pradhan Mantri Jan Dhan Yojana, financial literacy programs, and continuous focus on financial inclusion have increased financial literacy, resulting in significant uptick in demand for financial products, particularly in smaller cities over the past few years. Going forward, Crisil Intelligence expects financial penetration to increase on account of increasing financial literacy.

Current scenario of the capital markets in India

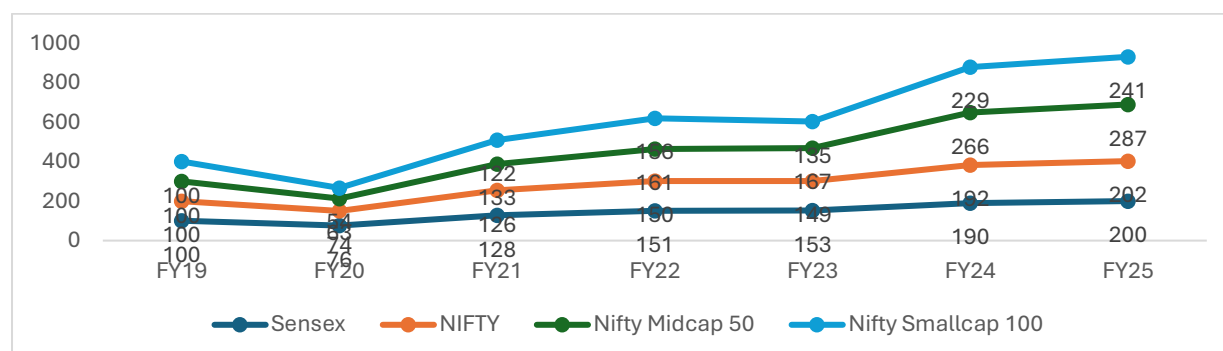
Overview of capital markets in India

Capital markets clocked strong growth with NIFTY 50 clocking 10.5% CAGR from Financial Years 2011 to Financial Year 2025

The Indian Capital Market is one of the most dynamic and high growth organised markets in the world. It witnessed strong performance during the period Financial Years 2011 to 2025. The market capitalization of National Stock Exchange ("NSE") grew at 13.8% CAGR during Financial Year 2011 to Financial Year 2025. The NIFTY 50 index has grown at a CAGR of 10.5% over this period. BSE Sensex has followed a similar growth

trajectory to Nifty 50. In case of NSE, the number of companies traded rose from 856 to 3,784 between Financial Year 2005 and Financial Year 2025. Indian equities continued to see strong gains in calendar year 2025. Both domestic and global factors were supportive of foreign capital inflows.

BSE and NSE performance, Financial Year 2019 to Financial Year 2025



Note: FY: Financial Year; Indices indexed to 100 in Financial Year 2019

Source: NSE, BSE, CRISIL Intelligence

Type of asset classes available for dematerialization

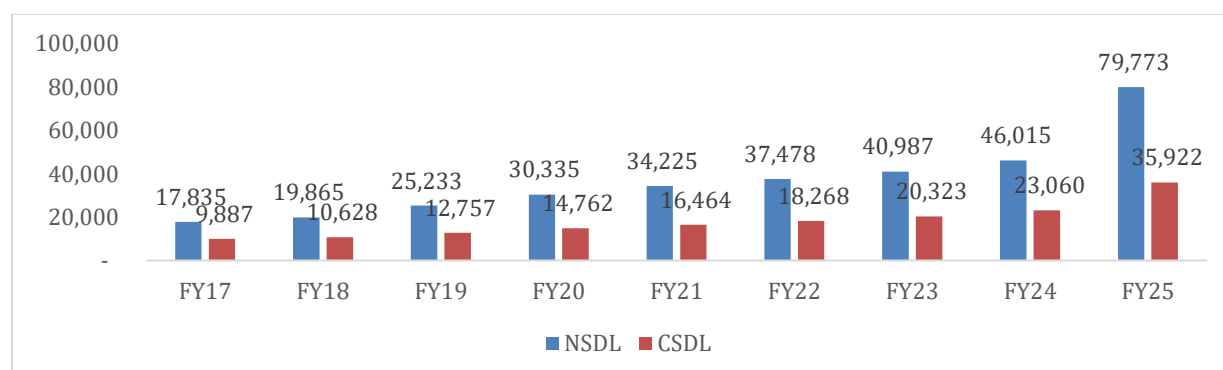
Depository Statistics for NSDL and CDSL witness a steady growth trajectory

Securities such as common equity shares, preferential shares, mutual fund units, debt instruments, government securities, certificates of deposit, commercial papers and others are available to be held in electronic or dematerialized (demat) form by the investors. The number of companies having their securities in demat form have seen an increase from 17,835 in Financial Year 2017 to 79,773 in Financial Year 2025 seeing a growth at 20.6% CAGR for NSDL and 9,887 to 35,922 from Financial Year 2017 to Financial Year 2025 growing at a ~17.5% CAGR for CDSL.

Amongst the depositories, NSDL holds a dominant market share in terms of progress in dematerialisation

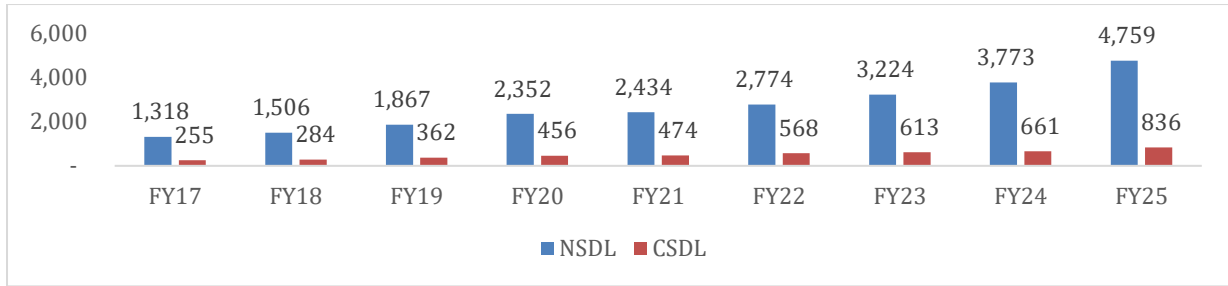
NSDL holds a higher share compared to CDSL amongst the two depositories across the number of companies available for demat, the quantity and value of securities held in demat form.

Trend of number of companies signed up and available for demat (listed and unlisted)



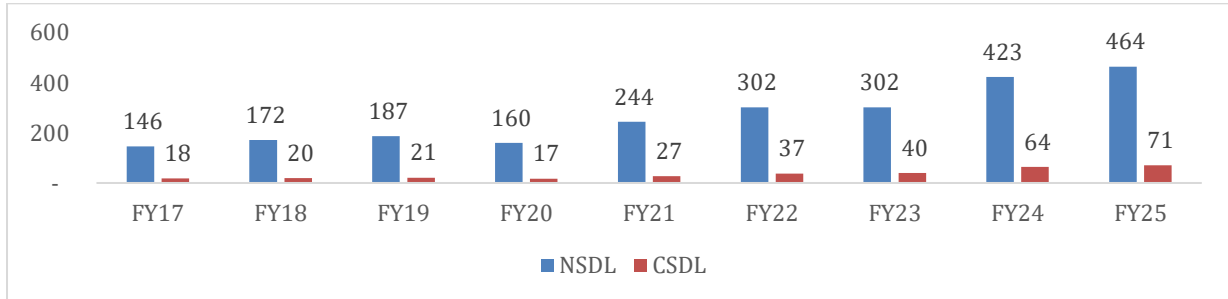
Note: FY: Financial Year; Source: NSDL, CDSL, SEBI Bulletin, CRISIL Intelligence

Quantity of securities held in demat form (in billion)



Note: FY: Financial Year; Source: NSDL, CDSL, SEBI Bulletin, CRISIL Intelligence

Value of securities in demat form (₹ in trillion)



Note: FY: Financial Year; Source: NSDL, CDSL, SEBI Bulletin, CRISIL Intelligence

Key trends in capital markets

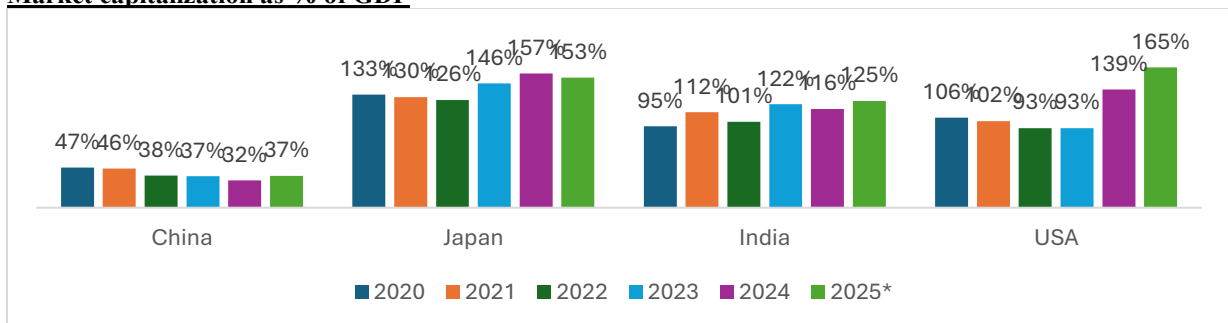
After a meteoric rise in Financial Year 2021, market capitalization to GDP stabilized Financial Year 2022 onwards

In Financial Year 2025, the equity markets in India have achieved record levels in terms of market capitalization of listed companies and the benchmark index performance. India's market capitalization to GDP stands at ~124% for the Financial Year 2025. India's market capitalization rose to ₹410.9 trillion as of March 31, 2025. This translates into an annualized growth of 30% in the last five years from Financial Years 2020-2025.

Indian capital markets by market capitalization as a proportion of GDP in comparison with other major economies

India's stock market capitalization to GDP has increased from 76.3% in 2019 to 125% in 2025. USA's stock market capitalization to GDP ratio is highest among the countries compared in 2025.

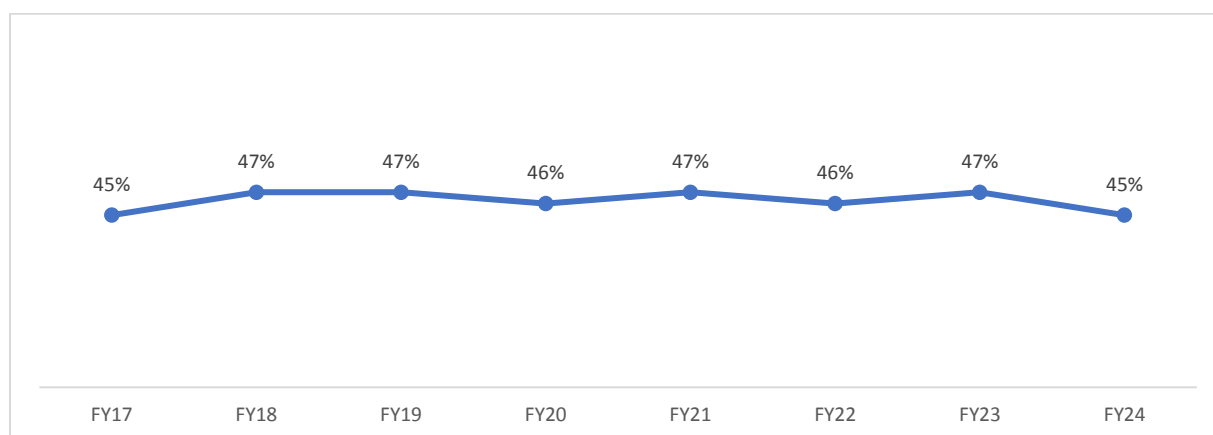
Market capitalization as % of GDP



Note: *Data as of November 2024 as per World Federation of Exchanges ("WFE"). Market capitalization of Shanghai stock exchange, Japan exchange group, National stock exchange of India and New York stock exchange has been considered. GDP data taken as per IMF database (April).

Source: World Federation of Exchanges (WFE), IMF, CRISIL Intelligence

Free float market capitalization as a percentage of total market capitalization seeing a marginal decrease

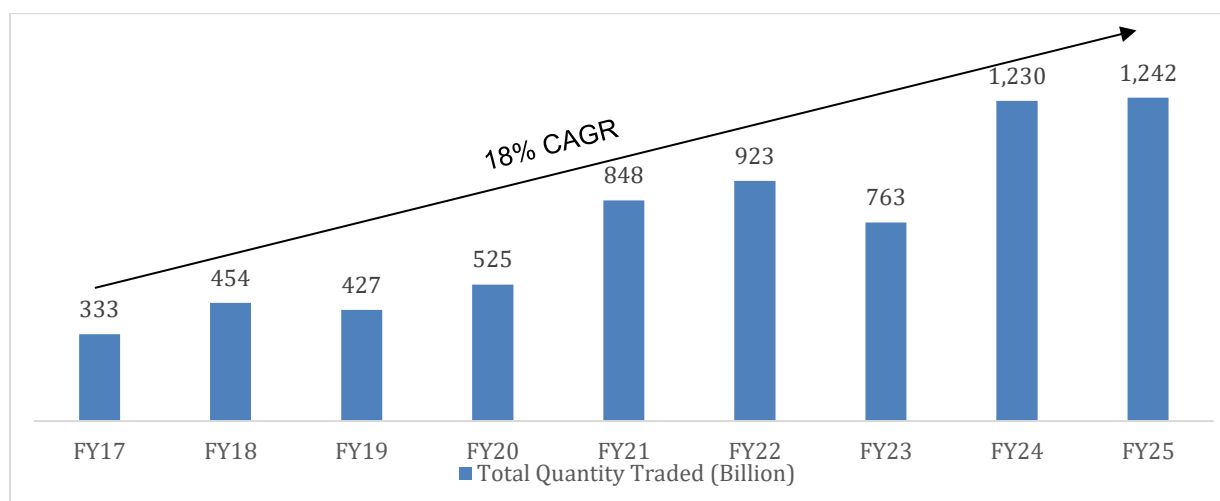


Note: FY: Financial Year; Source: SEBI, CRISIL Intelligence

Equities traded in the secondary market have seen a robust growth

A key trend that had emerged post the Covid-19 pandemic was the substantial rise in secondary market participation. The volume of equity traded in the secondary market saw a meaningful increase reaching record high levels as of Financial Year 2022 at 923 billion traded quantities. It has further increased in Financial Year 2024 and Financial Year 2025 to 1,230 billion and 1,242 billion traded quantities, respectively. The increase in participation was propelled by a multitude of factors including increasing retail investor participation driven by digitalization with higher adoption of mobile and digital investing, financial awareness, increasing participation in IPO subscriptions and the need to invest capital in an asset class yielding high returns amidst a low-interest environment.

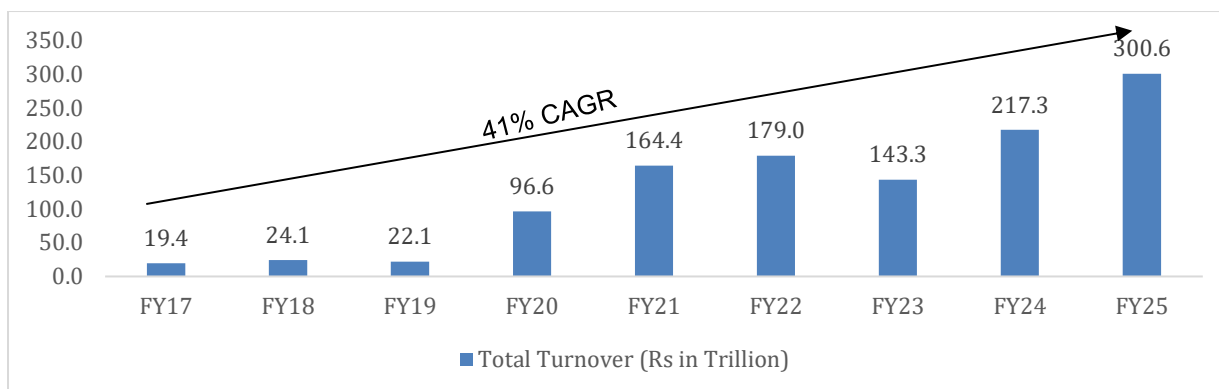
Quantity of equities traded in the secondary market reached record high in Financial Year 2025



Note: FY: Financial Year; Source: SEBI, CRISIL Intelligence

Total turnover (in ₹ trillion) of equities in the secondary market saw a sharp increase over the years

Turnover in equity cash segment, grew at ~41% CAGR over Financial Year 2017 to Financial Year 2025 period. The growth was primarily driven by the increase in retail participation due to ease of trading through mobile applications. As of Financial Year 2025, total equity cash segment turnover stood at ₹300.6 trillion. In Financial Year 2023, the total turnover of equities decreased to ₹143 trillion from ₹179 trillion in Financial Year 2022 on account of reasons such as investors shift to derivative trading, market volatility and increased retail participation with smaller trade size.



Note: FY: Financial Year; Source: SEBI, Crisil Intelligence Research

Capital raised in primary markets showed strong performance in Financial Year 2025

Funds raised through equity and debt have seen a steady growth over the years. Equity capital saw a strong 13.8% CAGR from Financial Year 2017 to Financial Year 2025 in terms of volume. The total volume of equity capital issuances as of Financial Year 2025 stood at 1,543 issuances and value at ₹4,299 billion. Volume of debt issuances was seeing a downward trend over the years de-growing at ~8% CAGR from Financial Year 2017 till Financial Year 2025. Since the value and volume of debt capital contributed to the lion's share in the capital market, the muted performance of the debt market is reflected in growth of the overall market as well.

Capital raised in primary market through equity gained more traction when compared to debt

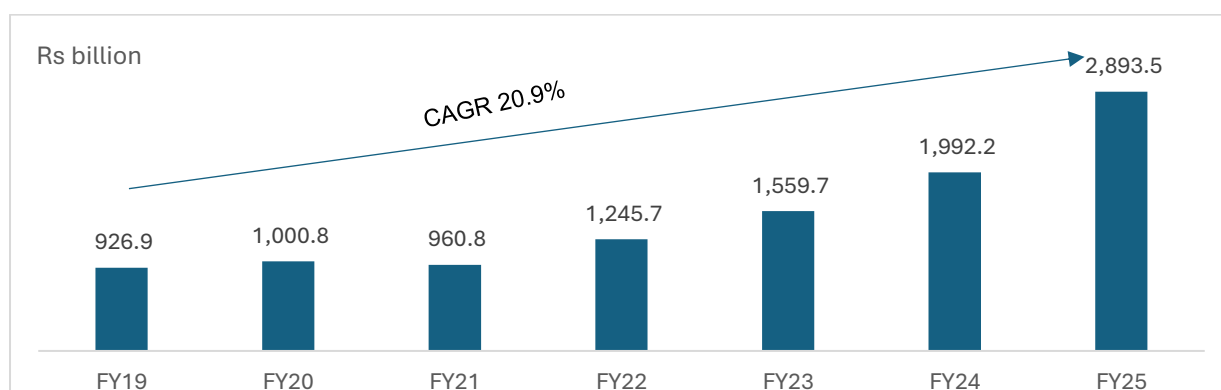
Particulars	Financial Year 2017		Financial Year 2022		Financial Year 2025		78Yr. CAGR (Financial Year 2017-2025)	
	Volume (In number)	Value (₹ in Billion)	Volume (In number)	Value (₹ in Billion)	Volume (In number)	Value (₹ in Billion)	Volume	Value
Equity	549	855	542	2,310	1,543	4,299	13.8%	22.4%
Debt	3,392	6,700	1,433	5,996	1,702	9,947	-8.3%	5.1%
Total	3,941	7,555	1,975	8,306	3,245	14,246	-2.4%	8.3%

Source: SEBI, CRISIL Intelligence

Mutual fund penetration is upward bound

In recent years, mutual fund assets in India have seen robust growth, largely driven by a growing investor base. This is due to increasing financial awareness, strong performance of capital markets, technological progress, and regulatory efforts aimed at making mutual fund products more transparent and investor friendly. Moreover, the rising awareness among the population about different capital-market related instruments including ELSS, SIPs, ETFs, theme-based investing building customized bucket of stocks as per clients' requirement, etc. have been a key driver in increasing mutual fund penetration in the market. SIPs are preferred by individuals who like to invest in equity with a long-term investing horizon. SIP contribution in Financial Year 2025 stood at ₹2,893.5 billion.

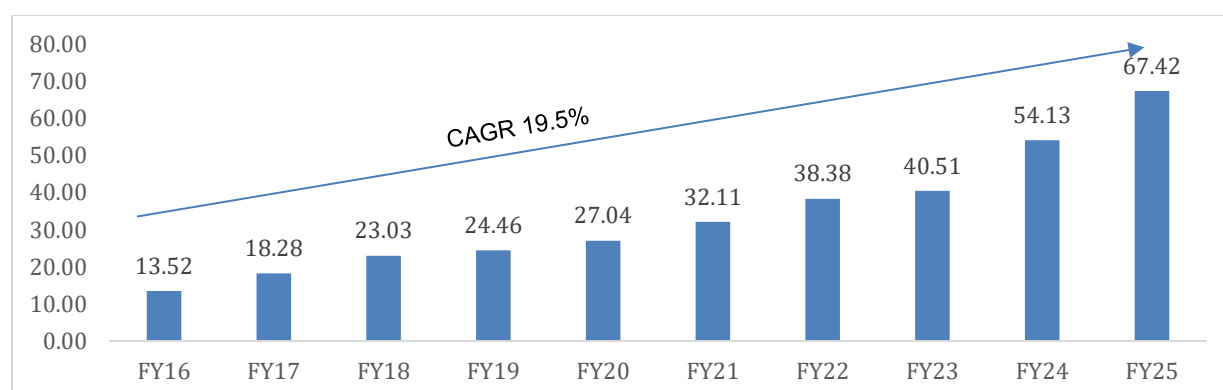
SIP Contribution witnessing a growth over the years (in ₹ billion)



Note: FY: Financial Year; Source: AMFI, CRISIL Intelligence

Overall mutual fund AUM increased from around ₹24.46 trillion in Financial Year 2019 to ₹64.42 trillion at end of Financial Year 2025 logging CAGR of 18.4% between the Financial Year 2019 and 2025. SIP amount (monthly average) has also increased from ₹77.2 bn in Financial Year 2019 to ₹241.1 bn in Financial Year 2025 with the CAGR of ~20.9%. Total SIP amount has increased from ₹927 billion in Financial Year 2019 to ₹2,893.5 billion in Financial Year 2025 registering CAGR of 20.9%.

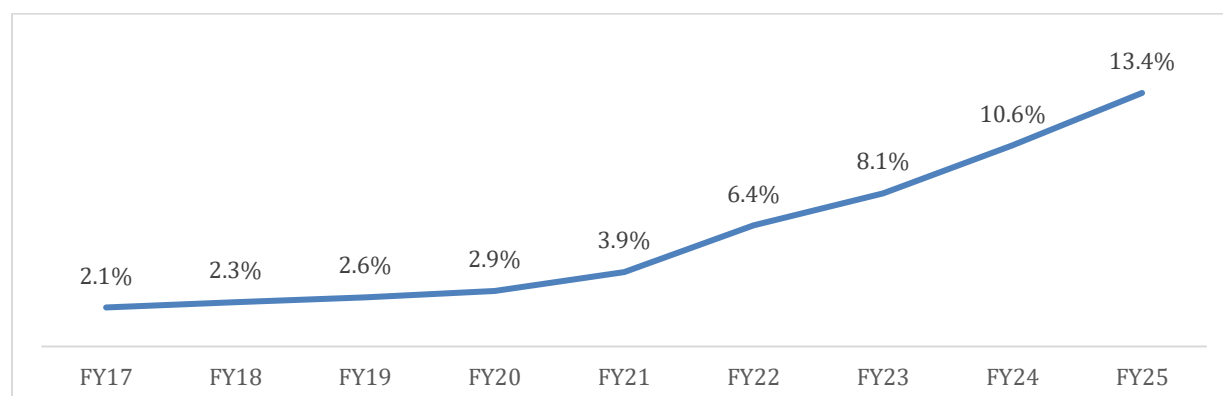
Growth in overall AUM of mutual funds (in ₹ trillion)



Note: FY: Financial Year; Values in the above chart are based on quarterly average AUM
Source: AMFI, CRISIL Intelligence

The Demat Account penetration in India is 13.4% in the Financial Year 2025.

Demat account penetration is low but steadily growing (% of population holding a demat account)

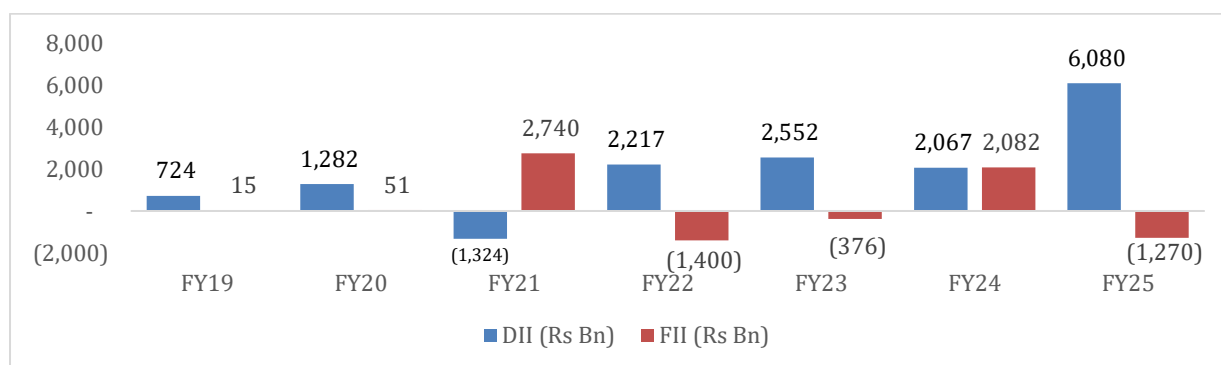


Note: E: estimated, Source: SEBI, World Bank, United Nations, CRISIL Intelligence

Institutional Investment into Equities

With strong participation in Indian capital markets, both FIIs and DIIs maintained record level of inflows in Indian equities due to robust macroeconomic fundamentals and significant return delivered by Indian market in recent years. DIIs remained strong buyers of Indian equities for the fourth year in a row, with net inflows of approximately ₹6.08 trillion in Financial Year 2025, aggregating to total net buying of more than ₹10.5 trillion in the last three years. FIIs turned aggressive buyers of Indian equities in Financial Year 2024 with net inflow of 2.1 trillion. In Financial Year 2025, FIIs were net sellers.

Net Buying Patterns of DIIs and FIIs over the years (₹Billion)



Note: FY: Financial Year; Source: NSE, SEBI, CRISIL Intelligence

FPI investments in capital markets

Sustained capital inflows - portfolio and direct - are a prerequisite for any economy. In particular, the challenge is to create favourable conditions for continuous inflow of foreign capital, to retain and utilise it for productive purposes like infrastructure and other investment needs. The foreign portfolio investor (FPI) regime commenced with effect from June 1, 2014, wherein the existing FIIs, sub-accounts, and qualified foreign investors (QFIs) were merged to form a new investor class termed as FPI.

Foreign investments in the country can take the form of investments in listed companies (FII investments), investments in listed/unlisted companies other than through stock exchanges (through the foreign direct investment or private equity (PE)/foreign venture capital investment route), investments through American depository receipts/global depository receipts, or investments by non-resident Indians and persons of Indian origin in various forms.

As on March 31, 2025, NSDL serviced almost 100.00% (99.99)% of the value of equity, debt and other securities held by foreign portfolio investors in dematerialized form in India.

FPI/FII net investment details

Financial Year	₹ Bn				
	Equity	Debt	Debt-VRR	Hybrid	Total
2018	256.3	1,190.4	0.0	0.1	1446.8
2019	-0.9	-423.6	0.0	35.1	-389.3
2020	61.5	-487.1	73.3	77.0	-275.3
2021	2,740.3	-504.4	332.6	102.5	2,671.0
2022	-1,400.1	16.3	126.4	35.0	-1,222.4
2023	-376.3	-89.4	58.1	-1.8	-409.4
2024	2,082.1	1,210.6	-29.7	127.7	3,390.7
2025	-1,270.4	1,364.3	67.4	44.3	200.18

Source: NSDL, CRISIL Intelligence

FPIs Assets Under Custody (AUC) data

AUC as of Mar'25 (₹ Bn)	Equity	Debt	Debt-VRR	Hybrid	Total
	66,794	4,656	1,618	533	73,708

Source: NSDL, CRISIL Intelligence

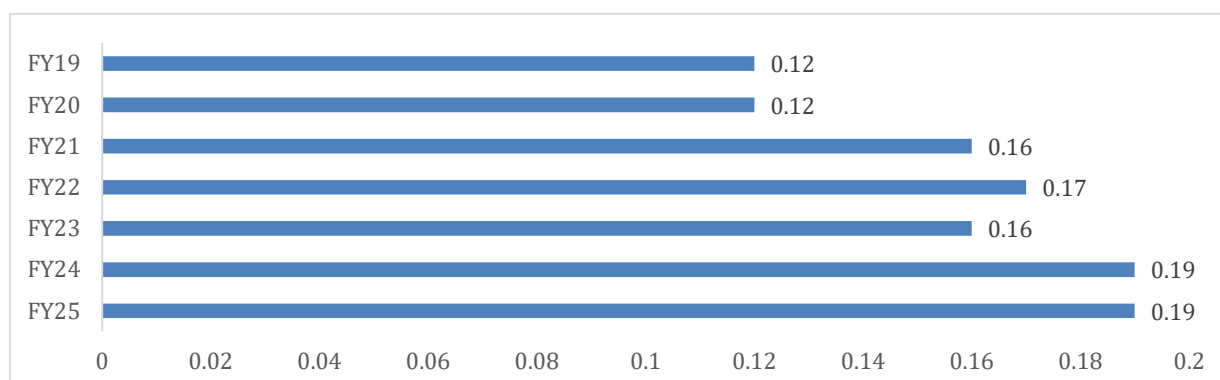
Growth drivers for players in the capital market industry

Number of companies incorporated is on the rise

In Financial Year 2025, the Ministry of Corporate Affairs (MCA) registered the highest ever number of company incorporations at 0.19 million companies as compared to 0.17 million companies in Financial Year 2022.

Government initiatives including Ease of Doing Business, make in India and Start up India have accentuated this trend by building a conducive environment for incorporating businesses and is expected to further improve the start-up climate in the country.

Number of Indian companies incorporated saw a rise (in million)



Source: Ministry of Corporate Affairs, CRISIL Intelligence

Increasing participation of domestic players in investments

With strong participation in Indian capital markets, both FIIs and DIIs maintained record level of inflows in Indian equities due to robust macroeconomic fundamentals and significant return delivered by Indian market in recent years. DIIs remained strong buyers of Indian equities for the third year in a row, with net inflows of approximately ₹6.08 trillion in Financial Year 2025, aggregating to total net buying of more than ₹10.5 trillion in the last three years. FIIs turned aggressive buyers of Indian equities in Financial Year 2024 with net inflow of 2.1 trillion. This trend is indicative of the prominence that DIIs are gaining, thus acting as a driving force in the Indian capital market. Increase in participation from domestic players in the market would further improve growth of other stakeholders in the ecosystem including depositories, depository participants, RTAs, investors etc wherein, the increase in volume of transaction would lead to higher transaction charges, improved market sentiment and would encourage more businesses to get listed on Indian exchanges thereby resulting in higher custodial fees as well.

Regulations and initiatives by SEBI and Exchanges to aid the penetration and growth in capital markets

SEBI has over the past systematically looked to make the Indian Capital Market a more safe and secured industry for investor. The regulator has over time introduced many newer regulations and evolved the existing ones. Some of the regulations and initiatives from the regulator are:

Application Supported by Blocked Amount (ASBA) which is a mechanism used for applying to Initial Public Offerings (IPOs) or Follow-on Public Offerings (FPOs). This mechanism creates a direct channel for flow of funds between the clearing corporation and the investors and ensures reduction in any fraud in handling of investor money by brokers.

Block mechanism facility which involves blocking of shares in the investors' demat whenever he/she wants to make a sale.

Shorter settlement cycle: The markets were functioning on a T+2 settlement cycle for the longest time. In January 2023, T+1 settlement cycle was brought into effect by SEBI. This meant that the trade settlement will be done within a day or 24 hours. The move was made in view of operational efficiency, faster fund remittances, quicker share delivery, and ease of the market participants. The introduction of the depository system brought about a notable transformation in trade settlement practices on stock exchanges and played a pivotal role in the implementation of rolling settlements in India. Prior to NSDL's incorporation, trades were settled on a weekly basis under the account period settlement framework. NSDL's scripless book entry system played a pivotal role in enabling the gradual reduction of settlement cycles and the subsequent implementation of rolling settlements in India. In 1998, SEBI introduced the concept of rolling settlements based on a T+5 timeline, which was further reduced over time following SEBI's decision to implement a T+1 settlement for all traded securities in January 2023. With effect from March 28, 2024, NSDL implemented a beta version of T+0 settlement with 25 scrips and since January 31, 2025, NSDL implemented an option of T+0 settlement in a phased manner to cover additional top 500 scrips based on market capitalization as on December 31, 2024, for all brokers. This places India among

the select countries to achieve such an efficient settlement system and NSDL's contributions have been instrumental in realizing this achievement.

SGX Nifty shifts to GIFT city; GIFT city on the path to become a global hub

The SGX Nifty was shifted to the GIFT city, Gandhinagar in mid-2023. NSE IFSC – SGX Connect was launched in July 2022 which marked the beginning of a transition of liquidity riding on SGX Nifty to NSE IFSC. Starting from July 2023, the SGX Nifty Index was structured from NSE IFSC in Gift City, Gujarat, and was known as the GIFT NIFTY Index, widening the liquidity pool for Nifty products there. This means, that the derivative contracts worth approx. \$750 crore which were earlier traded from Singapore shifted to India. GIFT Nifty includes, GIFT Nifty 50, GIFT Nifty Bank, GIFT Nifty Financial Services and GIFT Nifty IT derivative contracts.

There are many initiatives underway with respect to GIFT International Exchange that will help Indian markets extend their reach among global investors through direct engagement. It's expected that Indian entities will soon be allowed to directly list on NSE IFSC. This would help Indian companies access capital from global investors. This brings GIFT city a step closer to the becoming a global competitor to other financial hubs such as Dubai, Mauritius, Singapore etc.

Increasing Smartphone Penetration in the country will drive growth in mobile stock trading

The rise in smartphone penetration will continue to aid growth of mobile trading among the retail participants. The rise in mobile trading will especially benefit the brokers which continuously invest in Technology and Platforms and thus will be able to provide a superior trading and investing experience as compared to their peers.

Increasing Share of Non-Institutional and Retail Investors to drive growth for the industry

Individual investors (i.e., excluding promoters and institutions) ownership in NSE listed companies has increased steadily over the years, reflecting growing confidence in Indian equity markets. From March 2017 to March 2024, overall retail mutual fund AUM and retail equity mutual fund AUM has increased at a CAGR of 20.8% and 22.9% respectively. Going forward, CRISIL Intelligence expects a significant potential for direct equity investments as the total addressable market including mutual fund folios has seen significant growth in recent times. Moreover, with the increase in financial literacy of investors, direct equity ownership is expected to see an increase in the future.

Wider offering of value-added services & technological innovation to provide reliable and robust infrastructure

In addition to the core services of electronic custody and trade settlement services, depositories provide other services like pledge & hypothecation of securities, automatic delivery of securities to clearing corporations, web-based services like SPEED-e (submission of delivery instructions, freezing of accounts) and IDeAS (viewing of Instructions and holding), distribution of non-cash corporate benefits (such as bonus, rights, and IPOs), stock lending, etc. Moreover, technological innovation at NSDL has played a pivotal role in driving capital market participation such as –

- Introduction of distributed ledger technology (DLT) Blockchain Powered Security & Covenant Monitoring Platform
- Digitization of customer journeys leveraging Mobile First Approach
- Offering B2B2C model to NSDL Partners via APIfication of Services
- Building Platform agnostic, scalable and secure solutions providing high availability

Providing these additional services have added value and have helped depositories such as NSDL, strengthen their position in the capital market ecosystem by endeavouring to redefine the digital journey for capital market participants.

Outlook on Indian capital markets looks encouraging

The Indian stock market recorded a strong performance in calendar year 2024 reaching all-time highs in both indices - Nifty 50 and Sensex, despite facing several headwinds such as fluctuations in crude oil prices, weakness in the rupee and staggering inflationary pressure. Further, CRISIL Intelligence has a constructive outlook on the capital markets largely driven by:

- Initiatives taken by financial regulators towards financial education would empower investors in making informed decisions and encourage participation in the market.
- The push towards the new tax regime as implied in the Union Budget of Financial Year 2025 would provide investors with a higher investable surplus, thereby enabling higher investments.
- Reduction of fiscal deficit and the market borrowing were in line with market expectations thereby having limited impact on government yields. Moreover, with interest rates at peak, the bond market would be conducive to lock in a yield for debt instruments.
- The removal of tax on income up to ₹12 lakh would boost disposable income, encouraging higher savings and investments in capital markets, driving retail participation, and enhancing liquidity in equities and mutual funds.

In a bid to grow the bond market, the government is encouraging cities to float municipal bonds. Further, the financial market measures towards market-linked debentures and listed debentures will plug tax loopholes and would attract investor flows in the future.

Depository System in India

Emergence of depository system in India

Till early 1990s, ownership of equity shares in Indian companies was represented through share certificates in the physical mode, wherein transactions in securities markets were settled based on physical movement of paper. Clearing and settlement of sale of securities were only on 'accounting period basis'. It used to take roughly 10 to 14 days for a seller to receive payment and for a buyer to receive deliver of securities. Such a longer settlement cycle involved higher market and credit risk and therefore higher transaction cost.

In 1970s and 1980s, the Indian capital market grew rapidly with more and more companies accessing capital markets through public issue, rights and bonus issue, private placement, etc. and hence, the supply of share certificates increased greatly. Till early 1990s, retail and small investors were dominant. In the early 1990s, the market opened with entry of private MFs and foreign institutional investors (FIIs) and the turnover in primary and secondary markets grew manifold. This caused disturbances in clearing and settlement, owing to large movement of paper which made trading a prolonged process. This process used to increase market and credit risk and affected smooth functioning of stock exchanges. Along with this, there were multiple problems in dealing with physical shares such as theft, fake or wrong transfer, delay in transfer of shares due to mismatch in signatures, a lot of paperwork requirements in buying, selling and transfer leading to costs of handling, storage and transportation. Hence, there was an urgent need to shift to electronic method of settlements.

Generally, worldwide, depositories hold securities in two forms:

Immobilization – wherein securities are held in physical form, but transfer is done electronically through book entries.

Dematerialization – wherein certificates are destroyed once they are admitted to depository and corresponding credit is given in the account which is maintained electronically.

Dematerialisation is the process by which an investor's physical certificates are converted to an equivalent number of securities in electronic form. A system was devised whereby all securities get stored and only debit and credit entries are passed, representing the status of ownership of securities. To overcome delay in settlement, loss in transit, stolen certificates, litigation, etc. a new system, i.e., a depository system was introduced, which facilitates investors to hold securities in electronic form and trade in these securities.

Thereafter, Depositories Act, 1996 was enacted to provide for regulation of depositories in securities and for other related matters. Consequent to the enactment of Depositories Act, 1996, the first depository in the country, namely, National Securities Depository Limited (NSDL) was set up which pioneered the dematerialization of securities in India in November 1996. NSDL was one of the initial few depositories globally to directly implement dematerialization, bypassing the traditional two-step process of immobilization and subsequent dematerialization. NSDL began the process of dematerialization of securities with 3 participants and 5 securities eligible for dematerialization in November 1996. Currently, there are two depositories in India, NSDL and Central Depository Services (India) Limited (CDSL). CDSL was set up in 1999.

The introduction of the depository system brought about a notable transformation in trade settlement practices on stock exchanges and played a pivotal role in the implementation of rolling settlements in India.

In a rolling settlement, all trades outstanding at the end of day have to be settled, which means that the buyer has to make payments for securities purchased and the seller has to deliver securities sold. In India, we moved from T+5 rolling settlement and uniform settlement cycle to T+1 settlement cycle in which a transaction entered on Day 1 had to be settled on Day 1 + 1 working day. The process of migration to T+1 settlement cycle started in February 2022 and complete migration took place in January 2023. SEBI introduced the T+0 rolling settlement beta version in March 2024, allowing same-day trade settlement in select equity stocks. This initiative aims to enhance liquidity, reduce settlement risks, and improve market efficiency, aligning India's capital markets with global standards.

Key milestones in Indian depository system

Month & Year	Milestones
Aug 1996	Depositories Act published
Oct 1996	NSDL was granted certificate of commencement of business
Nov 1996	NSDL inaugurated
Dec 1996	Trading in Demat Securities on NSE commenced
Dec 1997	Trading in Demat Securities on BSE commenced
Jan 1998	Compulsory trading in demat for 200 scrips T+5 Rolling Settlement introduced in the demat segment of stock exchange
Jan 1999	Compulsory trading in dematerialized securities for all investors
Feb 1999	CDSL was granted certificate of commencement of business
Jul 1999	CDSL starts operations
Apr 2002	Introduction of T+3 rolling settlement
Nov 2002	SEBI mandates the removal of account closure charges
Apr 2003	Introduction of T+2 rolling settlement
Feb 2005	SEBI mandates the removal of charges associated with account opening, credit of securities, and custody of securities payable by the BOs to their DPs.
Jan 2006	SEBI mandates the removal of charges levied by the depository, on the BOs and DPs for shifting of accounts between DPs and depositories
Apr 2006	SEBI mandates the requirement of the PAN card, for all demat account holders, as a Know Your Client (KYC) norm for opening of demat accounts
Sep 2007	Warehousing (Development & Regulation) Act, 2007
Oct 2010	The Warehousing Development and Regulatory Authority (WDRA) was setup
Dec 2011	SEBI releases KYC Registration Agency regulations to grant registrations to KRAs
Sep 2015	Merger of Forward Market Commission with SEBI. SEBI started regulating commodity derivatives market in India
Jun 2017	Warehousing development and regulatory authority (Electronic negotiable warehouse receipts) regulations, 2017

Month & Year	Milestones
Oct 2018	SEBI introduced amendments related to structuring, shareholding, and governance of depositories in SEBI (Depository and Participants) regulations MCA notified that every unlisted public company shall issue the securities only in demat form and facilitate demat of all existing securities
Jan 2023	Introduction of T+1 rolling settlement
Oct 2023	MCA notification for mandatory dematerialization of securities by all private companies excluding small companies. Current deadline: June 30,2025
Mar 2024	Launch of Beta version of T + 0 rolling settlement cycle in equity market
Sep 2024	Value of securities held in dematerialized form at NSDL reaches ₹500 lakh crore (US \$ 6 Trillion)

Highlights on depository market in India

The growth of depository market is linked to several factors such as rising participation from investors, rising digital services which are being provided by brokers and depositories, reducing cost of transactions, rising awareness about capital markets, etc.

The depository market in India is a duopoly with high barriers to entry as each of the current depositories are promoted by large institutions. As the first and leading depository in the country, NSDL introduced the concept of dematerialization of securities, revolutionizing the securities landscape in India. NSDL is the largest depository in India in terms of number of issuers, number of active instruments, market share in demat value of settlement volume and value of assets held under custody as of March 31, 2025. CDSL is the largest depository in terms of the demat accounts as of March 31, 2025.

The depository market in India grew at rapid pace in past 3 years. Total client accounts grew at ~27.4% CAGR between Financial Year 2017 to Financial Year 2025 and is expected to grow at 11-12% CAGR between Financial Year 2025 to Financial Year 2027. Standalone income of depositories in India is around ₹17.16 Bn in Financial Year 2025 and grew at CAGR ~22.4% between Financial Year 2018 to Financial Year 2025 and is expected to grow at CAGR of 11% to 12% from Financial Year 2025 to Financial Year 2027 to reach ₹21 Bn to ₹22 Bn by Financial Year 2027 assuming there will not be any regulatory impact on pricing of products and services.

Impact of technology in the depository system of India

Technology has transformed the securities business in India. It has helped depositories to provide efficient and time-bound services. The depository system has several benefits over physical settlement system due to technology, such as:

1. **Wide DP network and online DP services** – An investor who wants to avail of the services offered by the depository, must open an account with the DP. A DP functions as a bridge between the depository and investors. The number of DPs help to increase the business of any depository. Therefore, every depository tries to increase the depository services across the country. Currently, DPs are located all over the country enabling investors to select DPs of their choice. As of March 2025, there are total 294 and 574 DPs registered with NSDL and CDSL with 65,391 and 18,918 DP service centres respectively across the country. With the help of technology, DPs across different locations are connected to depositories, thereby providing on-line and efficient service to investors. Depositories offer the unique facility for the DPs to extend the services directly through their branch network to reach investors even in the remote areas. SEBI has directed DPs to connect electronically all the branches with the centre for the benefit of the investors through faster settlements.
2. **Wide spectrum of securities available for demat** – The equity shares of all companies are available for dematerialisation on the depository, consisting of all listed companies. These securities include equities, bonds, MF units, government securities, CP, CDs; etc. Thus, an investor can hold securities in one account with a depository. MCA and several unlisted companies are also taking initiative to dematerialize their securities.

3. **Elimination of bad deliveries and risks associated with physical certificates** – Online trading system has improved efficiencies in working of stock markets by means of:
 - Elimination of bad deliveries - In the depository system, once holdings of an investor are dematerialised, the question of bad delivery does not arise, i.e., they cannot be held “under objection”. In the physical environment, buyer was required to take the risk of transfer & face uncertainty of the assets purchased.
 - Elimination of all risks associated with physical certificates - Dealing in physical securities have associated security risks of theft of share certificates, mutilation of certificates, theft/loss of share certificates during movement through and from the registrars, thus exposing the investor to the cost of obtaining duplicate certificates etc. This problem does not arise in the depository environment.
4. **Immediate transfer and registration of securities** – In the depository environment, once the securities are credited to the investors account on pay-out, he/she becomes the legal owner of the securities. There is no further need to send it to the company’s registrar for registration. When securities are purchased in physical form, an investor must send it to the company’s registrar so that the change of ownership can be registered. Previously, the process took around three to four months and was rarely completed within the statutory framework thus exposing the investor to opportunity cost of delay in transfer and to risk of loss in transit.
5. **Faster settlement cycle** – Depositories facilitated faster rolling settlement on T+1 (shortened from the previous cycle of T+5, T+3 and T+2). This has enabled faster turnover of stock, more liquidity with less risk to the investor. SEBI introduced the T+0 rolling settlement beta version in March 2024, allowing same-day trade settlement in select equity stocks.
6. **Faster disbursement of non-cash corporate benefits like rights, bonus, etc.** – Depository provides for direct credit of non-cash corporate entitlements to an investors account, thereby ensuring faster disbursement and avoiding risk of loss of certificates in transit.
7. **Reduction in handling of huge volumes of paper** - As the ownership gets transferred electronically, there is no need for handling large volumes of paper.
8. Periodic status reports to investors on their holdings and transactions, leading to better controls.
9. **Elimination of problems related to change of address of investor** - In case of change of address, investors are saved from undergoing the entire change procedure with each company or registrar. Investors have to only inform their DP with all relevant documents and the required changes are made in the database of all the companies, where the investor is a registered holder of securities.
10. **Elimination of problems related to transmission of demat shares** - In case of dematerialised holdings, the process of transmission is convenient as the transmission formalities for all securities held in a demat account can be completed by submitting documents to the DP whereas, in case of physical securities, the surviving joint holder(s)/legal heirs/nominee had to correspond independently with each company in which shares are held.
11. **Elimination of problems related to selling securities on behalf of a minor** - A natural guardian is not required to take court approval for selling demat securities on behalf of a minor.
12. **Ease in portfolio monitoring** - since statement of account gives a consolidated position of investments in all instruments.

Indian depositories are continuously evolving in technology

The financial services industry demands latest technology adoption to safeguard and protect data of customers. In line with the industry trend, the depositories in India are continuously not only trying to enrich existing services but also providing new services that can enhance customer convenience and their revenue earning potential. Since depository is a highly regulated industry, compliance and risk management sits at the core of their business, which is being addressed and made more efficient and secure by means of technology adoption.

Central Server

Both NSDL and CDSL have installed its core depository system based on a centralised architecture due to which data is available to the user instantaneously.

Periodic status report and electronic transaction facility

Both NSDL and CDSL provide periodic status report related to their holdings and transactions and also facilitate electronic transaction facility to investors. These can be accessed through websites as well as mobile applications.

Particular	NSDL	CDSL
Online viewing of statements and account balances	IDEAS	EASI (Electronic Access to Securities Information)
Electronic facilitation of Transaction	SPEED-e enables account holders and CM to submit delivery instructions electronically (SPICE: Submission of Power of attorney-based instructions for Clients Electronically)	Easiest (Electronic Access to securities information and execution of secured transaction)
Straight through processing of trade information	STeADY – enables encrypted straight through processing of trade information to market participants electronically	

Comparison with developed countries

The first depository in the world, Depository Trust Company (DTC) was started in USA, in 1973. South Korea established its Central Securities Depository (CSD) in 1974 followed by Japan in 1984, Taiwan & Malaysia in 1990, Thailand 1992, and India & UK in 1996. Many early entrants including USA, Japan and Korea chose to immobilise securities while some preferred to dematerialise them.

India is one of the few countries to achieve a fast pace of dematerialisation. In less than 3 years (1996-1999), India transformed almost 51% of market capitalisation and 94% settlements in demat form. These two indicators as of December 2000, stood at 60% and 99.5%. The accelerated adoption was primarily because dematerialization was being made mandatory in a progressive manner by the SEBI.

Snapshot of depositories in developed economies in comparison with India

USA	UK	Singapore	India
- Depository Trust Company (DTC) was set up on May 11, 1973, to immobilise and settle securities in the US. In 1999-2000, DTC and National Securities Clearing Corporation merged to form Depository Trust Clearing Corporation (DTCC). - Services offered: Institutional trade processing, clearing services, settlement and asset services, services for wealth management companies, repository and derivative services, data services	- In the UK, CRESTCo LTD was established in 1995 and inaugurated on July 15, 1996 to undertake activities of central securities depository - CRESTCo was merged with Euroclear in 2002. Euroclear was the central securities depository for Euronext- the Paris, Amsterdam and Brussels exchanges. - Services offered: Settlement, transaction reporting, stamp duty collection, settlement discipline, corporate actions, securities lending and borrowing, order routing, margin call	- The Central Depository Pte Limited (CDP) is a wholly owned subsidiary of the Singapore Exchange Ltd (SGX) established in 1980. - The company provides integrated clearing, settlement and depository facilities in the Singapore Securities Market, including both equities and fixed income instruments. - Services offered: integrated clearing, settlement and depository services, securities borrowing and lending, handling of corporate	- India has a unique model of central securities depository system, featuring 2 depositories - NSDL and CDSL - that became operational in 1996 and 1999 respectively. - Services offered: account maintenance, dematerialization, margin pledge, inter-depository transfer, corporate action, e-voting, CAS, dividend distribution, facilitate securities lending and borrowing, SMS alert, e-delivery instruction slip, depository account validation

USA	UK	Singapore	India
	support, open position management	actions, asset safekeeping and administration	

One of the key differences between Indian depositories vis-à-vis depositories in some other countries is that Indian depositories (NSDL and CDSL) have a segregated account structure where account of the end investor is opened with the depository as compared to omnibus account structure which is being followed in some other countries.

Growth drivers for depositories in India

Depositories to benefit from rising capital market participation

India's inherent strengths such as large population, growing middle-income households, initiatives taken by the government and SEBI to push for financial literacy, increasing awareness, millennials entering the space for better returns, etc. are benefitting capital markets in India and hence depositories. Details are provided below:

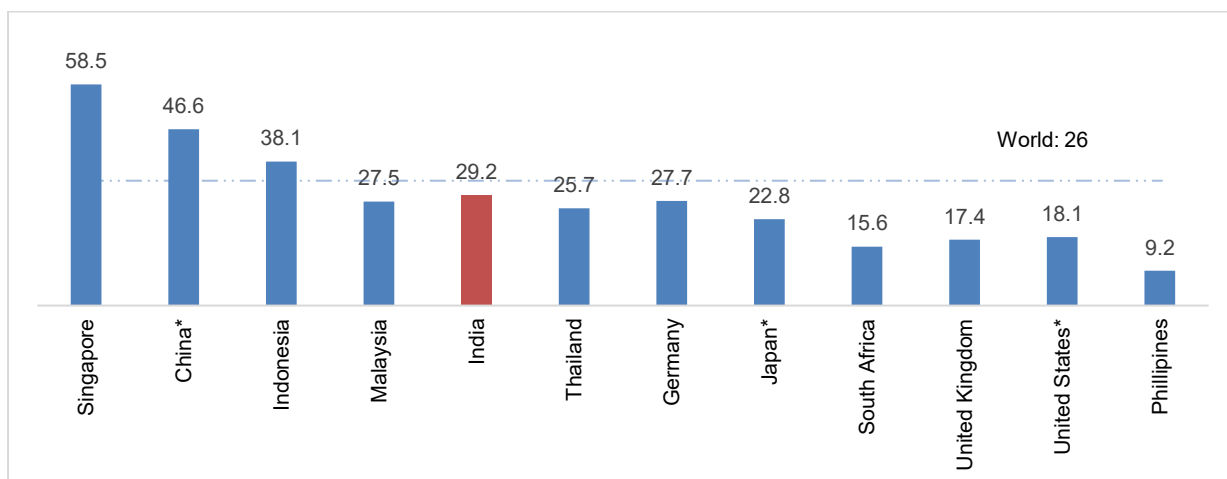
Favourable demographics, increasing per capita GDP and household financial savings

As discussed in the earlier section detailing 'Macro-economic scenario in India', as of calendar year 2020, India has one of the largest young populations in the world, with a median age of 28 years and as per IMF's estimates, India's nominal GDP per capita (at constant prices) was ₹0.134 million in Financial Year 2025 and is projected to grow further. Both these factors could contribute to increase in financial savings and therefore there shall be an increase in demand for depositories.

Household savings expected to increase

In 2023, India's gross domestic savings as a percentage of GDP rose to 29.2%, reflecting an upward trend from 2022 when it reached 28.4%, highlighting the economy's recovery and improved income levels. However, in 2020, this percentage had declined to 27.3% due to the economic disruptions caused by the pandemic. India remains favorable in terms of gross domestic savings rate compared with most other emerging market peers at 29% in 2023, greater than the world average of 26% in 2022.

India's gross domestic savings rate is higher than global average (2023)

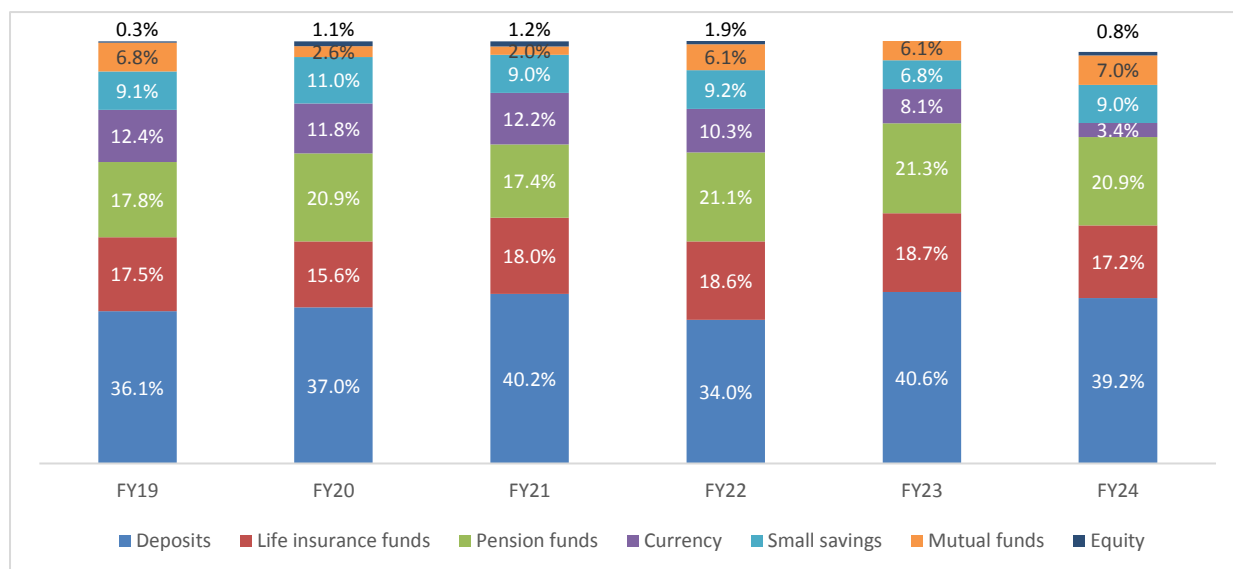


Note: The savings rate is in %, * Data as of 2022
Source: World Bank, CRISIL Intelligence

Going forward, CRISIL Intelligence expects the share of financial assets as a proportion of net household savings to increase over the next five years as elevated inflation after the pandemic could have further goaded investors to move to higher-yielding instruments in real terms. Interestingly, households are also preferring to keep more cash with themselves after enduring the pandemic shock. Investments through systematic investment plans (SIPs), mostly opted by individuals in the country, continued to rise in Financial Year 2023. For households, among financial instruments, there is gravitation from savings in deposits to equities, mutual funds and small savings.

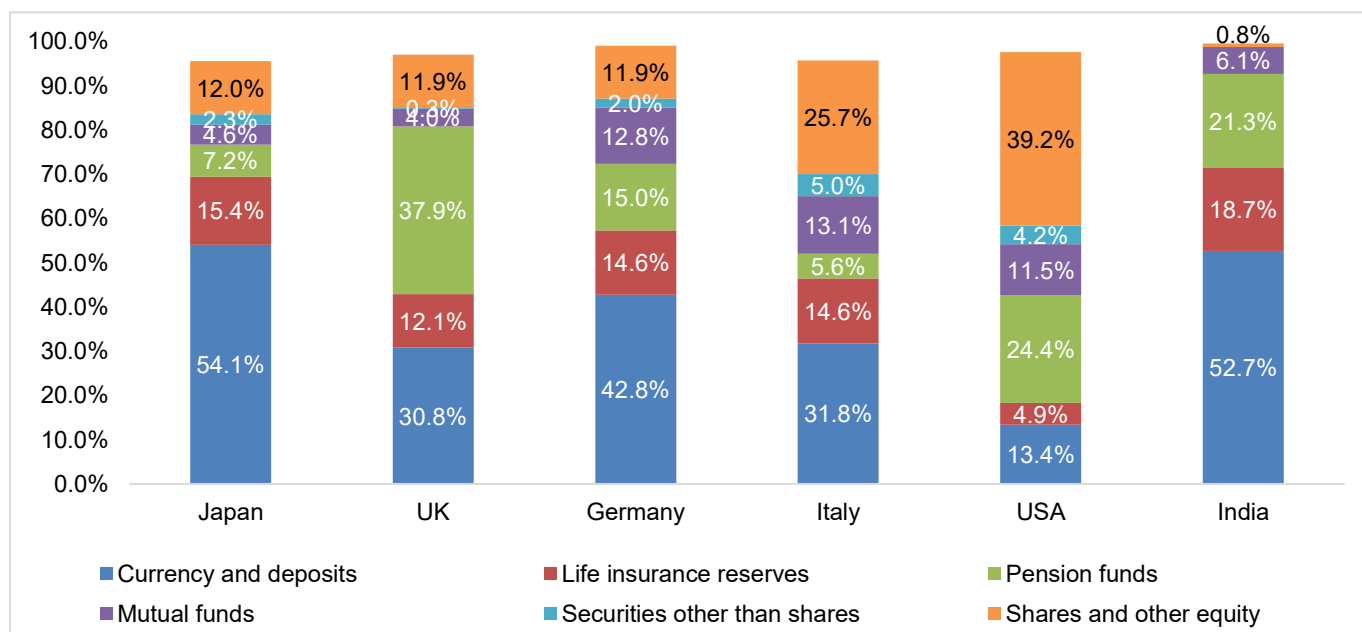
Going forward, if the amount of savings deployed in securities market sustained, it is expected to boost the capital markets and economy.

Share of equity investments in household financial assets during the year is yet to grow



Source: RBI, CRISIL Intelligence

Share of equity investments in household financial assets for some other countries are higher than India



Source: OECD data, CRISIL Intelligence; Note: Financial Year 2023 Data for India is considered, for other countries calendar year 22 data is considered. For India, Small savings have been added in Currency and deposits category. Data may not add up to 100%

Initiatives by SEBI to boost capital market participation

The government, SEBI and other capital market participants are also taking several initiatives such as investor awareness workshops, media campaigns, development of educational materials, etc. As part of promoting investor activity in the capital market, SEBI combines investor education and promotion of financial literacy along with regulatory measures to boost participation in the capital markets. SEBI collaborates with Market infrastructure institutions (MIIs) such as exchanges, depositories, and various trade bodies such as investors' associations to conduct several regional seminars/webinars. These programmes focus on creating awareness among

investors/general public about the basic concepts related to securities market, understanding the risks involved, rights and obligations of investors, grievance redressal mechanism in the securities market, etc. These awareness programmes are conducted free of charge for the participants and in various languages besides, Hindi and English.

Besides campaigns, SEBI has embarked on broadcasting important messages to investors through TV, radio, print media and bulk SMSs. These messages are intended to educate people about the SEBI's grievance redress mechanism named SCORES (SEBI Complaints Redress System) and its toll-free helpline. Its main aim is to caution investors about schemes seeking to mobilise capital for speculative purposes by offering unrealistic returns. It also urges investors not to go by hearsay while investing and do proper due diligence.

Adoption of multi-depository system led to faster growth

The multi depository system adopted in India has led to competition among the depositories and resulted in the following advantages:

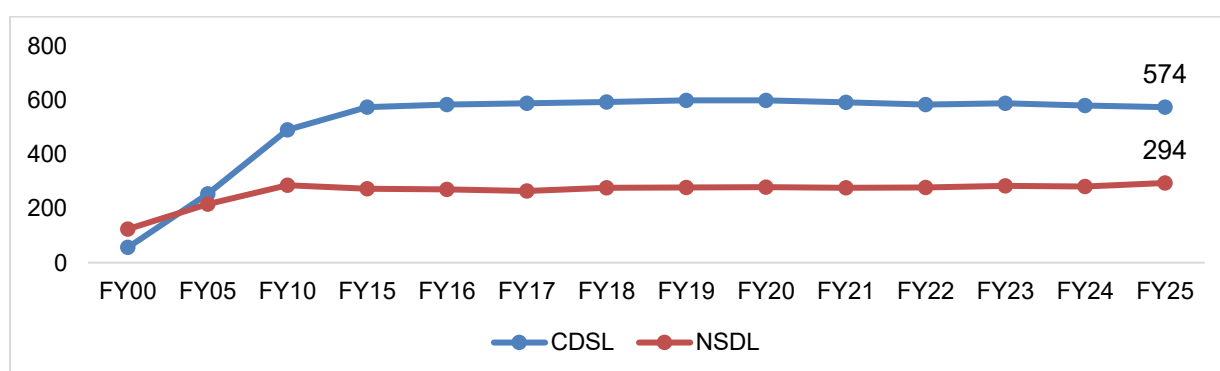
Ease in achieving dematerialisation

Companies admit their securities with depositories to enable security holders to hold and transact them in electronic form. More number of companies available for demat indicates exponential growth of the depository. Therefore, every depository tries to augment its list of securities which is made available for dematerialization.

Increasing number of DP service centres

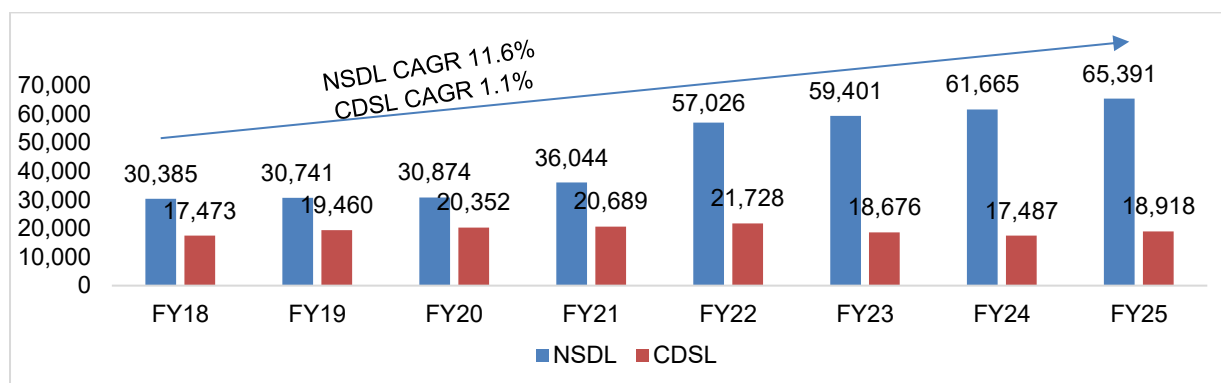
A Depository Participant (DP) is an agent of the depository through which an investor can open a demat account. A DP acts as a link between the company and investor through the depository. The DP maintains securities account balances and intimates' status of holding to account holders from time to time. The number of DPs have increased in the initial years; however, the numbers have stabilized in past few years. Though, the number of DPs with NSDL is lower as compared to CDSL, total number of DP service centres for NSDL (65,391) is higher than CDSL (18,918) as of March 31, 2025.

Number of DPs increased rapidly in initial years, however, stabilized over past few years



Source: SEBI Bulletin, CRISIL Intelligence..

Number of DP service centres grew at CAGR (Financial Year 2018- Financial Year 2025) of ~11.6% and 1.1% for NSDL and CDSL respectively

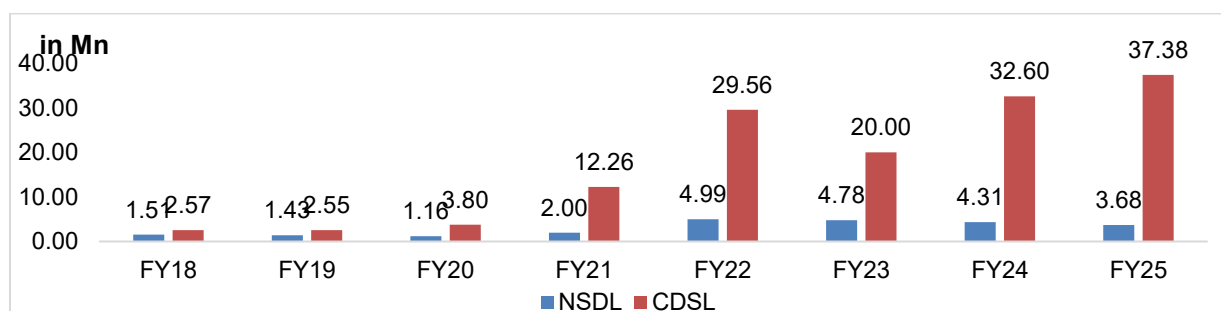


Note: FY: Financial Year; Source: SEBI Bulletin, CRISIL Intelligence

Rapid growth in investors account in recent years

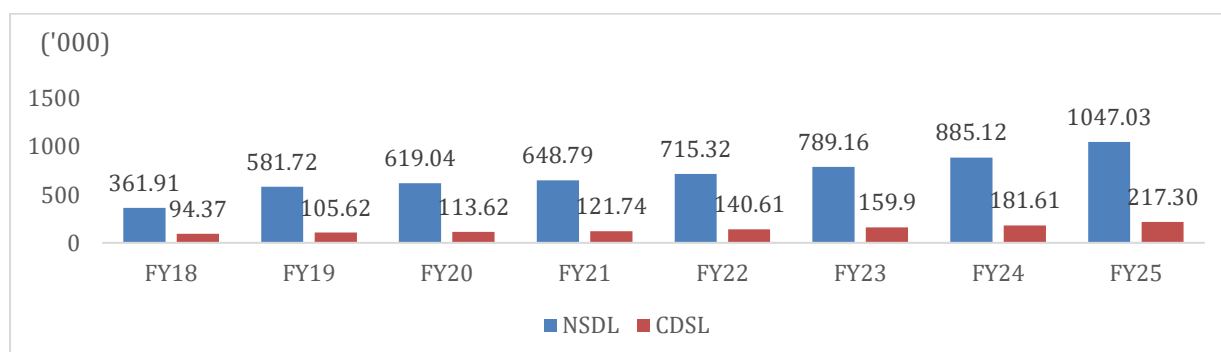
There is a significant scope for the growth of depository business considering that the number of new demat accounts opened with depository participants in India in financial year 2025 was 41.06 million as compared to 4.96 million in financial year 2020. Investors accounts have increased rapidly in Financial Year 2022 and Financial Year 2025 due to ease of account opening process and attractive returns the capital market witnessed in between these years.

New investors' accounts increased rapidly since Financial Year 2021, reaching record in Financial Year 2025



Note: FY: Financial Year; Source: SEBI Bulletin, CRISIL Intelligence

Investors' accounts (other than resident individuals)



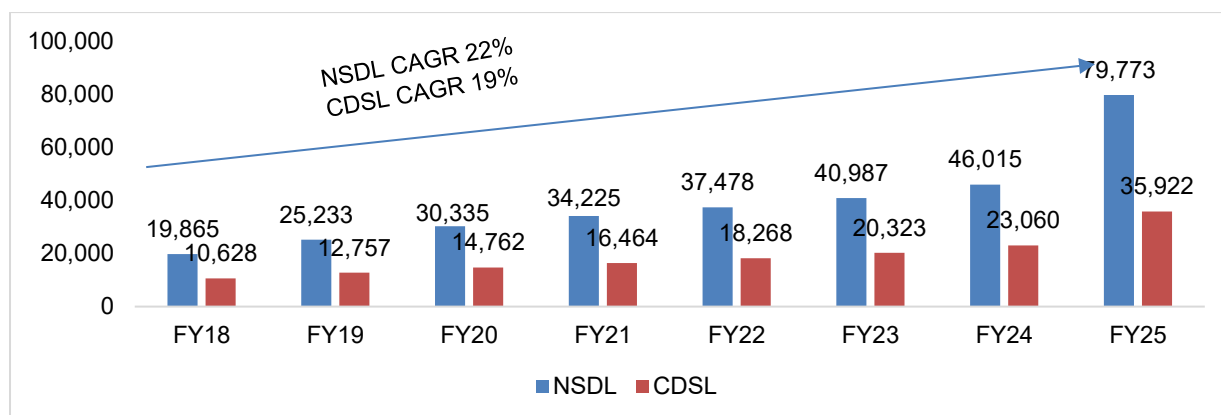
Source: SEBI Bulletin, CRISIL Intelligence

NSDL has higher number of clients (other than resident individuals) which to some extent makes revenue model of NSDL more stable as compared to CDSL which has higher number of individual clients. It could be due to higher risk-taking capacity of non-retail clients, large portfolio size and more financial awareness than retail clients that make them valuable customers even during market downturn.

Increasing number of companies opting for dematerialization

A total of 79,773 and 35,922 listed and unlisted companies are live for dematerialisation at NSDL and CDSL, respectively as of March 2025. The number of companies with securities in dematerialised form grew at a CAGR of about 22% for NSDL and ~19% for CDSL from Financial Year 2018 to Financial Year 2025.

Number of companies live (Listed + Unlisted) on platforms grew at CAGR (Financial Year 2018-Financial Year 2025) 22% and 19% for NSDL and CDSL respectively



Note: FY: Financial Year; Source: SEBI Bulletin, CRISIL Intelligence

As per Ministry of Corporate Affairs (MCA), the total number of companies registered in the country as on January 31, 2025, was 2,805,354, out of which were 18,17,222 were active. Additionally, as per MCA notification in October 2018, all unlisted public companies (except Government companies, Nidhi companies and wholly owned subsidiaries) have to compulsorily get their securities dematerialized. Therefore, there is immense scope for depositories to increase number of companies on their platforms for dematerialization.

As of Financial Year 2025, NSDL had over 39.45 million demat accounts held with 294 depository participants registered with it. Further, NSDL has an aggregate of 79,773 issuers registered with it, and its standalone operational revenue per investor account was ₹156.80, being substantially higher than its competitor. Whereas as of Financial Year 2025, CDSL had over 152.98 million demat accounts held with 574 depository participants registered with it. Further CDSL had an aggregate of 35,922 issuers registered with it and its standalone operational revenue per accounts was ₹55.44. As of December 31, 2024, the number of accounts which are common between NSDL and CDSL is 2.35 million.

NSDL has a greater number of unlisted companies registered with it as compared to CDSL. The number of unlisted companies at NSDL grew at CAGR 29.7% between Financial Year 2018 to Financial Year 2025. As of the Financial Year 2025, NSDL had 68,223 unlisted companies registered with it as compared to CDSL with 25,187 unlisted companies.

Market share in number of unlisted companies (equity) registered with NSDL and CDSL

Particulars	No. of unlisted companies at NSDL	No. of unlisted companies at CDSL	Market share of NSDL	Market share of CDSL
FY18	11,022	2,905	79.14%	20.86%
FY19	15,816	5,915	72.78%	27.22%
FY20	21,075	7,900	72.74%	27.26%
FY21	24,910	9,397	72.61%	27.39%
FY22	27,920	10,897	71.93%	28.07%
FY23	31,245	12,623	71.23%	28.77%
FY24	35,416	14,594	70.82%	29.18%
FY25	68,223	25,187	73.04%	26.96%

Note: FY: Financial Year; Source: SEBI Bulletin, CRISIL Intelligence

The demat value of unlisted companies at NSDL grew at CAGR of 17.2% as compared to CDSL which grew at CAGR of 9.6% between Financial Year 2018 to Financial Year 2025. As of Financial Year 2025, the demat value of unlisted companies at NSDL and CDSL stood at ₹19,367.58 billion and 2,146.07 billion respectively.

NSDL's market share in terms of number of unlisted companies (equity) registered with a depository was 73.04% during the Financial Year 2025, and in terms of value of shares settled in demat form was 66.03%.

Market share in demat value (equity) of unlisted companies registered with NSDL and CDSL

Particulars	Demat value of unlisted companies at NSDL (₹ Bn)	Demat value of unlisted companies at CDSL (₹ Bn)	Market share of NSDL	Market share of CDSL
FY18	6,390.24	1,128.13	85.00%	15.00%
FY19	8,695.01	1,394.08	86.18%	13.82%
FY20	10,121.57	1,285.41	88.73%	11.27%
FY21	10,991.20	1,395.84	88.73%	11.27%
FY22	13,544.98	1,522.46	89.90%	10.10%
FY23	14,840.26	1,648.70	90.00%	10.00%
FY24	16,276.19	1,704.15	90.52%	9.48%
FY25	19,367.58	2,146.07	90.02%	9.98%

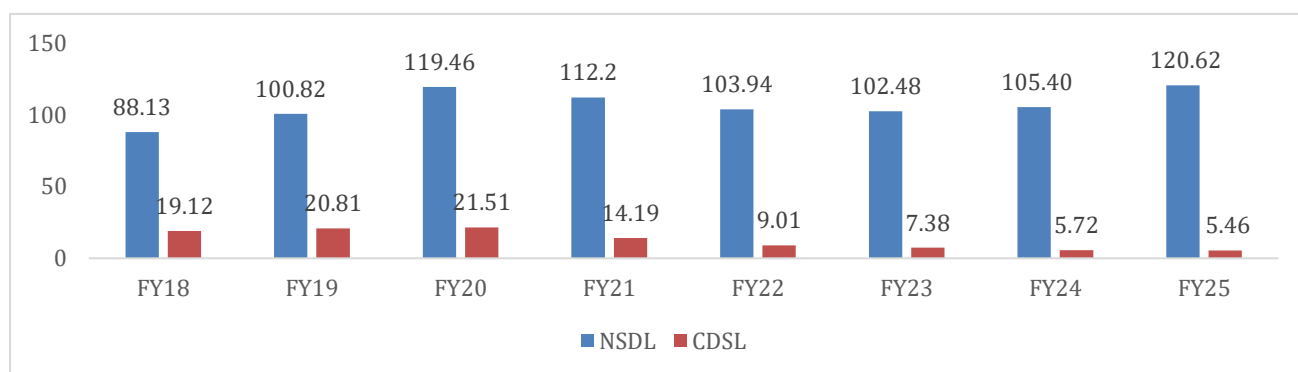
Note: FY: Financial Year; Source: SEBI Bulletin, CRISIL Intelligence

Market share in demat quantity (equity) of unlisted companies registered with NSDL and CDSL

Particulars	Demat quantity of unlisted companies at NSDL (Bn)	Demat quantity of unlisted companies at CDSL (Bn)	Market share of NSDL	Market share of CDSL
FY18	670.64	106.71	86.27%	13.73%
FY19	854.55	143.67	85.61%	14.39%
FY20	1,014.81	162.91	86.17%	13.83%
FY21	1,150.66	175.99	86.73%	13.27%
FY22	1,421.96	206.99	87.29%	12.71%
FY23	1,630.52	210.62	88.56%	11.44%
FY24	1,766.83	218.31	89.00%	11.00%
FY25	2,162.47	273.74	88.76%	11.24%

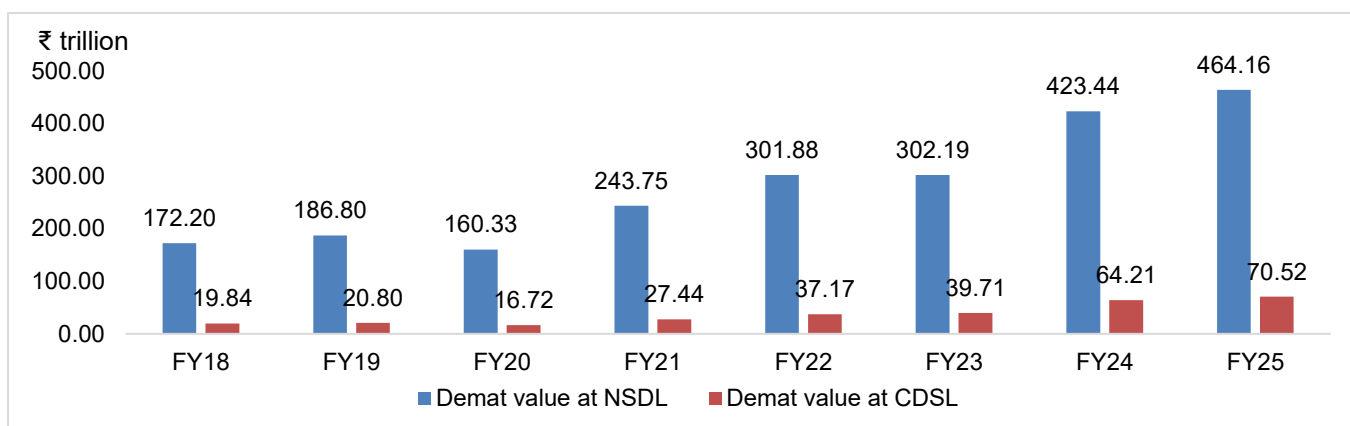
Note: FY: Financial Year; Source: SEBI Bulletin, CRISIL Intelligence

Demat quantity per investor account for NSDL and CDSL ('000)



Note: FY: Financial Year; Source: SEBI Bulletin, CRISIL Intelligence

Market share of players in total demat value



Note: FY: Financial Year; Source: SEBI Bulletin, CRISIL Intelligence

As of March 31, 2025, NSDL held approximately 85.06% and 86.81% of total securities in terms of numbers and values, respectively.

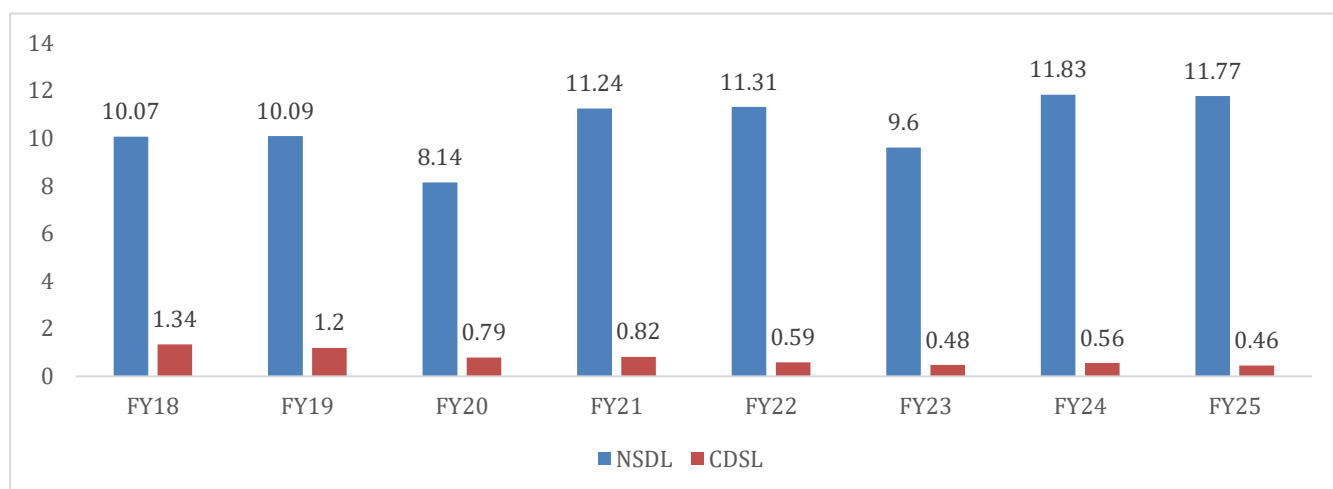
NSDL achieved the milestone of having assets under custody (demat value of securities) of over ₹1,00,000 billion in June 2014 i.e. after 18 years of operations, with the next ₹1,00,000 billion assets under custody being achieved in November 2020 and thereafter added another ₹1,00,000 billion in December 2021. In September 2024, NSDL had assets of over ₹500,000 billion under our custody. Furthermore, as of March 31, 2025, NSDL held assets in custody in relation to individuals and HUFs aggregating to ₹70,167.65 billion, constituting 67.90% of the total value of such assets under custody in dematerialized form, whereas CDSL held assets in custody in relation to individuals and HUFs aggregating to ₹33,178.76 billion. As of March 31, 2025, NSDL held assets in custody in relation to non-residents Indians aggregating to ₹4,676.01 billion, constituting 85.56% of the total value of such assets held by non-residents Indians under custody in dematerialized form across depositories whereas CDSL held assets in custody in relation to non-residents Indians aggregating to ₹789.13 billion. NSDL also had a market share of 97.84% of the dematerialized value of listed corporate debt securities in custody aggregating to ₹36,524.88 billion, as of March 31, 2025.

The table below sets forth the average value of assets held in Demat Accounts with NSDL as compared to the overall, as of March 31, 2025. The average value of Assets held in Demat Accounts with NSDL as of March 31, 2025 is ₹11.77 million and the average value of Assets held in Demat Accounts with CDSL is ₹0.46 million as compared to an overall average of ₹2.78 million. In relation to Individuals and HUFs, average value of Assets held in Demat Accounts with NSDL as of March 31, 2025, is ₹1.79 million and average value of Assets held in Demat Accounts with CDSL is ₹0.22 million, as compared to an overall average of ₹0.54 million held by Individuals and HUFs in a demat account.

Value of assets held in demat accounts

Particulars (FY25)	Holding per Demat Account (In ₹ million)	Holding per Demat Account (held by individuals including NRIs and HUFs) (In ₹ million)
Average Value of Assets (held in Demat Accounts with NSDL)	11.77	1.79
Average value of Assets (held in Demat Accounts with CDSL)	0.46	0.22
Industry average value of assets	2.78	0.54

Note: FY: Financial Year; Source: SEBI Bulletin, Company websites, CRISIL Intelligence

Demat value per investor account for NSDL and CDSL (₹ Mn)

Note: FY: Financial Year; Source: SEBI Bulletin, CRISIL Intelligence

Settlement volumes

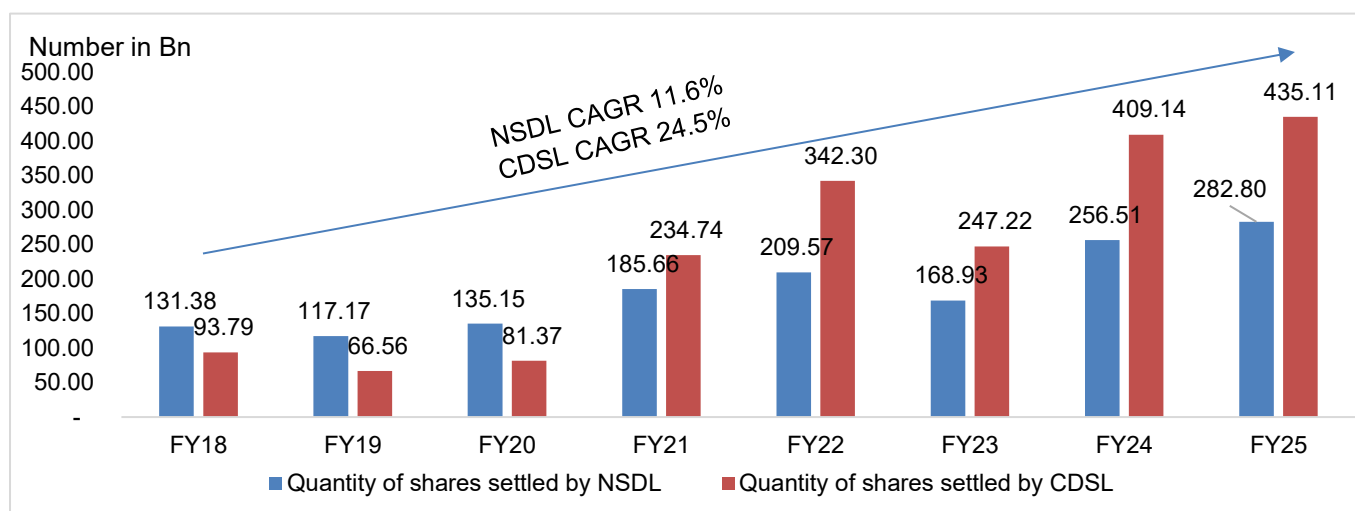
Value of shares settled in demat form at NSDL increased to ₹103,222 Bn in the Financial Year 2025 from ₹76,590 Bn in Financial Year 2024 and quantity of shares settled stood at 282.8 Bn in Financial Year 2025 and 256.5 Bn in Financial Year 2024. Similarly, for CDSL, value of shares settled in demat form increased to ₹53,113 Bn in Financial Year 2025 from ₹36,917 Bn in Financial Year 2024 and quantity of shares settled in demat stood at 435.1 Bn in Financial Year 2025 and 409 Bn in Financial Year 2024. NSDL has larger market share as compared to CDSL in terms of demat value.

Value of shares settled in demat form

Particulars	Value of shares settled in demat form at NSDL (₹ Bn)	Value of shares settled in demat form at CDSL (₹ Bn)	Market share of NSDL	Market share of CDSL
FY18	32,537.52	9,391.19	77.60%	22.40%
FY19	31,162.30	6,975.46	81.71%	18.29%
FY20	33,081.13	7,465.80	81.59%	18.41%
FY21	43,221.64	19,332.59	69.09%	30.91%
FY22	54,720.22	30,746.20	64.03%	35.97%
FY23	49,602.93	22,874.86	68.44%	31.56%
FY24	76,590.08	36,917.93	67.48%	32.52%
FY25	103,222.58	53,112.63	66.03%	33.97%

Note: FY: Financial Year; Source: SEBI Bulletin, CRISIL Intelligence

Quantity of shares settled in demat form



Note: FY: Financial Year; Source: SEBI Bulletin, CRISIL Intelligence

Increased activity by market participants

The companies/issuers have been increasingly tapping the capital market for their fund's requirements through various instruments. Number of debt instruments at NSDL and CDSL increased at ~6.6% and 5.3% CAGR respectively between Financial Year 2018 to Financial Year 2025. Number of dematerialized equity instruments at NSDL and CDSL increased at ~20% and 18.5% CAGR respectively during the same period.

NSDL's market share in terms of the total active instruments was 65.27% for the Financial Year 2025.

Market share of players in total active instruments

Particulars	Instruments at NSDL				Instruments at CDSL				NSDL market share	CDSL market share
	Debt	Equity	Other	Total	Debt	Equity	Other	Total		
FY18	17,291	23,447	37,225	77,963	10,786	9,938	19,974	40,698	65.70%	34.30%
FY19	17,080	28,979	41,063	87,122	10,402	12,049	21,685	44,136	66.37%	33.63%
FY20	16,747	34,075	41,190	92,012	10,619	14,018	23,392	48,029	65.70%	34.30%
FY21	18,354	38,203	32,278	88,835	11,644	15,619	22,984	50,247	63.87%	36.13%
FY22	19,474	41,771	33,649	94,894	12,147	17,336	23,364	52,847	64.23%	35.77%
FY23	21,170	45,473	34,289	100,932	13,176	19,304	23,871	56,351	64.17%	35.83%
FY24	23,936	50,304	53,831	128,071	14,378	21,576	35,413	72,367	63.90%	36.10%
FY25	27,082	83,907	73,990	184,979	15,495	32,584	50,397	98,436	65.27%	34.73%

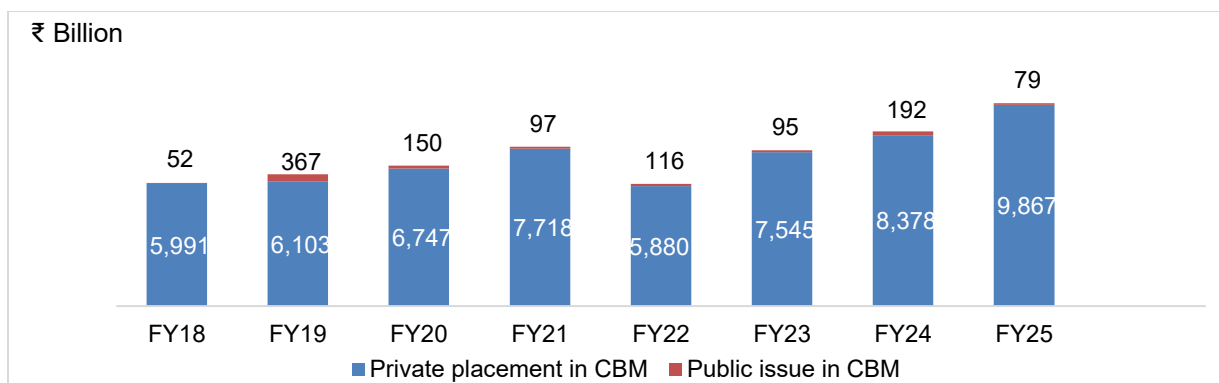
Note: FY: Financial Year; Source: SEBI Bulletin, CRISIL Intelligence

Deepening of corporate bond market

Development of corporate bond market assumes crucial importance for India, especially in the context of channelling funding to long-term infrastructure and other industry projects. Corporate bond market not only provides an alternative to bank finance but also lower the cost of long-term funding. An efficient bond market with lower costs and quicker issuing time can offer an efficient and cost-effective source of longer-term funds for corporates. Also, it provides institutional investors such as insurance companies and pension funds with long-term financial assets.

Over the last few years, total issue size in corporate bond market increased except in Financial Year 2022. Further, over the years, there has been a steady increase in mobilization of resources through the corporate bond route.

Funds mobilized from corporate bond market (CBM)



Note: FY: Financial Year; Source: SEBI, CRISIL Intelligence

Trend in debt securities

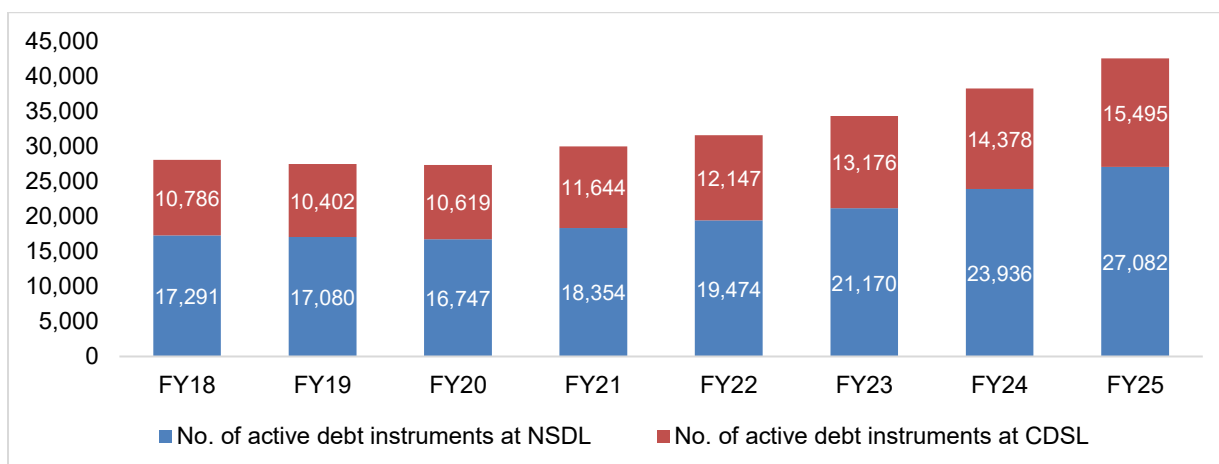
Total demat value of debt securities (at NSDL and CDSL together) was ₹29,677 Bn in Financial Year 2018 and grew at CAGR 9% to reach ₹53,822 Bn in Financial Year 2025 and NSDL has almost 97% market share of the industry in demat value of debt securities (listed and unlisted). Number of debt issuing companies at NSDL grew at 12% CAGR between Financial Year 2018 to Financial Year 2025 while at CDSL number of debt issuing companies increased at CAGR ~9% between Financial Year 2018 to Financial Year 2025 NSDL accounts for ~75% of market share in number of debt issuing companies as of Financial Year 2025.

Market share of players in demat value of debt securities and number of debt issuers

Particulars	Total demat value of debt securities at NSDL (₹ Bn)	Total demat value of debt securities at CDSL (₹ Bn)	Market share of NSDL in demat value of debt securities	Market share of CDSL in demat value of debt securities	Number of debt issuers at NSDL	Number of debt issuers at CDSL	Market share of NSDL in number of debt issuers	Market share of CDSL in number of debt issuers
FY18	28,881.26	796.28	97.32%	2.68%	2,238	891	71.52%	28.48%
FY19	31,342.51	982.91	96.96%	3.04%	2,546	963	72.56%	27.44%
FY20	33,101.75	1,078.02	96.85%	3.15%	2,782	1,006	73.44%	26.56%
FY21	37,062.04	1,213.08	96.83%	3.17%	3,192	1,094	74.48%	25.52%
FY22	39,325.67	1,167.45	97.12%	2.88%	3,528	1,241	73.98%	26.02%
FY23	42,144.64	1,341.02	96.92%	3.08%	3,846	1,390	73.45%	26.55%
FY24	45,883.36	1,444.67	96.95%	3.05%	4,218	1,493	73.86%	26.14%
FY25	52,195.07	1,626.68	96.98%	3.02%	4,935	1,646	74.99%	25.01%

Note: FY: Financial Year; Source: SEBI, CRISIL Intelligence

Number of active instruments in debt



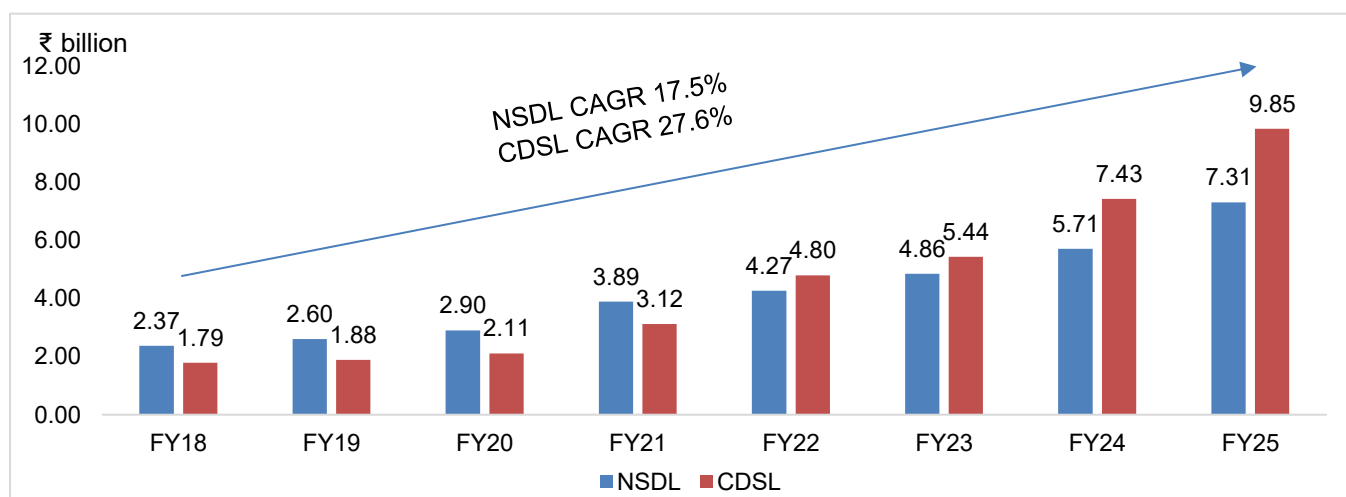
Source: SEBI, CRISIL Intelligence

Revenue mix of depositories in India

The depositories derive their business mainly from activities in primary and secondary capital markets. Revenue of depositories majorly constitutes transactional charges, custodial charges and annual charges. In addition to the core services of electronic custody and trade settlement services, depositories provide other services like pledge of securities, automatic delivery of securities to CC, distribution of non-cash corporate benefits (such as bonus, rights, and IPOs), stock lending, etc. These services have added value in the whole ecosystem of capital markets and depositories could diversify their revenue streams.

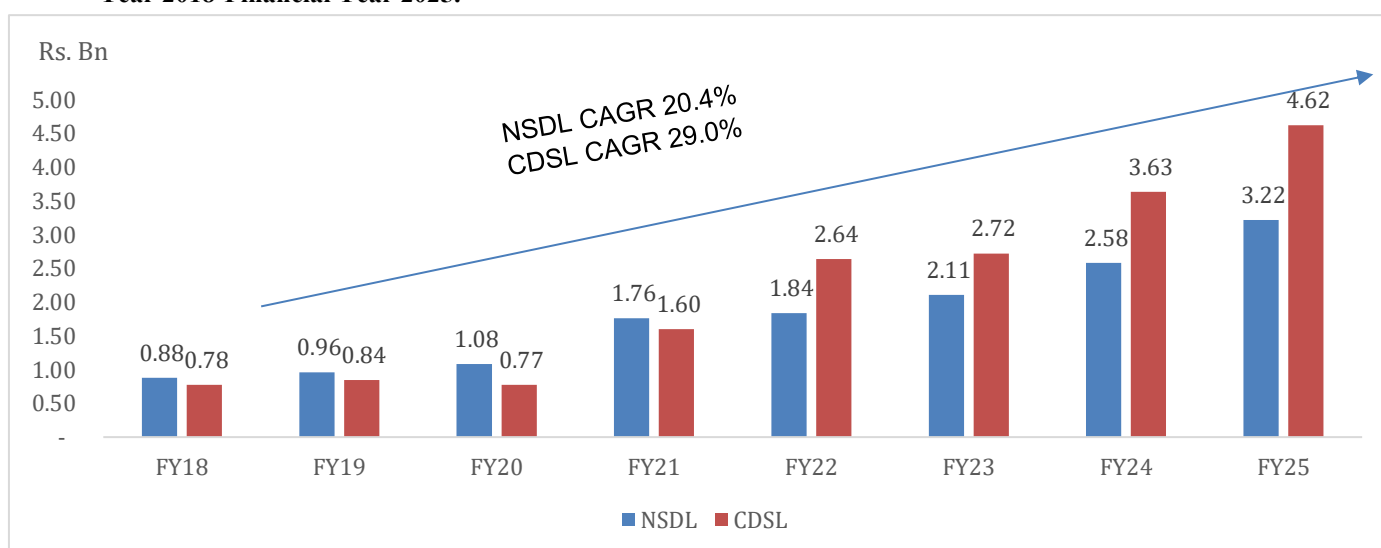
Total Standalone income of depositories in India is around ₹17.16 Bn in Financial Year 2025 and grew at CAGR ~22.4% between Financial Year 2018 to Financial Year 2025 and is expected to grow at CAGR of 11% to 12% from Financial Year 2025 to Financial Year 2027 to reach ₹21 Bn to ₹22 Bn by Financial Year 2027 assuming there will not be any regulatory impact on pricing of products and services.

Total income (standalone) of NSDL and CDSL grew at 17.5% and 27.6% CAGR respectively between Financial Year 2018- Financial Year 2025



Note: FY: Financial Year; Source: Company annual reports and financial statements, CRISIL Intelligence

Total profit after tax (standalone) of NSDL and CDSL grew at 20.4% and 29.0% CAGR between Financial Year 2018-Financial Year 2025.

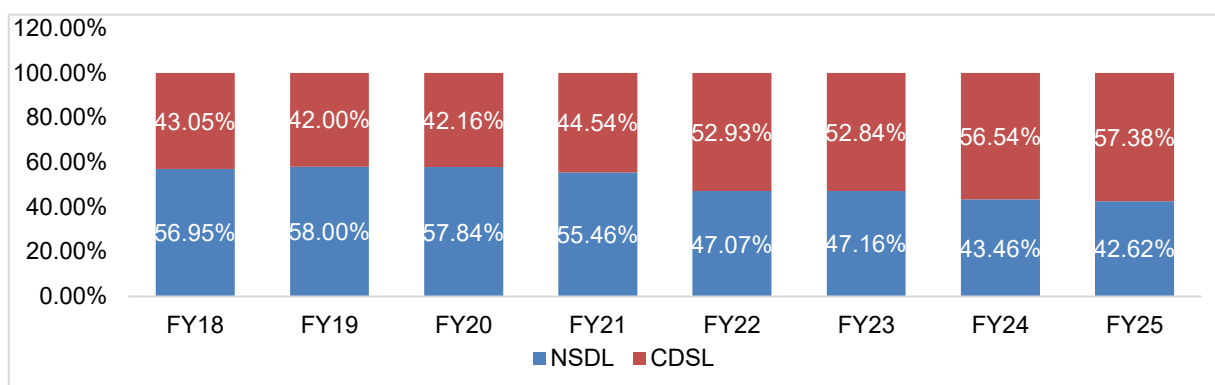


Source: Company annual reports and financial statements, CRISIL Intelligence

Market share of depositories in India with respect to revenues

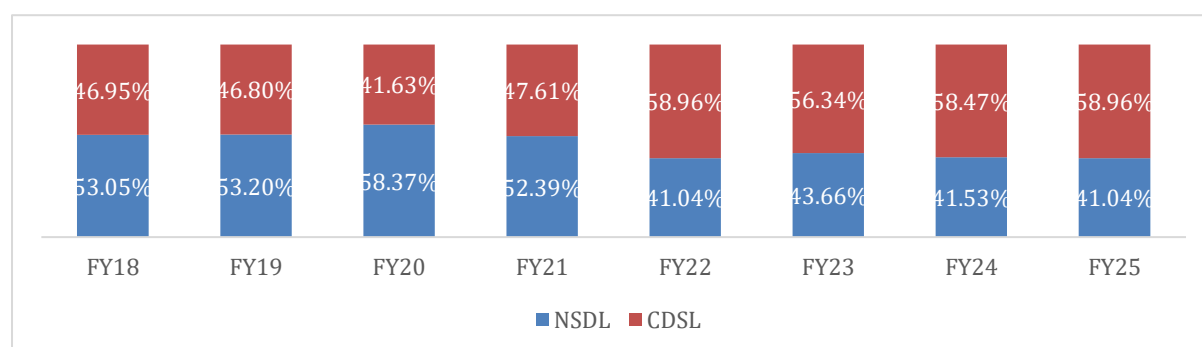
Share of NSDL's and CDSL's standalone total income stood at 42.62% and 57.38% respectively in Financial Year 2025.

Total income (standalone) Share



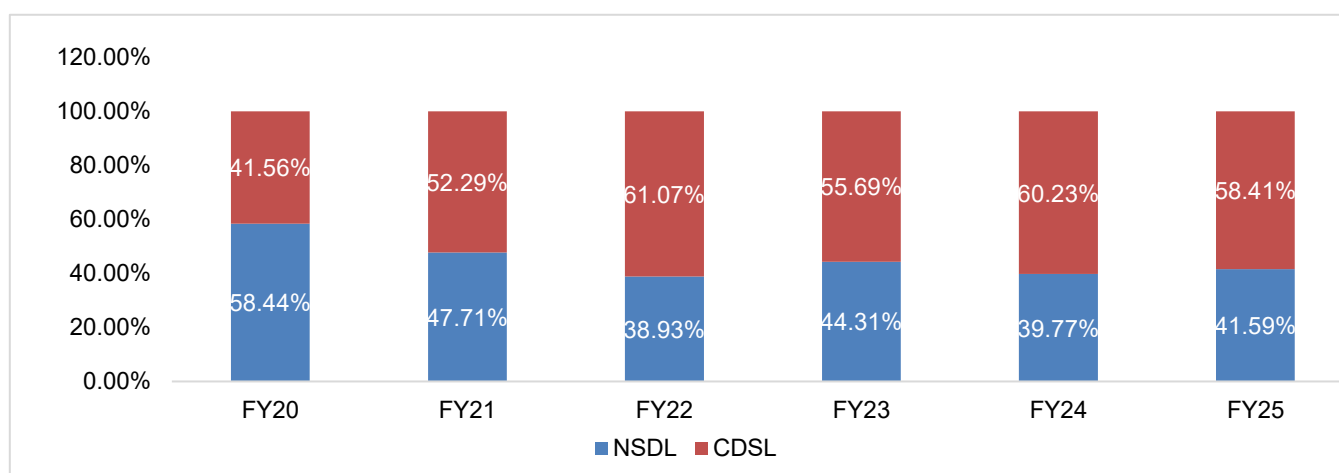
Note: FY: Financial Year; Source: Company annual reports and financial statements, CRISIL Intelligence

Total PAT (standalone) Share



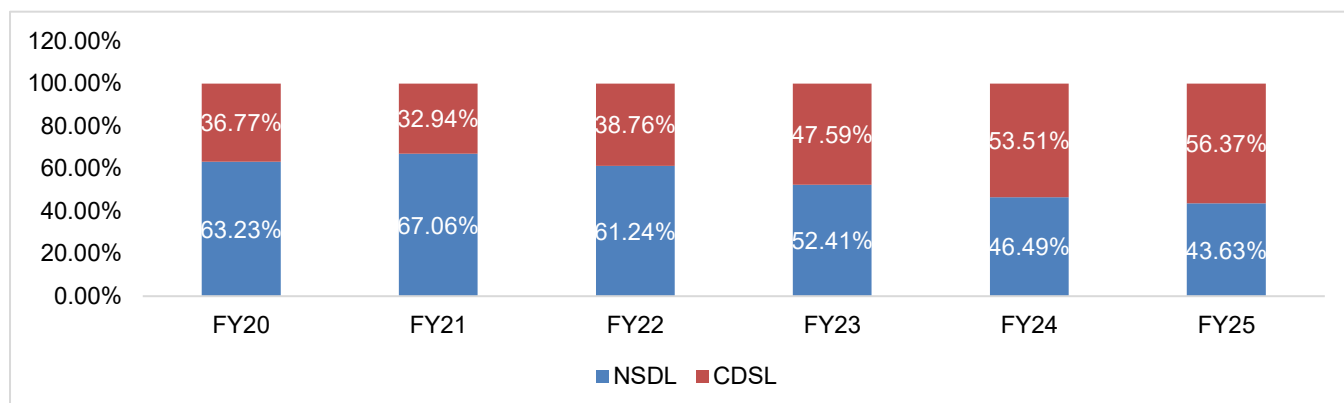
Source: Company annual reports and financial statements, CRISIL Intelligence

Share of NSDL's and CDSL's transactional revenue in depositories' total transactional revenue



Note: FY: Financial Year; FY25 numbers for CDSL are calculated approximately. Source: Company annual reports and financial statements, CRISIL Intelligence

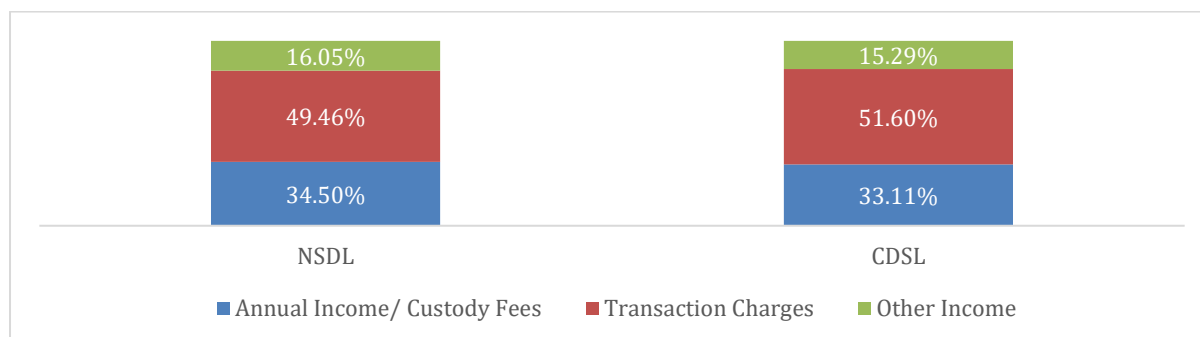
Share of NSDL's and CDSL's annual charges and custody revenue in depositories' total annual and custody charges stood at 43.63% and 56.37% for Financial Year 2025 respectively



Note: FY: Financial Year; Financial Year 2025 numbers for CDSL are calculated approximately Source: Company annual reports and financial statements, CRISIL Intelligence

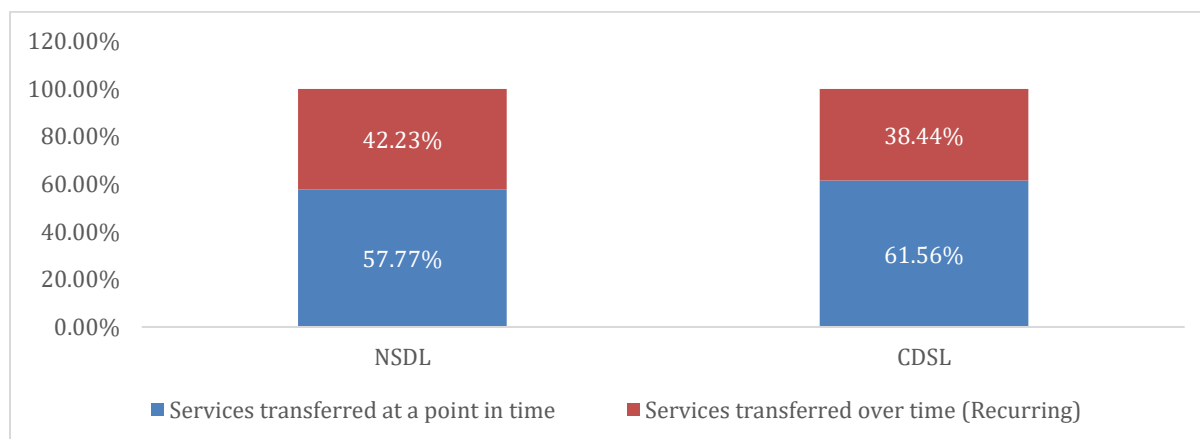
Revenue from annual and custody fee is considered as more stable and recurring kind of revenue source as it is lesser dependent on market cycle as compared to revenue from transaction charges.

Share of annual and custody charges (in standalone income) for NSDL and CDSL (Financial Year 2025)



Note: FY: Financial Year; Annual and custody charges include Annual fee and Custody fee, Transaction charges include Transaction fee, E-voting charges, CAS charges and corporate action/IPO charges. FY25 numbers for CDSL are calculated approximately. Source: Company annual reports and financial statements, CRISIL Intelligence

Share of recurring revenue in standalone operational revenue from contracts with customers



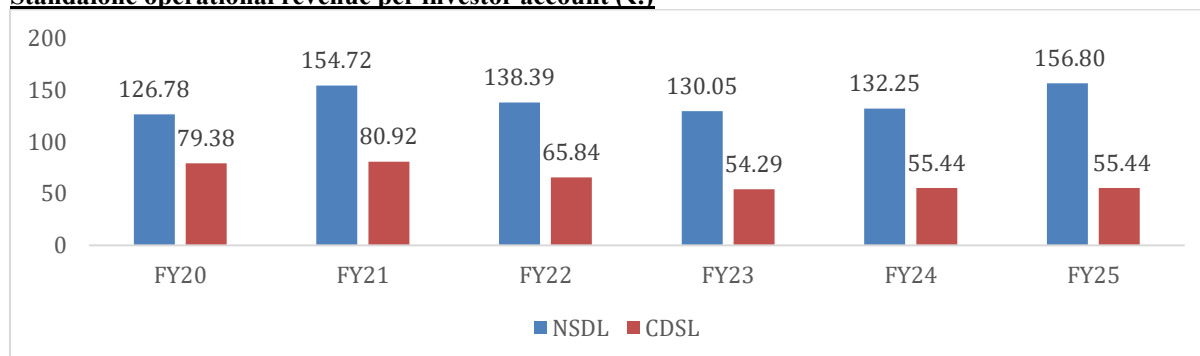
Note: Financial Year 2025 numbers for CDSL are calculated approximately. Source: Company annual reports, CRISIL Intelligence

Share of recurring revenue in standalone operational revenue from contracts with customers for NSDL in Financial Year 2025 was 57.77%.

Transaction revenue and operational revenue per account

Transaction revenue per account shows the quality of investors accounts depository possesses. As of March 31, 2025, NSDL's standalone operational revenue per investor account was ₹156.80, as compared to ₹55.44 for CDSL standalone. Recurring revenues from the wide base of market participants lends stability to financial performance.

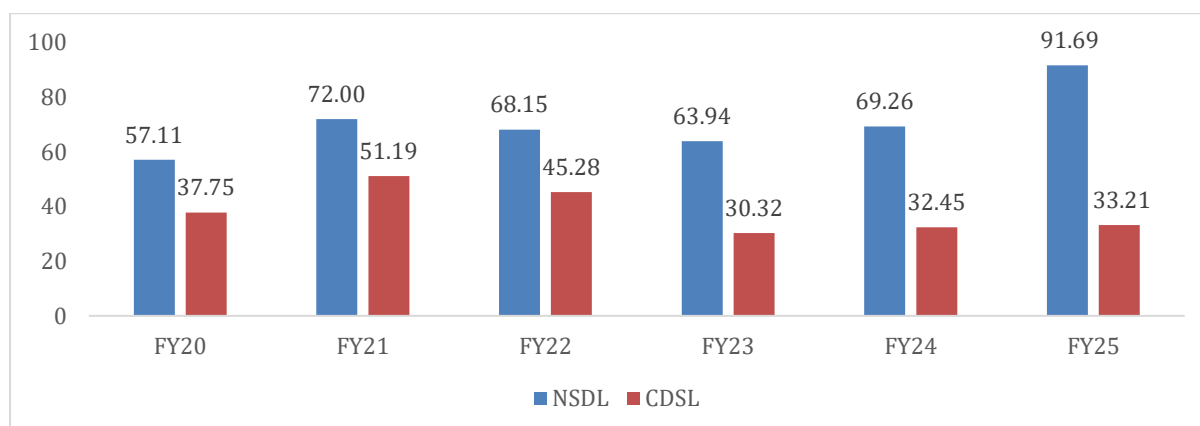
Standalone operational revenue per investor account (₹.)



Note: FY: Financial Year;

Source: Company annual reports and financial statements, CRISIL Intelligence

Standalone transaction revenue per account (₹.)



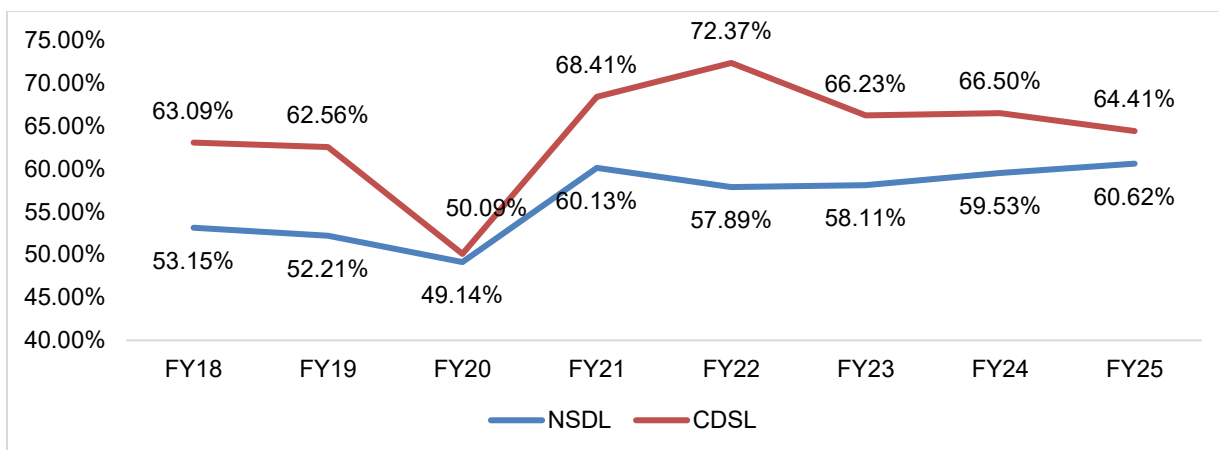
Note: FY: Financial Year; Financial Year 2025 numbers for CDSL are calculated approximately. Transaction revenue includes transaction charges, pledge fee for margin, E-voting charges, CAS, corporate action/IPO charges.

Source: SEBI Bulletin, Company annual reports and financial statements, CRISIL Intelligence

Trend in operating margins and profitability (standalone) for depositories

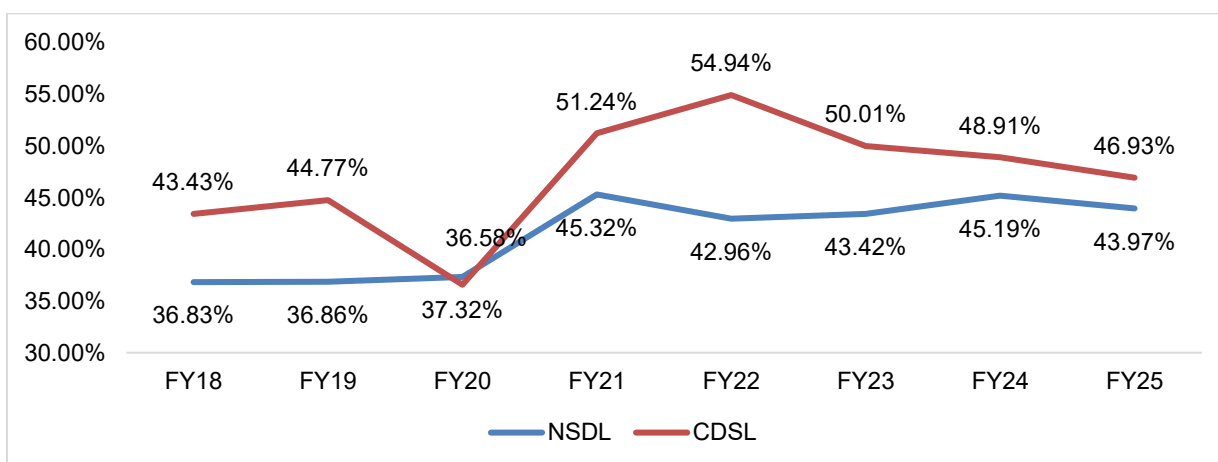
Margins in depository business are dependent on the scale at which they operate. Due to sudden increase in number of investors accounts and their active participation in markets during Financial Year 2021 and Financial Year 2022, it can be observed that the margins of depositories have also increased as compared to previous years. EBITDA margin for NSDL have increased to 60.62% in the Financial Year 2025 from 57.89% in Financial Year 2022, showcasing an upward trend.

EBIDTA margins of industry improved after dip in Financial Year 2020



Note: FY: Financial Year; Source: Company annual reports and financial statements, CRISIL Intelligence

PAT margins of industry improved after dip in Financial Year 2020



Note: FY: Financial Year; Data is on standalone basis

Source: Company annual reports and financial statements, CRISIL Intelligence

Allied businesses of depositories in India

To facilitate and strengthen capital markets community in India, depositories have introduced a number of products, value-added services and initiatives that have resulted in emerging as key enablers for the securities market in India.

In August 2007, NSDL was the first depository to introduce instant messaging alerts (over SMS) to investors. The full-fledged roll out of this facility for all investors commenced from September 2007. CDSL introduced the SMS facility in October 2007.

NSDL has leveraged their technological infrastructure to cater to the diverse needs of the securities market in India and introduced several additional products, e-services and ancillary value-added services and initiatives through NSDL and its subsidiaries NSDL Database Management Limited (NDML) and NSDL Payments Bank Limited (NPBL) thereby emerging as a key enabler for the financial market in India. Similarly, CDSL has also introduced several products and value-added services through its subsidiaries CDSL Ventures Limited (CVL) and Centrico Insurance Repository Limited.

Allied businesses	Description
Electronic delivery instruction platform	It is a common internet infrastructure that enables Depository Participants to provide depository services to their clients. This facility is used extensively by Depository Participants (DPs) to offer an electronic instruction submission facility to their clients. This brings convenience to investors which reduces the risk for DPs as well as to investors. It also provides customer delight thus enhancing the overall customer

Allied businesses	Description
	experience. Demat account holders (including Clearing Members) subscribing to this service can submit delivery instructions to their participants electronically through website instead of submitting Delivery Instruction Slips in paper form.
Power of attorney-based Instructions	Submission of Power of attorney-based Instructions for Clients Electronically facility is in respect of demat accounts operated on the basis of Power of Attorney (POA). Many investors execute POA in favour of their stockbrokers. Based on the POA, Clearing Members (CMs) submit instructions to the Participants (where clients maintain demat accounts) to debit the demat accounts of the Clients. The facility enables such CMs to submit digitally signed instructions to Participant thereby eliminating the need to give paper-based delivery instructions to Participants. The facility enables Clearing Members to debit Client account and credit CM Pool account. For non-POA accounts, the transaction gets authorized only after providing TPIN and OTP which reduces the risk of frauds.
Electronic voting, Virtual annual general meeting and Electronic notices	The e-Voting platforms of depositories have facilitated many leading companies to offer e-Voting services to their Shareholders and thus, have empowered their Shareholders to exercise voting rights by casting their votes electronically. This has enabled investors to take an active part in the company's overall decision-making process by participating in voting. The platforms offer the companies live-streaming of meeting proceedings and instantaneous results. In addition to this, it also offers tab-based e-Voting services at the AGM venue itself and e-notices service to the companies availing e-Voting platform. Number of Companies which entered into agreement with NSDL for availing e-Voting services is 4,988 as on March 31, 2025. Number of occasions on which companies availed E-voting facility (NSDL) till Financial Year 2025 is 32,144. As on March 31, 2022, total 6,145 companies have signed agreements with CDSL to conduct e-Voting.
ISIN Numbering Agency	NSDL issues the International Securities Identification Number (ISIN) for all securities issued in India regardless of the type of security viz., equity, debt, mutual funds, money market instruments, etc. and therefore has extensive experience of issuing ISINs in India. ISIN is a globally accepted unique identifier for securities. SEBI is the National Numbering Agency (NNA) for India and a member of the Association of National Numbering Agencies (ANNA). SEBI has delegated the responsibility to NSDL for issuance and maintenance of ISIN, Financial Instrument Short Name (FISN) and Classification of Financial Instruments (CFI) codes and reporting to ANNA and to undertake other related activities. ISIN, FISN and CFI codes are defined as per ISO standards. While NSDL has been the traditional NNA in India, CDSL also facilitates ISIN-related services. CDSL can issue ISINs for certain securities or work in tandem with NSDL depending on the issuer's preference or exchange affiliation.
Securities and covenant monitoring using distributed ledger technology	With an intent of strengthening the regulatory framework for corporate bonds in the Indian market infrastructure domain, NSDL upon guidance from SEBI, is the first company in India to develop a DLT blockchain based platform for the debenture security and covenant monitoring system. The platform has received positive response from industry with numerous issuers and securities onboarded since its launch. CDSL has also developed the same (DLT System). The platform enables issuer and debenture trustees to manage the entire lifecycle of corporate bonds and facilitate the monitoring of the security given and the covenants to bring about greater transparency in this market segment.
Corporate bond market database	Depositories have developed a corporate bond market database which provide information on corporate bonds. NSDL has pioneered the same.

Digital LAS

Loan against securities (LAS) is a loan where anyone can pledge their shares, mutual funds or life insurance policies as collateral to the lender against loan amount. It enables funding against securities without selling securities in the market. It is helpful in getting instant liquidity and in sourcing funds for any personal requirements. Financial institutions in India have started providing digital loan against securities which automates and speeds up the process of getting a loan. This has been made possible due to depositories. Financial institutions collaborate with depositories to create a seamless customer experience. Digital LAS empowers the customers to

design their own loan against shares at their convenience and avail of the facility within minutes. Customers with shares in their portfolio can leverage it when there is an urgent need for money, for example a medical emergency.

Depositories receive instructions from investors and process it in electronic form. Integration of depositories and lenders' technology reduce the TAT for getting the loan from the lenders.

NSDL has implemented Collateral Management System for LAS product. The banks which are Depository Participants of NSDL can avail this facility to provide online loan to their customers against securities held by the customers in their respective demat accounts. NSDL has enhanced the product feature, which facilitate investors / demat account holders, having demat account with any DP of NSDL, to avail loan against their securities in a digital form with Banks/NBFCs. Investor can continue to maintain their demat account with their existing DP of NSDL for availing Loan against securities with Banks/NBFCs. CDSL also offer Application Programming Interfaces (APIs) for depository participants (DPs), which act as CDSL's agents and offer depository services to the BO of the securities to offer online loan against share facility, facilitating secure, electronic pledging of Demat securities as collateral for loans from lenders, streamlining the process between DPs and CDSL.

Consolidated account statement for one view of portfolio of investors

As a first step towards creating one record for all financial assets of every individual and as per SEBI's instructions, depositories and asset management companies (AMCs)/MF-RTAs created a system to facilitate generation and dispatch of single consolidated account statement (CAS) for investors having mutual fund investments and holding demat accounts.

A consolidated account statement (CAS) is the single statement of all investments in the securities market and includes investments in equity shares, preference shares, mutual funds, bonds, debentures, securitised instruments, money market instruments and government securities held in demat form. All investments held in single or joint names are mentioned in CAS. CAS is being sent to investors on a monthly basis, however, if there are no transactions during the month, then CAS is being sent on a half-yearly basis. CAS is sent to investors electronically using email primarily.

More number of financial products and features can be added in CAS such as details of dematerialized insurance policies, annualized return to provide information on return on investors' investments, etc.

Benefits of CAS to investors

Investment review: Given that CAS provides comprehensive data on summary of all the investments and financial transactions in mutual funds and other securities held in demat form, it offers convenience to investors in keeping track of their investment portfolio. CAS enables investors to monitor their portfolio effectively and accordingly take informed decisions.

Paperwork reduction: CAS minimizes the paperwork requirements of investors as they can monitor their portfolio under one statement, instead of several separate statements for different investments.

Keeps informed: The CAS summarizes investors' detailed information on investments and ensures that investors stay informed about their investments and their performance.

IFSC GIFT City

Being one of the fastest growing economies of the world, India is a large user of the international financial services. International Financial Services Centre (IFSC) will provide a platform to expand its economic and strategic activities globally in an efficient manner. The efforts to develop an IFSC at Gujarat International Finance Tec-City (GIFT City) started in April 2015, to help India realize its potential in the international financial services industry.

An IFSC centres deal with the flow of finance, financial products and services across borders. It is set-up to undertake financial services transactions that are currently carried on outside India by overseas financial institutions and overseas branches/subsidiaries of Indian financial institutions.

Potential for IFSC in India

As India is a large purchaser of International financial services, IFSC can be a major contributor for achieving self-reliance in international financial services raising overseas bonds / capital, trading in INR-USD derivatives. It can become India's gateway to world financial market. It also provides opportunity to global investors to set up business in the areas of asset management, banking, investments, insurance and reinsurance.

Other developments

Real estate investment trusts (REITs) and Infrastructure investment trusts (InvITs) incorporated in FATF¹ (Financial Action Task Force) compliant jurisdictions permitted to list on the stock exchanges in IFSC. Also, eligible listed companies permitted to raise capital through issuance and listing of DRs on the stock exchanges in IFSC.

All these developments would lead to a large business opportunity for depositories which can provide wide range of services related to financial securities. Depositories can earn revenue from transaction charges, account maintenance and settlement levy paid by depository participants.

India International Bullion Holding IFSC Limited

NSDL has become a MII consortium partner after taking necessary regulatory approvals. MII consortium promoted India International Bullion Holding IFSC Limited (IIBH), in which NSDL holds 20% stake. IIBH has a wholly owned subsidiary i.e. India International Bullion Exchange IFSC Limited that is undertaking the Exchange business for Bullion and IIBH also owns majority stake in India International Depository IFSC Limited (IIDL) which will be acting as depository for both Equity and Bullion products. NSDL has provided the software system to IIDL for Equity products, which has facilitated it to issue Unsecured Depository Receipts (UDR) on various NASDAQ & NYSE listed companies, which are traded on NSE IFSC in GIFT City.

Outlook for Depository System in India

Industry outlook

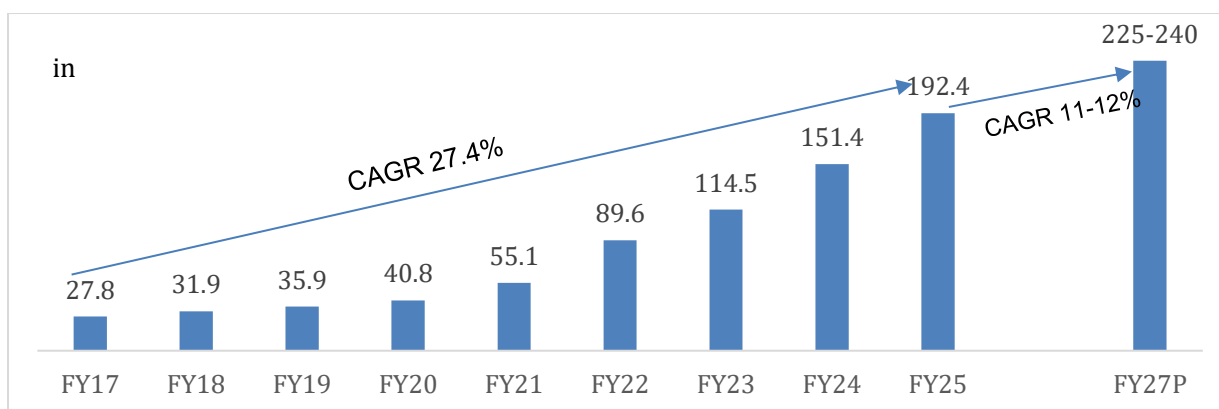
The growth for the depository system is closely intertwined to the rising penetration and participation from various stakeholders such as investors and brokers. The rise of digital services has made access to capital markets easier and reduce the overall cost of transactions for investors. Additionally, due to increasing financial literacy and rising awareness about capital markets, investments in financial assets are gaining preference. This shift in investment strategies by people is attributable to various programmes which are being undertaken by SEBI, AMFI and other market participants.

Total Client accounts' growth

Total client accounts (demat accounts) grew at 27.4% CAGR between Financial Year 2017 to Financial Year 2025 to reach 192.4 Mn as of March 2025. The number of demat accounts opened with depository participants in India increased at CAGR of ~36.4% from Financial Year 2020 to Financial Year 2025. The demat accounts increased rapidly during pandemic (Financial Year 2022 and Financial Year 2023) due to lockdown, attractive returns delivered by equity market, easier digital onboarding of customers, increase in usage of smartphones, however, the growth rate is expected to moderate in the next few years as some loss of momentum could be there on account of higher base.

Number of total client accounts to grow at ~11-12% CAGR between Financial Year 2025- Financial Year 2027

¹ FATF is the global money laundering and terrorist financing watchdog. It sets international standards that aim to prevent these illegal activities and the harm they cause to society.



Note: FY: Financial Year; P = Projected

Source: Company websites, CRISIL Intelligence

Trends in new income streams for depositories

Depositories have been diversifying their revenue streams such as facilitating instant LAS, providing platform for conducting e-voting and AGM, database management, etc. These are allied services of depositories' business and can be expanded to earn huge revenue. Additionally, depositories also have set-up insurance repositories to facilitate holding of all types of insurance policies in electronic form in a single e-insurance account. All such services are expected to generate good amount of revenue for depositories.

Income streams	Description
Digital LAS	Depositories are facilitating collateral management system for Loan against Securities (LAS) product. The Banks which are DPs of NSDL can avail facility to provide online loan to their customers against securities held by the customers in their respective Demat accounts. NSDL facilitates investors / demat account holders, having demat account with any DP of NSDL, to avail loan against their securities in a digital form with Banks/NBFCs. CDSL provides APIs to DPs to enable demat account holders to pledge shares in their CDSL demat account directly from the website of the DPs.
E-voting and online AGM	The e-Voting platforms of depositories have facilitated many leading companies to offer e-Voting services to their Shareholders and thus, have empowered their Shareholders to exercise voting rights by casting their votes electronically. This has enabled investors to take an active part in the company's overall decision-making process by participating in voting. The platforms offer the companies live-streaming of meeting proceedings and instantaneous results. In addition to this, it also offers tab-based e-Voting services at the AGM venue itself and e-notices service to the companies availing e-Voting platform.
Database management services	Database management services include services like National Skills Registry to IT / ITes industry and transactions services like SEZ Online system on behalf of Ministry of Commerce & Industry, KYC registration agency (KRA) for centralization of the KYC records in the securities market and operations pertaining to the Repository of Insurance Policies.
Payments Bank	NSDL Payments Bank, a subsidiary of National Securities Depository Limited (NSDL), offers depositors a new revenue-generating platform through digital banking services, including zero-balance savings accounts, digital debit cards, and remittance facilities. It promotes financial inclusion and provides depositors access to banking transactions like AePS, and Micro ATMs. This creates opportunities for depositors to earn through transaction fees and partnerships with fintech and government entities.

Regulatory Framework Guiding the Depository System in India

Impact on pricing of services

The Depositories Act confers rights on depositories to frame their own bye-laws and business rules. The bye-laws are approved by the SEBI. While the bye-laws define the scope of the functioning of depositories and its business

partners; the business rules outline the operational procedures to be followed by the depositories and its business partners. The business rules govern pricing of the depository services.

Owing to the multi-depository system in India, prices are not only competitive, but services rendered too are better in quality.

Key fees payable by DPs to depositories

Services		NSDL charges (₹)	CDSL charges (₹)
Entry fee at the time of submitting application		25,000/-	20,000/-
Settlement fee	Credit received in CM account from CC	1.0/- per instruction subject to minimum 1500/- and maximum 5000/- per quarter per CM account	500/- per month
	Inter-settlement transfers in the CM account(s)	5.0/- per debit instruction	
	Transfer from CM account to CM account of another clearing member	5.0/- per debit instruction	
Tariff for debit transaction		4/- per debit transaction	3.5/- per debit transaction
Creation of Pledge		25.0/- per instruction	12.0/- per instruction
Closing of pledge		0	12.0/- per instruction
Annual maintenance – Corporate accounts		500/- per corporate account per annum	500/- per corporate account per annum
Minimum fee to participants		8,000/- per month	8,000/- per month
CAS		0.75/- per transacted BO demat account for email CAS, 8.0/- per transacted BO demat account for physical CAS	0.5/- per transacted BO for E-CAS, 6.0/- per transacted BO for physical CAS

Source: Company tariff documents; Note: The list of charges above is not an exhaustive list

Key fees payable by issuers to depositories

Services		NSDL charges (₹)	CDSL charges (₹)
Joining fee	For listed companies	20,000/-	20,000/-
	For unlisted companies	15,000/-	15,000/-
Distribution of non-cash corporate benefits	Corporate action – for debit or credit to accounts	10.00/- per record, subject to minimum 1000/- per corporate action	10.00/- per record, subject to minimum 1000/- per corporate action
	Issue of commercial paper and short-term debt instruments	10,000/- for five instruments. Additional fee of 10,000/- for every additional five issues	10,000/- per annum for CPs issued in electronic form For CDs in electronic form 1000/- per allotment or 25,000/- for all issues in financial year
Appointment as a designated depository to facilitate listed company to monitor foreign investment limits	Companies in Nifty 500 or BSE 500 as on March 31 st of previous financial year	25,000/- per annum	25,000/- per annum
	Other listed issuers	10,000/- per annum	10,000/- per annum

Source: Company tariff documents; Note: The list of charges above is not an exhaustive list.

Annual Custodial Fees

Annual custody/issuer charges are based on SEBI's circular dated December 9, 2015 and is applicable to both CDSL as well as NSDL. As per the SEBI, issuers must pay an annual custodial fee to the depositories at the rate

of ₹11.00 per folio based on average number of folios, International Securities Identification Number (ISIN), during the previous financial year or the minimum amount.

This amount is subject to a minimum amount as mentioned in the table below (refer '**Nominal Value of Securities admitted (₹)**'). The average number of folios (ISIN positions) for an issuer is arrived at by dividing the total number of folios for the entire financial year by the total number of working days in the said financial year. However, temporary ISIN is not considered for the purpose of computing the annual charges.

Nominal value of securities admitted (₹)	Annual custodial fee payable by an issuer to each depository (₹) (*)
Up to 2.5 Cr (applicable only for issuer of unlisted shares)	5,000/-
Up to 5 Cr	9,000/-
Above 5 Cr and up to 10 Cr	22,500/-
Above 10 Cr and up to 20 Cr	45,000/-
Above 20 Cr	75,000/-

Source: SEBI and Company tariff documents

Note: *plus taxes as applicable

The presence of a multi depository system in India has resulted in a competitive scenario and helped in reducing the transaction charges for the investors. Although prices are planned by the depositories, the SEBI still has a right to govern and regulate them, as and when required. But at the same time this industry has a strong entry barrier as each of the current depositories are backed by large institutions i.e., CDSL by the BSE, SBI, Bank of India and some other banks and NSDL by IDBI, UTI and NSE.

Database Management Services

Insurance repository

The insurance regulator and development authority of India (IRDAI) is considering steps towards mandating electronic issuance and dematerialization of all insurance policies in electronic insurance account (e-IA) maintained by insurance repository (IR). Dematerialization will reduce the physical paperwork requirements, and the policies will be issued digitally and stored in an e-insurance account (e-IA). Dematerialization of insurance policies would allow a policyholder to create a portfolio of insurance policies and store them in an electronic form with an insurance repository. The e-IA would help policyholders get access to their policies (life and non-life) digitally and keep track of insurance policies under one platform.

Currently, four companies are performing the function of insurance repositories. These companies are:

- NSDL Database Management Limited
- CAMS Repository Services Limited
- Centrico Insurance Repository Limited
- KARVY Insurance Repository Limited

Insurance repositories perform an array of functions for policy holders who have been issued a policy in electronic form. These services to the policy holders are free of cost, convenient and secure and hence are more desirable for them. Even subscribers not holding an electronic policy can have an account with the insurance repository and opt for conversion of physical policy into electronic policy through the repository. The insurance repository provides basic policy related services free of costs to the subscribers. However, for premium services, it can offer extended services against fees. Examples of basic services include online policy maintenance and access, policy status updates, printing facility, annual statements in electronic form, mini statement, etc.

For the insurers, the basket of services are provided by the repositories such as issuance / servicing of policies to the insured against agreed fees help them focus better on the core business capabilities.

Issuance of policies in electronic form

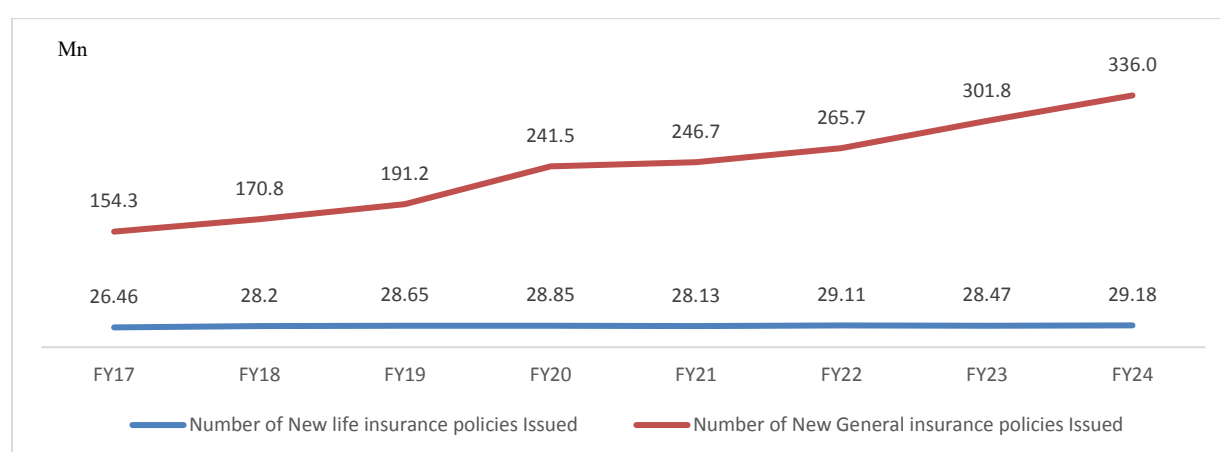
As per IRDAI's master circular on Protection of Policyholder's Interests, 2025, insurer on acceptance of the premium, will have to issue all insurance policies in electronic form.

IRDAI also permitted the players to offer discounts in the premium rates to policyholders for electronic insurance policies, in accordance with the rates filed under the product-approval guidelines. The reason for this was the lowered cost of e-insurance policy issuance, maintenance and handling as against a physical copy. However, a large part of policy holders demands a physical copy in addition to the electronic policy.

Revenue model

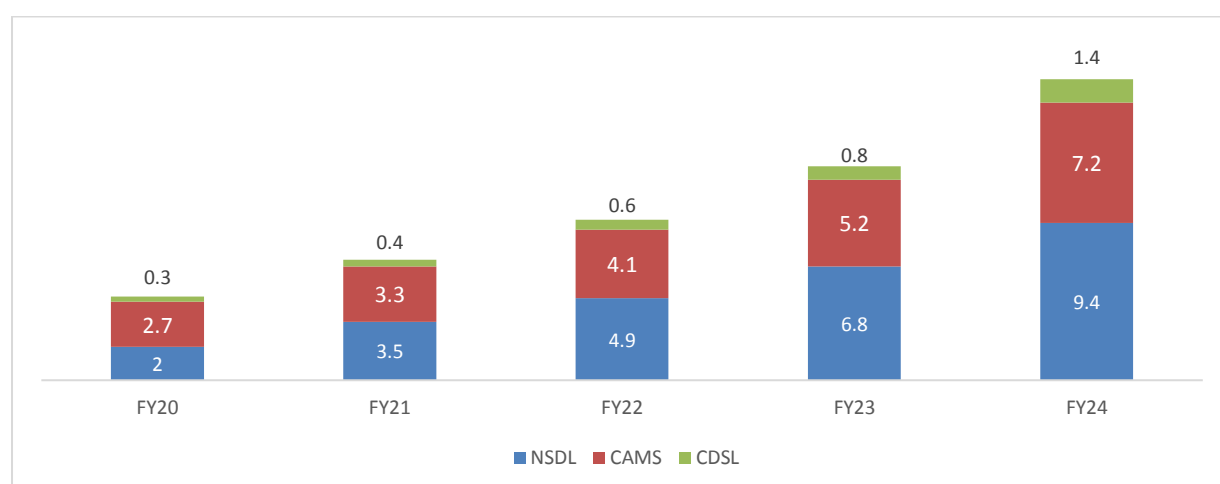
The system enables policy holders buy and keep insurance policies in electronic form and eliminate paper and associated risks. The repositories are paid directly by the insurers and policy holders are not charged. The revenue model of insurance repositories is based on both new policy issuance, existing policy conversion and annual maintenance charges to insurers.

Tremendous scope for repositories considering number of policies generated every year in India



Note: FY: Financial Year; Source: IRDAI, CRISIL Intelligence

Cumulative count of policies dematerialized (Mn)



Note: FY: Financial Year; Data for Karvy Repository not available
Source: Company annual reports, CRISIL Intelligence

At end of Financial Year 2024, nearly 18 million policies have been dematerialized, however, every year around 25 million to 30 million policies are generated by all life insurance companies. Therefore, there is a huge opportunity which is yet to be filled by insurance repositories.

KYC Registration Agency (KRA)

With a view to bring uniformity in the KYC requirements in the securities markets, SEBI has stipulated uniform KYC requirements to be adopted by all SEBI registered market intermediaries for their clients and has also issued the SEBI {KYC (Know Your Client) Registration Agency (KRA)}, Regulations, 2011. These Regulations create the framework for maintenance and inter-operability of KYC records amongst SEBI registered intermediaries.

KRAs are facilitating registration and maintenance of KYC records, inquiry of KYC status and download of KYC information to intermediaries through various interfaces including Application Programming Interface (API). KRAs work like a depository of KYC records and facilitates single point of updation and access for investors and intermediaries. Currently, there are five different KYC registration agencies in place to help the investors

- NSDL Database Management Limited (“NDML”)
- CAMS Investor Services Private Limited (“CISPL”)
- NSE Data & Analytics Limited (formerly Dotex International) (“NDAL”)
- Karvy Data Management Services Limited (“KDMSL”)
- CDSL Ventures Limited (“CVL”)

Maintenance of KYC of investors in KRA system is mandatory for SEBI registered intermediaries. The KRA system significantly reduces the efforts in repeated KYC process and also ensures consistency and market wide updation of KYC records. KRA system also provides an additional layer of check on the KYC data and documentation followed by intermediaries.

NDML KRA holds KYC records of more than 18.8 million investors as of Financial Year 2025. Growth of KYC records is closely linked to growth of investor participation in securities’ markets.

KYC User Agency

Authentication User Agency (AUA) is an entity engaged in providing Aadhaar Enabled Authentication Services to market intermediaries using Aadhaar based authentication. KYC User Agency (KUA) means a requesting entity which, in addition to being an AUA, uses e-KYC facility provided by the UIDAI (Unique Identification Authority of India) to facilitate Aadhaar based secure and online e-KYC of the Aadhaar holders. Aadhaar based e-KYC is one of the most convenient, secure and prevalent method for customers to establish their identity in an online manner and complete KYC requirements. There are several AUA, KUA companies which have received approval from UIDAI to facilitate the intermediaries to perform Aadhaar based e-KYC. NDML has also received approval from UIDAI to operate as a AUA and KUA.

Payment aggregator

As on June 13, 2025, the RBI has issued certificate of authorization to 55 entities to operate as Online Payment Aggregator in India. They are granted ‘authorisation’ under Section 7 of the Payment and Settlement Systems Act, 2007. NDML has been granted certificate of authorisation on May 22, 2024, to operate as an online payment aggregator. RBI has advised submission of System Audit Report (SAR) within specified time. All payment aggregators also have to comply with other requirements under the Guidelines and fulfil additional conditions, if any, stipulated by RBI.

NDML was appointed by Ministry of electronics and information Technology to serve and support government departments and bodies in providing online payment collection services from citizens for Govt. to citizen services. In March 2020, RBI had decided to bring the non-banking entities collecting online payments on behalf of the merchants to be regulated under Payment and Settlement System Act on Payment Aggregators. Accordingly, NDML complied with RBI guidelines for payment aggregators and has since been authorized to operate as a payment aggregator by RBI. NDML is further expanding its reach of operations from traditional e-Governance for government departments & ministries to Government run educational institutions, universities & colleges, urban local bodies, credit co-op societies, Insurance sectors & capital markets to support digital payments with its stack of technology enabled solutions. NDML also competes with other payment aggregators registered with RBI.

Registrar and Transfer Agents (RTAs)

SEBI guidelines makes it mandatory to appoint Registrars to an issue (RTI) and Share transfer agent (STA), in relation to the management of public offer introduced by the body corporate in general public, and to service the shareholders. Registrar and transfer agents are agencies that record and maintain a complete record of investors & their transactions on behalf of the companies. RTAs also help the companies in ensuring compliance to various regulatory, legal provisions related to disclosures and investor services. RTAs also facilitate the companies to connect with depository system for servicing the investors through depository system.

Given the concentrated nature of this market, Crisil Intelligence believes that there is a significant growth opportunity to further develop this business.

Accreditation Agency

Accredited Investors are capable of dealing in relatively riskier investment products due to their financial capacity, ability to absorb financial losses and understanding of financial products. They may either possibly be well advised due to their ability to hire expert managers/ advisors or be well informed with sufficient financial acumen. SEBI introduced the concept of Accredited Investors with a light-touch regulatory framework for the various securities market products and services envisaging that it may be beneficial to the Indian securities market.

Subsidiaries of recognized stock exchanges (with some conditions) and subsidiaries of depositories are eligible to carry out the accreditation process after making an application to the SEBI. Following are names of the companies which are Accreditation agencies in India which can provide Accredited status to investors:

- NSDL Database Management Limited
- CDSL Ventures Limited

The renewal of recognition of Accreditation agencies are subjected to their satisfactory performance. Approval of NDML as an accreditation agency has been renewed by SEBI in May 2025 till May 2028.

National Skills Registry

National Skills Registry (NSR) is a data depository project of NDML in association with nasscom, playing key role in the IT/ITeS industry in recruitment, background checks and employee engagement lifecycle. Many large companies in IT/ITeS industry have adopted NSR registration as a requirement for new employee onboarding. NSR as an industry model enables a good use case and framework for “Employer – Employee – Job Applicant – Background Checker” engagement, facilitate and strengthen recruitment and background check practices throughout the employee onboarding lifecycle.

Around 325 companies had been onboarded on NSR as “Subscriber” companies as of March 31, 2025. These companies participate in the NSR system by registering new employees as well as by accessing information of existing registered professionals. These companies add up to significant employee strength in the Indian IT / ITeS industry. At end of Financial Year 2025, 2.47 million knowledge professionals have registered on NSR and have IT Professional Identification Number (ITPIN). In Financial Year 2025, 0.09 million Knowledge Professionals joined NSR.

Registration Count (million)	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25
Cumulative Registration count	1.6	1.74	1.88	1.95	2.21	2.33	2.38	2.47
NSR Registration Count	0.11	0.15	0.14	0.07	0.26	0.12	0.05	0.09

Note; FY: Financial Year; Source: Company websites, Annual Reports, CRISIL Intelligence

Digital customer onboarding platforms

Digital customer onboarding platforms facilitates online customer onboarding process primarily for financial services of intermediary companies. Such platforms facilitate these companies in opening of client accounts and perform client identification and verification by performing e-KYC. The platform supports various channels of horizontal and vertical integrations to support services such as verification of Email / Mobile / PAN / DigiLocker / Aadhaar XML / Bank verification / Video IPV / documents upload / KRA integration / e-Sign integration etc. Further, the platform can get integrated with various KRAs to provide KYC data of the client to the companies.

The platforms could be evolved further with technological upgrades and systemic integrations to cater to custodians, mutual fund distributors, asset management companies, portfolio management solution providers and the banking industry. Increasing demand for financial services in India could represent increase in opportunity for companies providing digital customer onboarding services as KYC process is mandatory to avail almost all financial services. NDML has also developed a digital customer onboarding platform “Instigo” to assist brokers and depository participants with onboarding new customers.

SEZ Online

SEZ policy intends to make SEZs an engine for economic growth supported by quality infrastructure and administrative support with single window clearance. To install confidence in investors and signal the Government’s commitment to a stable SEZ policy regime, the SEZ Act, 2005, supported by SEZ Rules, came into effect in February 2006, providing for drastic simplification of procedures and for single window clearance on matters relating to central as well as state governments.

On behalf of Ministry of Commerce and Industry, NDML has developed an integrated e-governance solution that facilitates the nationwide processing of transactions by SEZ developers, co-developers, and units with SEZ administration. It was introduced in 2010 and portal facilitates the establishment of SEZs, SEZ units and the submission and approval of multiple clearances. The system also supports online submission and approval of various customs related import, export declarations such as Bill of Entry / Shipping Bill which are subjected to online review and approval by Customs officers in SEZs. SEZ Online system is implemented across 250+ SEZs in the country.

Peer Comparison

In this section, CRISIL Intelligence has analysed the operational performance and key financial indicators of players providing Depository, Insurance Repository, KYC-Registration Authorities, RTAs, Skill registry and database management services, on a standalone basis, like National Securities Depository Limited (NSDL), Central Depository Services (India) Limited (CDSL), NSDL National Insurance Repository (NIR), Centrico Insurance Repository Limited (CIRL) CAMS Insurance Repository Services Limited, KFin Technologies Limited (KFinTech), MUFG Intime India Private Limited (*Formerly Link Intime India Private Limited*), CDSL Ventures Limited (CVL) and NSDL Database Management Limited (NDML).

Financial performance of players (Financial Year 2025)

Revenue from operations for players (in ₹million) (Financial Year 2025)

Segment	Players	FY20	FY21	FY22	FY23	FY24	FY25
Depository	National Securities Depository Limited	2,495.86	3,355.78	3,692.82	4,091.69	4,730.57	6,186.28
	Central Depository Services (India) Limited	1,681.52	2,705.84	4,148.03	4,506.00	6,409.57	8,482.09
Insurance Repository	NSDL National Insurance Repository	22.01	21.96	23.28	48.33	56.46	46.93
	Centrico Insurance Repository Limited	4.47	3.57	3.53	5.09	7.14	NA
	CAMS Insurance Repository Services Limited	209.35	148.72	187.77	177.90	174.86	195.9
Registrar & Transfer agents	KFinTech	4,405.76	4,717.90	6,247.09	6,964.50	8,108.27	10,554.99
	MUFG Intime India Private Limited (<i>Formerly Link Intime India Private Limited</i>)\$	437.95	485.31	NA	NA	NA	NA
KYC Registration Agency#	CVL	557.60	719.00	1,349.31	1,029.46	1,696.56	NA
	NDML	705.60	685.90	927.49	728.63	765.18	823.10

Note: FY: Financial Year; \$Financial year is ending June 2019 and 2020, Above numbers are on a Standalone basis, NA= Not Available, # The revenue represents the revenue of the entities and not specifically for KYC Registration business.

Source: Company Reports, CRISIL Intelligence

Financial performance for peers (Financial Year 2025)

CDSL had the highest PAT margin of 46.93% in Financial Year 2025 followed by NSDL which had 43.97% of PAT margin on a standalone basis in the depository segment among the peer group for which data is available. In the insurance repository segment, CAMS Insurance Repository Services Limited had a negative PAT of (17.95%) in Financial Year 2025. In the Registrar & Transfer agents (RTA) business, Kfintech reported a PAT margin of 29.89% in Financial Year 2025. In the KYC Registration Authority (KRA) business, NDML had PAT margin of 34.97% in Financial Year 2025.

PAT margin - Profitability of Peers (Financial Year 2025)

Segment	Players	FY20	FY21	FY22	FY23	FY24	FY25
Depository	National Securities Depository Limited	37.32%	45.32%	42.96%	43.42%	45.19%	43.97%
	Central Depository Services (India) Limited	36.58%	51.24%	54.95%	50.01%	48.91%	46.93%
Insurance Repository	NSDL National Insurance Repository	(6.28%)	(37.30%)	32.39%	34.65%	25.91%	3.09%
	Centrico Insurance Repository Limited	30.78%	57.30%	58.54%	42.51%	41.35%	NA
	CAMS Insurance Repository Services Limited	(2.03%)	11.15%	20.65%	6.91%	3.25%	(17.95%)
Registrar & Transfer agents	Kfintech	2.82%	(12.71%)	24.15%	27.51%	29.40%	29.89%
	MUFG Intime India Private Limited (Formerly Link Intime India Private Limited)\$	15.09%	17.02%	NA	NA	NA	NA
KYC Registration Agency	CVL	42.17%	46.95%	49.65%	42.50%	45.56%	NA
	NDML	36.50%	38.33%	44.60%	37.62%	37.59%	34.97%

Note: FY: Financial Year; \$Financial year is ending June 2019 and 2020. Above numbers are on a Standalone basis, NA= Not Available, Source: Company Reports, CRISIL Intelligence

CDSL had the highest EBITDA margin of 64.41% in Financial Year 2025 followed by NSDL which had 60.62% of EBITDA margin on a standalone basis in the depository segment among the peer group for which data is available. EBITDA margin for CDSL saw high variation whereas for NSDL it was stable. In the Registrar & Transfer agents business, Kfintech reported EBITDA margin of 46.11% in Financial Year 2025. In the insurance repository segment, CAMs Insurance Repository reported a negative EBITDA of (14.72%) in Financial Year 2025. In the KYC Registration Authority business, NDML had an EBITDA margin of 51.00% in Financial Year 2025.

EBITDA margin of Players (Financial Year 2025)

Segment	Players	FY20	FY21	FY22	FY23	FY24	FY25
Depository	National Securities Depository Limited	49.14%	60.13%	57.89%	58.11%	59.53%	60.62%
	Central Depository Services (India) Limited	55.09%	68.41%	72.36%	66.23%	66.50%	64.41%
Insurance Repository	NSDL National Insurance Repository	6.89%	(22.05%)	39.06%	40.63%	39.06%	12.32%
	Centrico Insurance Repository Limited	75.80%	59.66%	53.34%	58.03%	48.20%	NA
	CAMS Insurance Repository Services Limited	24.95%	16.67%	30.35%	13.29%	4.63%	(14.72%)
Registrar & Transfer agents	Kfintech	36.81%	44.96%	46.81%	43.93%	45.77%	46.11%
	MUFG Intime India Private Limited (Formerly Link Intime India Private Limited)\$	27.49%	30.83%	NA	NA	NA	NA
KYC Registration Agency	CVL	58.44%	63.14%	66.25%	63.14%	58.44%	NA
	NDML	50.58%	53.05%	61.30%	54.26%	54.58%	51.00%

Note: FY: Financial Year; \$Financial year is ending June 2019 and 2020. Above numbers are on a Standalone basis, NA= Not Available;
Source: Company Reports, CRISIL Intelligence

At end of Financial Year 2025, NSDL saw a decline of employee cost as a % of revenue from operation to 14.19% from 17.25% reported in the preceding year. Within the depository segment, CDSL had a relatively low employee cost of 11.99% in Financial Year 2025 moving lower than 12.52% reported in Financial Year 2024. Kfintech also saw a decline in the cost to 34.75% in Financial Year 2025 as against 36.65% reported in the previous financial year. In the Insurance Repository segment, CAMS Insurance Repository had relatively higher employee cost of 84.23% in Financial Year 2025, a significant jump from 75.86% in Financial Year 2024. NDML had a 26.03% of employee cost as a % of revenue from operations at the end of Financial Year 2025.

Employee cost as a % of revenue from operations (Financial Year 2025)

Segment	Players	Emp Cost as a % of Revenue					
		FY20	FY21	FY22	FY23	FY24	FY25
Depository	National Securities Depository Limited	23.00%	19.33%	18.71%	18.06%	17.25%	14.19%
	Central Depository Services (India) Limited	23.77%	12.63%	9.90%	15.21%	12.52%	11.99%
Insurance Repository	NSDL National Insurance Repository	33.83%	68.95%	32.31%	31.98%	33.20%	42.14%
	Centrico Insurance Repository Limited	50.69%	130.39%	67.60%	49.06%	106.95%	NA
	CAMS Insurance Repository Services Limited	51.81%	62.02%	46.48%	60.76%	75.86%	84.23%
Registrar & Transfer agents	KFintech	42.54%	38.91%	36.01%	39.10%	36.65%	34.75%
	MUFG Intime India Private Limited (Formerly Link Intime India Private Limited)\$	44.02%	42.83%	NA	NA	NA	NA
KYC Registration Agency	CVL	8.12%	6.12%	4.16%	8.66%	7.26%	NA
	NDML	14.06%	19.30%	17.31%	23.09%	23.96%	26.03%

Note: FY: Financial Year; \$Financial year is ending June 2019 and 2020. Above numbers are on a Standalone basis, NA= Not Available.
Source: Company Reports, Crisil Intelligence

CDSL Ventures Limited (CVL) had highest cumulative KYC records of 70.7 million in Financial Year 2024 whereas NDML had 17.4 million KYC records in Financial Year 2024 and 18.8 million KYC records in Financial Year 2025. CVL had total of 2,734 registered intermediaries in Financial Year 2024 from 2,140 in Financial Year 2018 whereas NDML had grown to more than 1,550 registered intermediaries in Financial Year 2024 from 1,195 in Financial Year 2018.

Operational parameters for KRAs (Financial Year 2025)

Particular		FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25
Cumulative KYC Record (millions)	NDML	8.3	9.2	10	11.6	14.6	16.3	17.4	18.8
	CVL	17.1	18.8	21.6	28.1	43	53.7	70.7	NA
Registered Intermediaries	NDML	1,195	1,299	1,339	1,395	More than 1,500	More than 1,550	More than 1,550	1,728
	CVL	2,140	2,598	2,266	2,767	2,097	2,671	2,734	NA

Note: FY: Financial Year; Source: Company websites, Annual Reports, Crisil Intelligence

Payment Banks

In August 2015, the RBI gave “in-principle” licences to eleven payment banks. These new banks were expected to accelerate financial inclusion in India. However, of the 11 in-principle payment licensees, three withdrew their application subsequently. Aditya Birla Idea Payments Bank also closed their operations in September 2019.

The payments bank which are currently operational include Airtel Payments Bank, India Post Payment Bank (IPPB), Fino Payments Bank, PayTM Payments Bank, NSDL Payments Bank and Jio Payments Bank. PayTM

Payments Bank was issued a directive by RBI on January 31, 2024, to restrict accepting new deposits or allowing credit transactions after March 5, 2024. However, there was no restriction placed on withdrawal of deposits.

Payments Bank in India

Name of the Payments Bank	Year of Incorporation	Year of Commencement of Operation
Airtel Payments Bank	November 2016	November 2016
Fino Payments Bank	April 2017	June 2017
PayTM Payments Bank	November 2017	November 2017
Jio Payments Bank	November 2016	April 2018
India Post Payments Bank	September 2018	September 2018
NSDL Payments Bank	August 2016	October 2018

Source: Company Website, CRISIL Intelligence

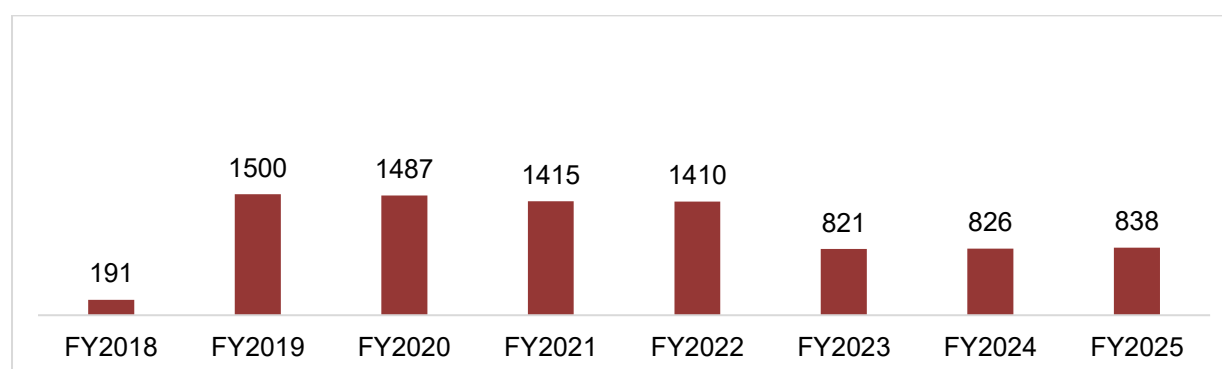
As per the guidelines for on-tap licensing of small finance banks (SFB) in the private sector, released in December 2019, payments banks can also apply for conversion into SFB after five years of operations, if they are eligible otherwise based on the guidelines.

Payment Banks have led to proliferation of non-branch type touchpoints

After granting of Payment Bank licence, it is seen that, true to the form, the payment banks have set up a vast network of touchpoints by leveraging established nature of some of their parent network and through collaboration. This extensive alternative banking channel has brought about a paradigm shift in the way people used to avail banking services. Now, the customers need not travel long to go to a traditional bank branch, instead, they can visit the local banking touchpoint at their convenience and avail assisted digital banking services such as new account opening, deposit, withdrawal, money transfer and utility bill payments.

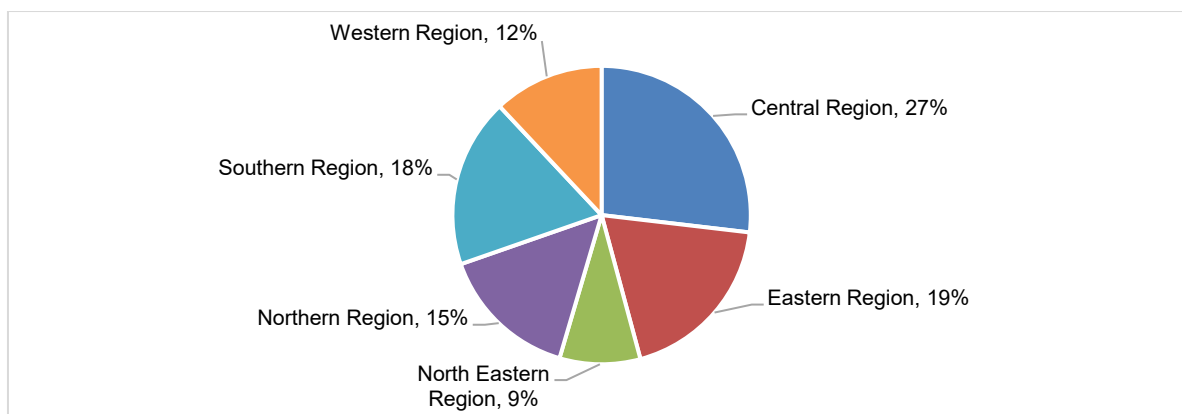
For instance, NSDL Payments Bank has partnered with 50 plus corporate BCs to offer digital banking services, thus ensuring quick rollout across the country. Fino Payments Bank has widened its network through collaboration and partnerships with Bharat Petroleum to use their outlets as digital banking points. Airtel Payments Bank, on the other hand, has leveraged its parent's network of retailers and Kirana shops and India Post Payment Bank has enabled the post offices in India to provide payment banks services.

Functioning offices of payments banks in India as of the end of Financial Year 2025



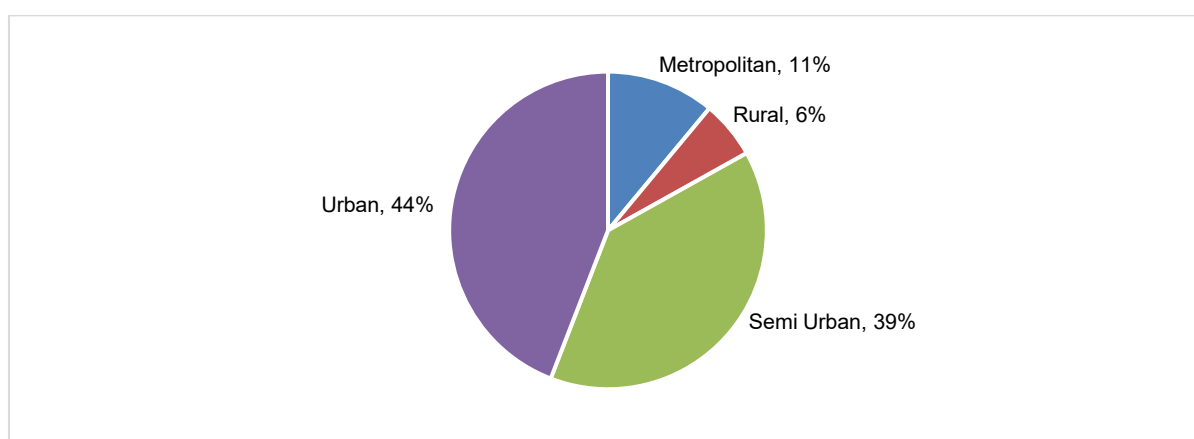
Note: Data includes only functioning offices and no banking touchpoints; Source: RBI, CRISIL Intelligence

Region-wise distribution of the offices of payments bank (Financial Year 2025)



Note: Data includes only functioning offices and no banking touchpoints; Source: RBI, CRISIL Intelligence

Population group wise distribution of payments bank offices (Financial Year 2025)



Note: Data includes only functioning offices and no banking touchpoints; Source: RBI, CRISIL Intelligence

Rural areas have the least presence of payments bank functioning offices, whereas urban areas have the highest number of functioning offices for the Financial Year 2025. However, CRISIL believes that with the relatively under penetration in rural centres and increased focus of government towards financial inclusion, the functioning offices of payments bank is likely to witness growth in rural areas.

In the current scenario, these functioning offices form a very small proportion of total number of touchpoints of payments banks, as they leverage on their vast network of merchants and doorstep service providers to provide banking and related services in the last mile. For instance, NSDL Payments Bank had 1.0 million active touchpoints of March 2024 while the Paytm Payments bank had 21 million touchpoints across India as of Financial Year 2021 as per latest available data. India Post Payments Bank had a network of 0.16 million access points and its doorstep bankers who provide financial service to the customer at the end of Financial Year 2024. Airtel Payments Bank, which is the only payments bank with a mobile network operator (MNO) parent had approximately 0.5 million banking touchpoints, leveraging on its parent's existing network of retailers who provide mobile connections and recharges at their shop. These touchpoints have enabled payments bank to garner an increasing share of the deposits pie.

NSDL Payments Bank is looking to increase additional CASA accounts through its BC channels and via Owned banking channel, to get scale up account opening and in turn cross sell other banking products. It is also working towards expanding its network of customer service points, enrolling new business partners across the nation, and increasing the breadth of its banking products and services to reach and cater to a larger set of customers.

Customer segment and products of Payments Banks

Payment banks generally focus on four key customer segments – unbanked, underbanked, small size businesses and youth in semi-urban areas through differentiated value propositions. During the start of their operations, the primary channel for payment banks is usually agents, who help their customers in understanding the digital models and gradually shift them to a self-service digital channel to avail banking services using a mobile application.

Customer segment & value proposition of payment banks

Customer segment	Unbanked	Underbanked	Small Size Business	Youth in Semi-urban regions
Target customers	Low-income individual, domestic workers and migrant workers	Low-income individual, domestic workers and migrant workers	Mobile network operator agents, small merchants and Kirana stores, Agri-traders & small service providers	Youth, students who are well acquainted with mobile wallets
Products	Savings A/c & Mobile wallets, Loan disbursements through tie-ups with Banks and NBFCs and distribution of Insurance & investment products	Savings A/c & Mobile wallets, Loan disbursements through tie-ups with Banks and NBFCs and distribution of Insurance & investment products	Savings A/c, Current A/c, Loan disbursements through tie-ups with Banks and NBFC and distribution of insurance & investment products	Mobile wallets, CASA
Transaction type	Domestic money remittance, Cash-in and Cash-out, Bill payments	Domestic money remittance, Cash-in and Cash-out, Bill payments	Cash-in and Cash-out, Bill payments, Money Transfers	Digital transactions through wallet
Primary Channel	Agents are primary touch points	Agents are primary touch points	Agents, Self-service	Self-service

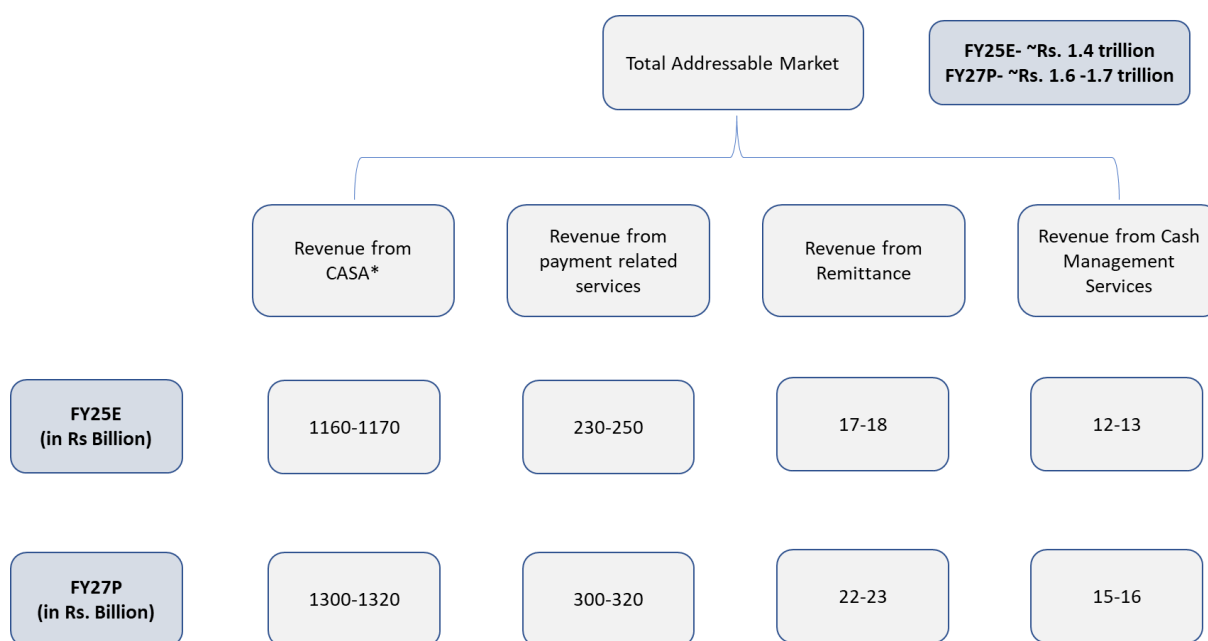
Source: CRISIL Intelligence

Apart from the payments bank, there are other players who provide similar services such as cash-in cash out, remittance services, ticket bookings, recharges and bill payments.

Addressable market (revenue from CASA for rural & semi urban region, payment services, remittance and cash collection and management) expected to grow at 7-8% CAGR between Financial Year 2025 and Financial Year 2027

Addressable market refers to the potential revenue pool available for an entity focused on providing CASA deposit accounts in rural and semi-urban areas and the entire range of payment and remittances-related services across urban, semi-urban and rural areas. CRISIL Intelligence estimates the addressable market to be approximately ₹1.4 trillion in Financial Year 2025. We project this market to grow at a CAGR of 7-8% over the next few years to reach ₹1.6 - 1.7 trillion by Financial Year 2027, largely driven by strong growth in the payments space due to technology and changing consumer behavior.

Total addressable market is estimated to be at ₹1.4 trillion in Financial Year 2025



Note: E: Estimated. P: Projected; Revenue from CASA is for rural and semi-urban regions Source: RBI, Company Reports, Company Website, CRISIL Intelligence estimates*

Deposits for payment banks grew by ~55% year on year in Financial Year 2025

Deposits collected by payments banks grew by 55% in Financial Year 2025. Cumulatively, the quantum of deposits rose from ₹25.7 billion as at the end of Financial Year 2019 to reach ₹250.5 billion as of Financial Year 2025.

In the last three financial years (Financial Year 2022 to Financial Year 2025), the payments business (considering only UPI and IMPS) has grown over a 278% in terms of the number of transactions processed and more than 163% in terms of transactions value.

During Financial Year 2021 to Financial Year 2024, payment banks witnessed a 26% CAGR growth in revenues. Their operational expenses also increased by 17% over the last three Financial Years owing to expansion in banking touchpoints, which has increased the aggregate consolidated losses of payment banks. In aggregate, the six payment banks made net losses to the tune of ₹0.58 billion at end of Financial Year 2024.

Payment's bank focusing on increasing volumes, touch points with customers and cross sell to turn profitable

While payment banks in India cumulatively are not profitable, PayTM Payments Bank, Airtel Payments Bank, Fino Payments Bank, NSDL Payments Bank and India Post Payments Bank are having profitable operations. Payment banks are leveraging their strength to reach out to their core customer base, enhance volumes and turn profitable. They have been launching new products to provide a bouquet of products and services to their customers under the payment banks umbrella and ensure stickiness.

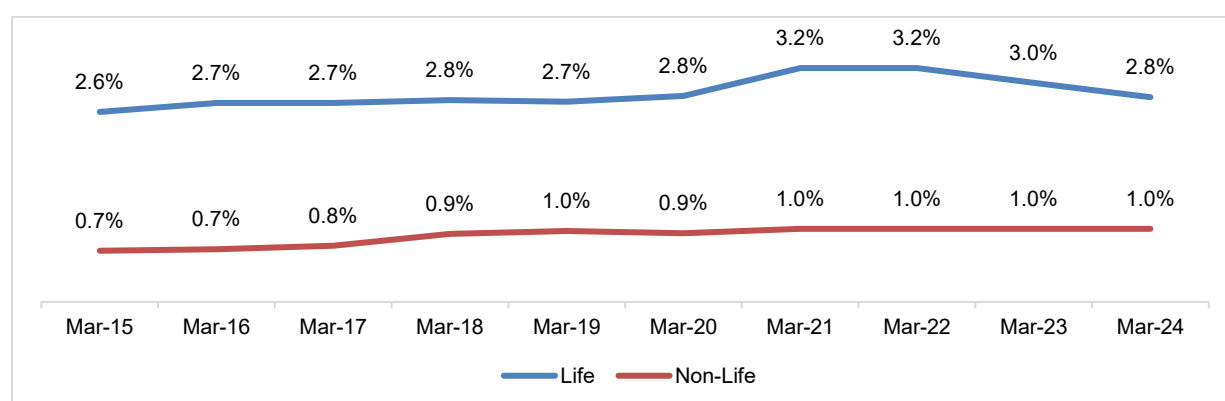
For instance, IPPB, due to its massive distribution network has set up a full suite of banking services and launched its new digital payments app "DakPay" to cater to the financial needs of various sections of the society – be it sending money or making payments enabling cashless ecosystem using a virtual debit card. The DakPay service is aimed at providing not only banking services, but also postal financial services at doorstep, through the postman of Indian Post. Apart from this, IPPB is also focusing on pan India government to customer (G2C) payments, especially rural direct benefit transfers.

Fino Payments Bank is also looking to utilise its massive network to reach out to customers and has enabled microcredit and gold loans on behalf of various banking partners. It has also leveraged its strong capability to manage bulk and retail cash on behalf of various MFIs and NBFCs, which has increased its cash management business.

Airtel Payments Bank has been leveraging its network of retailers to cross sell financial products. It has also entered a partnership with Mastercard to develop customised financing products for farmers and MSMEs in India. One such product is a digital platform to educate farmers on advance farming methods and provide them with means to connect to the marketplace, while enabling them to receive payments directly in their Airtel Payments Bank account.

With credit penetration (share of total credit outstanding is about 9% in rural areas, 14% in semi-urban and 77% in urban areas as of March 31, 2025) as well as the penetration of insurance and mutual funds still at a very low level, cross sell to retail unserved and/or underserved customers remains an attractive opportunity for payment banks. For example, although mutual fund penetration (mutual fund AUM as a percentage of GDP) has grown to ~19.9% in the third quarter of the calendar year 2024, penetration levels remain well below those in other developed markets, which presents an opportunity for payments banks to cross sell investment products to customers in rural and semi-urban areas.

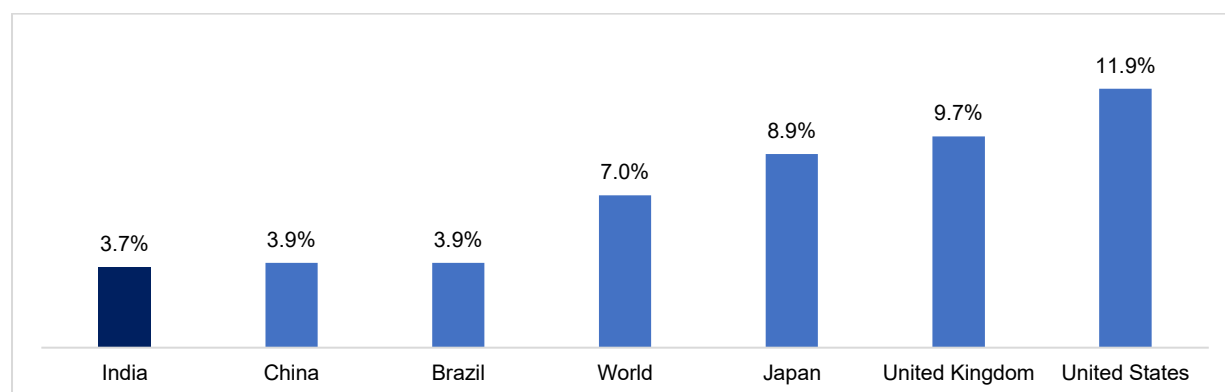
Lower insurance penetration presents headroom for growth of insurance products



Note: Insurance penetration is measured as ratio of premium to GDP

Source: IRDA, Swiss Re Sigma, CRISIL Intelligence

Insurance penetration in India is low compared to other countries (calendar year 2023)



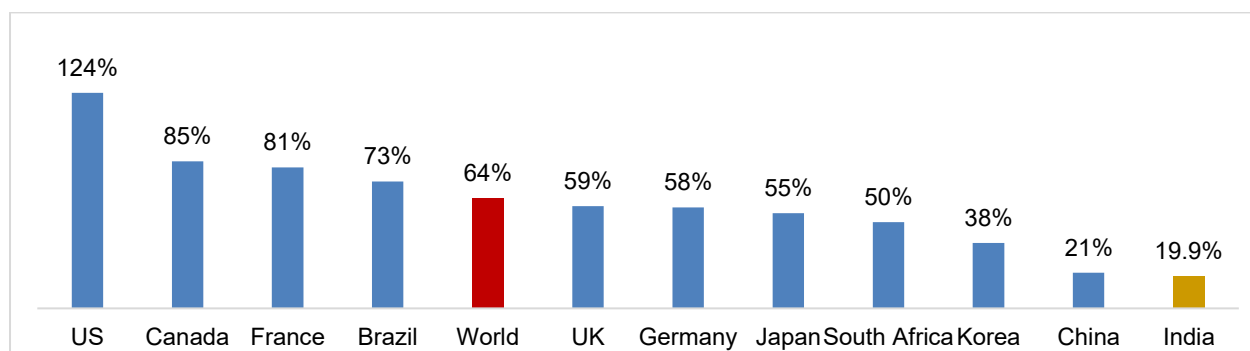
Note: Insurance penetration is measured as ratio of premium to GDP

Source: Swiss Re, IRDA, CRISIL Intelligence

Mutual fund penetration in India is lower as compared to other countries

In terms of mutual fund penetration and its comparison with global peers, India still has long way to go as its mutual fund penetration is currently at 19.9% as of Financial Year 2025.

Mutual fund penetration (MF AUM as a % of GDP) in India versus global markets (third quarter of calendar year 2024)



Note: AUM data as of September 2024 for all countries; only open-ended funds have been considered. Includes, equity, debt and others, GDP taken from IMF (Gross Domestic Product at current prices). Penetration calculated as Mutual Fund AUM divided by GDP. For India, the value is calculated as Mutual Fund AUM to GDP (at current prices).

Source: IMF, IIFA, RBI, AMFI, CRISIL Intelligence

Peer Comparison of Payments Banks

NSDL Payments Bank (NPBL) faces close competition from other payments banks such as Fino Payments Bank, PayTM Payments Bank, Airtel Payments Bank, India Post Payments Bank and Jio Payments Bank on parameters such as customer penetration capabilities, efficiency of service provision, technology-integration and satisfactory customer support services. In this section, we have compared these payments banks operating in India based on publicly available information.

Peer comparison (Financial Year 2025)

Players	Customer Deposits	Net worth	CRAR	Branches**
	(in ₹ Billion)	(in ₹ Billion)	(%)	
Airtel Payments Bank	34.18	6.45	38.0%	28
Fino Payments Bank	19.39	7.19	80.5%	152
India Post Payments Bank	193.45	15.39	49.2%	650
Jio Payments Bank	NA	NA	NA	4
NSDL Payments Bank	1.79	1.48	142.5%	2
PayTM Payments Bank	NA	NA	NA	3

Note: ** Functioning offices data as of Financial Year 2025 based on RBI Data, Table is arranged based in alphabetical order.

Source: Company Website, Company Reports, RBI, CRISIL Intelligence

Operational performance of payments banks

The tables below show the transaction done using cards issued by payments bank at ATMs, POS and Online (e-com).

Volume and Value of transactions and card issued (Financial Year 2025)

Players	Debit cards outstanding	Value of transaction at ATM & POS	Volume of transaction at ATM & POS
	(In million)	(In ₹ million)	(In million)
Airtel Payments Bank	6.02	17,476.98	5.87
Fino Payments Bank	10.33	92,569.75	28.31
India Post Payments Bank	24.56	1,087.17	3.87
Jio Payments Bank	0.56	1,909.96	0.65
NSDL Payments Bank	0.69	10,698.48	5.07
PayTM Payments Bank	30.60	29.73	0.03

Note: Data for value and volume of transactions includes transaction done through both ATM & POS; Table is arranged based in alphabetical order.

Source: RBI, CRISIL Intelligence

Volume and Value of transactions and card issued (Financial Year 2024)

Players	Debit cards outstanding	Value of transaction at ATM & POS	Volume of transaction at ATM & POS
	(In million)	(In ₹ million)	(In million)
Airtel Payments Bank	2.03	6,932.40	3.43
Fino Payments Bank	9.08	88,802.34	28.02
India Post Payments Bank	15.41	2,467.60	4.79
Jio Payments Bank	0.0001	0.05	0.00
NSDL Payments Bank	0.91	890.50	0.55
PayTM Payments Bank	32.30	80,174.71	26.04

Note: Data for value and volume of transactions includes transaction done through both ATM & POS; Table is arranged based in alphabetical order.

Source: RBI, CRISIL Intelligence

Volume and Value of transactions and card issued (Financial Year 2023)

Players	Debit cards outstanding	Value of transaction at ATM & POS	Volume of transaction at ATM & POS
	(In million)	(In ₹ million)	(In million)
Airtel Payments Bank	4.16	2,340.00	2.92
Fino Payments Bank	6.63	70,230.00	23.54
India Post Payments Bank	9.72	3,710.00	4.74
Jio Payments Bank	-	-	-
NSDL Payments Bank	0.53	380.00	0.41
PayTM Payments Bank	37.95	1,15,870.00	46.88

Note: Data for value and volume of transactions includes transaction done through both ATM & POS; Table is arranged based in alphabetical order.

Source: RBI, CRISIL Intelligence

Volume and Value of transactions and card issued (Financial Year 2022)

Players	Debit cards outstanding	Value of transaction at ATM & POS	Volume of transaction at ATM & POS
	(In million)	(In ₹ million)	(In million)
Airtel Payments Bank	1.96	3,113.40	3.70
Fino Payments Bank	4.42	36,273.87	13.35
India Post Payments Bank	4.79	2,501.06	4.32
Jio Payments Bank	-	-	-
NSDL Payments Bank	0.33	208.67	0.27
PayTM Payments Bank	36.62	1,16,054.54	53.59

Note: Data for value and volume of transactions includes transaction done through both ATM & POS in Financial Year 2022; Table is arranged based in alphabetical order.

Source: RBI, CRISIL Intelligence

Volume and Value of transactions and card issued (Financial Year 2021)

Players	Debit cards outstanding	Value of transaction at ATM & POS	Volume of transaction at ATM & POS
	(In million)	(In ₹ million)	(In million)
Airtel Payments Bank	1.73	2,698.37	4.47
Fino Payments Bank	2.27	17,122.16	6.92
India Post Payments Bank	1.11	374.38	0.70
Jio Payments Bank	-	-	-
NSDL Payments Bank	0.14	127.12	0.21
PayTM Payments Bank	63.78	84,533.42	46.06

Note: Data for value and volume of transactions includes transaction done through both ATM & POS; Table is arranged based in alphabetical order.

Source: RBI, CRISIL Intelligence

Payment Infrastructure for Payment Banks

As of March 2025, NPBL was second in India in terms of deployment of micro-ATM devices in banking industry having deployed more than 307,200 devices across India, whereas Fino Payments Bank has the highest number of M-ATM deployments (452,778). Moreover, NPBL's AePS ranked second in India as an acquiring bank in terms

of AePS transaction value for January 2025. As on March 31, 2025, NPBL ranked 42nd as a UPI remitter and 35th as a UPI beneficiary in the UPI ecosystem.

Bank Name	Number – Outstanding (as of March 2025)
	Micro ATMs
Airtel Payments Bank	1,48,211
Fino Payments Bank	4,52,778
India Post Payments Bank	1,93,051
Jio Payments Bank	-
NSDL Payments Bank	3,07,247
PayTM Payments Bank	-

Note: Table is arranged based in alphabetical order

Source: RBI, CRISIL Intelligence

Product mix of various payments banks

The table below details the products and services being offered by various payment banks in India. Apart from the offering a suite of products and services to customers in the hinterland, payment banks also act as a correspondent for partner banks and enables digital financial transactions for customers at the bottom of the pyramid on behalf of various banking partners.

PayTM Payments Bank was issued a directive by RBI on January 31, 2024, to restrict accepting new deposits or allowing credit transactions after March 5, 2024. However, there was no restriction placed on withdrawal of deposits.

Product wise comparison

Products	Fino Payments Bank	Airtel Payments Bank	India Post Payments Bank	PayTM Payments Bank	NSDL Payments Bank
Savings & Current A/C	✓	✓	✓	✓ *	✓
Sweep Account Facility	✓	✓	✓	✓	✓
Mobile Wallet	✓	✓	✗	✓	✗
Debit Card	✓	✓	✓	✓	✓
Payments	✓	✓	✓	✓	✓
Cash Management Services	✓	✓	✓	✗	✓
Insurance	✓	✓	✓	✗	✓
Doorstep Banking	✓	✓	✓	✓	✗
Business Correspondent Business	✓	✓	✓	✓	✓

Note: (*) Restrictions on accepting new deposits by RBI. Source: Company Website, CRISIL Intelligence

Business segment wise comparison

Products	Fino Payments Bank	Airtel Payments Bank	India Post Payments Bank	PayTM Payments Bank	NSDL Payments Bank
CASA Business	Savings and Current A/C, Sweep Account	Savings and Current A/C	Savings and Current A/C, Sweep Account	Savings and Current A/C, Sweep Account	Savings and Current A/C
Remittance	Mobile Wallet, Money Transfer	Mobile Wallet, Money Transfer	Money Transfer	Money Transfer	Money Transfer
POS/Payments	Debit card	Debit card	Debit card	Debit card	Debit card
Cash Management Services	Cash collection	Cash collection	Cash collection	NA	CMS through Business Correspondent
Financial Product Distributor	Insurance	Insurance	Insurance, Mutual Fund	NA	Insurance, Mutual Fund
Banking Service	Doorstep Banking and Business Correspondent	Doorstep Banking	Doorstep Banking	Doorstep Banking	Business Correspondent

Source: Company Website, CRISIL Intelligence

Profitability of Payment Banks

Financial Year 2022

Players	Net Worth	Total Equity	Customer Deposits	Revenue	Net Profit	RoE (%)
	(In ₹ Billion)	(In ₹ Billion)	(In ₹ Billion)	(In ₹ Billion)	(In ₹ Billion)	
Airtel Payments Bank	3.47	23.48	9.92	9.24	0.09	2.67%
Fino Payments Bank	4.77	0.83	5.03	9.94	0.43	13.56%
India Post Payments Bank	4.73	14.55	36.92	3.90	-1.60	-34.79%
Jio Payments Bank	1.23	2.64	0.19	0.07	-0.34	-27.21%
NSDL Payments Bank	1.36	1.80	0.13	3.00	-0.08	-5.39%
PayTM Payments Bank	4.53	4.00	47.69	24.88	0.18	4.12%

Note: Players are arranged in alphabetical order; RoE calculated as profit after tax divided by average total equity

Source: Company Reports, CRISIL Intelligence

Financial Year 2023

Players	Net Worth	Total Equity	Customer Deposits	Revenue	Net Profit	RoE (%)
	(In ₹ Billion)	(In ₹ Billion)	(In ₹ Billion)	(In ₹ Billion)	(In ₹ Billion)	
Airtel Payments Bank	3.95	23.74	16.79	12.59	0.22	5.83%
Fino Payments Bank	5.42	0.83	9.17	11.83	0.65	12.61%
India Post Payments Bank	8.93	16.55	62.92	6.72	0.20	2.95%
Jio Payments Bank	1.59	3.44	0.27	0.13	-0.44	-31.53%
NSDL Payments Bank	1.44	1.80	0.22	5.41	0.08	5.77%
PayTM Payments Bank	4.68	4.00	32.85	26.06	0.15	3.16%

Note: Players are arranged in alphabetical order; RoE calculated as profit after tax divided by average total equity

Source: Company Reports, CRISIL Intelligence

Financial Year 2024

Players	Net Worth	Total Equity	Customer Deposits	Revenue	Net Profit	RoE (%)
	(In ₹ Billion)	(In ₹ Billion)	(In ₹ Billion)	(In ₹ Billion)	(In ₹ Billion)	
Airtel Payments Bank	5.04	24.13	26.31	17.92	0.35	7.68%
Fino Payments Bank	6.28	0.83	14.13	13.99	0.86	14.42%
India Post Payments Bank	11.77	21.05	115.52	10.96	0.34	3.31%
Jio Payments Bank	1.04	3.48	0.88	0.30	-0.59	-44.50%
NSDL Payments Bank	1.46	1.80	0.59	7.20	0.02	1.09%
PayTM Payments Bank	3.12	4.00	5.89	24.61	-1.56	-40.06%

Note: Players are arranged in alphabetical order; RoE calculated as profit after tax divided by average total equity

Source: Company Reports, CRISIL Intelligence

Financial Year 2025

Players	Net Worth	Total Equity	Customer Deposits	Revenue	Net Profit	RoE (%)
	(In ₹ Billion)	(In ₹ Billion)	(In ₹ Billion)	(In ₹ Billion)	(In ₹ Billion)	
Airtel Payments Bank	6.45	24.65	34.18	26.47	0.63	10.90%
Fino Payments Bank	7.19	0.83	19.39	17.47	1.08	15.59%
India Post Payments Bank	15.39	23.55	193.45	17.81	1.34	9.86%
Jio Payments Bank	NA	NA	NA	NA	NA	NA
NSDL Payments Bank	1.48	1.80	1.79	7.22	0.02	1.26%
PayTM Payments Bank	NA	NA	NA	NA	NA	NA

Note: Players are arranged in alphabetical order; RoE calculated as profit after tax divided by average total equity

Source: Company Reports, CRISIL Intelligence

OUR BUSINESS

Some of the information in this section, including information with respect to our business plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read “Forward-Looking Statements” on page 23 for a discussion of the risks and uncertainties related to those statements and also “Risk Factors” on page 34 for a discussion of certain risks that may affect our business, financial condition, or results of operations, “Restated Consolidated Financial Information” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 286 and 354, respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements.

*Unless otherwise indicated, industry and market related data used in this section have been derived from the report titled “Assessment of the Depository System, Database Management and Payments Banks in India” dated July 2025 (the “**CRISIL Report**”), prepared and released by CRISIL Intelligence, a division of CRISIL Limited (“**CRISIL**”), which has been exclusively commissioned and paid for by our Company pursuant to an engagement letter dated June 19, 2025, for the purpose of confirming our understanding of the industry we operate in, in connection with the Offer. Unless otherwise indicated, financial, operational, industry and other related information derived from the CRISIL Report and included herein with respect to any particular year refers to such information for the relevant Financial Year. See “Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation – Industry and Market Data” and “Risk Factors — Internal Risk Factors — This Red Herring Prospectus contains information from an industry report prepared by an independent third-party research agency, CRISIL MI&A (CRISIL), which we have commissioned and paid for exclusively in connection with the Offer and any reliance on such information for making an investment decision in the Offer is subject to inherent risks.” on pages 21 and 98, respectively.*

Our Company’s Financial Year commences on April 1 and ends on March 31 of the immediately subsequent year, and references to a particular Financial Year are to the 12 months ended March 31 of that particular year. Unless otherwise indicated or the context otherwise requires, the financial information for Financial Years ended March 31, 2025, 2024 and 2023 included herein is derived from the Restated Consolidated Financial Information included in this Red Herring Prospectus. For further information, see “Restated Consolidated Financial Information” on page 286. Unless otherwise indicated or the context otherwise requires, in this section, references to “we”, “us” and “our” are to the Company together with its Subsidiaries on a consolidated basis.

Overview

We are a SEBI registered market infrastructure institution (“**MII**”) offering a wide range of products and services to the financial and securities markets in India. Following the introduction of the Depositories Act in 1996, through our Company, we pioneered the dematerialization of securities in India in November 1996. As of March 31, 2025, we are the largest depository in India in terms of number of issuers, number of active instruments, market share in demat value of settlement volume and value of assets held under custody (Source: *CRISIL Report*). Further, as of March 31, 2025, we have a network of 65,391 depository participants’ service centres as compared to 18,918 such centres with CDSL.

As a depository, we provide a robust depository framework that enables market participants to participate in the financial and securities markets in India. We also play a central role in developing products and services that will continue to address the growing needs of the financial services industry in India. Using innovative and flexible technology systems, NSDL works to support investors, brokers, issuers and other market participants in the Indian capital markets and aims at ensuring the safety and soundness of Indian securities market by developing settlement solutions that increase efficiency, minimize risk and reduce costs.

Our depository facilitates securities to be held in digital form by investors through accounts known as “Demat Accounts” held with us through depository participants. This includes securities held in dematerialized form with various asset classes namely equities (listed equity and unlisted equity), preference shares, warrants, funds (mutual funds, REITs, InvITs and AIFs), debt instruments (corporate debt, commercial paper, certificate of deposit, pass through certificate, security receipts, government securities, sovereign gold bonds, municipal debt, treasury bill) and electronic gold receipts.

As part of our depository business, we operate a centralized digital book-keeping system that facilitates the holders of securities to hold and transfer their securities in electronic form and enables settlement solutions in an efficient and cost-effective manner. We also facilitate and maintain complete records of the ownership of securities held

in dematerialised form with us on behalf of the issuer entity. We provide depository services to investors, issuers, depository participants, financial institutions, stockbrokers, custodians, clearing corporations and other market intermediaries and have established an ecosystem for these entities to integrate with our systems.

Our core depository services provide us with a steady source of recurring revenue, primarily through annual custody fees that we charge issuers of securities and annual maintenance fees we charge depository participants in relation to corporate accounts serviced through our depository platform. We charge a standardized fixed fee per annum for each corporate account, pro-rated according to the month in which such account is opened in our depository platform. We also charge transaction fees to depository participants and issuers of securities for transactions effected through our depository systems. As part of our commitment to the capital markets community in India, we have leveraged our technological infrastructure to cater to the diverse needs of the securities market in India and introduced several additional products, e-services and ancillary value-added services and initiatives directly and through our subsidiaries, NSDL Database Management Limited (“**NDML**”) and NSDL Payments Bank Limited (“**NPBL**”), thereby emerging as a key enabler for the financial market in India (Source: *CRISIL Report*).

The core functions of NSDL are as follows:

- *Maintaining allotment and transfer of ownership records:* One of our core functions is maintaining details of allotment and transfer of ownership records of securities assets held with us through electronic book entries. We deploy and utilize innovative technological systems to support issuers, investors and market intermediaries in the Indian securities market while minimizing risk, reducing operational costs and increasing efficiency of operations.
- *Facilitating asset servicing:* Asset servicing is a core function as it helps ensure the safety and efficient management of all assets held in dematerialised form with us. We hold various asset classes in dematerialised form and leverage our software tools and framework to build a robust and resilient central securities depository system to ensure the continued safekeeping and servicing of assets held with us.
- *Transaction and other services:* The core depository services provided by us include dematerialization of securities, settlement of trades, off-market transfers, pledge of securities, including margin pledges and re-pledges, implementation of client unpaid securities pledgee accounts (“**CUSPA**”) by trading members to ensure the segregation of client securities, and corporate action for issuer companies. In addition to providing core depository services, we also provide several additional services such as e-voting services, consolidated account statement (“**CAS**”), blockchain-based security and covenant monitoring platform for debentures and non-disposal undertakings (“**NDU**”).

Through our Subsidiaries, NDML and NPBL, we offer a range of IT-enabled solutions through multiple verticals such as e-governance, payments solutions, collaborative industry solutions, regulatory platforms, KYC solutions, insurance repository services, digital banking services, amongst others. Through NDML, some additional services include the automation and e-governance project for special economic zones (“**SEZ**”) pursuant to an agreement with the Ministry of Commerce and Industry, Government of India and a national skills registry that seeks to build a credible record of the employees working in the IT / ITeS industry. Through NPBL, we operate our payments bank business that was launched in October 2018. NPBL has a focus on financial inclusion, bringing within the ambit of financial services for the disadvantaged and low-income population in remote areas of India, NPBL operates on a business-to-business-to-consumer (“**B2B2C**”) model and offers digital banking solutions, inclusive banking products (covering domestic money transfers, savings accounts, micro-ATMs and an Aadhar-Enabled Payment System (“**AePS**”), prepaid cards (including general purpose reloadable payment cards, gift cards and use case-based cards), merchant acquisition services (including UPI-payment services and point-of-sale solutions) and the distribution of third party products such as life insurance, health insurance and mutual fund schemes.

As on March 31, 2025, we had over 39.45 million active demat accounts held with 294 depository participants registered with us, and our accounts holders were located in more than 99.34% of pin codes in India and 194 countries across the world. During the Financial Year 2025, we witnessed a net increase of 33,758 issuers to 79,773 issuers registered with us as compared to 46,015 issuers as at March 31, 2024. Furthermore, the average number of Demat Accounts opened with us per day for the Financial Year 2025 was 15,320. Set forth below are the details of the aggregate number of issuers, listed and unlisted, registered with us, as of March 31, 2025, 2024 and 2023.

Particulars	As of March 31,		
	2025	2024	2023
Listed Issuers	6,287	5,942	5,804
Unlisted Issuers	73,486	40,073	35,183
Total number of Issuers	79,773	46,015	40,987

As on March 31, 2025 we serviced 99.99% of the value of equity, debt and other securities held by foreign portfolio investors in dematerialized form in India (Source: *CRISIL Report*). We also held assets in custody aggregating to ₹70,167.65 billion for individuals (including NRIs) and Hindu Undivided Family (“HUFs”) accounts, which constituted 67.90% of the total value of such assets under custody in dematerialized across depositories as of March 31, 2025 (Source: *CRISIL Report*). Similarly, as of March 31, 2025, we held assets in custody in relation to non-residents Indians aggregating to ₹4,676.01 billion, constituting 85.56% of the total value of such assets held by non-residents Indians under custody in dematerialized form across depositories (Source: *CRISIL Report*). We also had a market share of 96.98% of the dematerialized value of debt securities in custody aggregating to ₹52,195.07 billion, as on March 31, 2025 (Source: *CRISIL Report*).

Our management team led by Vijay Chandok, Managing Director and Chief Executive Officer and comprising qualified and experienced professionals contributes to our growth. We believe that their vision, leadership and adherence to strong corporate governance policies have driven our positive performance in the past and will drive our strategic direction in the future. For details, please see “— *Our Strengths — Experienced senior management team*” below on page 223.

We have an established track record of growth in revenue and profits. Between Financial Years 2023 and Financial Year 2025, our revenue from operations grew from ₹10,219.88 million to ₹14,201.46 million. For the similar period, our profit after tax grew from ₹2,348.10 million to ₹3,431.24 million. Our EBITDA also grew at a CAGR of 22.42% from ₹3,286.04 million in Financial Year 2023 to ₹4,929.43 million in Financial Year 2025. For a reconciliation of our profit for the period to EBITDA, see “*Financial Information — Other Financial Information*” on page 351 and “*Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation*” on page 23.

Key Performance and Financial Indicators

The table below sets out certain Key Performance and Financial Indicators as at and for Financial Years 2025, 2024 and 2023. Please also see “*Basis for Offer Price – Key Performance and Financial Indicators (“KPIs”)*” on page 144 for further details:

Sr. No.	KPIs	Financial Year 2025	Financial Year 2024	Financial Year 2023
1	Demat custody value (in ₹ billion) ⁽¹⁾	464,164.04	423,441.88	302,188.90
	Individuals & HUF	70,167.65	65,110.07	43,060.50
	Non-Individuals	393,996.39	358,331.81	259,128.40
2	Issuers (Nos) ⁽²⁾	79,773	46,015	40,987
	Listed	6,287	5,942	5,804
	Unlisted	73,486	40,073	35,183
3	Total quantity of securities held in demat (in billion) ⁽³⁾	4,758.69	3,773.30	3,224.33
4	e-Voting ⁽⁴⁾			
	e-Voting Revenue (in ₹ million)	443.94	355.65	328.86
	e-Voting events (Nos)	4,988	4,304	3,951
5	Depository Participants (Nos) ⁽⁵⁾	294	281	283
6	DP Service Centres (Nos) ⁽⁶⁾	65,391	61,665	59,401
7	Demat Accounts (excluding closed accounts) (in million) ⁽⁷⁾	39.45	35.77	31.46
	Individuals & HUF	39.27	35.61	31.31
	Non-Individuals	0.18	0.16	0.15
8	Demat custody value per demat account (in ₹ million) ⁽⁸⁾	11.77	11.84	9.61
	Individuals & HUFs	1.79	1.83	1.38
	Non-Individuals	2,191.93	2,239.57	1,727.52
9	Consolidated Operating Revenue ⁽⁹⁾			
	Revenue (in ₹ million)	14,201.46	12,682.44	10,219.88
	Recurring Revenue ⁽¹¹⁾	2,795.14	2,417.95	2,250.26

Sr. No.	KPIs	Financial Year 2025	Financial Year 2024	Financial Year 2023
	Transaction Revenue	11,406.32	10,264.49	7,969.62
10	Standalone Operating Revenue ⁽¹⁰⁾			
	Revenue (in ₹ million)	6,186.28	4,730.57	4,091.69
	Recurring Revenue ⁽¹¹⁾	2,612.72	2,296.56	2,117.78
	Transaction Revenue ⁽¹¹⁾	3,573.56	2,434.01	1,973.92
11	Consolidated EBITDA ⁽¹²⁾ (in ₹ million)	4,929.43	3,811.33	3,286.04
12	Consolidated PAT ⁽¹³⁾ (in ₹ million)	3,431.24	2,754.45	2,348.10
13	Consolidated Basic and Diluted Earnings Per Share ⁽¹⁴⁾ (₹)	17.16	13.77	11.74
14	Consolidated Networth ⁽¹⁵⁾ (in ₹ million)	20,053.41	16,840.97	14,288.61
15	Operating Profit Margin (%) ⁽¹⁶⁾	23.95%	20.57%	22.89%
	NSDL	50.21%	48.73%	48.04%
	NDML	31.67%	37.06%	40.20%
	NPBL	0.51%	0.31%	1.55%
16	PAT Margin (%) ⁽¹⁷⁾	22.35%	20.17%	21.35%
	NSDL	43.97%	45.19%	43.42%
	NDML	34.97%	37.59%	37.62%
	NPBL	0.26%	0.22%	1.49%
17	ROE (%) ⁽¹⁸⁾	17.11%	16.36%	16.43%
	NSDL	17.78%	17.11%	16.58%
	NDML	12.13%	12.79%	12.68%
	NPBL	1.26%	1.09%	5.61%

To the extent quantifiable rounded off to the nearest rupees in million up to two decimals.

Notes:

1. Demat custody value is expressed as the total value of securities held in accounts with the company.
2. Issuers are the companies (both listed & unlisted) which are registered with our Company for various services such as annual custody fees, corporate action fee etc.
3. Total quantity of securities held in demat is the total number of securities held under custody by our Company and a measure to assess the volume of safekeeping of securities of investors in Dematerialized form.
4. e-Voting is a measure to assess trust of the corporates issuers that are taking the e-voting services from the company.
5. Depository Participants are intermediaries, like brokers or financial institutions, that are registered with the company for services like opening demat account, facilitating of the transfer and settlement of securities.
6. DP Centres are service centres providing demat services to investors across different locations within India.
7. Demat Accounts (excluding closed accounts) is used to assess the trust of individuals and institutions such as, FIIs, FPIs, Corporates and MFs having active demat accounts with our Company.
8. Demat custody value per Demat Account is expressed as the total Demat custody value divided by the total number of Demat account held with the Company.
9. Consolidated Operating Revenue as per the Restated Consolidated Financial Statement which represent income arising in the course of our Group's ordinary activities from the services rendered to its customers.
10. Standalone Operating Revenue as per the Restated Financial Statement which represent income arising in the course of company's ordinary activities from the services rendered to its customers.
11. Recurring revenue refers to "services transferred over time" and transaction revenue refers to "services transferred at a point in time".
12. Consolidated EBITDA as per the Restated Consolidated Financial Statement represents our Group's operating profits arrived at by adding Interest, Depreciation and Amortization in Profit Before tax.
13. Consolidated PAT as per the Restated Consolidated Financial Statement represents our Group's Profit after Tax.
14. Basic Earnings Per Share is calculated by dividing profit or loss attributable to ordinary equity holders of the parent entity (the numerator) by the weighted average number of ordinary shares outstanding (the denominator) during the period of Restated Financial Statement. Diluted Earnings Per Share, an entity shall adjust profit or loss attributable to ordinary equity holders of the parent entity, and the weighted average number of shares outstanding, for the effects of all dilutive potential ordinary shares.
15. Consolidated Networth as per the Restated Financial Statement is the aggregate value of the paid-up share capital and all reserves created out of the profits, securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation at a group level.
16. Operating Profit Margin is defined as Operating Profit as a percentage of Operating Revenue.
17. PAT Margin is Profit after Tax expressed as a percentage of Total Income.
18. ROE% is Profit after Tax expressed as a percentage of Total Equity.

Our Strengths

India's first and leading depository operating a wide range of technology-driven businesses

We are India's first and leading depository and are the largest depository in India in terms of number of issuers, number of active instruments, market share in demat value of settlement volume and value of assets held under custody as of March 31, 2025 (Source: *CRISIL Report*). As the first and leading depository in the country, we introduced the concept of dematerialization of securities, revolutionizing the securities landscape in India (Source: *CRISIL Report*). We were also one of the initial few depositories globally to directly implement dematerialization, bypassing the traditional two-step process of immobilization and subsequent dematerialization (Source: *CRISIL Report*).

The introduction of the depository system brought about a notable transformation in trade settlement practices on stock exchanges and played a pivotal role in the implementation of rolling settlements in India (Source: *CRISIL Report*). Prior to our incorporation, trades were settled on a weekly basis under the account period settlement framework. Our scripless book entry system played a pivotal role in enabling the gradual reduction of settlement cycles and the subsequent implementation of rolling settlements in India (Source: *CRISIL Report*). In 1998, SEBI introduced the concept of rolling settlements based on a T+5 timeline, which was further reduced over time following SEBI's decision to implement a T+1 settlement for all traded securities in January 2023. With effect from March 28, 2024, we implemented a beta version of T+0 settlement with 25 scrips and since January 31, 2025, we implemented an option of T+0 settlement in a phased manner to cover additional top 500 scrips based on market capitalization as on December 31, 2024, for all brokers. This places India among the select countries to achieve such an efficient settlement system and our contributions have been instrumental in realizing this achievement (Source: *CRISIL Report*). We have also implemented the UPI block in the secondary market and a direct payout facility in accordance with SEBI's decision.

The success of our depository business can be attributed to its widespread acceptance of securities regulations in the recent years requiring compulsory dematerialization of securities for its transfer. The system's emphasis on safety, security, and seamless transactions has led to the widespread opening of depository accounts across India and from various international locations. As of March 31, 2025, we have an aggregate of 79,773 issuers registered on our system with an extensive network of 294 Depository Participants operating through 65,391 service centers across India. These service centers serve over 39.45 million active demat accounts. As of December 31, 2024, the number of accounts which are common between our Company and CDSL is 2.35 million (Source: *CRISIL Report*). Our accounts holders were located in more than 99.34% of pin codes in India and 194 countries across the world as of March 31, 2025. In June 2014, we achieved the milestone of having assets of over ₹100,000 billion under our custody after 18 years of operations, with the next ₹100,000 billion of assets under custody being achieved in November 2020, and thereafter added another ₹100,000 billion in December 2021. In September 2024, we had assets of over ₹500,000 billion under our custody (Source: *CRISIL Report*).

Strong focus on technology-led product innovation

Technology serves as the foundation of our ecosystem. We have consistently invested in technology, enabling the development of a state-of-the-art depository system catering to diverse user groups such as depository participants, issuers, registrars, transfer agents, and clearing corporations. In August 2007, we were the first depository to introduce instant messaging alerts (over SMS) to investors (Source: *CRISIL Report*). Our comprehensive suite of value-added services includes Speed-e, which facilitates the electronic submission of depository transactions, STeADY (*as defined below*) for trade information exchange and institutional client contract notes, and IDeAS (*as defined below*), an online platform for convenient access to depository accounts.

Our other introductions to the market include the launch of a blockchain based-distributed ledger technology platform for security and covenant monitoring, including the monitoring of asset coverage relating to the issuance of debentures on a real-time basis, the launch of a tax service that addresses the documentation requirements for companies during dividend payments and the launch of our digital commercial paper issuance mechanism in 2021. This platform has received positive response from the industry with numerous issuers and securities onboarded since its launch (Source: *CRISIL Report*). We have also implemented a data processing framework that acts as a centralized repository for multiple datatypes, including master data, transactional data, documentary data, historical data, and archive data. Our strong focus on technology-led product innovation has helped us expand our service capabilities, enhance user experience, and continue to remain relevant in the financial and securities market in India.

Robust IT infrastructure, risk management frameworks and cyber-security measures focused on ensuring the safety and integrity of the depository system

To meet the demands of a fast-growing market, we have endeavoured to actively introduce initiatives to augment our IT infrastructure. We have implemented a comprehensive risk management system that incorporates the principles prescribed by the Committee on Payments and Market Infrastructure and the Technical Committee of the International Organization of Securities Commissions (CPMI – IOSCO) and seek to develop appropriate risk-management tools to address the material risks that we may face. We have established a security operations center (“SOC”) with round-the-clock operations to monitor, detect, analyze, contain, eradicate and respond to any adverse cyber security events. Our SOC is staffed with a team of security analysts and engineers who aim to ensure real-time monitoring and response to cyber-security events. Our SOC is based on an analytical platform and conducts a correlation of logs from network, security and server infrastructure. With an everchanging risk landscape, we continue to update our depository system and associated infrastructure to improve our correlation, analytics, detection and response capabilities. We have adopted the MITRE ATT&CK® framework which is a detailed knowledge base and model for cyber adversary behavior, covering the various phases of an adversary’s attack lifecycle. Further, NDML has obtained the PCI-DSS (Payment Card Industry – Data Security Standard) certification for carrying out its secure payment card transactions.

Between January 2024 to February 2025, we have executed several IT upgrades to bolster both our infrastructure and security. Key infrastructure improvements include (i) upgrading all databases to the latest supported version, (ii) implementing patch management solutions in accordance with SEBI guidelines, (iii) augmentation of backup solutions, and (iv) observability and application performance monitoring (APM) solution implemented with full-stack monitoring for IT environments which has enabled us to detect, diagnose, and optimize application performance, infrastructure, and security on a real time basis. In addition, we have implemented measures such as introducing airgap solutions with vault and clean room setup, implemented multi-homing internet links in our data center and disaster recovery site. Data encryption at rest for offline Hadoop systems, and completing the replacement of end-of-support perimeter firewalls. We have also introduced a privileged identity manager with multifactor authentication to enhance production system security further. Our IT security framework was also strengthened by implementing the Extended Detection and Response (EDR) technology which integrates and correlates data from multiple security tools to enhance threat detection and response, a secure web gateway, a data leakage prevention solution, and a privilege identity and access management system.

We have demonstrated our commitment to ensure the security and protection of our clients’ securities within our depository systems. We deploy robust technology solutions, including encryption, security layers consisting of firewalls, IPS (intrusion prevention systems) and WAF (web application firewall), to establish safeguards against unauthorized access and potential cyber threats. By continuously monitoring and updating our security protocols, we remain at the forefront of mitigating evolving risks in the digital landscape. To ensure regulatory compliance and identify potential vulnerabilities, we conduct routine audits of our systems and processes. These audits serve as a validation of our adherence to regulatory requirements, as well as enable proactive identification, detection and resolution of any weaknesses or deficiencies. Furthermore, we have prudently acquired comprehensive insurance coverage to protect against an array of risks, encompassing fraud, errors, and omissions. This insurance coverage acts as an additional protective layer, fortifying our commitment to preserving the financial security of our clients. Through the implementation of stringent processes, we identify and manage risks associated with our depository services, thereby ensuring the timely detection and mitigation of potential risks and effectively safeguarding securities held in our systems.

Set forth below are the details of the expenditure incurred by us on repairs and maintenance of our systems for the Financial Years 2025, 2024 and 2023.

Expenses	For the Financial Year		
	2025	2024	2023
	(in ₹ million)		
Repairs and maintenance – system	644.28	552.22	447.00

As of March 31, 2025, our IT team comprised 150 full-time employees and 249 contract employees. Our full-time employees are also equipped with industry standard certifications such as CEH (Certified Ethical Hacker), CISA (Certified Information Systems Auditor) and CISSP (Certified Information Systems Security Professional). Further, we also conduct periodic audits of our security and risk management practices to ensure that our operations are not exposed to risks and are in compliance with directives issued by regulatory bodies.

Aligned with the regulatory guidelines set forth by SEBI, we have undertaken significant enhancements to our depository systems. These enhancements include the introduction of margin pledge and re-pledge as a new transaction type, validation of market transfers against trade obligations, blocking of client securities, direct pay-out facility, trading supported by block amount in secondary market, and the introduction of e-DIS (electronic delivery instruction slip). Moreover, we have successfully implemented the segregation of client securities by introducing CUSPAs. We have also introduced our Transaction Related Alerts of Demat Account received through SMS (“TRADeS”) facility to provide important updates to our clients about their depository accounts to facilitate risk mitigation and provide value added services. As of March 31, 2025, 37.99 million investors were registered for TRADeS as compared to 34.34 million investors as of March 31, 2024.

Stable revenue base with a significant proportion of recurring revenue

Revenue from annual fees and annual custody fees is considered as a more stable and recurring source of revenue due to its lesser dependence on market cycle compared to revenue from transaction charges (Source: *CRISIL Report*). Our core depository services provide us with a steady source of recurring revenues and stability to our business model. In addition to our core depository services, we generate recurring revenue from certain other services. Set forth below are the details of our recurring revenue for the Financial Years 2025, 2024 and 2023:

Revenues	For the Financial Year		
	2025	2024	2023
	(<i>₹ in million</i>)		
Recurring revenue from our Depository Business	2,612.72	2,296.56	2,117.78
Recurring revenue*	2,795.14	2,417.95	2,250.26

*Refers to services transferred over time. See “Restated Consolidated Financial Information – Note 20(a) Timing of revenue recognition as per Ind AS 115” on page 320.

We derive recurring revenues from the following sources:

- *Annual Custody Fees charged to Issuers and Annual Fees charged to Depository Participants:* At the beginning of each financial year, we charge issuers annual custody fees for the securities held in dematerialized form and annual fees from the depository participants for all corporate demat accounts registered with us. For the Financial Years 2025, 2024 and 2023, our revenue from custody fees and annual fees charged to depository participants aggregated to 86.98%, 88.18% and 86.52% of our recurring revenues, respectively.
- *Other Services:* In addition to the above, we provide a range of other services that generate recurring revenues to us. This includes:
 - annual fees charged to issuers for foreign investment limit monitoring,
 - annual fees from brokers for our IDeAS service;
 - license fees to DPs for providing our DPM software;
 - annual fees from DPs for value-added services provided to DPs;
 - annual fees from mutual funds towards statement downloads,
 - annual fees from SEZ units towards system usage and transaction charges;
 - annual fees from insurance companies in relation to credit of policies;
 - annual usage fees for generation of IT professional identification number for registration of NSR;
 - annual fees for STeADY;
 - annual fees in relation to usage of Cloud DPM; and
 - annual usage fees from issuers for our provision of RTA services;

For the Financial Years 2025, 2024 and 2023, our revenue from these other services aggregated to 13.02%, 11.82% and 13.48% of our recurring revenues, respectively. See also “—Our Revenue Model” on page 235.

As of March 31, 2025, we had over 39.45 million demat accounts held with 294 depository participants registered with us. Further, we have an aggregate of 79,773 issuers registered with us, and our standalone operational revenue per investor account was ₹156.80, being substantially higher than our competitor (Source: *CRISIL Report*). We believe that recurring revenues from this wide base of market participants lends stability to our financial performance.

Diversified Asset Classes held in Demat Accounts and Well-diversified Business Verticals

We hold a strong position in the depository market with regard to the diversified asset classes held in demat accounts with us. These accounts hold various asset classes, including equities (listed and unlisted), preference shares, warrants, funds (mutual funds, REITs, InvITs and AIFs), debt instruments (corporate debt, commercial paper, certificates of deposit, pass-through certificates, structured obligations, government securities, sovereign gold bonds, municipal debt, treasury bills, state development loans), and electronic gold receipts. As of March 31, 2025, NSDL held approximately 85.06% and 86.81% of total securities in terms of numbers and values, respectively (Source: *CRISIL Report*).

Our demat account holders benefit from the ability to hold a wide variety of securities within their demat accounts, providing them with a comprehensive investment portfolio. Over the years, our depository participants have witnessed a significant increase in new demat accounts, with a substantial portion of these accounts being held by first-time demat account holders (in terms of PAN) across all our DPs. The table below sets forth the average value of assets held in Demat Accounts with us as compared to the overall, as of March 31, 2025:

Particulars	Holding per Demat Account (₹ in million)	Holding per Demat Account (held by individuals, including NRIs, and HUFs) (₹ in million)
Average Value of Assets (held in Demat Accounts with NSDL)	11.77	1.79
Overall market average value of assets	2.78	0.54

Source: *CRISIL Report*;

Furthermore, as of March 31, 2025, we held assets in custody in relation to individuals and HUFs aggregating to ₹70,167.65 billion, constituting 67.90% of the total value of such assets under custody in dematerialized form (Source: *CRISIL Report*). These figures indicate the substantial holdings and confidence that our demat account holders have in our system.

The higher custody value allows us to leverage a range of additional services, including pledges, margin pledges and loan against security (LAS). The table below sets forth the revenue generated from pledges / margin pledges and from annual fees LAS/Digital LAS for the Financial Years 2025, 2024 and 2023.

Revenues	For the Financial Year		
	2025	2024	2023
	(₹ in million/ %)		
Pledge/ Margin Pledge Revenue	523.44	400.23	184.78
As a % of our total Depository Revenue	8.46%	8.46%	4.52%
Annual Fees LAS/ Digital LAS Revenue	5.05	5.41	1.88
As a % of our total Depository Revenue	0.08%	0.11%	0.05%

In addition to the core depository services offered by our Company, we offer various other services through our Subsidiaries, NDML and NPBL.

NDML is a technology solutions and product services company focused on developing e-Governance solutions, payment solutions, regulatory support systems, market infrastructure services, industry solutions and digital customer onboarding products. NDML also offers end-to-end business automation, process transformation and other managed services for the Government and industry associations such as SEZ Online and National Skill Registry, respectively. As of March 31, 2025, NDML supported more than 1,728 SEBI registered intermediaries in India and held approximately 18.79 million KYC records. Through Instigo, NDML's online customer onboarding platform introduced in July 2020, we can complete digital-KYC verification and the entire onboarding process relating to the opening of new accounts for capital market products. During the Financial Year 2025, NDML acted as a registrar and transfer agent for 13,485 ISINs. NDML received approval from IRDAI for establishing an insurance repository to facilitate holding of all types of insurance policies in electronic form through a single and central e-insurance account. NDML has also been serving the Ministry of Commerce and Industry with an online platform for supporting approvals and transactions in SEZs across India. NDML has received approval from RBI for providing services as a payment aggregator. NDML has also been serving the IT & ITeS industry in India with its National Skills Registry platform which seeks to assist employee onboarding and verifications.

Through NPBL, we offer a range of financial products and services on a B2B2C basis, including digital banking solutions, inclusive banking products (covering domestic money transfers, savings accounts, micro-ATMs and Aadhar-enabled Payment System), prepaid cards (including general purpose reloadable payment cards, gift cards and use case-based cards), merchant acquisition services (including UPI-payment services and point-of-sale solutions), cash management services and the distribution of third party products such as life insurance, health insurance and mutual fund schemes. As of March 31, 2025, NPBL had facilitated the opening of more than 1,060,000 accounts in India through its mobile application, Jiffy, out of which more than 278,000 had been opened directly through our mobile application Jiffy in Financial Year 2025. NPBL has a customer base of more than 2.42 million accounts as on March 31, 2025 from which 1.61 million customer accounts had been opened during the Financial Year 2025. As on March 31, 2025, NPBL ranked 42nd as a UPI remitter and 35th as a UPI beneficiary in the UPI ecosystem. Moreover, NPBL's AePS ranked second in India as an acquiring bank in terms of AePS transaction value for January 31, 2025 (Source: *CRISIL Report*). The volume of micro-ATM services processed through NPBL aggregated to ₹130,185.27 million as of March 31, 2025. As of March 31, 2025, NPBL was second in India in terms of deployment of micro-ATM devices in banking industry having deployed more than 307,200 devices across India (Source: *CRISIL Report*). NPBL recorded a transaction value of ₹283,921.66 million from cash management services during the Financial Year 2025 having started such services in Financial Year 2024. These services are provided through a network of more than 50 corporate business correspondents. As of March 31, 2025, NPBL distributed mutual funds schemes of 28 major asset management companies in India through digital channels, including its mobile application. Revenue from banking services offered by NPBL for the Financial Years 2025, 2024 and 2023, amounted to ₹7,199.34 million, ₹7,192.40 million and ₹5,407.78 million, respectively, representing 50.69%, 56.71% and 52.92% of our revenue from operations, respectively.

Experienced senior management team

Our management team comprises qualified and experienced professionals with an average experience of over two decades. We believe that their vision, leadership and adherence to strong corporate governance policies has contributed to our consistent and positive performance in the past and will drive our strategic direction in the future. Our management team is led by Vijay Chandok, Managing Director and Chief Executive Officer, who has over 31 years of experience in the financial services industry in India. Prashant Pramod Vagal, our executive vice president and chief operating officer, has over 30 years of experience in business development and operations. Kothandaraman Prabhakaran is our chief technology officer and has over 19 years of experience in the field of technology. Jigar Harshad Shah is our Chief Financial Officer and has over 17 years of experience in the fields of finance, treasury and banking. Sameer Giridhar Patil is our chief business officer with 20 years of experience in business strategy and business expansion. Suresh Ramankutty Nair is our compliance officer with 24 years of experience in the field of legal and compliance. We have also benefitted from the support of our four Public Interest Directors with experience across the banking, economic policy and reforms, risk advisory services and teaching and research sectors. For further details of our management team, please see "*Our Management*" on page 262.

Our Strategies

Continue to focus on our growth potential and increase market penetration by leveraging our strengths

The Demat Accounts in India have grown at 21.94% CAGR from 21.7 million in Financial Year 2014 to 192.4 million in Financial Year 2025. Further, the Demat Account penetration in India is 13.4% in the Financial Year 2025 and 10.6% in the Financial Year 2024, and presents a huge opportunity to depositories for growth in the overall business considering India's population is more than 1.44 billion as of calendar year 2024. (Source: *CRISIL Report*). The number of companies having their securities in demat form have seen an increase from 17,835 in Financial Year 2017 to 79,773 in Financial Year 2025 seeing a growth at 20.6% CAGR for NSDL and 9,887 to 35,922 from Financial Year 2017 to Financial Year 2025 growing at an approximately 17.5% CAGR for CDSL (Source: *CRISIL Report*). Additionally, as per MCA notification in September 2018 (effective October 2, 2018), issuance of all securities and transfer of all securities by unlisted public companies shall be in dematerialised form only. On October 27, 2023, the MCA mandated compulsory dematerialisation of securities by private companies (other than small companies). Therefore, there is immense scope for depositories to increase number of companies on their platforms for dematerialization. (Source: *CRISIL Report*). As part of our commitment to the capital markets community in India, we have leveraged our technological infrastructure to cater to the diverse needs of the securities market in India and introduced several additional products, e-services and ancillary value-added services and initiatives directly and through our subsidiaries, NDML and NPBL, thereby emerging as a key enabler for the financial market in India (Source: *CRISIL Report*). We offer multiple services providing core depository services and through our subsidiaries, offer a range of IT-enabled solutions through multiple verticals

such as e-governance, payments solutions, collaborative industry solutions, regulatory platforms, KYC solutions, insurance repository services and digital banking solutions, amongst others. India is one of the fastest-growing major economy with expected real GDP growth in the range of 6.3% to 6.5% each year during 2025 to 2028 (Source: *CRISIL Report*).

As a depository, we play a central role in developing products and services and our focus is to continue to leverage on product development and differentiation to address the growing needs of the financial services industry in India. Using innovative and flexible technology systems, we will work to support investors, brokers, issuers and other market participants in the Indian capital markets and aim at ensuring the safety and soundness of Indian securities market by developing settlement solutions that increase efficiency, minimize risk and reduce costs.

We aim to continue to focus on attracting new investors to the securities market in India and increase the user base of our depository business by increasing the number of our customers through depository participants registered with us.

We aim to further increase our market penetration through the following key initiatives:

- We engage with our depository participants to grow their business by providing access to a robust and secure technology infrastructure, API stacks, setting up a hosted infrastructure, providing value added services in addition to various training and development programs and aiding them in their marketing and promotional activities. Our approach focuses on building deeper, more meaningful relationships with existing depository participants. As we continuously engage with business partners, particularly depository participants who are banks, we aim to create a stronger and more loyal partner ecosystem. This engagement will be further amplified through rewards and recognition programs, which celebrate and reinforce top-tier performance. Additionally, expanding our reach through strategic alliances through bank-broker tie-ups will help create a unified service model, benefiting both investors and partners alike;
- We will work on expanding the reach of our products to broader investor demographics, improving penetration in both high-potential urban areas and untapped rural regions. Our expansion efforts are specifically directed towards underserved regions, namely Tier III and IV cities, where there is an emerging demand for financial products. By targeting early-stage investors, we aim to establish trust and drive adoption of depository services. We will also implement digital awareness programs in various regional languages to increase demat account adoption and educate investors about the benefits of our services. We plan to specifically target under-served investor segments, focusing on the untapped markets of smaller cities and remote areas. By leveraging on digital platforms, we will be able to address regional disparities in financial service access, while introducing bespoke financial education and services tailored to these groups;
- Our engagement with fintech brokers is key to reaching a broader investor base. To ensure that we maintain a significant market share of the depository service market in India, we strive to increasingly onboard such new age fin-tech brokers. Such brokers have an ever-growing digital presence that would allow us to scale. We are actively educating these brokers about the importance of risk management, including mitigating concentration risk of opening accounts with only one depository;
- In response to market demands, we are focusing on making mutual fund investments more accessible and efficient through dematerialization. This move will significantly reduce the operational complexity for investors by eliminating the need for physical statements. It will also streamline the monitoring of corporate actions and reduce tracking errors through automated reconciliation. This transformation aims to improve the overall mutual fund investment experience and regulatory compliance, leveraging our depository infrastructure. This will also enable such dematerialised mutual funds to be offered as collateral for loans/margin trading;
- We plan to explore creating new, localized financial products to appeal to a wider variety of customers, enhancing the overall product portfolio. We intend to continuously engage with SEBI to align our offerings with evolving regulations and market needs. By staying ahead of regulatory changes, we can ensure that our products and solutions are always customer-centric and compliant with dynamic regulatory landscapes;
- Our market research strategy focuses on gathering and analyzing data to better understand investor needs, preferences, and emerging market trends. By continuously evaluating competitor strategies and customer feedback, we will refine our approach to better serve current and potential customers;

- By collaborating with our subsidiaries, we can maximize our impact and leverage synergies across various business functions. Cross-functional collaboration will allow us to optimize resources, enhance customer experiences, and drive growth more efficiently;
- We aim to expand our services to the youths of India and announced the launch of ‘YUva Plan’ (“YUP”) on October 22, 2024. Under YUP, youths below the age of 24 can open new demat accounts with the benefit of zero settlement fees per debit instruction for the first 36 months from the date of opening of a new demat account.
- We aim to collaborate with the relevant stakeholders while simplifying the overall process and thereby facilitating more asset classes to be held in a dematerialized form with us. Such securities include sovereign gold bonds, electronic gold receipts, government securities, securities issued by private limited companies, units of AIFs, and mutual fund units;
- We regularly conduct investor awareness programmes such as ‘Market Ka Eklavya’ to encourage further participation in the capital markets;
- We aim to deepen our existing relationships with listed issuers and to facilitate seamless services to such listed issuers;
- We aim to continue our focus towards facilitating unlisted issuers to join the depository system and providing seamless services for their needs;
- We aim to deepen our relationship with registrar and transfer agents;
- We explore opportunities to provide additional value-added services within the e-Voting and e-AGM platform; and
- We are exploring prospects to enhance our distributed ledger technology-based product offerings for other asset classes, following the successful implementation of phase-I and II of our blockchain based-distributed ledger technology platform for security and covenant monitoring.

Continue to invest in and upgrade our IT infrastructure systems for the enhancement of operational efficiency, service quality and operational resilience.

As a securities depository, enhancement of our IT infrastructure is a critical aspect of our business as it serves as the foundation for future growth and expansion plans, while ensuring the safety and reliability of India's securities market ecosystem. We place a strong emphasis on operational resilience, strong information security systems and strengthening our IT infrastructure systems to withstand and promptly recover from unforeseen disruptions. Our primary objective is to mitigate the impact of any potential issues, ensuring uninterrupted operations and business continuity, even in the event of unforeseen circumstances.

Since our inception, we have allocated significant resources towards our information technology systems. To keep our systems and processes current, we constantly strive to enhance our technology stack, augment technology infrastructure to manage increasing transaction volumes, adopt a mobile-first approach in relevant areas, transform applications to enhance operational efficiency, improve system performance, resiliency, and scalability. We are also focused on enhancing efficiency by digitizing operational processes, enabling do it yourself (DIY) journeys across various depository functions such as client onboarding, centralized servicing, and re-evaluating process flows to enable seamless journeys with minimal manual intervention and first-time resolution.

Diversify our offerings and enhance our database management business

As part of our growth strategy for NDML, we aim to continue to diversify our offerings through the introduction of new products and services, thereby serving the evolving needs of our customers. Some of the proposed strategic initiatives for our existing business verticals under NDML are set out below:

- **KYC Registration Agency:** As a regulated KYC registration agency, we seek to meet the needs of market participants to efficiently complete their KYC verification processes through us with a reduced turnaround time. We also aim to increase our market share as a KYC registration agency by leveraging our existing association with our wide network of depository participants. We are also in continued

discussions with stock brokers and other intermediaries in relation to our product and service offerings for their KYC processing and customer onboarding requirements.

- *Insurance Repository:* In light of the proposed regulatory proposition providing for all insurance policies to be mandatorily held in dematerialised form, we anticipate an opportunity to leverage our existing leadership position in this business. We expect this to further increase our market share as an insurance repository along with acting as an enabler of efficiency, cost reduction and providing accessibility.
- *Payment Aggregator Business:* NDML has received authorisation from the RBI to operate as a payment aggregator. We seek to build upon our relationships to expand our product and service offerings to newer segments and increase our market share. We are also exploring potential synergies for cost efficiency and customisation through a unified, well-leveraged aggregator service for merchants.
- *Registrar and Transfer Agent:* As a registrar and transfer agent registered with SEBI, we provide robust, compliant and efficient services of a registrar and transfer agency from the stage of onboarding new issuers to providing related services. We seek to expand our capabilities on the strength of our efficient and transparent service model and extend our range of services from debt instruments to equity securities and to alternative investment funds and unlisted issuers. Given the concentrated nature of this market, we believe that there is a significant growth opportunity to further develop this business. We have also undertaken and completed the development of an IPO application software and are in the process of engaging with market participants and issuers for utilizing our services for proposed initial public offerings in India.
- *National Skills Registry:* We offer a collaborative industry solution for the IT / ITeS industry in association with The National Association of Software and Service Companies (“**nasscom**”). Through this product, we aim to prospectively build digitally integrated solutions for employee-verification processes and expedite hiring processes.

Increase the market share of our payments bank business

We continue to scale our payments bank business to include a number of ancillary products and services such as zero-balance accounts, digital payment cards, online bill payments and recharges, mutual funds and other investment services and insurance products. Some of our proposed initiatives for the growth of this business are set out below:

- *Financial Inclusion:* In line with the Government of India’s ‘financial inclusion’ vision, we are focused on extending the reach of our banking services to remote regions in India by further developing and growing our network of inclusive banking partners and business correspondents. As of March 31, 2025, NPBL had 4,382 customer service points across India. This network typically operates through neighbourhood shops, local stores and pharmacies that are easily accessible to our customers and includes basic banking services offered through AEPS, micro-ATMs and other remittance products offered through NPBL. We also offer account opening services through customer service points to achieve equitable and inclusive banking across the country.
- *Digital Banking:* Our NSDL Jiffy mobile application has been built with a focus on personalization, consumer intuition and simplicity, and aims to deliver a superior user experience to our consumers. To scale the user base for this application, we aim to acquire new customers through business partnerships, a 3-in-1 account service and generating new users directly through the NSDL Jiffy mobile application. We also aim to introduce new products and services such as co-branded credit cards, subject to approval from the RBI. In addition to introducing new products, we actively seek to grow the market share of our prepaid cards business by onboarding additional partners and exploring alternate product initiatives such as transit cards, multi-wallet cards, fuel cards, fleet management cards and transit cards.
- *Merchant Acquisition:* We offer a digital payment collection mechanism for merchants to process and receive online payments from customers through a number of different channels, thereby helping merchants increase their sales. We have identified this model as an emerging line of business and are focused on further developing this business to enable merchants to process transaction payments received through payment cards, net banking and UPI transactions.

- *Cash Management Services:* In July 2023, we launched our Cash Management Services (“CMS”). Through our platform, we facilitate the collection of loan EMIs and cash payments whereby transactions are processed through agents. We collaborate with micro-finance institutions and NBFCs and streamline cash collection processes and leverage the extensive network of agents, through business correspondents, to enhance reach and efficiency. For the Financial Year 2025, we recorded transactions through CMS at a value aggregating to ₹283,921.66 million.
- *Third Party Product Distribution:* We also aim to expand our third-party product distribution capabilities by facilitating the sale and distribution of insurance policies and mutual funds schemes through our platforms, including NSDL Jiffy and our business correspondents. As on March 31, 2025, we had entered into online distribution agreements with 28 asset management companies and 13 insurance companies.

Description of Our Business

Products and Service Offering of our Depository Business

We commenced operations in November 1996 as the first depository in India and have since introduced a wide range of products and services to the financial and securities market in India. We commenced our core depository business to facilitate the trading of securities in digital form and have since leveraged our technological infrastructure to cater to the diverse needs of the securities market in India through the expansion of our portfolio of additional products and ancillary value-added services.

A summary of our core depository services is set out below:

- *Maintaining Allotment and Transfer of Ownership Records:* Through our depository services, we maintain details of allotment and transfer of ownership records of securities assets held with us through electronic book entries and provide a safe and secure environment for the storage of such securities.
- *Account Opening and Management:* As a depository our core depository function includes the opening of demat accounts for demat holders through depository participants and providing various services including updating KYC details, nomination facility and updating demographic details.
- *Settlement of market and off-market transfers:* Through our depository system, we facilitate the transfer of securities by investors by providing a mechanism to clearing members to settle trades carried out on stock exchanges. All clearing corporations registered with us can receive securities delivered for clearance in electronic form. Our network of depository participants also assists their clients with carrying out off-market transfers of securities for transfers not settled through clearing corporations.
- *Dematerialisation of Securities:* We provide dematerialization services to investors, listed and unlisted issuers and registrar and transfer agents and charge onboarding and service fees to issuers for providing these services.
- *Corporate Actions:* We assist issuers with carrying out corporate actions relating to the disbursement of monetary benefits such as dividends and non-monetary benefits such as bonus payments to investors. The number of corporate actions undertaken on our platform was 624,832 during the Financial Year 2024 and 787,809 during the Financial Year 2025.
- *Pledge:* Our depository services offer the flexibility for securities held in a depository account to be pledged or hypothecated, enabling clients to avail themselves of loan or credit facilities. The pledging of securities with us requires both the borrower (pledgor) and the lender (pledgee) to hold an account with our depository.
- *Margin Pledge:* We have introduced a transaction in the depository system that allows clients to utilize their securities as margin with their trading members. Through the process of marking a pledge of securities, clients can provide their securities as collateral to their trading members. These pledged securities can then be repledged by the trading members to the clearing members and subsequently repledged by the clearing members to the clearing corporation. This facilitates the posting of client collateral and ensures the segregation of client collateral at the clearing corporation level, thereby enhancing the safety and security of clients’ securities.

- *Non-Disposal Undertakings (NDUs)*: This is a specialised service that allows Demat Account holders to record NDUs in the depository system. In relation to loan obligations undertaken by corporate debtors, NDUs are typically issued in favour of a lender as an undertaking by the promoter(s) of the corporate debtor not to transfer or otherwise alienate the security. Operating as a negative lien in favour of the lender, NDUs help ensure that the promoter(s) of the corporate debtor do not transfer the shares held by it by way of outside arrangements resulting in the creditor losing access to significant assets of the promoter(s).
- *Consolidated Account Statement (CAS)*: CAS is a unique offering from NSDL that provides information of all securities held in dematerialized form in a client's portfolio in a single statement. This includes investments in equity shares, preference shares, mutual funds, bonds, debentures, securitized instruments, money market instruments and government securities held in demat form. CAS also includes details of insurance policies held in electronic form through the National Insurance Repository of NDML. We also offer the facility to view and download CAS through IDeAS on our e-services portal. Further, we have enhanced CAS to include details of investments in the National Pension System based on opt-ins by our customers. During the Financial Year 2025, NSDL dispatched 110.22 million CAS to investors as compared to 94.31 million CAS during the Financial Year 2024.
- *Providing a comprehensive suite of APIs*: We provide a comprehensive suite of APIs for seamless processing of data between the depository participants and NSDL. Such APIs include services relating to account opening, e-DIS, early pay-in margin pledge, digital LAS and verification of DP ID, Client ID and PAN.
- *Cash Benefit Services*: We process interest payments on government bonds and sovereign gold bonds to investors holding these securities in demat accounts with depository participants registered with us.

Some key products and e-services introduced by us are set out below:

- *SPEED-e*: a common internet infrastructure facility used exclusively by our depository participants to provide depository services to clients. Through SPEED-e, account holders and clearing members can submit delivery instructions to depository participants electronically instead of using delivery instruction slips in paper form. We have recently enhanced our Speed-e app to provide a secure unified investor platform that consolidates financial data from both the depositories, stock exchanges and clearing corporations, enabling investors to make informed decisions. The app offers investors access to a consolidated view of their holding and transaction statements across depositories and exchanges and enables investors to monitor their open positions and margin details across various exchanges and clearing corporations.
- *Submission of Power of Attorney-based Instructions for Clients Electronically (SPICE)*: this facility enables clearing members to digitally submit signed instructions to depository participants through SPEED-e, thereby eliminating the need to provide paper-based delivery instructions. These instructions can be submitted based on power of attorney or demat debit and pledge instructions or electronic delivery instruction slips. The total number of clients registered for this facility as on March 31, 2025, was 44.83 million.
- *Internet-based Demat Account Statement (IDeAS)*: this is our secure internet service for account holders (and clearing members) having demat accounts with us to view their account balance and transaction history online. Through IDeAS, users also have the option to view transaction statements on a month-wise basis. Some additional recently introduced capabilities include a single sign-on facility for clients accessing our e-voting system, the generation of electronic verification codes in connection with the electronic filing of income tax returns and access to download e-CAS. During the Financial Year 2025, the number of clients using IDeAS increased to 1.82 million as compared to 1.69 million during the Financial Year 2024. As on March 31, 2025, 404 clearing members and 294 depository participants had subscribed to IDeAS.
- *Securities Trading-information Easy Access and Delivery (STeADY)*: our internet-based facility that enables encrypted straight-through processing of trade information to market participants electronically. Through STeADY, electronic contract notes are made available to institutional investors and custodians for matching and settlement. During the Financial Year 2025, 8.71 billion trade details for 18.63 million notes were submitted through STeADY.
- *e-Voting*: our e-Voting platform primarily helps investors in public listed companies to cast their votes online and actively participate in the decision-making process. This platform also offers additional value-added services such as live-streaming capabilities for meetings, instant voting results, e-notice services and other

online voting services at annual general meetings. During the Financial Year 2025, 4,988 e-voting events were conducted as compared to 4,304 e-voting events in the Financial Year 2024.

- Commercial Paper Issuance Platform: we provide an online service for the issuance of commercial paper, thereby facilitating issuers, investors and issuer and paying agents to undertake the primary issuance process in an efficient and seamless manner.
- e-AGM: our e-AGM service enables companies to hold their general meeting proceedings electronically and shareholders can attend general meetings electronically from anywhere with their secured login credentials. During the Financial Year 2025, our e-AGM services were utilised in relation to 2,611 events as compared to 2,248 events in the Financial Year 2024.

Ancillary Products and Value-Added Services

With our depository business, we also provide a range of other value-added services, a brief description of which is set out below:

- Digital Loans Against Security (Digital LAS): through this facility, clients can avail loans by instantly pledging securities held in dematerialized form. As of March 31, 2025, several private sector banks and NBFCs have integrated our service onto their respective portals, enabling demat account holders to avail instant loan facilities. During the Financial Year 2025, 6,858 demat account holders availed this facility and availed loans aggregating to 27,460.95 million.
- FPI Monitor: Through our FPI Monitor portal, we provide the following services:
 - Common Application Form (CAF): in Financial Year 2020, we launched a single common application form for foreign portfolio investors to register with SEBI, apply for allotment of PAN, complete KYC procedures, and open bank and demat accounts in India. During the Financial Year 2025, 1,526 applications were registered through our common application form of which 1,140 applicants were allotted PAN.
 - Foreign Investment Limit Monitoring (FILM): Through this service, listed issuers can appoint a designated depository for monitoring foreign investment in listed Indian entities. As on March 31, 2025, we were appointed as the designated depository for this service by 3,089 issuer entities.
 - FPI Investments Data: Through this service we provide a source of information for public dissemination on FPI investment and divestment in the Indian markets across various assets and through various investment route over a period of time.
- Depository Account Validation (DAN): DAN is a secured internet-based facility which provides an online interface enabling subscribers to validate DP ID, Client ID and PAN of investors through a file upload. This facility is available to issuer of securities for initial public offerings. We also provide this service through our API stack.
- Mutual Fund Redemption API: Our mutual fund redemption API provides clients with the convenience of placing redemption requests for mutual fund units held in their demat account. These APIs enable clients to perform this action seamlessly and in a fully digitalized manner, eliminating the need for manual processing and paperwork.
- Issuer Service Portal: As a part of our continuous endeavor to service Issuers, we have introduced an issuer service portal which gives access to our issuer related services and information. Services offered through this portal include FILM, system driven disclosure and corporate actions. The portal also incorporates a self-registration function for various services such as ISIN generation, corporate action and billing information.

Other Recent Initiatives

Leveraging our technological expertise and leadership position in the market, we have launched a number of initiatives, details of which are set out below:

- Demat gateway (eDIS): this is our demat gateway that assists holders of demat securities to digitally provide instructions to depository participants. Authentication for such transfers is linked to portals maintained by our depository participants to ensure seamless transfer of instructions and efficient implementation.
- Securities and Covenant Monitoring platform: we introduced a blockchain-based security and covenant monitoring platform for debentures that enables issuers and debenture trustees to manage the entire life cycle of corporate bonds from issuance to redemption, and to facilitate the monitoring of securities and its covenants. As on March 31, 2025, out of 617 issuers having outstanding listed bonds and debentures, NSDL has onboarded 562 listed bonds/debentures issuers along with 11 debenture trustees.
- Operations in GIFT City (IFSC): We are a member of the India International Bullion Holding IFSC Limited (“IIBH”) consortium and have contributed towards the establishment of a bullion exchange at GIFT City, Gandhinagar. IIBH has two wholly owned subsidiaries, India International Bullion Exchange IFSC Limited (“IIBX”) and India International Depository IFSC Limited (“IIDL”). IIBX has been conceptualised to provide a gateway to import bullion into India and provide bullion exchange ecosystem to promote bullion trading, investment in bullion financial products and vaulting facilities in IFSCs. IIDL has been established as an international depository for dematerialization and immobilisation of bullion and securities at the International Financial Services Centre.
- Tax Services: Our Company’s tax services offer an efficient solution to market participants by establishing a repository of investor-related documents, including those from mutual funds, insurance companies and FPI clients which can be shared with companies declaring dividend. By leveraging information and documents available with us, companies can determine the applicable withholding tax rate and applicable TDS rate for dividend payments based on the investor category. As of March 31, 2025, ten market participants have used this service.
- Securities Block Mechanism: To enhance the safety of client assets held with us and promote secure market transactions, SEBI has introduced guidelines for the implementation of a block mechanism across all demat accounts involved in sale transactions in the Indian securities market. Under this mechanism, the securities held in demat accounts are matched with the corresponding trading obligations in respect of trades executed on the stock exchange, thereby ensuring greater transparency and security.
- Direct Pay-out facility: Following guidelines issued by SEBI, we have implemented a direct payout system that allows securities to be directly credited to the investor’s demat account from a clearing corporation account through the clearing member’s and/or broker’s pool account(s) maintained in the depository, ensuring a more efficient process for the credit of securities to investors. This system aims to protect clients’ securities and ensure that the stock broker segregates securities in a manner that they are not vulnerable to misuse.
- Trading supported by Block Amount in secondary market (i.e. United Payments Interface (“UPI”) Block Mechanism): SEBI has introduced a new process for trading in the secondary market via the UPI block facility. This facility aims to enhance the protection of cash collateral by integrating RBI-approved UPI mandate service of single-block-and-multiple-debits with the secondary market trading and settlement process. It was introduced as a non-mandatory facility to be provided by certain stockbrokers to clients. Following the SEBI circular dated November 11, 2024, it is mandatory for qualified stockbrokers to facilitate trading supported by blocked amounts in the secondary market (cash segment) using the UPI block mechanism or the 3-in- trading account facility, to their clients.
- CUSPA Implementation: Following guidelines issued by SEBI to safeguard client funds and securities and prevent their unauthorized use, we have implemented the establishment of a ‘CUSPA’ by trading members to ensure the segregation of client securities, and thereby ensuring investor protection. In line with the guidelines, any unpaid securities are transferred to the respective client’s demat account, followed by the creation of an auto-pledge with the reason ‘unpaid’.
- Mutual Funds Overnight Scheme (“MFOS”): Following the SEBI circular no. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/84 dated June 08, 2023 regarding the upstreaming of clients’ funds, MFOS units are now permitted to be used by stockbrokers and clearing members for this purpose, subject to the units being held in dematerialized (demat) form. The stock broker and clearing members shall maintain a dedicated demat account for MFOS subscription and redemption, and provide pledge, repledge, and margin pledge facilities for these units.

- T+1 settlement: Effective February 25, 2022, we implemented the T+1 settlement mechanism for trades carried out on stock exchange platforms, on an optional basis. This was implemented following the roadmap created by market infrastructure institutions (stock exchanges, clearing corporations and depositories) for the faster settlement of securities. Since January 27, 2023, the T+1 settlement mechanism is mandatory for all trades carried out on stock exchange platforms.
- T+0 settlement: With effect from March 28, 2024, we implemented a beta version of T+0 settlement with 25 scrips and since January 31, 2025, we implemented an option of T+0 settlement in a phased manner to cover additional top 500 scrips based on market capitalization as on December 31, 2024, for all brokers.
- Online Nomination Updation: Through this facility we enable holders of Demat Accounts to update nomination preferences directly through an online web portal, subject to confirmation by the relevant DP.
- Email and income range updation: Through this facility we enable holders of Demat Accounts to update their email address or income range in their Demat Accounts.

Products and Services offered by NPBL

Through our Subsidiary, NPBL, we provide digital banking services through innovative and technology-driven measures. In line with the Government of India's vision of 'financial inclusion', we have launched multiple products to facilitate ease of banking and have adopted scalable steps to enable the financial inclusion of disadvantaged and low-income population in various unbanked and underbanked areas in India. As of March 31, 2025, we witnessed an increase in the total number of users of our mobile application, NSDL Jiffy, to more than 1,060,000 users out of which, more than 278,000 users had opened their accounts directly through our mobile application Jiffy. In the Financial Year 2022 to Financial Year 2025, the payments business (considering only UPI and IMPS) has grown over a 278% in terms of the number of transactions processed and more than 163% in terms of transactions value. (Source: *CRISIL Report*). As on March 31, 2025, there were 2,419,830 active users on the NPBL system. For additional details, see “– Our Strategies – Increase the market share of our payments bank business” on page 226 above.

The graphic below lists some of the key products and services provided by NPBL:



A brief summary of the key products and services provided by NPBL is below:

- NSDL Jiffy: built with a focus on delivering a simplified banking experience to our customers, NSDL Jiffy that offers a number of banking services to our customers through a mobile-based application. These services include digital zero-balance savings accounts, classic savings accounts and premium savings accounts. Through NSDL Jiffy, customers are also able to avail additional facilities such as access to a basic savings bank deposit account (for customer groups covered under the Pradhan Mantri Jan Dhan Yojana) along with a digital bill payment facility and current account. Some additional services provided by us include access to our corporate internet banking portal and a virtual debit card to effectuate the vision of financial inclusion. During the Financial Year 2025, we opened more than 1,609,000 new user accounts of which more than 278,000 new user accounts were directly through our mobile application, Jiffy. NPBL has witnessed an increase in monthly user base from more than 86,900 in March 31, 2024 to more than 139,600 in March 31, 2025.
- Domestic money transfer: we provide a domestic money transfer service that facilitates fund transfers by non-account holders to any bank account in India. These services are provided through our network of business correspondents and are subject to applicable transfer limits, with a transaction limit of ₹5,000 with a monthly transaction limit of ₹25,000 per customer. For the Financial Year 2025, we recorded domestic money transfers aggregating to ₹166,192.33 million through this service.
- Aadhar-Enabled Payment System (AePS): AePS is a bank-led model that uses AADHAR authentication to allow interoperable transactions at POS terminals. We provide AePS services to offline banking customers for carrying out banking transactions such as cash withdrawals, subject to applicable transaction limits and a maximum transaction amount of ₹10,000 per transaction and ₹50,000 per month. These services are provided through a network of over 50 business correspondents. As of March 31, 2025, we recorded cash withdrawals aggregating to ₹511,715.65 million through AePS.
- Micro-ATMs: in furtherance to achieving the vision of ‘financial inclusion’ of the Government of India, we have established an extended network of banking and remittance facilities through 4,382 customer service points across India, as on March 31, 2025. As a part of our micro-ATM facility initiative, we also offer essential banking services such as cash withdrawal and balance enquiry through our banking correspondents as a part of our micro-ATM facility initiative. During the Financial Year 2025, we recorded transactions amounting to ₹130,185.27 million through our micro-ATM facility. These services are provided through a network of more than 50 corporate business correspondents.
- Cash Management Services: through our platform, we facilitate the collection of loan EMIs and cash payments whereby transactions are processed through agents. We collaborate with micro-finance institutions and NBFCs and streamline cash collection processes and leverage the extensive network of agents, through business correspondents, to enhance reach and efficiency. For the Financial Year 2025, we recorded transactions value aggregating to ₹283,921.66 million.
- Customer Service Points (CSPs): these act as mini banks for carrying out withdrawal, deposit and money transfer and help with sourcing new business by facilitating the opening of new customer accounts. As of March 31, 2025, we had 4,382 customer service points across the country.
- Mutual fund investment and linked trading accounts: through our digital platform, customers can invest in mutual funds as well as benefit from curated investment solutions provided by fund houses.
- Prepaid cards: through our prepaid cards offering, we offer corporate gift cards, student cards, meals cards and payroll cards, and during the Financial Year 2025, we recorded transactions aggregating to ₹89,530.91 million through prepaid cards issued by NPBL.

Products and Services offered by NDML

NDML is a technology solutions and product services company focused on developing e-Governance solutions, payment solutions, regulatory support systems, market infrastructure services, industry solutions and digital customer onboarding products. NDML also offers end-to-end business automation, process transformation and other managed services such as SEZ Online for the Government of India and National Skills Registry on behalf of nasscom, the industry association. A list of approvals and registrations obtained by NDML is set out below:

- IRDAI: NDML had obtained an approval from IRDAI to act as an insurance repository for digitization, collation, storage and management of insurance policies issued across India. On February 23, 2024 and May 13, 2025, IRDAI advised NDML to operate its insurance repository business *via* a separate company. NDML is in the process of preparing its proposal for submission to IRDAI. The setting up of a separate company, which will be a new subsidiary, and investment into such company will be required to be approved by the Company and SEBI. For further details see – “*Risk Factors – We may on our own accord pursuant to commercial requirements or pursuant to directions from regulators, divest our stake in our Subsidiaries, or may demerge certain of our businesses into a new entity*” on page 94.
- SEBI: NDML is registered with SEBI to provide services as a KYC registration agency (“**KRA**”) for the collection, validation, storage and dissemination of KYC information of investors in capital markets. NDML is also registered with SEBI for providing services as a registrar and transfer agent (“**RTA**”) and as an accreditation agency for providing accreditation services to investors.
- RBI: NDML has received authorization from the RBI to operate as online payment aggregator for facilitating the online collection of payments.
- UIDAI: NDML is registered with UIDAI as a “KYC User Agency” for facilitating online Aadhaar-based e-KYC of clients of SEBI registered intermediaries.
- Ministry of Commerce and Industry: NDML was appointed by the Ministry of Commerce and Industry to establish and operate an online platform for supporting approvals and transactions in SEZ across the country. SEZ Online is a total integrated solution offered by NDML for the administration of SEZs to facilitate speedy processing of various transactions that SEZ developers/units have with SEZ administration. Our services are aimed at improving the efficiency and transparency in the manner transactions are processed within SEZ, reduce operational and compliance cost and act as a repository of all the transactions with the DC’s office.

Details of some of our initiatives and services are set out below:

- Payment Services Platforms (SurePay): NDML operates as a payment aggregator and primarily assists government institutions in introducing and processing digital payment solutions. As an online payment aggregator, more than 400 merchants have been on-boarded which primarily includes state and central government departments, union territories, education institutes and universities. Following the introduction of the Guidelines on Regulation of Payment Aggregators and Payment Gateways, dated March 17, 2020, by the RBI and amendments thereafter, NDML has received authorization from the RBI to operate as an online payment aggregator.

NDML operates its payment platforms under brand names “SurePay” and ‘PayGov India’. The “PayGov India” platform was established to facilitate State and Central Government departments and ministries to collect online payments for the services provided to the citizens by the Government.

- NSDL National Insurance Repository (NIR): NDML received approval from IRDAI for establishing an insurance repository to facilitate holding of all types of insurance policies in electronic form through a single and central e-insurance account. During the Financial Year 2025, over 2.72 million policies were issued through NIR, and as on March 31, 2025, cumulatively 12.07 million policies were held through NIR.

NIR has received ISO: 27001 certification for information security and ISO: 22301 certification for business continuity management systems. A graphic illustrating the features of NIR is set out below:



- **Registrar and Transfer Agent:** We received approval from SEBI to provide services as a Category I registrar to issue and share transfer agents, and we currently provide RTA services to issuers of various types of securities, such as listed and unlisted equities, and debt instruments such as commercial paper, certificates of deposit, debentures and securitized instruments. For the Financial Year 2025, we had acted as RTA for 13,485 ISINs including five listed issuers.
- **KYC Registration Agency:** We are registered with SEBI as a KRA and facilitate inquiry of KYC status and download of KYC information to intermediaries through various interfaces including API. Operating as a depository of KYC records, we provide a single point solution for updating and accessing KYC records to investors and intermediaries. As on March 31, 2025, we served over 1,728 SEBI registered intermediaries, and held 18.79 million KYC records.
- **Instigo:** We have developed a digital customer onboarding platform to assist brokers and depository participants with onboarding new customers to our platforms. It is an end-to-end digital account opening software, which facilitates intermediaries in opening of client accounts and perform client identification and verification by performing online KYC.
- **National Skills Registry (NSR) on behalf of nasscom:** Through this centralized digital system, we facilitate a number of processes for companies in the IT / ITeS sector. This includes assistance with employee onboarding, storing employee records and processing employee background checks and exit confirmations. As of March 31, 2025, 325 clients had subscribed to this service and more than 2.47 million knowledge personnel registered for this service were allotted an IT professional identification number. A graphic illustrating the benefits available to stakeholders due to NSR is set out below



- *SEZ online on behalf of the Ministry of Commerce and Industry:* We have developed an integrated e-governance portal that facilitates the nationwide processing of transactions by SEZ developers, co-developers and units with SEZ administration. Introduced in 2010, our portal facilitates the establishment of SEZ, and the submission and approval of multiple clearances. As on March 31, 2025, more than 5,730 SEZ units and over 566 SEZ developers and co-developers were registered and were active on our portal.
- *Accreditation Agency:* We had received approval from SEBI to act as an accreditation agency to facilitate certification of certain classes of investors based on accreditation guidelines. Through this process, accredited investors are enabled to invest in various financial market products with streamlined regulatory supervision.
- *KYC User Agency:* We received approval from the Unique Identification Authority of India to operate as a local authentication user agency and an e-KYC user agency. In carrying out this role, we assist market intermediaries in carrying out online KYC of Aadhaar-based records of investors.

Our Revenue Model

We derive our revenue from a number of sources including transaction fees that we charge depository participants and issuers of securities, custody fees that we charge issuers and annual fees that we charge Depository Participants and issuers, and fees from other ancillary services provided to market participants through our Company and our Subsidiaries, NDML and NPBL. A list of sources of revenue is set out below:

- *Annual Fees:* We charge an annual fee from depository participants for all corporate demat accounts registered with us and DMS software provided by us to depository participants. We also charge annual fees from issuers of securities for monitoring their foreign investment limits, from mutual funds for the downloading facility for beneficial owners' statements and transfer feeds, from SEZ units for our system usage, from insurance companies in relation to credit of policies in a dematerialized format, annual usage fees for generation of IT professional identification number for registrations with NSR and annual fees for STeAdy, annual fees in relation to usage of Cloud DPM, annual fees from depository participants for value-added services such as DPM plus, STP navigator, E-signer, and annual usage fees from issuers to provide RTA services. Such fee is generally charged at the beginning of each financial year or charged on a recurring basis annually on the date when the entity registered with us.
- *Custody Fees:* We charge issuers and other corporate clients custody fees to admit their securities to our platform and offer demat facilities to their shareholders. This fee is calculated at ₹11 per folio, subject to a minimum amount based on slab of the nominal value of admitted securities.
- *Registration Fees:* We charge registration fees from issuers and RTAs to register themselves on our platform and to avail our services.

- *Transaction Fees:* We charge our corporate clients and depository participants transaction fees in relation to transactions such as securities settlements and corporate actions effected through our depository systems. Further, transaction fees also include charges in relation to our e-Voting and CAS facilities, pledge fees, margin pledge fees, non-disposal undertaking fees, fees for providing digital contract notes, SEZ transaction fees, fees for uploading and downloading KRAs and fees for insurance policy credits.
- *Software License Fees:* Depository participants registered with us are required to deploy requisite technology infrastructure for their operations. Consequently, we charge an annual software license fees for the software provided by us to the depository participants for operational efficiency.
- *Communication Fees:* We charge annual communication fees to depository participants for connectivity charges determined by the bandwidth utilization of their operations.
- *Income from Banking Services:* This relates to income generated from the banking services provided by our Subsidiary, NPBL. Such income includes interchange fees in relation to transactions undertaken through AePS, micro-ATMs and domestic money transfer services, issuance of prepaid cards, fees from account opening and commission on cash management services.
- *Other Operating Income:* This includes fees charged by us for carrying out a change of RTAs and fees for training provided by us to Depository Participants in relation to our depository participant management software.

Technology

We are a market infrastructure institution and are known for our capabilities in establishing and operating core infrastructure for the Indian securities market. We leverage our software tools and frameworks to build a technology-driven and efficient system and continue to explore means to enhance the operational resilience and efficiency of our systems. Our focus is on minimizing risk, reduction of operational costs and increasing efficiency. For details in relation to usage of technology in our products and services, primarily pertaining to our mobile applications, e-voting services, SPEED-e, Digital LAS, STeADY, eDIS and SPICE, please refer to “–*Description of Our Business – Our Products and Services –Ancillary Products and Value-added Services*” on page 229.

As of March 31, 2025, we had 150 full-time employees engaged with us as part of our IT team. Our full-time employees have an educational background in engineering and are equipped with additional certifications including CEH (Certified Ethical Hacker), CISA (Certified Information Systems Auditor) and CISSP (Certified Information Systems Security Professional).

Distributed Ledger Technology (Blockchain): In order to enhance the regulatory framework for listed corporate bonds, safeguard the interests of debenture holders and promote transparency, SEBI has issued operational guidelines for security and covenant monitoring using a distributed ledger technology platform. We have developed a cutting-edge DLT blockchain-based platform for the debenture security and covenant monitoring system, enabling efficient monitoring of securities and covenants, thereby fostering greater discipline and transparency within this market segment.

Application Programming Interface (API): through our API-based platform, we facilitate secure data exchange between market intermediaries and provide various essential services such as the account opening, validation and maintenance of customer accounts, settlement of mandates for brokers, depository transactions, mutual fund folio conversions and redemption, margin pledge, client data verification and Digital LAS.

Big Data Platform: we have implemented Hadoop, a software framework for data processing. Hadoop acts as a centralized repository for multiple datatypes, including master data, transactional data, documentary data, historical data and archive data. It has also facilitated the introduction of new initiatives such as the inclusion of unique client codes in demat accounts, generating periodic alerts to stock exchanges and e-voting notifications to investors. It also provides ease in accessing invoices, demand letters and ledgers, and assists in regulatory reporting and integration with the issuer’s portal.

Technology for Client Protection and Awareness

We employ technological upgradations and enhancement framework not just for efficiency and ease of operations, but to also ensure protection of our clients and to create awareness amongst investors. For instance, we have introduced TRADeS facility to provide important updates to our clients about their depository accounts to facilitate risk mitigation and provide value added services. As on March 31, 2025, 37.99 million investors were registered for TRADeS.

We also introduced our hosted depository participant module (“DPM”) system that facilitates participants to access their local DPM system on NSDL’s infrastructure. We have also made available a number of value added services to our participants, which include NSDL STP Navigator, NSDL e-signer and NSDL auto download, to facilitate automation and secure data transmission.

Cyber Security Initiatives

We have established a SOC with round the clock operations to detect, analyze, contain, eradicate and respond to any adverse cyber security events. Our SOC is based on an analytical platform and comprises a correlation of network, security and server infrastructure. Our SOC is staffed with a team of security analysts and engineers who operate on a 24x7 basis to ensure real-time active monitoring and response to cyber-security events. As on March 31, 2025, we have a team of 12 members in our information security department with relevant experience. With an everchanging risk landscape, we continue to update our system and associated infrastructure to improve our analytics, correlation, detection and response capabilities. For log analysis and correlation of network, security and server infrastructure, we use industry standard tools and technology. We conduct periodic reviews to assess the current maturity and securing capabilities of our SOC.

Our Business Relationships

We operate our businesses primarily through arrangements with depository participants, RTAs and issuers of securities. Furthermore, for our payments bank and database management businesses, we have arrangements with correspondent banks, government organizations and independent agencies as well as a number of intermediaries including digital services providers for services such as consultancy services and software development. Our typical arrangements with depository participants, issuers of securities, and digital service providers are set out below.

Agreements with depository participants

We engage depository participants who use our depository services and other related products. We have entered into standardized agreements with the majority of our depository participants.

Agreements with RTAs and issuers of securities

We enter into agreements with RTAs and issuers of securities for use of our depository services relating to the issuance of securities. These agreements are standardized and the terms and conditions of such agreements include the bye laws and business rules of our Company.

Agreements with digital service providers

We also engage certain third-party digital service providers for providing services relating to the development and maintenance of software and consultancy services to our platforms. These agreements vary based on the nature of the service provided and are usually terminable without cause by either party with a prior written notice.

Risk Management

We have an institutionalized implementation of risk management system that includes a risk management policy providing for a risk management framework and risk mitigation measures. Our risk management framework incorporates principles prescribed by the International Organization of Securities Commissions (IOSCO) and Committee on Payments and Market Infrastructures (CPMI) and seeks to address the material risks that we may face and seeks to develop appropriate risk-management processes to address these risks. We have also established a risk management committee to monitor the implementation of the risk management policy, oversee the overall risk management process. Our risk management and compliance and legal teams are responsible for advising and

monitoring compliance with internal policies and procedures, supplemented with proactive reporting to senior management and the relevant committees constituted under the Board.

Further, we have undertaken certain additional risk management initiatives including the implementation of a business continuity and disaster recovery policy. Following a directive issued by SEBI to ensure that primary data centre and disaster recovery sites are located in different seismic zones, in March 2021, as a prudent measure, we relocated our disaster recovery data centre operations to a different seismic zone more than 500 kilometres away from our primary data centre. Further, pursuant to the SEBI circular no. SEBI/HO/MRD/TPD-1/P/CIR/2024/119 dated September 12, 2024, in addition to data recovery sites, stock exchanges, clearing corporations and depositories are mandated to establish a near site to ensure zero data losses. We have developed a near site for our critical applications pursuant to SEBI's recommendation. Our Information Security Management System has been certified with the ISO-27001 standard and we were awarded the ISO-22301 certification for our Business Continuity Management System. We have also established an ITAC (information technology advisory committee) consisting of IT experts to advise us on use of technology and cyber risk management.

Investor Education and Awareness Programs

We connect with investors through a series of awareness programs conducted across the country in association with SEBI, stock exchanges, depository participants and other institutions. These initiatives are organized in various languages to spread awareness amongst Demat Account holders and potential investors about depository services, new services and updates for investors, precautions to be taken, Do's and Don'ts, information on grievance redressal system, and other investor safeguards.

Our approach involves establishing connections with investors through a series of awareness programs conducted across the country in partnership with SEBI, stock exchanges, depository participants, and other market institutions. These initiatives are designed to reach out to Demat Account holders and potential investors, providing them with valuable information about depository services, updates, precautions, best practices, grievance redressal systems, and other essential investor safeguards. The programs are conducted in various languages including English, Hindi, Marathi and other regional languages to ensure widespread awareness and accessibility. During the Financial Year 2025, we conducted 2,525 investor awareness programmes which were attended by more than 156,500 participants. Of these, 235 programmes were conducted in collaboration with SEBI, certain stock exchanges and 140 with our depository participants.

Our '*Market Ka Eklavya*' program was launched by the Hon'ble Finance Minister Smt. Nirmala Sitharaman on May 7, 2022. The primary objective of this initiative is to enhance awareness about the securities market among college students, in online mode. By doing so, we aim to lay the foundation for future investors and equip them with the necessary knowledge and skills to navigate the real world. This program focuses on imparting basic financial literacy and money management skills to students from an early age. It introduces them to various asset classes available for investment and seeks to instil a sense of financial discipline. The program is delivered online in English, Hindi, and other regional languages, ensuring accessibility to a wider audience. During the Financial Year 2025, we successfully organized 1,697 programs, benefiting 107,297 students across different academic institutions.

We also issue two monthly newsletters namely '*The Financial Kaleidoscope*' and '*NSDL Update*', and issue brochures on personal finance and the Indian securities market.

Corporate Social Responsibility Initiatives

We have established a corporate social responsibility committee and are guided by the purpose of socio-economic empowerment and giving back to society. During the Financial Years 2025, 2024 and 2023, our corporate social responsibility expenditures actually incurred aggregated to ₹44.17 million, ₹45.50 million and ₹33.46 million, respectively. Some of our CSR initiatives include:

- *Project Artha SAMARTH*: through this program, we aim to impart employable and livelihood-linked skills to underprivileged youth, thereby creating a skilled workforce in the banking, financial, services and insurance ("**BFSI**") sector. As on March 31, 2025, we had supported more than 20,500 underprivileged members of the society through this project.
- *Project Yogdan*: through this program, we aim to support underprivileged patients suffering from thalassemia by providing essential medical devices and diagnostic services. During the Financial Year 2025, we helped

over 290 patients in the state of Maharashtra by providing them bedside leukocyte filters. Further, we assist these patients by funding their annual DXA Scans and MRI investigations.

- *Night School Transformation Program*: through this program, in association with a non-governmental organization, Masoom, we aim to enhance the quality of education in night schools by fulfilling the educational needs of underprivileged students from Tier – II and Tier – III cities in India. As on March 31, 2025, we continue to assist over 700 underprivileged students across nine night schools in the state of Maharashtra.
- *Mid-Day-Meal Program*: through this program, in association with the Akshaya Patra Foundation, during the Financial Year 2025, we distributed over 315,000 mid-day-meals to more than 2,370 students in 34 government and government-aided schools in India.
- *Eye Care for Salt-pan Workers and Farmers*: introduced in Financial Year 2022 in association with Medical Research Foundation's clinical unit, Sankara Nethralaya, through this program we conduct free comprehensive eye screening for various categories of marginalized community people who were engaged in unorganized occupations such as fishermen, hair-dressers, tailors, drivers, welders and farmers in the state of Tamil Nadu. During the Financial Year 2025, over 1,099 community people had benefitted from our program. Post eye screening, the beneficiaries are provided with spectacles for daily occupational activities based on their need and diagnosis.
- *Project Shiksha Sahyog*: through this project, we initiated an educational scholarship program to support underprivileged bright students who lack adequate financial resources. During the Financial Year 2025, we provided benefit to 216 students across India through our scholarship support for academic year 2024-25.
- *Project Sanjeevani*: through this project, we have deployed five Mobile Medical Units (“MMUs”) called ‘Sanjeevani’, also known as “Clinic on Wheels”, in Mumbai and Thane (Maharashtra), Baksa-Tamulpur (Assam), and Chandauli, Hardoi and Gorakhpur (Uttar Pradesh). The objective of this initiative is to deliver primary healthcare services to vulnerable communities residing in urban-slum, rural, and tribal areas. Equipped with state-of-the-art diagnostic facilities and staffed with a dedicated medical team, the MMUs aim to provide preventive, curative, and diagnostic care services, including referral services for critical illness. In addition to the MMUs, we also focus on the organization of specialized community health camps and awareness programs on hygiene practices, sanitation and waste management within the targeted communities. All five units are operational in the targeted communities across the abovementioned locations. The areas of focus for this project include Mumbai and Thane in Maharashtra, Gorakhpur & Chandauli district in Uttar Pradesh and Baksa-Tamulpur district in Assam. During Financial Year 2025, MMU services has reached around 29,400 beneficiaries by providing healthcare services across five locations in India.
- *Chalo School Chale*: Under this campaign, we provide school kits to underprivileged students to fulfil the basic educational needs. These kits include essential items such as school bags, notebooks, and pencil sets. During the period April 2022 to March 2024, we had distributed more than 8,000 school kits in 46 schools.
- *Project SAMEIP (Skill Development for Persons with Disabilities)*: launched in association with another organisation, NSDL introduced *Artha Samarth*, a specialized skill development program for persons with disabilities (“PwD”). As part of this program, during the period April 2022 to June 2023, 375 PwD youth personnel had been trained on BFSI and IT sector specific skills across Mumbai, Hyderabad and Bengaluru.
- *Project Sanjeevani Nirantar Seva*: This is an advanced life support ambulance service on Mumbai-Pune Express Way and Samruddhi Highway in Maharashtra dedicated for road accident victims. The services include on-the-spot first aid services, emergency medical support during golden hour and platinum 10 minutes of accident, medical support till the time a patient is transported to a nearby healthcare facility.
- *Infra Support in School*: This project was introduced to promote education for the less-privileged students, thereby supporting the educational eco-system. We undertake infra development projects in schools.

Employees

As of March 31, 2025, NSDL had 450 permanent full-time employees engaged in a range of business activities and had 355 contract employees engaged in a range of business activities. A list of various functions (within NSDL) in which full-time employees were engaged as of March 31, 2025, is set out below:

Functions	Number of employees
Management	3
Business Development and Products	76
Operations	60
Technology (Software Development and Infrastructure)	138
IT Security	12
Human Resources & Administration	19
Secretarial	5
Finance & Accounts and Procurement	25
Regulatory (Legal and Compliance), Inspection and Surveillance	109
Risk Management	3
Total	450

Competition

We operate one of the two securities depositories in India. As part of our depository business, we compete with CDSL on parameters such as the number of depository participants registered with us, the number of instruments processed, and the suite of innovative products introduced to the market. We are the largest depository in India in terms of number of issuers, number of active instruments, market share in demat value of settlement volume and value of assets held under custody, as of March 31, 2025 (Source: *CRISIL Report*). Our market share in terms of number of unlisted companies (equity) registered with a depository was 73.04% during the Financial Year 2025, and in terms of value of shares settled in demat form was 66.03%. (Source: *CRISIL Report*) Our market share in terms of the total active instruments was 65.27% for the Financial Year 2025. (Source: *CRISIL Report*)

Our Subsidiary, NPBL, operates in a highly competitive environment. In the payments bank business, it faces competition across all its product and service segments, including domestic money transfer services, micro-ATMs, AePS and cash management service offerings. It faces close competition from other payments banks such as Fino Payments Bank, PayTM, AirTel Payments Bank, India Post Payments Bank and Jio Payments Bank on parameters such as customer penetration capabilities, efficiency of service provision, technology-integration and satisfactory customer support services (Source: *CRISIL Report*). Further, NPBL may face competition from certain fintech companies, micro finance institutions, small finance banks, as well as from scheduled commercial banks, public sector banks, private sector banks, non-banking financial companies and foreign banks with branches in the country.

Our Subsidiary, NDML, as part of its KRA and RTA businesses, competes with other KRAs and RTAs registered with SEBI. NDML also faces close competition from other insurance repositories registered with IRDAI for its insurance repository business. NDML also operates as a payment aggregator and in this role, competes with other payment aggregators registered with RBI.

Insurance

We maintain insurance coverage under various insurance policies such as business operational risk insurance, policies covering losses due to fire, burglary, earthquake, terrorism, machinery breakdown, electronic equipment, and money insurance.

In order to indemnify the beneficial owners in accordance with the Depositories Act, our insurance coverage includes a business operational risk insurance policy (with an excess business operational risk insurance policy) up to an overall limit of ₹2,000 million, covering cyber liability for up to ₹1,000 million, and a provision for reinstatement under the business operational risk insurance policy up to ₹1,000 million, to maintain an insurance cover in respect of error, omission, fraud and system failure. In addition, we have taken director and officers' liability insurance policy to cover the liability of directors and officers of our Company and its Subsidiaries.

While we believe that the level of insurance coverage we maintain is reasonably adequate to cover the normal risks associated with the operation of our business, we do not have insurance policies to cover all possible events. For further details, see "*Risk Factors — Internal Risk Factors — We may not be sufficiently protected or insured for certain losses that we may incur or claims that we may face against us.*" on page 84.

Regulatory Requirements

As a securities depository, we are subject to the rules and regulations of SEBI, and in particular the SEBI Act and the SEBI D&P Regulations. We are also subject to other legislations such as the Depositories Act and the SCRA.

As a company incorporated in India, we are also subject to the requirements of the Companies Act, which regulates many areas of our business and operations including corporate governance, investor protection, director responsibility and reporting frameworks. Our regulatory requirements are vast and complex, and we regularly monitor our responsibilities. For more information, see “*Key Regulations and Policies in India*” on page 242.

Awards and Certifications

In Financial Year 2022, we received the ISO 27001:2013 certification for depository systems and ISO 22301:2012 certification for business continuity management systems. Further in 2024 we were awarded for innovative product ‘Blockchain-based DLT Platform for Securities and Covenant Monitoring’ at the Banking Frontiers - 13th Finnoviti Conclave & Awards and in 2023, we were awarded as the ‘Best Blended Learning Strategy of the Year’ at the L&D Confex & Awards.

NPBL was awarded as one of the best BFSI Brands at the Economic Times Best BFSI Brands Concave, 2023, and received India’s Fastest Growing Payments Bank, 2022 award from Alden Global; NPBL was awarded Payments Bank of the Year and received an award for API banking at the 3rd BFSI & Fintech Conclave Awards, 2022 organised by B2B Infomedia in association with the Finance Industry Development Council (FIDC); and NPBL has won an award under the Customer and Program Impact category at the IBSi NeoChallenger Bank Awards in October 2022; and NPBL was awarded for the Best Blended HR Strategy Award by Gain Skills. In 2025, NPBL was awarded the Best Fintech for Financial Inclusion Award at the Payment Security Summit Series & Awards. For further details on awards and accolades received by us, see “*History and Certain Corporate Matters – Awards and Accreditations*” on page 252.

Intellectual Property

Our Subsidiaries do not hold any registered trademarks in their names. Pursuant to the memorandum of understanding dated August 26, 2022 between Protean eGov Technologies Limited (“**Protean**”) and our Company, entered into a (i) trademarks assignment agreement dated October 12, 2022 (“**Trademark Assignment Agreement**”); (ii) trademark license agreement dated October 12, 2022; and (iii) domain name transfer agreement dated October 12, 2022. Subsequently, the registered trademarks of Protean under the classes 16 and 35 were assigned to our Company, in accordance with the Trademark Assignment Agreement. Our Company has entered into trademark license agreements with our Subsidiaries, NSDL Database Management Limited and NSDL Payment Bank Limited, both agreements dated March 5, 2024 (“**TLA**”), allowing the Subsidiaries to use Company’s trademark and domain names for their business activities, in accordance with the terms and conditions as mentioned in the TLA.

For details, see “*History and Certain Corporate Matters- Other subsisting material agreements*” on page 259. For risks related to our intellectual property, see “*Risk Factors — Internal Risk Factors — If we are unable to obtain, protect or use our intellectual property rights, our business may be adversely affected*” on page 96.

Properties

The registered office of our Company is located at 301, 3rd Floor, Naman Chambers, G Block, Plot No- C-32, Bandra Kurla Complex, Bandra East, Mumbai 400 051, Maharashtra, India, which is owned by us. We also own the 4th, 5th, 6th and 7th floors, in the same building. We also own the property at Trade World, ‘A’ Wing, 3rd 4th and 5th Floor, part basement, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel (West), Mumbai – 400 013, Maharashtra, India. In addition, all of the other properties used for our operations throughout India are held on a leasehold basis or on sharing arrangement basis. Further, we have entered into service agreements with certain service centres in different cities across the country to use their premises and in certain cases, maintain a liaison office.

KEY REGULATIONS AND POLICIES IN INDIA

Given below is a summary of certain major sector specific and relevant statutes, rules and/or policies, which are applicable to our business operations in India.

The information in this section has been obtained from various statutes, rules and/or local legislations available in the public domain. The description of the applicable statutes, rules and/or local legislations as given below has been provided only to provide general information to the investors and may not be exhaustive and is neither designed nor intended to be a substitute for professional legal advice. The indicative summary is based on the current provisions of applicable law, which are subject to change or modification or amended by subsequent legislative actions, regulatory, administrative, or judicial decisions.

A. Laws in relation to our business

Securities and Exchange Board of India Act, 1992 (“SEBI Act”)

The SEBI Act, *inter alia*, deals with the powers and functions of the Securities and Exchange Board of India (“SEBI”). Broadly, functions of SEBI include (i) protecting the interest of investors investing in the securities market; and (ii) regulating and promoting the development of the securities market, by such measures as it deems appropriate. With respect to depositories, SEBI Act entrusts upon SEBI the power to (i) register depositories with SEBI; (ii) regulate their business activities; and (iii) bar depositories from buying or selling or dealing in securities except in accordance with the conditions of a certificate of registration obtained from SEBI according to the SEBI D&P Regulations.

Securities Contracts (Regulation) Act, 1956 (“SCRA”)

The SCRA was enacted to prevent undesirable transactions in securities by regulating the business of dealing in securities, by providing for certain matters connected therewith. The SCRA deals with spot delivery contract which provides for transfer of securities by the depository from the account of a beneficial owner to the account of another beneficial owner when such securities are dealt with by a depository.

Securities Contracts (Regulation) Rules, 1957 (“SCRR”)

The SCRR provides, among other things, the requirements with respect to listing of securities on a recognised stock exchange, the manner of submitting applications for recognition of stock exchanges, and the qualifications for membership of a recognised stock exchange. A recognised stock exchange may delist any securities listed on it if the company or any of its promoters or any of its director has been convicted for a failure to comply with any of the provisions of the Depositories Act or rules, regulations, agreements made there under.

The Depositories Act, 1996 (“Depositories Act”)

The Depositories Act provides for regulations of depositories in securities and related matters. In terms of the Depositories Act, no depository shall act as a depository unless it obtains a certificate of commencement of business from the SEBI in accordance with the SEBI D&P Regulations. SEBI is authorised to grant a certificate of registration to a depository shall be subject to satisfaction of certain conditions including rules and bye-laws of the depository being in conformity with prescribed conditions and SEBI shall not grant a certificate unless it is satisfied that the depository has adequate system and safeguards to prevent manipulation of records and transactions. Further, the Depositories Act requires every depository to maintain a register and an index of beneficial owners in the manner prescribed therein. As per the provisions of the Depository Act, a depository shall enter into an agreement with one or more depository participants as their agents. Any person, through a participant, may enter into an agreement, in such form as may be specified by the relevant bye-laws, with any depository for availing its services. A person who has entered into such an agreement shall surrender the certificate of security, for which he seeks to avail the services of a depository, to the issuer; while the issuer, on receipt of the certificate cancels the certificate of security and substitutes in its records the name of the depository as a registered owner. However, the depository as a registered owner shall not have any voting rights. All securities held by a depository shall be in dematerialised and in fungible form. Additionally, in terms of the Depositories Act, where any loss is caused to a beneficial owner due to the negligence of a depository or a participant, the depository shall indemnify such beneficial owner. Where the loss due to the negligence of a depository participant is indemnified by the depository, the depository shall have the right to recover the same from such participant. The Depositories Act further empowers SEBI to make regulations and central government to make rules applicable to depositories,

while the Depository is empowered to make bye-laws in congruence with the regulations and provisions of the Depositories Act.

The Payment and Settlement Systems Act, 2007, as amended from time to time (“Payment and Settlement Systems Act”)

Payment and Settlement Systems Act provides a legal framework for the regulation and supervision of payment and settlement systems in India. The Payment and Settlement Systems Act empowers the RBI to regulate, oversee, and supervise all payment systems in the country to ensure their smooth and efficient functioning. The Payment and Settlement Systems Act includes the requirement for all payment system operators to obtain authorization from the RBI, adherence to prescribed standards for operation, and ensuring the security and efficiency of the payment mechanisms. The Payment and Settlement Systems Act also facilitates the establishment of a legal basis for netting and settlement finality, thereby reducing systemic risk in the financial system.

Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018, as amended from time to time (“SEBI D&P Regulations”)

Requirement to obtain registration

The SEBI D&P Regulations require every depository to mandatorily obtain a certificate of registration from the SEBI in accordance with Securities and Exchange Board of India Act, 1992, the Depositories Act, 1992 and the SEBI D&P Regulations. The SEBI D&P Regulations further require every depository, which has been granted a certificate of registration, to make an application to SEBI for obtaining a certificate of commencement of business within one year from date of issue of certificate of registration.

Shareholding in a Depository

The SEBI D&P Regulations also provide certain restrictions regarding shareholding in a depository. No person whether resident in India or not, other than a stock exchange, depository, banking company, insurance company and a public financial institution, shall at any time, directly or indirectly, either individually or together with persons acting in concert, may acquire or hold more than five percent of the paid-up equity share capital in a depository and a combined holding of all persons resident outside India in the paid-up equity share capital of the depository shall not exceed, at any time, 49% of its total paid-up equity share capital.

It also provides that a stock exchange, depository, banking company, insurance company and a public financial institution may acquire or hold, either directly or indirectly, either individually or together with persons acting in concert, up to fifteen percent of the paid-up equity share capital of a depository.

Further, any person eligible to acquire or hold more than five percent of the paid-up equity share capital under sub-regulation (1) and sub-regulation (2) of regulation 21 of the SEBI D&P Regulations may acquire or hold more than five percent of the paid-up equity share capital of a depository only if the person has obtained prior approval of the SEBI.

Eligibility for acquiring or holding shares in a Depository

A person shall be entitled to hold or acquires shares in a depository up to five percent of paid-up Equity Share capital of the depository only if such person is ‘fit and proper’ in accordance with the requirement specified under regulation 20 of Securities Contracts (Regulations) (Stock Exchanges and Clearing Corporations) Regulations, 2018 and Regulations 22 and 23 of SEBI D&P Regulations. Any person holding two percent or more of the paid-up equity share capital in a depository shall file a declaration within fifteen days from the end of every financial year to the depository that he complies with the fit and proper criteria.

Composition of the governing board of a Depository

In terms of the SEBI D&P Regulations, the governing board of every depository shall include (i) Non-Independent Directors; (ii) Public Interest Directors; and (iii) Managing Director. Subject to prior approval of the SEBI, the chairperson on the governing board shall be elected from amongst the Public Interest Directors.

The Public Interest Director on the governing board of a depository shall be appointed by the SEBI for a term of three years. Further, the number of Public Interest Directors shall not be less than the number of Non-Independent

Directors on the governing board of a depository and the Managing Director shall be included in the category of Non-Independent Directors.

Pursuant to Securities and Exchange Board of India (Depositories and Participants) (Second Amendment) Regulations, 2025 the Non-Independent Director on the governing board of the depository may be appointed in a recognized stock exchange or a recognized clearing corporation or another depository with the prior approval of SEBI, only after a cooling-off period as may be specified by the governing board of such depository.

Disclosure and Corporate Governance norms

The disclosure requirements and corporate governance norms applicable to listed companies shall apply *mutatis mutandis* to a depository.

Listing of securities

As per the SEBI D&P Regulations and subject to other applicable laws, a depository may apply for listing of its securities on a recognised stock exchange if:

- (a) it is compliant with the SEBI D&P Regulations, particularly those relating to ownership and governance;
- (b) it has completed three years of continuous depository operations immediately preceding the date of application of listing; and
- (c) it has obtained approval of SEBI.

Further, a depository or its associates shall not list its securities on a recognised stock exchange that is an associate of the depository.

SEBI has amended certain provisions of the SEBI D&P Regulations pursuant to the Securities and Exchange Board of India (Depositories and Participants) (Amendment) Regulations, 2023 (“**SEBI D&P Amendment Regulations**”). These amendments include, amendment to the definition of key management personnel, introduction of nominees of SEBI on the governing board of a depository, introduction of grievance redressal panel, appointment of chief risk officer, introduction of information and data sharing policy, amendment to the code of conduct for governing board, directors, committee members and key management personnel and amendment to certain powers of SEBI under the SEBI D&P Regulations. The SEBI D&P Amendment Regulations have come into effect from August 28, 2023, with significant amendments thereafter being made on December 04, 2024. SEBI has further amended certain provisions of the SEBI D&P Regulations pursuant to the Securities and Exchange Board of India (Depositories and Participants) (Second Amendment) Regulations, 2025 which came into effect on July 29, 2025 prescribing a cooling off period for Non-Independent Directors.

The RBI Act, 1934 (“*RBI Act*”)

The RBI may, subject to certain conditions, direct the inclusion or exclusion of any bank from the second schedule of the RBI Act. Scheduled banks are required to maintain cash reserves with the RBI. In light of NPBL’s inclusion as a scheduled bank, it must maintain certain daily cash reserves and balance requirements as stipulated by the RBI. The RBI has the power to impose penalties against any entity for *inter-alia* failure to produce books, accounts, documents or furnish any statement, information or particulars which such person is duty-bound to produce or furnish under the RBI Act or any order, regulation, direction, amendment thereunder.

Banking Regulation Act, 1949, as amended (“*Banking Regulation Act*”) and the rules, regulations, guidelines and notifications made thereunder and issued by RBI

Our Subsidiary, NSDL Payments Bank Limited (“**NPBL**”) has been granted a license by the Reserve Bank of India (“**RBI**”) to carry on the business of a payments bank in India, which subjects NPBL to various approval, intimation and reporting requirements of the RBI as prescribed under the license obtained by it, the Banking Regulation Act and various regulatory notifications and guidelines issued by the RBI from time to time. The Banking Regulation Act regulates the functioning of banks in India and governs various aspects such as their licensing, management and operations.

NPBL is also subject to the Guidelines for Licensing of Payments Banks, 2014 and the Guidelines for Operating of payments Banks, 2016, each issued by RBI, which provide for *inter alia*:

- (i) Capital requirement and promoters' contribution- A payments bank is required to maintain a paid-up equity capital of ₹ 1,000 million, 40% of which has to be initially held by its promoters for the first five years with no limit as to their maximum shareholding. When a payments bank attains the net worth of ₹ 5,000 million, diversified ownership and listing will be mandatory within three years of reaching that network.
- (ii) Scope of activities- A payments bank can undertake restricted activities, such as:
 - Acceptance of demand deposits. Payments bank will initially be restricted to holding a maximum balance of ₹ 0.20 million per individual customer;
 - Issuance of ATM and debit cards, but not credit cards;
 - Payments and remittance services through branches, ATMs, business correspondents and mobile banking;
 - Internet banking;
 - Utility bill payments;
 - Functioning as Business Correspondent (“BC”) of another bank – A payments bank may choose to become a BC of another bank, subject to the RBI guidelines on BCs;
 - Payments banks will be permitted to handle cross border remittance transactions in the nature of personal payments / remittances on the current account; and
 - Payments banks can undertake other non-risk sharing simple financial services activities, not requiring any commitment of their own funds, such as distribution of mutual fund units, insurance products, pension products, etc. with the prior approval of the RBI.
- (iii) Deployment of funds- A payments bank cannot undertake lending activities. Apart from amounts maintained as cash reserve ratio (“CRR”), with the RBI on its outside demand and time liabilities, it will be required to invest minimum 75% of its ‘demand deposit balances’ in Statutory Liquidity Ratio (“SLR”) eligible government securities / treasury bills with maturity upto one year, and hold maximum 25% in current and time / fixed deposits with other scheduled commercial banks for operational purposes and liquidity management.
- (iv) Prudential regulation- The prudential regulatory framework for a payments bank is largely drawn from the Basel standards.

NPBL also holds a license issued by the RBI to act as an ‘Authorised Dealer- Category II’ (“AD-C II”) under the Foreign Exchange Management Act, 1999, as amended, and the rules and regulations thereunder, (“FEMA”), including the Foreign Exchange Management (Non-Debt Instruments) Rules, 2019, as amended. As an AD- C II, NPBL can undertake eligible foreign exchange transactions permitted under the license in accordance with FEMA. Further, NPBL is a member of the United Payments Interface or UPI, Immediate Payment Service, and other interoperable payments solution platforms offered by the National Payments Corporation of India (“NPCI”). Accordingly, NPBL is required to comply with the procedural guidelines and operating circulars issued by the NPCI from time to time.

Further, under the Master Direction – Know Your Customer (“KYC”) Direction, 2016, as issued and amended by RBI, NPBL is required to adopt a KYC policy which includes customer acceptance policy, risk management policy, customer identification procedures, and monitoring of transactions. Guidelines for Operating of Payments Banks, 2016 and Master Directions on Prepaid Payment Instruments, 2021, are applicable to all payments banks and prepaid instrument issuers, respectively and NPBL has accordingly adopted a KYC policy, as prescribed. Further, every regulated entity is required to upload their customers’ KYC records onto Central Registry of Securitisation Asset Reconstruction and Security Interest of India (“CERSAI”) within the time limit as prescribed under applicable guidelines.

In addition to the above-mentioned laws, regulations and guidelines, NPBL is also regulated under other laws and regulations, including, Aadhaar (Targeted Delivery of Financial and Other Subsidies, Benefits and Services) Act, 2016 and several directions, guidelines and circulars issued by the RBI from time to time.

The Banking Laws (Amendment) Act, 2025 received the assent of the President on April 15, 2025 and it amends the RBI Act, the Banking Regulation Act, 1949, the State Bank of India Act, 1955, the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970 and the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1980. It has amended the minimum capital requirement, directorial tenure in cooperative banks, nomination changes, successive and simultaneous nominations and nomination for locker holders in the Banking Regulation Act.

Insurance Regulatory and Development Authority 1999 (“IRDA Act”) and the Insurance Act, 1938 (“Insurance Act”)

Our Subsidiary, NSDL Database Management Limited (“NDML”), through its division, NSDL National Insurance Repository, has obtained registration to act as insurance repository under the Insurance Act and regulations made thereunder. The Insurance Act along with the various regulations, guidelines and circulars issued by Insurance Regulatory and Development Authority of India (“IRDAI”), govern *inter alia* registration of insurers, opening of new places of business, accounts and balance sheet, audit of financial statements, actuarial report and abstract, insurance intermediaries and agents, investment of funds, valuation of assets and liabilities and solvency margins. The IRDAI came into existence by virtue of promulgation of the IRDA Act to regulate, promote and ensure orderly growth of the insurance sector in India and to protect the interests of policyholders. Insurers are required to be registered with IRDAI for carrying out any class of insurance business. The Insurance (Amendment) Act, 2021 came into force with effect from April 1, 2021. It amends the definition of ‘Indian insurance company’ to increase the maximum foreign investment allowed in an Indian insurance company. The foreign investment in insurance companies is subject to such conditions as may be prescribed by IRDAI and/or the central government, which includes *inter alia* the Indian Insurance Companies (Foreign Investment) (Amendment) Rules, 2021 and the IRDAI (Indian Insurance Companies) (Amendment) Regulations, 2021.

Following a review of the insurance legislative framework in India by the finance ministry, in consultation with the IRDAI and other stakeholders in the industry, and the comments received on the Insurance Laws (Amendment) Bill, 2022 (“**Erstwhile Bill**”), the Government of India has issued a draft Bill titled The Insurance Laws (Amendment) Bill, 2024 (“**Draft Insurance Bill**”) on November 26, 2024. The Draft Insurance Bill proposes significant amendments to the Insurance Act, the IRDA Act, and the Life Insurance Corporation Act 1956. and is aimed at achieving the overarching goal “Insurance for All by 2047” by focusing on promoting policyholders’ interests, enhancing the financial security of policyholders, facilitating entry of more players in the insurance market leading to economic growth and employment generation, enhancing efficiencies of the insurance industry, and enabling ease of doing business. The Draft Insurance Bill proposes various amendments such as proposing 100% FDI in the insurance sector, allowing insurers to seek multiple classes of insurance business, provides that an insurance company may engage in one or more business in the specified manner and prescribes differential paid-up equity capital requirement for each class of insurance business.

IRDAI has issued Revised Guidelines on Insurance Repositories and Electronic Issuance of Insurance Policies, 2015 which are applicable to all insurers and insurance repositories. These guidelines provide for, *inter alia*, obtaining a certificate of registration from IRDAI in order to act as an insurance repository, which shall be valid for a period of three years, and review of the operations of the insurance repository. Further, in relation to the registration, IRDAI has, through the certificate of renewal, directed NDML to demerge the insurance repository business from NDML into a new entity. For further details, see “*Risk Factors – We may, on our own accord pursuant to commercial requirements or pursuant to directions from regulators, divest our stake in our Subsidiaries, or may demerge certain of our businesses into a new entity*” on page 94.

The SEBI (Intermediaries) Regulations, 2008 (“SEBI Intermediaries Regulations”)

The SEBI Intermediaries Regulations establish a comprehensive framework for the registration, responsibilities, and conduct of intermediaries in the securities market. SEBI Intermediaries Regulations include the requirement for intermediaries to obtain registration from SEBI before commencing operations, adherence to prescribed eligibility criteria, and maintaining high standards of integrity, dignity, fairness, and professionalism. The SEBI Intermediaries Regulations also mandate intermediaries to comply with specified codes of conduct, and maintain transparency in their dealings. Additionally, they are required to maintain adequate infrastructure, manpower and technological support. Further, they are also required to regularly report to SEBI. The SEBI Intermediaries Regulations aim to ensure the efficient functioning of intermediaries, protect investor interests, and uphold the integrity of the securities market.

Securities and Exchange Board of India (KYC (Know Your Client) Registration Agency) Regulations, 2011 (“SEBI KRA Regulations”)

NDML, by virtue of being a wholly owned Subsidiary of our Company, has also been granted a certificate of registration under the SEBI KRA Regulations to act as a KYC Registration Agency (“**KRA**”). The SEBI KRA Regulations lay down the functions and obligations of a KRA, such as ensuring inter-operability among KRAs, storing, safeguarding and retrieving KYC documents and carrying out independent validation of KYC records uploaded on its systems by intermediaries. The SEBI KRA Regulations also provide the functions and obligations

of an ‘intermediary’. An ‘intermediary’ has been defined as an entity which is associated with the securities market and required to conduct KYC of its clients. Such intermediaries are required to perform the initial KYC / due diligence of the client and upload the KYC information with proper authentication on the system of the KRA, among other responsibilities. The SEBI KRA Regulations further provides that SEBI may conduct periodic inspections of the books of accounts, records, documents, infrastructure, systems and procedures of a KRA to ensure compliance with applicable law.

Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 (“SEBI RTA Regulations”)

NDML has been granted a certificate of registration under the SEBI RTA Regulations to act as a registrar to an issue and/or share transfer agent. Under the SEBI RTA Regulations, an application for registration may be made for either category I (to carry on the activities as a registrar to an issue and share transfer agent) or category II (to carry on the activity either as a registrar to an issue or as a share transfer agent). While granting a certificate for registration under the SEBI RTA Regulations, SEBI considers various factors, such as whether (i) the applicant has the necessary infrastructure like adequate office space, equipment and manpower to effectively discharge its activities; (ii) the applicant has past experience in such activities; and (iii) the applicant fulfils the capital adequacy requirements prescribed under the SEBI RTA Regulations (₹ 5.00 million for registration under category I and ₹ 2.50 million for registration under category II). The SEBI RTA Regulations further requires a registrar to an issue or a share transfer agent to obtain prior approval of SEBI in case it proposed a change in control. The SEBI RTA Regulations also provide for the obligations and responsibilities of registrar to an issue and/or share transfer agent, such as abiding by the code of conduct prescribed under the regulations and maintaining proper record of the books and accounts.

Guidelines on Regulation of Payment Aggregators and Payment Gateways, 2020 (“Payment Aggregators Guidelines”)

NDML has received approval from the Reserve Bank of India (“RBI”) to operate as a payment aggregator subject to adherence to the Payment Aggregators Guidelines. In relation to the payment aggregator services, on obtaining authorization from the RBI, the entity is subject to, among several other acts and regulations, the requirements under the Payment Aggregators Guidelines in relation to, *inter alia*, merchant on-boarding, compliance with the KYC guidelines prescribed by the RBI, customer grievance redressal and merchant dispute management, data security, baseline technology standards and risk management. Under the Payment Aggregators Guidelines, NDML is required to maintain a net worth of ₹ 150 million at the time of application and subsequently attain and maintain a net worth of ₹ 250 million by the end of the third financial year of grant of authorization.

Furthermore, the RBI on April 16, 2024 issued Draft Circular for the Regulation of Payment Aggregators (“**Draft Directions**”) broadening the ambit of its payment aggregator regulations to include physical point-of-sale (“**P-POS**”) payment providers. By virtue of the Draft Directions, P-POS will now be required to apply for authorization from the RBI and must adhere to a series of detailed guidelines relating to merchant onboarding, customer grievance redressal, and other key operational standards as outlined under the PA/PG Guidelines, 2020. It also requires undertaking due diligence of merchants onboarded in accordance with customer due diligence prescribed in the Reserve Bank of India (Know your Customer (KYC)) Directions, 2016.

B. Industry specific legislations applicable to our Company

The Information Technology Act, 2000 (the “IT Act”) and the rules made thereunder

The IT Act was enacted with the purpose of providing legal recognition to transactions carried out by various means of electronic data interchange involving alternatives to paper-based methods of communication and storage of information. It provides for extraterritorial jurisdiction over any offence or contravention under the IT Act committed outside India by any person, irrespective of their nationality, if the act or conduct constituting the offence or contravention involves a computer, computer system or computer network located in India. In April 2011, the Department of Information Technology, Ministry of Electronics and Information Technology, Government of India (“**DoIT**”), in exercise of its power to formulate rules with respect to reasonable security practices and procedures and sensitive personal data, notified the Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011 (“**SPDI Rules**”) in respect of Section 43A of the IT Act, which prescribe directions for the collection, disclosure, transfer and protection of sensitive personal data by a body corporate or any person acting on behalf of a body corporate. Under the SPDI

Rules, sensitive personal data is defined to include personal information relating to passwords, financial information such as bank account or credit card or debit card or other payment instrument details, physical, physiological, and mental health condition, sexual orientation, medical records, biometric information and so on. The SPDI Rules require every such body corporate, or person acting on behalf of a body corporate, to provide a privacy policy for collecting, receiving, possessing, storing, handling, and dealing with personal information, including sensitive personal data, ensuring security of all personal data collected by it and publishing such policy on its website. The SPDI Rules further require that all such personal data be used solely for the purposes for which it was collected, and any collection or third-party disclosure of such data is made with the prior consent of the information provider, unless contractually agreed upon between them or where such disclosure is mandated by law.

The Information Technology (Intermediaries Guidelines and Digital Media Ethics Code) Rules, 2021 (“IT Intermediaries Rules”)

The DoIT has also notified the IT Intermediaries Rules under the IT Act, in supersession of the Information Technology (Intermediary Guidelines) Rules, 2011, requiring intermediaries receiving, storing, transmitting, or providing any service with respect to electronic messages to not knowingly host, publish, transmit, select or modify any information prohibited under the IT Intermediaries Rules, to disable hosting, publishing, transmission, selection or modification of such information once they become aware of it, as well as specifying the due diligence to be observed by intermediaries. The IT Intermediary Rules also make it mandatory for an intermediary to publish its privacy policy, rules, and regulations on its website, to inform their users, at least once a year, in case of a non-compliance and to establish a grievance redressal mechanism. Further, on March 15, 2024, an advisory on due diligence by intermediaries and platforms was announced under the IT Act and the IT Intermediaries Rules instructing intermediaries and platforms to make available under-tested or unreliable artificial intelligence (“AI”) foundational models, large language models, generative AI, software, or algorithms to users in India only after accurately labelling the generated output. Additionally, they must label all artificially generated media and text with unique identifiers or metadata to facilitate easy identification.

Digital Personal Data Protection Act, 2023 (“DPDP Act”)

The Parliament passed the DPDP Act on August 11, 2023. The DPDP Act, once notified, will replace the existing data protection provision, as contained in Section 43A of the IT Act. The DPDP Act seeks to balance the rights of individuals to protect their personal data with the need to process personal data for lawful and other incidental purposes. The DPDP Act provides that personal data may be processed only for a lawful purpose after obtaining the consent of the individual. A notice must be given before seeking consent. It further imposes certain obligations on data fiduciaries including (i) make reasonable efforts to ensure the accuracy and completeness of data, (ii) build reasonable security safeguards to prevent a data breach, (iii) inform the Data Protection Board of India (the “DPB”) and affected persons in the event of a breach, and (iv) erase personal data as soon as the purpose has been met and retention is not necessary for legal purposes (storage limitation). In case of government entities, storage limitation and the right of the data principal to erasure will not apply. The Central Government will establish the DPB. Key functions of the DPB include: (i) monitoring compliance and imposing penalties, (ii) directing data fiduciaries to take necessary measures in the event of a data breach, and (iii) hearing grievances made by affected persons. The DPB members will be appointed for two years and will be eligible for re-appointment. The Central Government will prescribe details such as the number of members of the DPB and the selection process.

Draft Digital Personal Data Protection Rules, 2025 (“draft DPDP Rules”)

The DoIT released the draft DPDP Rules to regulate the processing of personal data in India, ensuring individuals privacy rights are protected. The draft DPDP Rules apply to all entities that process digital personal data, both within India and abroad. It focuses on the principles of data protection, such as transparency, accountability, and the necessity of obtaining explicit consent from data subjects. It also provides individuals with rights to access, correct, and request deletion of their data. The draft DPDP Rules provide that any entity processing personal data within India or outside India (in relation to offering goods/services to data principals in India) may only transfer personal data to any country/ territory outside India subject to restrictions imposed by the Government of India on making such personal data available to a foreign state or entities or agencies under its control. Additionally, the draft DPDP Rules require significant data fiduciaries to undertake measures to ensure that they do not transfer any personal data (and traffic data related to its flow) outside India as may be identified by the Government of India upon recommendations of a committee it constitutes. It mandates the conduct of data protection impact assessments for high-risk processing activities and requires the notification of data breaches within a stipulated timeframe.

Aadhaar (Targeted Delivery of Financial and other Subsidies, Benefits and Services) Act (the “Aadhaar Act”), 2016, the Aadhar (Authentication and Offline Verification) Regulations 2021 (“Aadhar Regulations”) and the rules and regulations made thereunder.

The Aadhaar Act aims to provide for, as good governance, efficient, transparent and targeted delivery of subsidies, benefits and services, the expenditure for which is incurred from the Consolidated Fund of India or the Consolidated Fund to the State to individuals residing in India, through the process of assigning unique identity numbers to such individuals. The Aadhaar Act established the Unique Identification Authority of India (“UIDAI”), which is responsible for authentication and enrolment of individuals under the Aadhaar programme. The Aadhaar Act also provides for the appointment of an enrolling agency, which would be responsible for the enrolment of individuals. The Aadhaar Act, to authenticate the Aadhaar Numbers, appoints a requesting entity, that would submit the Aadhaar Number along with demographic information or biometric information to the Central Identities Data Repository. Lastly, the Aadhaar Act also provides for the confidentiality of identity information and authentication records of individuals.

The Aadhaar Regulations outline the procedures and requirements for using Aadhaar numbers for both online authentication and offline verification. The Aadhaar Regulations specify the eligibility criteria for becoming a KUA, which includes entities such as banks, financial institutions, and other regulated entities that require customer identification for their operations. The Aadhaar Regulations mandate that entities, such as depositories holding demat accounts, must obtain explicit consent from individuals before using their Aadhaar information. They must also ensure the security and confidentiality of the Aadhaar data during the verification process. The Aadhaar Regulations provide a framework for conducting identity verification in a secure and efficient manner, thereby enhancing the integrity of financial transactions and protecting the privacy of account holders. Importantly, the Aadhaar Regulations also allow the Aadhaar holders to revoke the consent given to any verification agency for storing their e-KYC data at any time.

Intellectual property laws

The Trade Marks Act, 1999 (“Trade Marks Act”)

The Trade Marks Act governs the statutory protection of trademarks and prevention of the use of fraudulent marks in India. Indian law permits the registration of trademarks for both goods and services. It also provides for exclusive rights to marks such as brand, label, and heading and to obtain relief in case of infringement for commercial purposes as a trade description. Under the provisions of the Trade Marks Act, an application for trademark registration may be made with the Trade Marks Registry by any person or persons claiming to be the proprietor of a trademark, whether individually or as joint applicants, and can be made on the basis of either actual use or intention to use a trademark in the future. Once granted, a trademark registration is valid for 10 years unless cancelled, subsequent to which, it can be renewed. If not renewed, the mark lapses and the registration is required to be restored to gain protection under the provisions of the Trade Marks Act. The Trade Marks Act prohibits registration of deceptively similar trademarks and provides for penalties for infringement, falsifying and falsely applying trademarks among others. Further, pursuant to the notification of the Trade Marks (Amendment) Act, 2010, simultaneous protection of trademark in India and other countries has been made available to owners of Indian and foreign trademarks. It also seeks to simplify the law relating to the transfer of ownership of trademarks by assignment or transmission and to bring the law in line with international practices.

Shops and establishments legislations

Under the provisions of local shops and establishments legislations applicable in the states in which establishments are set up, such establishments are required to be registered. Such legislations regulate the working and employment conditions of the workers employed in shops and establishments including commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees. All establishments must be registered under the shops and establishments legislations of the state where they are located. There are penalties prescribed in the form of monetary fine or imprisonment for violation of the legislations, as well as the procedures for appeal in relation to such contravention of the provisions.

Labour laws and regulations

In respect of our business and operations, we are also required to obtain licences and registrations and make timely payments as prescribed under certain labour laws, including, Employees’ Provident Fund and Miscellaneous Provisions Act, 1952 and Employee State Insurance Act, 1948.

Tax related legislations

The tax related laws that are applicable to us include the Income-tax Act, 1961, Income Tax Rules, 1962, goods and services tax legislation comprising Central Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017, the respective states' Goods and Services Tax Act, 2017 and various rules and notifications thereunder and as issued by taxation authorities.

Other applicable laws

In addition to the above, our Company is also required to comply with the Companies Act, 2013 and rules framed thereunder, regulations framed and guidelines / circulars issued by SEBI from time to time, including SEBI Listing Regulations and SEBI PIT Regulations, and other applicable statutes imposed by the Centre or the State Government and authorities for our day-to-day business and operations.

HISTORY AND CERTAIN CORPORATE MATTERS

Brief history of our Company and our operations

Our Company was incorporated on April 27, 2012, as “*NSDL Depository Limited*” at Mumbai as a public limited company under the Companies Act, 1956, pursuant to a certificate of incorporation, issued by the RoC and obtained a certificate of commencement of business dated May 16, 2012, issued by the RoC.

Our depository business has been in operation for more than 28 years, having commenced in November 1996, under the name of the National Securities Depository Limited, which was renamed as NSDL e-Governance Infrastructure Limited and is currently known as Protean eGov Technologies Limited (“**Protean**”). Pursuant to the Scheme of Arrangement, the depository undertaking was demerged from Protean and was transferred and vested in our Company, as a going concern.

Subsequent to the Scheme of Arrangement, the name of our Company was also changed from “*NSDL Depository Limited*” to “*National Securities Depository Limited*”, and a fresh certificate of incorporation was issued by the RoC, recording the change in name on January 3, 2013. For further details on the history of our Company, see “- *Other disclosures - Scheme of Arrangement*” on page 258.

Changes in the registered office

Other than as disclosed below, there has been no change in the address of our registered office of our Company since incorporation.

Effective date of change	Details of change	Reason for change
August 1, 2024	The registered office of our Company was changed from Trade World, ‘A’ Wing, 4 th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel (West), Mumbai - 400 013, Maharashtra, India to 301, 3rd Floor, Naman Chambers, G-Block, Plot No. C-32, Bandra Kurla Complex, Bandra East, Mumbai – 400 051, Maharashtra, India	Administrative convenience

Main Objects of our Company

The main objects contained in the Memorandum of Association of our Company are as mentioned below:

“1. To facilitate, initiate, promote, set-up, carry on, regulate and manage the business of providing depository and clearing and settlement services in respect of securities and instruments of all kinds and in respect of all matters connected or incidental to the depository or clearing and settlement of securities and instruments including but not limited to undertaking all such activities, functions and responsibilities as may be imposed upon by any statutory authority or regulatory body subject to any relevant statutory enactment and any subordinate legislation, rules, regulations, orders, circulars thereunder issued by a competent authority which are or may become applicable from time to time or as may be voluntarily taken by the Company.

2. To initiate, facilitate and undertake all such activities for providing such depository, clearing and settlement functions including but not limited to pledging, hypothecating, lending and borrowing of securities or instruments of any kind, co-ordinating and interfacing with stock exchanges, clearing house/clearing corporations, other depositories, issuers of securities or instruments, registrars and transfer agents or such other persons or intermediaries associated with any of the above activities.

3. To undertake any business, activity, function and responsibility as may conveniently or advantageously be combined with the business of depository and assigned by the Central Government or by a regulator in the financial sector or by any statutory authority or regulatory body subject to any relevant statutory enactment and any subordinate legislation, rules, regulations, orders, circulars, communication thereunder issued by a competent authority which are or may become applicable from time to time.”

The main objects as contained in the Memorandum of Association enables our Company to carry on the business presently being carried out.

Amendments to our Memorandum of Association

The following amendments have been made to our Memorandum of Association in the 10 years preceding the date of this Red Herring Prospectus:

Date of Shareholders' Resolution	Particulars
March 10, 2023	Clause V of the Memorandum of Association was amended to reflect the sub-division in the authorised share capital of our Company from 100,000,000 equity shares of face value of ₹ 10 each to 500,000,000 Equity Shares of face value of ₹ 2 each.

Major events and milestones of our Company

The table below sets forth the key events and milestones in the history of our Company:

Calendar year	Particulars
2014	Pursuant to the implementation of the FPI regime in 2014 as per SEBI notification dated January 7, 2014, SEBI authorised our Company to carry out activities in relation to FPIs, on behalf of SEBI Value of securities held by us in dematerialised form crossed ₹ 100,000 billion
2015	Launched the consolidated accounts statement which is a single account statement for the transactions and holdings in an investor's demat account(s) at both our Company and CDSL as well as in units of Mutual Funds held in statement of account form
2016	Incorporation of NPBL
2017	Our Company collaborated with a private sector bank for providing instant digital loan against securities NPBL received the license to set up the payment bank
2020	Number of demat accounts with our Company crossed 20 million Value of securities held in dematerialised form at our Company crossed ₹ 200,000 billion
2021	Our Company provided the issuing platform for the first digitisation of commercial paper issuance in India, in collaboration with a private sector bank Value of securities held in dematerialised form at our Company crossed ₹ 300,000 billion (USD 4,000,000 million)
2022	Launched 'Market ka Eklavya- Express', our Company's online investment awareness programme across 75 Indian cities
2024	Value of securities held in dematerialised form at our Company crossed ₹ 500,000 billion (USD 6,000,000 million) Launched NSDL YUP (YUva Plan) with zero settlement fees per debit instruction for 36 months from the date of opening a new demat account for individuals below the age of 24
2025	Launched the unifying features in the investor apps of Depositories (SPEED-e by NSDL) Successful implementation of Direct Payout Settlement for securities

Awards, accreditations or recognitions

Our Company has received the following awards, accreditation and recognitions:

Year of award	Awards, Accreditations and Recognitions
2017	Awarded 'Central Securities Depository of the Year' at the Asian Banker Financial Markets Awards
2023	Awarded as the 'Best Blended Learning Strategy of the Year' at the L&D Confex & Awards 2023
2024	Awarded for innovation 'Security and Covenant Monitoring Platform' at the Banking Frontiers - 13th Finnoviti Conclave & Awards 2024

Our holding company

As on the date of this Red Herring Prospectus, our Company does not have a holding company.

Our Subsidiaries

As on the date of this Red Herring Prospectus, our Company has two Subsidiaries, namely:

1. NSDL Database Management Limited; and
2. NSDL Payments Bank Limited.

The details of our Subsidiaries are disclosed hereunder:

1. NSDL Database Management Limited (“NDML”)

Corporate Information

NDML was incorporated on June 22, 2004, under the Companies Act, 1956. NDML’s CIN is U72400MH2004PLC147094 and its registered office is situated at Trade World, 4th Floor, 'A' Wing, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel (West), Mumbai – 400 013, Maharashtra, India.

Nature of Business

NDML is currently engaged in the business of SEZ Online System, KRA Registration Agency, NSDL National Insurance Repository, National Skills Registry, payment aggregators ‘PayGov’ and ‘SurePay’, registrar and transfer agent, customer onboarding support services which including customer onboarding platform (Instigo), e-sign (Aadhar based e-sign), KYC user agency (Aadhar based KYC), NDML Academic Depository, and accreditation agency.

Capital Structure

The capital structure of NDML as on the date of this Red Herring Prospectus is as follows:

Particulars	No. of equity shares of face value of ₹ 10 each
Authorised share capital	80,000,000
Issued, subscribed and paid-up share capital	61,050,000

Shareholding Pattern

The shareholding pattern of NDML as on the date of this Red Herring Prospectus is as follows:

S. No.	Name of the shareholder	Number of equity shares (of ₹ 10 each) held	Percentage of total capital (%)
1.	National Securities Depository Limited	61,049,900	99.99
2.	Amit Jindal*	10	Negligible
3.	Rakesh Mahasukhlal Mehta*	10	Negligible
4.	Sunil Gianchand Batra*	10	Negligible
5.	Prashant Pramod Vagal*	20	Negligible
6.	Balkrishna Narayan Shankwalker*	10	Negligible
7.	Chandresh Mahendra Shah*	10	Negligible
8.	Samar Pawankumar Banwat*	10	Negligible
9.	Manoj Kumar Sarangi*	10	Negligible
10.	Sandip Dinesh Navdhare*	10	Negligible
Total		61,050,000	100.00

*Held jointly with our Company as its nominee.

Brief financial highlights

The brief financial highlights for Fiscals 2025, 2024, and 2023 of NDML are as follows:

Particulars	As of and for the Fiscal ended (in ₹ million, except per share values)		
	March 31, 2025	March 31, 2024	March 31, 2023
Equity share capital	610.50	610.50	610.50
Reserve and Surplus (other equity)	2,323.06	2,163.21	1,990.81
Net worth	2,890.16	2,741.32	2,590.41
Revenue from operations	823.10	765.18	728.63

Particulars	As of and for the Fiscal ended		
	March 31, 2025	March 31, 2024	March 31, 2023
Profit after tax attributable to equity shareholders	355.73	354.69	329.88
Earnings per equity share (basic) (in ₹)	5.83	5.81	5.40
Earnings per equity share (diluted) (in ₹)	5.83	5.81	5.40
Net asset value per equity share (in ₹)	48.05	45.43	42.61
Total borrowings	0.00	0.00	0.00

2. NSDL Payments Bank Limited (“NPBL”)

Corporate Information

NPBL was incorporated on August 17, 2016, under the Companies Act, 2013. NPBL’s CIN is U65900MH2016PLC284869 and its registered office is situated at 401, 4th Floor, Tower 3, One International Center, Senapati Bapat Marg, Prabhadevi, Mumbai – 400 013, Maharashtra, India.

Nature of Business

NPBL is currently engaged in the business of payment banking including, accepting demand deposits, providing payment, remittance or recharge services through its mobile application, issuance of debit cards and co-branded prepaid cards, and offering domestic money transfer, mutual fund investment services, bank verification services for corporate brokers and insurance investment services.

Capital Structure

The capital structure of NPBL as on the date of this Red Herring Prospectus is as follows:

Particulars	No. of equity shares of face value of ₹ 10 each
Authorised share capital	200,000,000
Issued, subscribed and paid-up share capital	180,000,000

Shareholding Pattern

The shareholding pattern of NPBL as on the date of this Red Herring Prospectus is as follows:

S. No.	Name of the shareholder	Number of equity shares (of ₹ 10 each) held	Percentage of total capital (%)
1.	National Securities Depository Limited	159,999,920	88.89
2.	NSDL Database Management Limited	20,000,000	11.11
3.	Rakesh Mahasukhlal Mehta*	10	Negligible
4.	Sunil Gianchand Batra*	10	Negligible
5.	Balkrishna Narayan Shankwalker*	10	Negligible
6.	Amit Jindal*	10	Negligible
7.	Prashant Pramod Vagal*	20	Negligible
8.	Manoj Kumar Sarangi*	10	Negligible
9.	Samar Pawankumar Banwat*	10	Negligible
Total		180,000,000	100.00

*Held jointly with our Company as its nominee.

Brief financial highlights

The brief financial highlights for Fiscals 2025, 2024, and 2023 of NBPL are as follows:

(in ₹ million, except per share values)

Particulars	As of and for the Fiscal ended		
	March 31, 2025	March 31, 2024	March 31, 2023
Equity share capital	1,800.00	1,800.00	1,800.00
Reserves and Surplus (excluding revaluation reserve)	(323.19)	(342.26)	(362.58)
Net worth	1,476.81	1,457.74	1,437.42
Revenue from operations	7,204.77	7,196.74	5,411.62
Profit/(loss) after tax attributable to equity shareholders	18.54	15.84	80.57
Earnings per equity share (basic) (in ₹)	0.10	0.09	0.45
Earnings per equity share (diluted) (in ₹)	0.10	0.09	0.45
Net asset value per equity share (in ₹)	8.20	8.10	7.99
Total borrowings	-	-	-

Our Associate

As on the date of this Red Herring Prospectus, our Company has one Associate, namely, India International Bullion Holding IFSC Limited.

The details of our Associate is disclosed hereunder:

1. India International Bullion Holding IFSC Limited (“IIBHIL”)

Corporate Information

IIBHIL was incorporated on June 4, 2021, under the Companies Act, 2013. IIBHIL’s CIN is U67100GJ2021PLC123076. The registered office of IIBHIL is situated at Unit No. 1302B, Brigade International Financial Centre, 13th Floor, Building 14A, Block 14, Zone 1, GIFT SEZ, GIFT City, Gandhinagar – 382 355, Gujarat, India.

Nature of Business

IIBHIL is currently engaged in the business to set up, incorporate, develop, maintain and promote the international bullion market which includes bullion exchanges, bullion clearing corporations, bullion depositories, any other entities and activities involved, at IFSC.

Capital Structure

The capital structure of IIBHIL as on the date of this Red Herring Prospectus is as follows:

Particulars	No. of equity shares of face value of ₹ 1 each
Authorised share capital	3,000,000,000
Issued, subscribed and paid-up share capital	2,500,000,000

Shareholding Pattern

The shareholding pattern of IIBHIL as on the date of this Red Herring Prospectus is as follows

S. No.	Name of the shareholder	Number of equity shares (of ₹ 1 each) held	Percentage of total capital (%)
1.	Central Depository Services (India) Limited	500,000,000	20
2.	India International Clearing Corporation (IFSC) Limited	250,000,000	10
3.	India International Exchange (IFSC) Limited	249,999,999	10
4.	Multi Commodity Exchange of India Limited	500,000,000	20

S. No.	Name of the shareholder	Number of equity shares (of ₹ 1 each) held	Percentage of total capital (%)
5.	National Securities Depository Limited	500,000,000	20
6.	National Stock Exchange of India Limited	500,000,000	20
7.	Shri Mayank Jain*	1	Negligible
Total		2,500,000,000	100.00

*Held as a nominee of India International Exchange (IFSC) Limited

Brief financial highlights

The brief financial highlights for Fiscals 2025, 2024, and 2023 of IIBHIL are as follows:

(in ₹ million, except per share values)

Particulars	As of and for the Fiscal ended		
	March 31, 2025	March 31, 2024	March 31, 2023
Equity Capital	2500.00	1,500.00	1,500.00
Reserves and Surplus (excluding revaluation reserve)	175.18	120.61	97.78
Net worth	2,675.18	1,620.61	1,597.78
Revenue from operations	Nil	Nil	Nil
Profit/(loss) after tax attributable to equity shareholders	(7.94)	0.34	(13.27)
Earnings per equity share (basic) (in ₹)	(0.00)	0.00	(0.01)
Earnings per equity share (diluted) (in ₹)	(0.00)	0.00	(0.01)
Net asset value per equity share (in ₹)	1.07	1.08	1.07
Total borrowings	Nil	Nil	Nil

Our joint ventures

As on the date of this Red Herring Prospectus, our Company does not have any joint venture.

Accumulated profits or losses

As on the date of this Red Herring Prospectus, there are no accumulated profits or losses of our Subsidiaries which have not been accounted for by our Company in the Restated Consolidated Financial Information.

Common Pursuits

There are no common pursuits amongst our Subsidiaries and our Associate *vis-a-vis* our Company. Our Company, our Subsidiaries and our Associate will adopt the necessary procedures and practices as permitted by law to address any conflict situation as and when they arise.

Business interest between our Company, our Subsidiaries and our Associate

Except as disclosed herein and in “*Our Business*” on page 215, our Subsidiaries and our Associate do not have any business interests in our Company.

Except as disclosed below and in “*Restated Consolidated Financial Information – Note 26- Related Party Disclosures*” on page 326, there have been no related business transactions between our Company, our Subsidiaries and our Associate during the last three Fiscals.

Bipartite Agreement between our Company and NDML dated April 28, 2020 (“Bipartite Agreement”)

Our Company and NDML have entered into the Bipartite Agreement for admitting the securities of NDML, which are eligible to be admitted in the depository system. The bye laws and business rules of our Company are required to be part of the terms and conditions of every agreement, contract or transaction between the parties to such bipartite agreements. NDML shall furnish information to our Company in relation to any further issues including rights issue, bonus issue and public offerings with certain details and a copy of the offer document, as applicable. Our Company shall not be liable to NDML for any loss arising out of any failure of NDML to keep full and up to date security copies (back-up) of computer programme and data it uses in accordance with the best computing practice. Our Company shall be indemnified by NDML in respect of any loss or liability incurred, or any claim arising in respect of any incorrect information furnished by NDML in respect of the operations of the depository.

NDML shall not assign to any other person/ entity its functions and obligations, relating to transactions with our Company, without our Company's approval.

Tripartite Agreement dated September 15, 2021 between our Company, IIBHIL and TSR Darashaw Consultants Private Limited ("RTA Agreement I")

Our Company, IIBHIL and TSR Darashaw Consultants Private Limited ("**Registrar and Transfer Agent**" or "**RTA Agent**") have entered into the RTA Agreement I, for admitting the securities of IIBHIL, which are eligible to be admitted in the depository system. The bye laws and business rules of our Company are required to be part of the terms and conditions of every agreement, contract or transaction between the parties to such tripartite agreements. Our Company shall not be liable to IIBHIL and/or RTA Agent for any loss arising out of any failure of IIBHIL and/or its RTA Agent to keep full and up to date security copies (back-up) of computer programme and data it uses in accordance with the best computing practice. Our Company shall be indemnified by IIBHIL and/or RTA Agent in respect of any loss or liability incurred, or any claim arising in respect of any incorrect information furnished by the IIBHIL and/or RTA Agent in respect of the operations of the depository. IIBH shall not change, discontinue, or substitute its RTA Agent unless the alternative arrangement has been agreed to by our Company. IIBHIL and/or RTA Agent shall not assign to any other person/entity its functions and obligations, relating to transactions with our Company, without our Company's approval.

Immediate payment services ("IMPS") customer account verification service provider agreement dated March 17, 2021 between our Company and NPBL ("IMPS Agreement")

Our Company and NPBL have entered into the IMPS Agreement which applies to and regulates the IMPS fund transfer facility ("**Facility**") availed by our Company from NPBL. As a consideration against the Facility availed, our Company is obligated to pay NPBL an account verification fee of ₹ 1.50 per transaction along with applicable taxes, excluding ₹ 1 transferred to the beneficiary account. No payment order issued by our Company shall be binding on NPBL until it is accepted by NPBL. Our Company can request termination of the Facility any time by giving a prior written notice of 15 days to NPBL. Further, NPBL may withdraw or terminate the Facility or a specific IMPS facility without assigning any reasons.

Master service agreement dated November 14, 2014 between our Company and NDML ("MSA Agreement I")

Our Company and NDML have entered into the MSA Agreement I, pursuant to which our Company provides certain services to NDML such as internet browsing infrastructure, production network monitoring services, data center facilities for hosting NDML hardware infrastructure and access control facilities and NDML provides the services of software development (including support and maintenance) and rental charges for office space rented to our Company. All services are charged to and payable as per the services provided in accordance with the MSA Agreement I. NPBL is responsible for taking appropriate insurance coverage with respect to its assets used for providing services pursuant to the MSA Agreement I. The total cumulative liability of either party arising from or relating to this agreement shall not exceed the total amount paid for the services that gives rise to such liability during the month immediately preceding the event giving rise to such claim. However, the limitation is not applicable on any claim arising from the indemnity related provisions under the MSA Agreement I. The MSA Agreement I can be terminated by either party giving written notice of two months in situations identified in the MSA Agreement I.

Master service agreement dated March 1, 2018 between our Company and NPBL ("MSA Agreement II")

Our Company and NPBL have entered into the MSA Agreement II pursuant to which our Company provides network services, data centre and storage services, office infrastructure services and the office premises including certain office assets to NPBL. The MSA Agreement II shall remain valid unless otherwise agreed between the parties. All services are charged to and payable on an arm's length, non-exclusive basis and at mutually agreed terms of payment. Our Company is not liable for any claims arising from or relating to latent or unknown defects of the equipment/material that it uses for providing services. NPBL shall be responsible for taking appropriate insurance coverage with respect to its assets used for providing services pursuant to the MSA Agreement II. Neither party shall assign, or otherwise transfer this agreement or any other benefits, rights, obligations, interests to any other external agency without prior written consent of the other party. The MSA Agreement II may be terminated by either party giving written notice of 30 days situations identified in the MSA Agreement II.

Tripartite agreement dated November 26, 2018 between our Company, NPBL and NDML ("RTA Agreement II")

Our Company, NPBL and NDML (“**Registrar and Transfer Agent**” or “**RTA Agent**”) have entered into the RTA Agreement II, for admitting the securities of NPBL held by our Company, which are eligible to be admitted in the depository system. The bye laws and business rules of our Company are required to be part of the terms and conditions of every agreement, contract or transaction between the parties to such tripartite agreements. In the event of any loss caused to NPBL and/or the RTA Agent, in respect of any incorrect information relating to the clients, furnished by our Company or its depository participants, our Company shall indemnify such losses. As per the provisions of the RTA Agreement II, NPBL and the RTA Agent shall indemnify our Company in respect of any loss or liability incurred, or any claim arising in respect of any incorrect information furnished by the NPBL and the RTA Agent in respect of the operations of the depository. Further, NPBL and the RTA Agent shall not assign to any other person/entity its functions and obligations, relating to transactions with our Company without our Company’s approval.

Time/cost overrun

Our Company has not implemented any projects since its incorporation and has accordingly not experienced any time or cost overruns in respect of our business operations, as on the date of this Red Herring Prospectus.

Launch of key products or services, capacity/ facility creation, location of our plants and entry into new geographies or exit from existing markets

For details of key products or services launched by our Company, entry into new geographies or exit from existing markets, see “*Our Business*” on page 215.

Defaults or rescheduling/restructuring of borrowings with financial institutions/banks

There are no defaults and there has been no rescheduling or restructuring of borrowings availed from any banks or financial institutions.

Details regarding material acquisition or divestments of business/undertakings, mergers and amalgamations or any revaluation of assets, in the last 10 years

Our Company has not acquired or divested any material business or undertaking, and has not undertaken any material merger, demerger or amalgamation or revaluation of assets in the 10 years immediately preceding the date of this Red Herring Prospectus.

Other disclosures

Scheme of Arrangement

The Protean eGov Technologies Limited (“**Transferor Company**”), originally incorporated as National Securities Depository Limited, a company providing depository services under the Depositories Act and providing services like setting up a tax information network for the income tax department, setting up Central Recordkeeping Agency for Pension Fund Regulatory and Development Authority, etc., filed for a scheme of arrangement in 2012 under Sections 391 to 394 of the Companies Act, 1956 before the High Court of Bombay to re-organize and segregate its depository business, by way of demerger, and vest it in our Company (“**Transferee Company**”), its erstwhile wholly owned subsidiary. Pursuant to the Scheme of Arrangement, and as sanctioned by the High Court of Bombay by its order dated November 2, 2012, the depository undertaking, engaged in the business of providing depository services under the Depositories Act, was transferred and vested in the Transferee Company, as a going concern and all assets and properties (whether movable or immovable, tangible or intangible), sundry debtors, outstanding loan and advances, including all permits, no-objection certificate, contracts, permission, approvals, consents, rights, entitlement and licenses and all staff, workmen and employees (excluding the contractual staff) of the Transferor Company was deemed to be a part of the Transferee Company. In addition, all pending suits, appeals, actions, or legal proceedings of whatever nature involving the Transferor Company and relating to the depository undertaking of the Transferor Company was transferred to the Transferee Company and has been continued, prosecuted, and enforced by the Transferee Company in the same manner and extent as if these proceedings were originally initiated by or against the Transferor Company. Further, all disputes pending under the arbitration mechanism of the Transferor Company have been continued to be conducted, as if the arbitration mechanism had been promulgated by the Transferee Company.

Further, in consideration of this demerger, the Transferee Company was required to issue and allot fully paid-up equity shares on a proportionate basis to all shareholders of the Transferor Company, such that for every two fully paid-up equity shares of face value of ₹ 10 each held in the Transferor Company, by the equity shareholders of the Transferor Company on the effective date, one fully paid-up equity share of face value of ₹ 10 each of the Transferee Company was to be allotted. Further, pursuant to this scheme, the investment made by the Transferor Company in the Transferee Company in the form of equity shares stood cancelled. The issued, subscribed and paid-up share capital of the Transferor Company was reduced from ₹ 800 million to ₹ 400 million. Upon the scheme coming into effect, the Transferor Company was renamed as ‘*NSDL e-Governance Infrastructure Limited*’ which once again got renamed as the Protean eGov Technologies Limited and the Transferee Company was renamed as ‘*National Securities Depository Limited*’.

Significant financial and/or strategic partners

Our Company does not have any significant financial and/or strategic partners as on the date of this Red Herring Prospectus.

Details of subsisting shareholders’ agreements

As on the date of this Red Herring Prospectus, there are no subsisting shareholders’ agreements or inter-se agreements/ arrangements between our Shareholders and our Company that contain clauses / covenants which are material, and which need to be disclosed in this Red Herring Prospectus and there are no other clauses/ covenants which are adverse / pre-judicial to the interest of the minority/ public Shareholders and further there are no other agreements, deed of assignments, acquisition agreements, shareholders agreements, inter-se agreements or agreements of like nature.

Other subsisting material agreements

Except as disclosed below, our Company has not entered into any subsisting material agreement including with strategic partners, joint venture partners and/or financial partners, other than in the ordinary course of business:

Memorandum of understanding dated August 26, 2022 between Protean and our Company (“MOU”)

Our Company entered into the MOU with Protean for arriving at the terms and conditions in relation to the assignment and transfer of ownership of certain trademarks, namely the (i) NSDL logo; and (ii) NSDL name (together, the “**Trademarks**”) and the domain names, namely “*nsdl.com*” and “*nsdl.co.in*” (together, the “**Domain Names**” and Trademarks, “**Intellectual Property**”) by Protean to our Company for a consideration of ₹ 1.00 million, in conjunction with a suitable arrangement for Protean to retain the right to use the Intellectual Property for specific uses for a maximum period of three years. Pursuant to the MOU, Protean and our Company entered into a (i) trademarks assignment agreement dated October 12, 2022 (“**Trademarks Assignment Agreement**”); (ii) trademark license agreement dated October 12, 2022 (“**Trademark License Agreement**”); and (iii) domain names transfer agreement dated October 12, 2022 (“**Domain Names Transfer Agreement**”).

Trademarks Assignment Agreement dated October 12, 2022, between Protean and our Company (“Trademarks Assignment Agreement”)

Pursuant to the Trademarks Assignment Agreement, Protean assigned all the rights, title, interest in and to the Intellectual Property on an as-is, where-is without recourse basis, to our Company, for an aggregate consideration of ₹ 1.0 million excluding all applicable taxes, for all modes and media existing then or that may come into existence into the future. Notwithstanding anything contained in the Trademarks Assignment Agreement, each party shall at all times be entitled to (i) refer to the name of the other party for the purpose of providing information about the relevant party’s corporate history, background and experience to statutory or regulatory authorities and other third parties; and (ii) independently carry out any marketing campaigns in relation to its respective brand identity, as it deems appropriate in its sole discretion.

Trademark License Agreement dated October 12, 2022, between Protean and our Company (“Trademark License Agreement”)

Pursuant to the Trademark License Agreement, our Company granted a worldwide, royalty-free, non-exclusive, non-sublicensable, irrevocable and non-transferable license to Protean to use the Trademarks for a period of three years for (i) indicating Protean's former name; (ii) providing information about Protean's corporate history, background and experience to statutory or regulatory authorities and other third parties; (iii) Protean's marketing and branding campaigns and other activities being conducted for the purposes specified in (i) and (ii) above; (iv) operating the Retained Domain Names (*as defined hereinafter*) in accordance with the Trademark License Agreement and the Domain Names Transfer Agreement; (v) other determinative purposes related to the above-mentioned (collectively, the **"Residual Purposes"**); and (vi) sublicensing the Intellectual Property to Protean's subsidiaries for the Residual Purposes. Further, our Company shall be the proprietor of the Trademarks and as per the terms of the Trademark License Agreement, Protean is also entitled to use and operate certain domain names as specifically described therein (**"Retained Domain Names"**) for a maximum period of three years, solely for the purpose of permitting migration of customers and third parties who are using the Retained Domain Names to a different domain name.

Domain Names Transfer Agreement dated October 12, 2022, between Protean and our Company ("Domain Names Transfer Agreement")

Pursuant to the Domain Names Transfer Agreement, Protean assigned all the rights, title, interest (whether vested, contingent or future) in and arising out of and in connection to the Domain Names to our Company, for an aggregate consideration of ₹ 100, for all modes and media existing then or that may come into existence into the future. Further, as per the terms of the Domain Names Transfer Agreement, Protean shall be entitled to hold and operate the Retained Domain Names for a maximum period of three years (**"Migration Period"**), solely for the purpose of permitting the migration of customers and third parties who are using the Retained Domain Names to a different domain name. Post the Migration Period, Protean shall cease to use the Retained Domain Names and either surrender the registrations or transfer those to our Company. Our Company shall not use the Retained Domain Names post the transfer.

Share subscription agreement dated December 10, 2021, entered into between our Company, National Stock Exchange of India Limited, Multi Commodity Exchange of India Limited, Indian International Exchange (IFSC) Limited along with India International Clearing Corporation (IFSC) Limited, Central Depository Services (India) Limited and India International Bullion Holding IFSC Limited ("IIBHIL SSA")

Pursuant to the IIBHIL SSA, our Company, National Stock Exchange of India Limited (**"NSE"**), Multi Commodity Exchange of India Limited (**"MCX"**), Indian International Exchange (IFSC) Limited (**"India INX"**) along with India International Clearing Corporation (IFSC) Limited (**"India ICC"**), together with India INX, **"India INX-ICC"**), Central Depository Services (India) Limited (**"CDSL"**) recorded the terms of subscription of shares pursuant to a rights issue and private placement. CDSL, India INX, NSE and our Company were subscribers to the memorandum of association of IIBHIL and infused ₹ 2.50 million, each, into IIBHIL at the time of incorporation. Thereafter, CDSL, India INX-ICC, NSE and our Company subscribed to the equity shares of IIBHIL, pursuant to the rights issue of IIBHIL, in proportion to their shareholding in IIBHIL (**"Tranche 1 Transaction"**). In proportion to their shareholding in IIBHIL (**"Tranche 1 Transaction"**). Further, MCX subscribed to the relevant subscription shares by way of a private placement (**"Tranche 2 Transaction"**), together with Tranche 1 Transaction, the **"Transactions"**). The shareholding pattern after the Transactions is 20%, each, on a fully diluted basis. For details in relation to the current shareholding of IIBHIL, see *"- Our Associate"* on page 255.

Shareholders agreement dated December 10, 2021 entered into between our Company, National Stock Exchange of India Limited, Multi Commodity Exchange of India Limited, India International Exchange (IFSC) Limited, India International Clearing Corporation (IFSC) Limited, Central Depository Services (India) Limited and India International Bullion Holding IFSC Limited ("IIBHIL SHA")

Pursuant to the IIBHIL SHA, our Company, National Stock Exchange of India Limited, Multi Commodity Exchange of India Limited, India International Exchange (IFSC) Limited, India International Clearing Corporation (IFSC) Limited, Central Depository Services (India) Limited (collectively, the **"IIBHIL Shareholders"**) and India International Bullion Holding IFSC Limited entered into IIBHIL SHA. In terms of the IIBHIL SHA, IIBHIL Shareholders were provided with certain key rights and obligations, *inter alia*, the following:

- (i) IIBHIL Shareholders undertook that no person shall be granted rights which are more favourable than the rights accorded to the shareholders in accordance with the agreement, nor be granted rights which would

affect the ability of any of the shareholders to exercise any of its rights under the IIBHIL SHA, unless otherwise agreed between the Parties, in writing;

- (ii) IIBHIL Shareholders unconditionally and irrevocably undertook that they shall not, during the subsistence of the agreement, transfer any or all their securities, to any person, in any manner, without first offering the securities to the other shareholders in accordance with the transfer restrictions set out in the agreement;
- (iii) Each shareholder shall have pre-emptive rights to participate in all future securities issuances;
- (iv) Each shareholder is entitled to nominate one director and each such director so nominated is referred to as shareholder director. In the event the shareholding of any shareholder falls below 10% of the share capital of IIBHIL, on a fully diluted basis, the right of such shareholder to appoint a shareholder director shall automatically fall away without any further action required to be undertaken by parties;
- (v) Shareholders have no individual right, title, or interest in any intellectual property right developed, created, established by IIBHIL; and
- (vi) IIBHIL Shareholders shall from the effective date of agreement until a period of 36 months has expired from the date of termination of the agreement shall not whether individually or jointly, directly or indirectly, anywhere, within the International Financial Services Centre, do any of the activities as stated in non-compete and non-solicitation clause.

Details of guarantees given to third parties by our promoter participating in the Offer for Sale

Our Company is a professionally managed company and does not have any identifiable promoter in terms of the SEBI ICDR Regulations and the Companies Act, 2013.

Other confirmations

None of the Key Management Personnel, Senior Management, Directors or any other employee of our Company have entered into an agreement, either by themselves or on behalf of any other person, with any Shareholder or any other third party with regard to compensation or profit sharing in connection with the dealings of the securities of our Company.

As of the date of this Red Herring Prospectus, there are no agreements with our Shareholders, our related parties, our Directors, our Key Managerial Personnel, our employees, or of our Subsidiaries, Associates, entered into among themselves or with our Company or with a third party, solely or jointly, which, either directly or indirectly or potentially or whose purpose and effect is to, (a) impact the management or control of our Company; or (b) other than in the ordinary course of business, impose any restriction or create any liability upon our Company, as required to be disclosed pursuant to Clause 5A of Paragraph A of Part A of Schedule III of the SEBI Listing Regulations.

As on the date of this Red Herring Prospectus, none of the Shareholders of our Company hold any special rights in our Company, including under our Articles of Association.

There is no conflict of interest between the suppliers of raw materials or third-party service providers (which are crucial for operations of our Company) with the Subsidiaries or their respective directors / partners.

There is no conflict of interest between the lessors of the immovable properties of our Company and/or our Subsidiaries (which are crucial for operations of our Company) with the Subsidiaries or their respective directors / partners.

OUR MANAGEMENT

Board of Directors

The Articles of Association require that our Board shall comprise not less than three Directors and not more than 15 Directors, provided that our Shareholders may appoint more than 15 Directors after passing a special resolution in a general meeting. Under SEBI D&P Regulations, the Board is required to include Non-Independent Directors, Public Interest Directors, and a Managing Director. Further, the number of Public Interest Directors should not be less than the number of Non-Independent Directors.

As on the date of this Red Herring Prospectus, our Board comprises seven Directors, including one Managing Director, four Public Interest Directors and three Non-Independent Directors (including the Managing Director). Our Board also includes one woman Director. Our Company is in compliance with the corporate governance laws prescribed under the SEBI Listing Regulations, SEBI D&P Regulations and the Companies Act, 2013, in relation to the composition of our Board and constitution of committees thereof.

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

Name, designation, date of birth, address, occupation, current term, period of directorship and DIN	Age (years)	Other directorships
Vijay Chandok <i>Designation:</i> Managing Director and Chief Executive Officer <i>Date of birth:</i> February 23, 1968 <i>Address:</i> Flat No. 102, Building No. 1, Sumer Trinity Towers, New Prabhadevi Road, Near Samana Press, Mumbai – 400 025, Maharashtra <i>Occupation:</i> Company executive <i>Current term:</i> For a period of five years, not liable to retire by rotation <i>Period of directorship:</i> Since November 28, 2024 <i>DIN:</i> 01545262	57	<i>Indian companies:</i> • NMIMS Business School Alumni Association; • NSDL Database Management Limited; and • NSDL Payments Bank Limited. <i>Foreign companies:</i> Nil
Parveen Kumar Gupta <i>Designation:</i> Chairman and Public Interest Director <i>Date of birth:</i> March 13, 1960 <i>Address:</i> Flat No. 702, C Wing, Amaltas CHS, Juhu Versova Link Road, Andheri West, Mumbai – 400 053, Maharashtra <i>Occupation:</i> Independent professional <i>Current term:</i> For a period of three years, with effect from September 6, 2022 till September 5, 2025, not liable to retire by rotation. <i>Period of directorship:</i> Since September 6, 2022 <i>DIN:</i> 02895343	65	<i>Indian companies:</i> • Bank of India Investment Managers Private Limited; • Future Generali India Insurance Company Limited; • India Shelter Finance Corporation Limited; • Midland Microfin Limited; • Protium Finance Limited; and • Utkarsh Small Finance Bank Limited. <i>Foreign companies:</i> Nil
Madhu Sudan Sahoo <i>Designation:</i> Public Interest Director <i>Date of birth:</i> May 2, 1959 <i>Address:</i> Flat no - 77, IES Apartments, Plot no. - 9, Sector - 4, Dwarka, N.S.I.T Dwarka, South West Delhi – 110 078, Delhi	66	<i>Indian companies:</i> • Acer Credit Rating Private Limited; and • Axis Mutual Fund Trustee Limited <i>Foreign companies:</i> Nil

Name, designation, date of birth, address, occupation, current term, period of directorship and DIN	Age (years)	Other directorships
<i>Occupation:</i> Legal practice <i>Current term:</i> For a period of three years, with effect April 18, 2023, till April 17, 2026, not liable to retire by rotation. <i>Period of directorship:</i> Since April 18, 2023 <i>DIN:</i> 01968430		
Rajat Moona <i>Designation:</i> Public Interest Director <i>Date of birth:</i> March 28, 1965 <i>Address:</i> Director Bungalow, IIT Gandhinagar, Palaj, Gandhinagar – 382 355, Gujarat <i>Occupation:</i> Professor <i>Current term:</i> For a period of three years, with effect from January 9, 2024 till January 8, 2027 <i>Period of directorship:</i> Since January 9, 2024 <i>DIN:</i> 09036263	60	<i>Indian companies:</i> • Airawat Research Foundation; • Gujarat International Finance Tec-City Company Limited; • Gujarat Urja Vikas Nigam Limited; • IIT Gandhinagar Competency Development Foundation; • IIT Gandhinagar Innovation and Entrepreneurship Center; • IIT Gandhinagar Research Park; and • Innovatrix Foundation. <i>Foreign companies:</i> Nil
Sripriya Kumar <i>Designation:</i> Public Interest Director <i>Date of birth:</i> September 26, 1973 <i>Address:</i> B-705, The Atlantic Residences, No. 3, Montieth Road, Egmore, Chennai – 800 008, Tamil Nadu <i>Occupation:</i> Chartered accountant and insolvency professional <i>Current term:</i> For a period of three years, with effect from May 23, 2024 till May 22, 2027 <i>Period of directorship:</i> Since May 23, 2024 <i>DIN:</i> 03319979	51	<i>Indian companies:</i> • Indian Institute of Insolvency Professionals of ICAI; and • Sundaram Finance Holdings Limited. <i>Foreign companies:</i> Nil
Sanjay Panicker <i>Designation:</i> Non-Independent Director <i>Date of birth:</i> December 6, 1971 <i>Address:</i> A-233, Twin Tower, Veer Savarkar Marg, Prabhadevi, Mumbai – 400 025, Maharashtra <i>Occupation:</i> Banking <i>Current term:</i> Liable to retire by rotation <i>Period of directorship:</i> Since January 1, 2025 <i>DIN:</i> 03531776	53	<i>Indian companies:</i> Nil <i>Foreign companies:</i> Nil
Sriram Krishnan <i>Designation:</i> Non-Independent Director	53	<i>Indian companies:</i> • Cogencis Information Services Limited;

Name, designation, date of birth, address, occupation, current term, period of directorship and DIN	Age (years)	Other directorships
<i>Date of birth:</i> June 15, 1972 <i>Address:</i> A-1002, Lodha Bellissimo, N M Joshi Marg, Mahalaxmi, Mumbai – 400 011, Maharashtra <i>Occupation:</i> Service <i>Current term:</i> Liable to retire by rotation <i>Period of directorship:</i> Since August 23, 2023 <i>DIN:</i> 07816879		• India International Depository IFSC Limited; • NSE Academy Limited; • NSE IFSC Limited; • NSE Indices Limited; and • NSE Investments Limited. <i>Foreign companies:</i> Nil

Brief profiles of our Directors

Vijay Chandok is the Managing Director and Chief Executive Officer of our Company. He has been associated with our Company since November 28, 2024. He holds a bachelor's degree in mechanical engineering from Banaras Hindu University, Varanasi and a master's degree in management studies from Narsee Monjee Institute of Management Studies, Mumbai. He is responsible for overall functioning of the Company as a MII and overlooks corporate governance, strategy, business and administration related aspects of the Company. He has over 31 years of experience in the financial services industry. Prior to joining our Company, he was associated with ICICI Bank Limited as its executive director and with ICICI Securities Limited as a managing director and chief executive officer.

Parveen Kumar Gupta is the Chairman and Public Interest Director of our Company. He has been associated with our Company since September 6, 2022. He holds a bachelor's degree in commerce from Guru Nanak Dev University, Amritsar and has been admitted as an associate of the Institute of Company Secretaries of India. He is also a certified associate of the Indian Institute of Bankers. He has over 40 years of experience in the banking industry and has been a part of an expert committee constituted by the RBI on micro, small and medium enterprises. Prior to joining our Company, he has held various positions in the State Bank of India including managing director (compliance and risk), managing director (retail and digital banking), managing director and chief executive officer, SBI Capital Markets Limited, DMD and chief financial officer, additional charge of DMD and GE (global markets), deputy chief executive officer, SBI Macquarie Infrastructure Management Private Limited and chief general manager (global markets). He has also served as senior advisor in Bank of Baroda.

Madhu Sudan Sahoo has been a Public Interest Director of our Company since April 18, 2023. He practices law and is enrolled as an advocate with the Bar Council of Maharashtra and Goa. He holds a bachelor's degree in arts (honours in economics), a bachelor's degree in law and a master's degree in arts in economics from Utkal University, Bhubaneswar. He holds a post graduate diploma in management from the Management Development Institute, Gurgaon and a master's degree in philosophy from the University of Glasgow, United Kingdom. He has been admitted as a fellow of the Institute of Company Secretaries of India and has also been conferred the degree of doctor of philosophy (arts) from the University of Mumbai. Further, he has also completed the post graduate diploma course in securities laws from Government Law College, Mumbai. He has over four decades of experience in economic policy and reforms, including two decades in regulations relating to financial markets. He has served as the chairperson of the Insolvency and Bankruptcy Board of India ("IBBI") and also served as a director in the Department of Economic Affairs, Ministry of Finance, as a member of the Competition Commission of India, the secretary of the Institute of Company Secretaries of India, a whole-time member of the Securities and Exchange Board of India, and the economic adviser with the NSE. He had previously also served as a distinguished professor at the National Law University, Delhi. As a member of the Indian Economic Service, he served several Ministries of the Government of India. He played a key role in the development of the insolvency ecosystem and the establishment of the IBBI. He has also served as a part-time non-official director on the board of directors of the Oriental Bank of Commerce. He has also led several expert committees, including the committee to review the framework of access to domestic and overseas capital markets (Indian depository receipts, global depository receipts, and foreign currency borrowings), the committee of experts on the institutional framework for regulation and development of valuation professionals, and the committee for drafting a legal framework for allowing variable capital company structure in the International Financial Services Centres. He has also led expert committees in relation to international arbitration, insolvency law and competition law.

Rajat Moona is the Public Interest Director of our Company. He has been associated with our Company since January 9, 2024. He holds a bachelor's degree in technology (electrical engineering) from Indian Institute of Technology, Kanpur and has also been conferred the degree of doctor of philosophy from Indian Institute of Science, Bengaluru. He has over 33 years of experience in teaching and research for development and standards. He is currently a director and professor at Indian Institute of Technology, Gandhinagar and Indian Institute of Technology, Kanpur. He was also previously a director of the Indian Institute of Technology, Bhilai.

Sripriya Kumar is the Public Interest Director of our Company. She has been associated with our Company since May 23, 2024. She holds a bachelor's degree in commerce from University of Madras and is a member of the Institute of Chartered Accountants of India. She is serving as an elected member on the Central Council of the Institute of Chartered Accountants of India from the Southern India Regional Constituency. She has over 23 years of experience in the field of accountancy. She is also a registered professional member of Indian Institute of Insolvency Professionals of ICAI and is currently a director on the board of Sundaram Finance Holdings Limited. Prior to joining our Company, she has worked at Price WaterhouseCoopers. She is also a partner at SPR & Co., Chartered Accountants.

Sanjay Panicker is the Non-Independent Director of our Company. He has been associated with our Company since January 1, 2025. He holds a bachelor's degree in mechanical engineering and a master's in business administration from the University of Pune. He also holds a post graduate diploma in financial analysis program from the Institute of Chartered Financial Analysts of India. He is a certificated associate of the Indian Institute of Banking & Finance. He is also currently appointed as the executive director at IDBI Bank Limited. He has over 28 years of experience in corporate financing and accounts. Prior to joining our Company, he was associated with Vans Information and Investor Services Limited.

Sriram Krishnan is the Non-Independent Director of our Company. He has been associated with our Company since August 23, 2023. He holds a bachelor's degree in commerce from Bharathiar University, Coimbatore. He has passed the final examinations held by the Institute of Chartered Accountants of India and of the Institute of Cost and Works Accountants of India. He has over 26 years of experience in banking and capital markets. He is currently appointed as the chief business development officer at the National Stock Exchange of India Limited wherein he manages the business strategy and relationships. Prior to joining our Company, he was associated with Stock Holding Corporation of India Limited, Templeton Asset Management (India) Private Limited, HSBC Asset Management (India) Private Limited, Citibank N.A. and Deutsche Bank AG.

Relationship between Directors

None of our Directors are related to each other.

Confirmations

None of our Directors is or was a director of any company listed on any stock exchange, whose shares have been or were suspended from being traded during the five years preceding the date of this Red Herring Prospectus, during the term of his/her directorship in such company.

None of our Directors is or was a director of any listed company, which has been or was delisted from any stock exchange, during the term of his/her directorship in such company.

No consideration, either in cash or shares or in any other form have been paid or agreed to be paid to any of our Directors or to the firms or companies in which they have an interest in, by any person, either to induce any of our Directors to become or to help any of them qualify as a director, or otherwise for services rendered by them or by the firm or company in which they are interested, in connection with the promotion or formation of our Company.

There is no conflict of interests between the suppliers of raw materials and third-party service providers of our Company (crucial for operations of our Company) and our Directors and Key Managerial Personnel.

There is no conflict of interests between the lessors of the immovable properties of our Company (crucial for operation of our Company) and our Directors and Key Managerial Personnel.

Further, none of our Directors have been identified as Wilful Defaulters or Fraudulent Borrowers by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters or a fraudulent borrower issued by the RBI.

Arrangement or understanding with major Shareholders, customers, suppliers, or others

None of our Directors have been appointed pursuant to any arrangement or understanding with our major Shareholders, customers, suppliers or others.

Service contracts with Directors

Other than statutory benefits payable upon termination of employment of our Managing Director and Chief Executive Officer, our Company has not entered into any service contracts with any of our Directors, which provide for benefits upon termination of employment.

Terms of appointment of our Executive Director:

Vijay Chandok

Vijay Chandok was appointed as our Managing Director and Chief Executive Officer for a period of five years with effect from November 28, 2024, pursuant to the SEBI approval letter dated August 30, 2024, and a resolution passed by our Board at its meeting held on September 24, 2024, which was approved by the Shareholders through postal ballot on January 23, 2025. Vijay Chandok's entitlement and other terms of his employment are enumerated below:

- (a) He is entitled to a salary not exceeding ₹ 40 million per annum, inclusive of all allowances and performance linked incentive ("PLI").
- (b) Variable pay (PLI), as may be determined by the Nomination Remuneration Committee/Board, in the range of 25% to 50% of the total pay. The PLI will be 40% of the total pay i.e. ₹ 24 million will be fixed pay and ₹ 16 million will be the PLI.
- (c) 50% of the PLI shall be paid on a deferred basis after three years, subject to malus and claw-back agreements.
- (d) Annual increments to be determined by the Nomination and Remuneration Committee and the Board, subject to approval of SEBI.
- (e) In addition to the above, he is also entitled to the following:
 - (i) Insurance cover which would include group mediclaim, group term insurance and group accident insurance;
 - (ii) Leave encashments as per the staff rules of the Company;
 - (iii) Membership fee for one club, life membership fee for such club will not be allowed;
 - (iv) Reimbursement of entertainment expenses actually and properly incurred by him for the purpose of the Company's business; and
 - (v) He shall also be entitled to such other benefits as are made available by the Company to members of the staff from time to time and as approved by the NRC and our Board.

Terms of appointment of our Public Interest Directors

Pursuant to the Board resolution dated May 8, 2017 and November 12, 2024, our Public Interest Directors are entitled to receive sitting fees of ₹ 100,000 per meeting for attending meetings of the Board and the Regulatory Oversight Committee, Standing Committee on Technology, Risk Management Committee and the Audit Committee, and ₹ 60,000 for attending meetings of the other committees of the Board, within the limits prescribed under the Companies Act, 2013.

Terms of appointment of our Non-Independent Directors

Pursuant to the Board resolution dated May 8, 2017 and November 12, 2024, our Non-Independent Directors are entitled to receive sitting fees of ₹ 100,000 per meeting for attending meetings of the Board and the Regulatory

Oversight Committee, Standing Committee on Technology, Risk Management Committee and the Audit Committee, and ₹ 60,000 for attending meetings of the other committees of the Board, within the limits prescribed under the Companies Act, 2013.

Payments or benefits to Directors

Our Company has not entered into any contract appointing or fixing the remuneration of a Director in the two years preceding the date of this Red Herring Prospectus.

In Fiscal 2025, our Company has not paid any compensation or granted any benefit on an individual basis to any of our Directors (including contingent or deferred compensation) other than the remuneration paid to them for such period. The remuneration paid to our Directors in Fiscal 2025 is as follows:

1. Executive Director

The details of the remuneration paid to our Executive Director in Fiscal 2025 is set out below:

Name of Director	Designation	Remuneration (in ₹ million)
Vijay Chandok	Managing Director and Chief Executive Officer	7.71

2. Public Interest Directors

The details of the sitting fees paid to our Public Interest Directors in Fiscal 2025 is set out below:

S. No.	Name of Director	Sitting fees (in ₹ million)
1.	Rajat Moona	1.90
2.	Sripriya Kumar	2.76
3.	Madhu Sudan Sahoo	3.82
4.	Parveen Kumar Gupta	3.86

3. Non-Independent Directors

The details of the sitting fees to our Non-Independent Directors in Fiscal 2025 is set out below:

S. No.	Name of Director	Sitting fees (in ₹ million)
1.	Sanjay Panicker	0.10
2.	Sriram Krishnan	1.56

Remuneration paid by our Subsidiaries or Associate

None of our Directors have received or were entitled to receive any remuneration, sitting fees or commission from any of our Subsidiaries or Associate in Fiscal 2025.

Shareholding of Directors in our Company

Our Articles of Association do not require our Directors to hold any qualification shares.

None of our Directors hold any Equity Shares, as on the date of this Red Herring Prospectus.

Borrowing Powers

Pursuant to our Articles of Association, the applicable provisions of the Companies Act, 2013 and the regulations made thereunder, the Board may, from time to time, by a resolution passed at a meeting of the Board accept deposits or borrow moneys from members or from public and may raise and secure the payment of such sum or sums in such manner and upon such terms and conditions in all respects as it thinks fit.

Bonus or profit-sharing plan for our Directors

Except as mentioned in “- *Terms of appointment of our Executive Director* on page 266 of this Red Herring Prospectus, none of our Directors are party to any bonus or profit-sharing plan.

Interest of Directors

All our Directors, except Managing Director and Chief Executive Officer, may be deemed to be interested to the extent of sitting fees payable to them for attending meetings of our Board of Directors and/or committees thereof as approved by our Board, the reimbursement of expenses payable to them, and commission as approved by our Board.

Our Managing Director and Chief Executive Officer may be deemed to be interested to the extent of the remuneration payable to him by our Company as Managing Director and Chief Executive Officer of our Company. For further details, see “- *Terms of appointment of our Executive Director*” on page 266 of this Red Herring Prospectus.

Our Directors may also be interested to the extent of Equity Shares, if any, held by them, their relatives (together with other distributions in respect of Equity Shares) or held by the entities in which they are associated as partners, or that may be subscribed by or allotted to the companies, firms, ventures, trusts in which they are interested as promoters, directors, partners, proprietors, members, or trustees and any dividend and other distributions payable in respect of such Equity Shares.

Interest of Directors in the promotion or formation of our Company

None of our Directors have any interest in the promotion or formation of our Company.

Our Directors have no interest in any property acquired or proposed to be acquired of or by our Company.

Further, our Directors have no interest in any transaction by our Company for acquisition of land, construction of building or supply of machinery, etc.

No loans have been availed by our Directors from our Company or the Subsidiaries.

Except in the ordinary course of business and as disclosed in “*Restated Consolidated Financial Information - Note 26 - Related Party Disclosures*” on page 326 of this Red Herring Prospectus, our Directors do not have any other business interest in our Company.

Changes to our Board in the last three years

The changes in our Board during the three years immediately preceding the date of this Red Herring Prospectus are set forth below.

Name	Date of appointment/cessation	Designation (at the time of appointment/ cessation)	Reason
Sanjay Panicker	January 1, 2025	Non-Independent Director	Appointment
Shailendra Govind Nadkarni	December 31, 2024	Non-Independent Director	Retirement
Vijay Chandok	November 28, 2024	Managing Director and Chief Executive Officer	Appointment
Padmaja Chunduru	August 31, 2024	Managing Director and Chief Executive Officer	Retirement
Sripriya Kumar	May 23, 2024	Public Interest Director	Appointment
Rajani Rajiv Gupte	May 22, 2024	Public Interest Director	Retirement
Rajat Moona	January 9, 2024	Public Interest Director	Appointment
Sivakumar Gopalan	January 9, 2024	Public Interest Director	Retirement
Sriram Krishnan	August 23, 2023	Shareholder Director*	Appointment
Priya Subbaramman	May 29, 2023	Shareholder Director*	Resignation
Banavar Anantharamaiah Prabhakar	May 7, 2023	Public Interest Director	Retirement
Madhu Sudan Sahoo	April 18, 2023	Public Interest Director	Appointment

Name	Date of appointment/cessation	Designation (at the time of appointment/ cessation)	Reason
Shailendra Govind Nadkarni	January 11, 2023	Shareholder Director*	Appointment
Rajeev Kumar	January 11, 2023	Shareholder Director*	Retirement
Sambamurthy Boggarapu	September 6, 2022	Public Interest Director	Retirement
Parveen Kumar Gupta	September 6, 2022	Public Interest Director	Appointment
Priya Subbaramman	August 8, 2022	Shareholder Director*	Re-appointment

*Pursuant to the SEBI D&P Regulations, the term 'Shareholder Director' has been substituted by 'Non-Independent Director' with effect from August 28, 2023. Accordingly, appointments and cessations of the Non-Independent Directors before August 28, 2023, have been termed as Shareholder Directors.

Note: This table does not include changes pursuant to regularisations or change in designations.

Corporate Governance

As per the SEBI D&P Regulations, corporate governance norms as specified for the listed companies shall mutatis mutandis apply to a depository. Under Regulation 25 read with Part C of Schedule II of the SEBI D&P Regulations, shareholders' approval shall not be necessary for the appointment of Public Interest Directors. Accordingly, shareholders will not approve the appointment of Public Interest Directors on our Board. For further details, see "Risk Factors – We operate under a stringent regulatory regime and our inability to comply with our legal and regulatory obligations may expose us to regulatory proceedings and legal actions by concerned authorities" on page 43 of this Red Herring Prospectus. In addition, the appointment and re-appointment of all Directors on our Board shall be with the prior approval of the SEBI. The provisions of the Companies Act, 2013 along with the SEBI Listing Regulations, with respect to corporate governance, are applicable to our Company. As on the date of this Red Herring Prospectus, our Company is in compliance with the requirements of the applicable provisions in respect of corporate governance in accordance with the SEBI Listing Regulations, the SEBI D&P Regulations and the Companies Act, 2013, including in relation to the constitution of the Board and committees thereof.

Our Company undertakes to take all necessary steps to continue to comply with all the requirements of the SEBI D&P Regulations, SEBI Listing Regulations and the Companies Act, 2013, as applicable.

Committees of our Board

In terms of the SEBI Listing Regulations, the SEBI D&P Regulations and the provisions of the Companies Act, 2013, our Company has constituted the following Board-level committees:

1. Audit Committee

The Audit committee was constituted by a resolution of our Board dated November 15, 2012 and last reconstituted pursuant to a circular resolution of our Board dated May 14, 2024 and the constitution was effective from May 23, 2024. The current constitution of the Audit committee is as follows:

Name of Director	Position in the Committee	Designation
Sripriya Kumar	Chairperson	Public Interest Director
Sriram Krishnan	Member	Non-Independent Director
Parveen Kumar Gupta	Member	Public Interest Director
Madhu Sudan Sahoo	Member	Public Interest Director

The scope and function of the Audit Committee is in accordance with SEBI D&P Regulations, Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations and its terms of reference are as follows:

A. The Roles of the Audit Committee shall include the following:

- oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- approval of payment to statutory auditors for any other services rendered by the statutory auditors of the Company;

4. reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - (a) matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - (b) changes, if any, in accounting policies and practices and reasons for the same;
 - (c) major accounting entries involving estimates based on the exercise of judgment by management of the Company;
 - (d) significant adjustments made in the financial statements arising out of audit findings;
 - (e) compliance with listing and other legal requirements relating to financial statements;
 - (f) disclosure of any related party transactions; and
 - (g) modified opinion(s) in the draft audit report.
5. reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public issue or rights issue or preferential issue or qualified institutions placement, and making appropriate recommendations to the board to take up steps in this matter;
7. reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
8. approval or any subsequent modification of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company subject to such conditions as may be prescribed the Companies Act, 2013 and SEBI Listing Regulations;

Explanation: The term "related party transactions" shall have the same meaning as provided in Regulation 2(1)(zc) of the SEBI Listing Regulations and/or the applicable Accounting Standards and/or the Companies Act.

9. scrutiny of inter-corporate loans and investments;
10. valuation of undertakings or assets of the Company, wherever it is necessary;
11. evaluation of internal financial controls and risk management systems;
12. reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. discussion with internal auditors of any significant findings and follow up there on;
15. reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

18. to review the functioning or oversee of the whistle bower/ vigil mechanism established by the Company, with the Chairman of the Audit Committee directly hearing complaints of victimization by a whistle bower, who used whistle bower/ vigil mechanism to report genuine complaint in appropriate and exceptional cases;
19. approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
20. carrying out any other functions as is mentioned in the terms of reference of the audit committee;
21. reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances /investments existing as on the date of coming into force of this provision;
22. consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders; and
23. carrying out any other functions required to be carried out by the Audit Committee as may be decided by the Board and/or as provided under the Companies Act, 2013, the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

B. The Audit Committee shall mandatorily review the following information:

1. management discussion and analysis of financial condition and results of operations;
2. management letters / letters of internal control weaknesses issued by the statutory auditors of the Company;
3. internal audit reports relating to internal control weaknesses;
4. the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee;
5. statement of deviations:
 - (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of SEBI Listing Regulations.
 - (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of SEBI Listing Regulations.

C. The powers of the Audit Committee will include the following:

1. to investigate any activity within its terms of reference;
2. to seek information from any employee;
3. to obtain outside legal or other professional advice;
4. to secure attendance of outsiders with relevant expertise, if it considers necessary as may be prescribed under the Companies Act, 2013 (together with the rules notified thereunder) and SEBI Listing Regulations;
5. to approve the disclosure of the Key Performance Indicators to be disclosed in the documents in relation to the initial public offering of the equity shares of the Company and to confirm that verified details for all the key performance indicators pertaining to the company have been disclosed to the earlier investors at any point of time during the three years period prior to the date of filing of the updated draft red herring prospectus/red herring prospectus are disclosed under 'Basis for offer Price' section of the offer documents;
6. to have full access to information contained in records of Company; and

7. such other powers as may be prescribed under the Companies Act, 2013, the SEBI Listing Regulations or any other law.

2. *Nomination and Remuneration Committee (“NR Committee”)*

The NR Committee was constituted by a resolution of our Board dated November 15, 2012 and last reconstituted pursuant to a circular resolution of our Board dated January 13, 2025. The current constitution of the NR Committee is as follows:

Name of Director	Position in the Committee	Designation
Sripriya Kumar	Chairperson	Public Interest Director
Sriram Krishnan	Member	Non-Independent Director
Parveen Kumar Gupta	Member	Public Interest Director
Madhu Sudan Sahoo	Member	Public Interest Director

The scope and function of the NR Committee is in accordance with SEBI D&P Regulations, Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI Listing Regulations, and its terms of reference are as follows:

A. The Roles and Responsibility of the Nomination and Remuneration Committee (“NRC”):

1. Identify persons who are qualified to become Directors or who may be appointed in senior management/ key managerial personnel in accordance with the criteria laid down, recommend to the Board of Directors their appointment and removal and shall specify the manner for effective evaluation of performance of Board, its committees and individual Directors to be carried out either by the Board, by the NRC or by an independent external agency and review its implementation and compliance;
2. For every appointment of a Public Interest Director, the NRC shall evaluate the balance of skills, knowledge and experience on the Board as per requirements prescribed under SEBI D&P Regulations and on the basis of such evaluation, prepare a description of the role and capabilities required of a Public Interest Director. The person recommended to the Board for appointment as Public Interest Director shall have the skills and capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
 - (a) use references/ professional networks and/or the services of an external agencies, if required;
 - (b) consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - (c) consider the time commitments of the candidates;
3. Formulation of criteria for evaluation of performance of independent directors and the board of directors;
4. Devising a policy on diversity of board of directors;
5. Determining the tenure of a key management personnel, other than a director, to be posted in a regulatory department;
6. Selection and recommendation of the managing director to the Board;
7. Recommending whether to extend or continue the term of appointment of the Public Interest Director, on the basis of the report of performance evaluation of such Public Interest Director;
8. Recommend to the board, all remuneration, in whatever form, payable to senior management or key management personnel;
9. Recommending remuneration to non-executive directors in the form of sitting fees for attending meetings of the Board and its committees, remuneration for other services, commission on profits.
10. Analysing, monitoring and reviewing various human resource and compensation matters;
11. Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration/compensation for the directors, key managerial personnel, key management personnel and other employees as per applicable norms;

12. The NRC, while formulating the above policy, shall consider the following:
 - (a) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors and key management personnel of the quality required to operate the Company;
 - (b) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - (c) Remuneration to Directors, key managerial personnel and senior management involves a balance between fixed and variable pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.
 - (d) compensation norms for key management personnel prescribed by SEBI from time to time;
 - (e) Any other factors as may be deemed necessary by the NRC.
13. Performing such other activities as may be delegated by the Board and/or are statutorily prescribed under any law to be attended to by the NRC; and
14. Such terms of reference as may be prescribed under the Companies Act and SEBI Listing Regulation.

3. *Corporate Social Responsibility Committee (“CSR Committee”)*

The CSR Committee was constituted by a resolution of our Board dated November 15, 2012 and last reconstituted by a resolution of our Board dated January 13, 2025. The current constitution of the CSR Committee is as follows:

Name of Director	Position in the Committee	Designation
Rajat Moona	Chairperson	Public Interest Director
Vijay Chandok	Member	Managing Director and Chief Executive Officer
Sripriya Kumar	Member	Public Interest Director
Sanjay Panicker	Member	Non-Independent Director

The scope and function of the CSR Committee is in accordance with Section 135 of the Companies Act, 2013 and its terms of reference are as follows:

A. **The Roles and Responsibility of the Corporate Social Responsibility Committee (“CSR”):**

1. Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of Companies Act, 2013;
2. Review and recommend the amount of expenditure to be incurred on the activities referred to in clause (1) above, from time to time;
3. Monitor the Corporate Social Responsibility Policy of the Company from time to time and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programmes;
4. Formulate and recommend to the Board, an annual action plan in pursuance of its CSR policy, which shall include the following, namely:
 - (a) List of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Companies Act, 2013;
 - (b) The manner of execution of such projects or programmes as specified in sub-rule (1) of Rule 4 of the Companies (Corporate Social Responsibility Policy) Rules, 2014;
 - (c) The modalities of utilization of funds and implementation schedules for the projects or programmes;
 - (d) Monitoring and reporting mechanism for the projects or programmes;

(e) Details of need and impact assessment, if any, for the projects undertaken by the Company;

Provided that Board may alter such plan at any time during the financial year, as per the recommendation of its CSR Committee, based on the reasonable justification to that effect.

5. The CSR Committee/Board shall ensure that the administrative overheads shall not exceed five percent of total CSR expenditure of the Company for the financial year;
6. Monitor and ensure that any surplus arising out of the CSR projects or programs or activities shall not form part of the business profit of a Company and shall be ploughed back into the same project or shall be transferred to the unspent CSR account and spent in pursuance of CSR policy and annual action plan of the company or transfer such surplus amount to a fund specified in Schedule VII of the Companies Act, 2013, within a period of six months of the expiry of the financial year; and
7. Any other matter as the CSR Committee may deem appropriate after approval of the Board or as may be directed by the Board from time to time and/or as may be required under applicable law, as and when amended from time to time.

4. Stakeholders Relationship Committee (“SR Committee”)

The SR Committee was originally constituted as the Shareholders’ Grievance Committee pursuant to a resolution of our Board dated November 15, 2012. The name of Shareholders’ Grievance Committee was changed to Stakeholders Relationship Committee pursuant to a resolution of our Board dated September 16, 2016 and was last reconstituted by a resolution of our Board dated December 5, 2024. The current constitution of the SR Committee is as follows:

Name of Director	Position in the Committee	Designation
Madhu Sudan Sahoo	Chairperson	Public Interest Director
Vijay Chandok	Member	Managing Director and Chief Executive Officer
Sriram Krishnan	Member	Non-Independent Director
Sripriya Kumar	Member	Public Interest Director

The scope and function of the SR Committee is in accordance with the Section 178(6) of the Companies Act, 2013 and Regulation 20 of the SEBI Listing Regulations and its terms of reference are as follows:

A. The Roles and Responsibility of the Stakeholders Relationship Committee (“SRC”):

1. Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.;
2. Review of measures taken for effective exercise of voting rights by shareholders;
3. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the registrar & share transfer agent;
4. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company; and
5. To take necessary action on the matters delegated by the Board from time to time.

5. Risk Management Committee (“RM Committee”)

The RM Committee was constituted by a resolution of our Board dated February 14, 2019 and last reconstituted by a circular resolution of our Board dated March 27, 2025. The current constitution of the RM Committee is as follows:

Name of Director	Position in the Committee	Designation
Parveen Kumar Gupta	Chairperson	Public Interest Director
Vijay Chandok	Member	Managing Director and Chief Executive Officer
Rajat Moona	Member	Public Interest Director
B. Rajendran	Member	Independent external persons
Sanjay Panicker	Member	Non-Independent Director
Sripriya Kumar	Member	Public Interest Director

The scope and function of the RM Committee is in accordance with the SEBI D&P Regulations, Regulation 21 of the SEBI Listing Regulations and the applicable provisions of the Companies Act, 2013, and its terms of reference are as follows:

A. The Roles and Responsibility of the Risk Management Committee (“RMC”):

1. To formulate a detailed risk management policy, approved by the governing board which shall include:
 - (a) A framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
 - (b) Measures for risk mitigation including systems and processes for internal control of identified risks.
 - (c) Business continuity plan.
2. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
3. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
4. To review and update the risk management framework & risk mitigation measures from time to time;
5. To monitor and review enterprise wide risk management plan and lay down procedures to inform Board members about the risk assessment and minimisation procedures.
6. To meet periodically in order to continuously identify, evaluate and assess applicable risks in depository system through various sources such as investor complaints, inspections, system audit etc.;
7. To suggest measures to mitigate risk wherever applicable;
8. To monitor and assess the adequacy and effectiveness of the risk management framework and the system of internal control;
9. To periodically review the risk management policy including by considering the changing industry dynamics and evolving complexity;
10. To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
11. The appointment, removal and terms of remuneration of the Chief Risk Officer shall be subject to review by the Risk Management Committee;
12. The head of the risk management department shall report to the RMC and to the managing director of the Company;
13. The RMC shall monitor implementation of the risk management policy and keep the Board and the governing board informed about its implementation and deviation, if any;
14. Seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary;

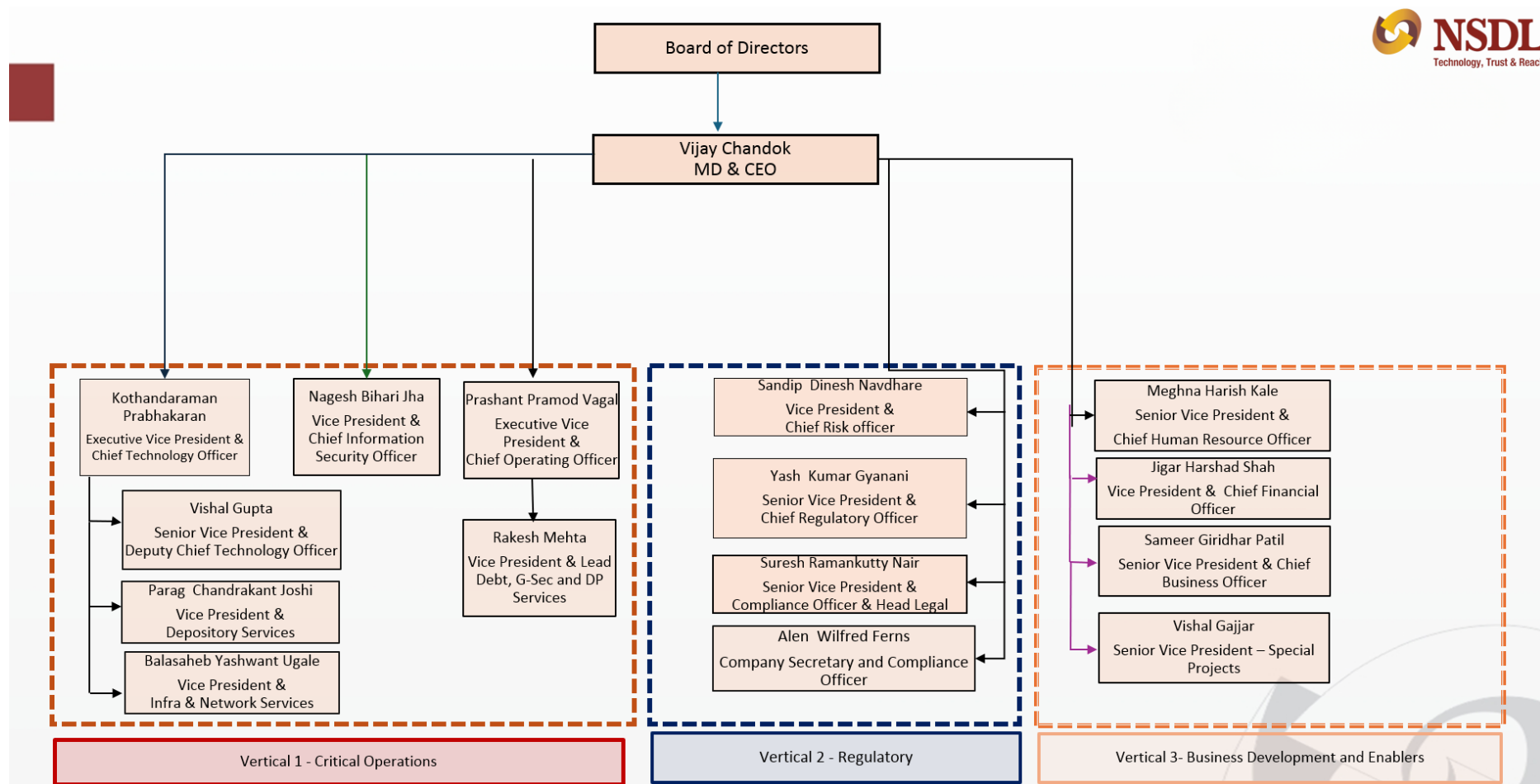
15. The RMC shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the Board of Directors; and
16. Such other functions and activities as may be delegated by the Board and/or prescribed under the SEBI Listing Regulations, and responsibilities and other requirements provided in SEBI circular January 12, 2015 or such other circulars/notification/other communications issued by SEBI, or other applicable law from time to time in this regard.

Other Committees of our Board as per SEBI D&P Regulations

In addition to the above committees, our Company has also constituted the following statutory committees in accordance with the SEBI D&P Regulations:

1. *Member Committee;*
2. *Regulatory Oversight Committee;*
3. *Standing Committee on Technology; and*
4. *Investment Committee.*

Management organization chart



Key Management Personnel and Senior Management

Key Management Personnel

In addition to Vijay Chandok, our Managing Director and Chief Executive Officer, whose details are provided in “– *Brief profiles of our Directors*” on page 264 of this Red Herring Prospectus, the details of our other Key Management Personnel, identified in accordance with the Companies Act, SEBI ICDR Regulations and SEBI D&P Regulations, as on the date of this Red Herring Prospectus are set forth below:

Alen Wilfred Ferns is the Company Secretary of our Company. He is also the Compliance Officer as per the SEBI LODR Regulations of our Company. He has been associated with our Company since April 5, 2024 and has been appointed to hold such position for a period of three years. He is responsible for secretarial and compliance functions under the Companies Act and the SEBI LODR Regulations. He is an associate member of the Institute of Company Secretaries of India. He holds a bachelor's degree in commerce from the University of Mumbai and a master's degree in business administration from the ICFAI University, Dehradun. He has more than 21 years of experience in handling corporate secretarial work. Prior to joining our Company, he was associated with Multi Commodity Exchange of India Limited, CG Power and Industrial Solutions Limited, GOL Offshore Limited, HLV Limited and JSW Steel Limited. In Fiscal 2025, he received remuneration of ₹ 3.91 million from our Company.

Jigar Harshad Shah is the vice president - Chief Financial Officer of our Company. He has been associated with our Company since March 3, 2025 and is responsible for managing all the financial information of our Company, including supervising finance teams, undertaking financial planning and analysis, taxation, budgeting, cost control, investor relations, investment decision-making, procurement, overseeing vendor payments and purchases and plays a role in the formulation and execution of our Company's financial goals and strategies. He holds a bachelor's degree in commerce (specialization in accounting and auditing) from the University of Mumbai. He is a member of The Institute of Chartered Accountants of India. He has also completed the chief financial officer programme from Indian Institute of Management, Calcutta. He has over 17 years of experience including articleships with BSR & Co. and Atul C. Shah and Associates, in the field of treasury, finance and banking. Prior to joining our Company, he was associated with S.V. Ghatalia & Associates LLP, Yes Bank Limited, Standard Chartered Bank, IDFC First Bank Limited and NSDL Payments Bank Limited. In Fiscal 2025, he received remuneration of ₹ 0.52 million from our Company.

Prashant Pramod Vagal is the executive vice president – chief operating officer of our Company. He has been associated with our Company since January 1, 1997. He is responsible for ensuring operation activities in respect to issuer services, identification of digitization and automation initiatives on a continuous basis, establishing customer service processes, settlement activities, monitoring of foreign investment limits, facilitating interactions with IT for timely requirements and testing. He holds a bachelor's degree in engineering (mechanical branch) from V. J. Technical Institute, University of Bombay and a master's degree in management studies from Sydenham Institute of Management Studies and Research and Entrepreneurship Education, University of Mumbai. He has over 30 years of experience in business development and operations. Prior to joining our Company, he was associated with Special Steels Limited and CIFCO Finance Limited. In Fiscal 2025, he received remuneration of ₹ 14.23 million from our Company.

Sameer Giridhar Patil is the senior vice president – chief business officer of our Company. He has been associated with our Company since May 23, 2025. He is responsible for developing and executing strategic business growth plan and to lead cross-functional initiatives in sales, product, marketing, brand building, and team building. He holds a bachelor's degree in science (zoology) from Maharishi Dayanand College of Arts, Science and Commerce, the University of Bombay, a diploma in marketing management from Prin. L. N. Welingkar Institute of Management Development & Research, Mumbai and a master's degree in business administration from Calorx Teachers' University, Gujarat. He has over 20 years of experience in business strategy and business expansion. Prior to joining our Company, he was associated with BSE Limited and Multi Commodity Exchange of India Limited. Since he was appointed in Fiscal 2026, he did not receive any remuneration in Fiscal 2025.

Rakesh Mehta is the vice president – lead debt, government securities and depository participant services of our Company. He has been associated with our Company since September 3, 2001. He is responsible for implementing effective processes and standards, managing customer service, ensuring compliance with regulations, and providing reports on operational progress. He holds a bachelor's degree in engineering (industrial branch) from Vishwakarma Institute of Technology, University of Pune and a master's degree in business administration (specialising in financial management) from University of Pune. He has over 24 years of experience in business

operations. Prior to joining our Company, he was associated with Stock Holding Corporation of India Limited, Jayaswals Neco Limited as a sales executive and has also been associated with New Allenberry Works (Deepak Industries Limited). In Fiscal 2025, he received remuneration of ₹ 6.06 million from our Company.

Vishal Gajjar is the senior vice president – special projects of our Company. He has been associated with our Company since August 6, 2007. He is responsible for handling various automation/regulatory projects to efficiently meet business, compliance, risk and regulatory expectations. He holds a bachelor's degree and a master's in commerce from Devi Ahilya Vishwavidyalaya, Indore. He has cleared the examination for a master's degree in business administration from Prestige Institute of Management and Research, Devi Ahilya University, Indore. He has over 19 years of experience in roles pertaining to inspection and surveillance. Prior to joining our Company, he was associated with Exclusive Broking House Limited as an officer in-charge in their demat section. In Fiscal 2025, he received remuneration of ₹ 6.97 million from our Company.

Parag Chandrakant Joshi is the vice president – depository services of our Company. He has been associated with our Company since April 2, 2007. He is responsible for development and implementation of new functionalities for core depository, cloud/local DPM and e-voting systems, support and implementation of peripheral systems, addressing issues related to application-level security, providing support for disaster recovery (DR), and business continuity management (BCM) activities and interfacing with regulators for incident management. He holds a bachelor's degree in engineering (electronics and telecommunication engineering branch) from University of Mumbai. He has over 18 years of experience in the field of software application development and maintenance. Prior to joining our Company, he has worked with Western College of Commerce and Business Management as a visiting faculty. In Fiscal 2025, he received remuneration of ₹ 6.03 million from our Company.

Vishal Gupta is the senior vice president - deputy chief technology officer of our Company. Currently he heads the "Digital Initiatives Office" and is responsible for driving strategic initiatives focused on business transformation and technology modernization. He has been associated with our Company since November 9, 2018. He is responsible for development, implementation, enhancement and support of digital products and services, website presence, project management, delivering high class and cost-effective digital channel technology platform with high class digital customer experience for end investors of our Company, IT strategy for digital portfolio, evaluation of third-party products platform engineering solutions, explore new technologies for modernization of Company's tech portfolio, adoption of cloud technologies as well as institutionalization of IT service management practice across the Company. He holds a bachelor's degree in technology (mechanical engineering) from Regional Engineering College, Kurukshetra University. He has over 25 years of experience in information technology and computer consultancy. Prior to joining our Company, he was associated with Tata Consultancy Services Limited as a consultant. In Fiscal 2025, he received remuneration of ₹ 8.00 million from our Company.

Balasaheb Yashwant Ugale is the vice president – infra and network services of our Company. He has been associated with our Company since April 3, 2023. He is responsible for overseeing the implementation and maintenance of technology infrastructures, data centres, and helpdesk operations, ensuring smooth functioning, timely issue resolution, and compliance with business continuity and vendor management. He holds a bachelor's degree in science from University of Poona and a master's degree in computer management from University of Poona. He has also been recognised as a Microsoft certified professional systems engineer. He has over 30 years of experience in the field of information technology, application software and system management. Prior to joining our Company, he was associated with DCB Bank Limited as a vice president in IT – infrastructure and has also been associated with Capri Global Capital Limited, Reliance Securities Limited, UTI Securities Limited, Network Digatech, Silverttech Computer Education and Padmashree Electronics. In Fiscal 2025, he received remuneration of ₹ 6.03 million from our Company.

Sandip Dinesh Navdhare is the vice president – chief risk officer of our Company. He has been associated with our Company since June 26, 2023 and has been appointed to hold such position for a period of three years. He is responsible for the development of risk management policies, conducts risk assessments for new initiatives, and formulates strategic action plans to minimize and manage primary risks. He also evaluates operational risks, enhances risk management readiness, and identifies threats to operational efficiency and financial stability. He has passed the examination for the bachelor's degree in commerce (banking and insurance) from University of Mumbai and has been awarded the executive post graduate program in business management from SIES College of Management Studies. He has also been granted the designation of financial risk manager by global association of risk professionals. He has over 17 years of experience in the field of risk management and compliance. Prior to joining our Company, he was associated with Bajaj Finserv Asset Management Limited as a national manager

– risk and has also been associated with Mahindra Manulife Investment Management Private Limited, Indiabulls Asset Management Company Limited, HDFC Standard Life Insurance Company Limited, Edelweiss Asset Management Limited, HSBC Asset Management (India) Private Limited and HSBC Electronics Data Processing India Private Limited. In Fiscal 2025, he received remuneration of ₹ 5.77 million from our Company.

Kothandaraman Prabhakaran is the executive vice president - chief technology officer of our Company. He has been associated with our Company since June 5, 2024 and is responsible for formulating and implementing the IT Strategy and leading all aspects of our Company's technology development, ensuring new solutions in application development and infrastructure, consolidation of technology platforms, review, modernize and create technology solutions for various products of the Company, oversee all system design and changes in system architecture and working with all stakeholders, regulators, business partners and system integration partners to deliver technology solutions. He holds a diploma in telecommunication (S&TV) from Department of Technical Education, Government of Karnataka and a bachelor's degree in engineering (computer science) from the Bangalore University. He has over 19 years of experience in the field of technology. Prior to joining our Company, he was associated with Adecco India Private Limited and Cisco Systems (India) Private Limited. In Fiscal 2025, he received remuneration of ₹ 13.06 million from our Company.

Meghna Harish Kale is the senior vice president - chief human resources officer of our Company. She has been associated with our Company since July 19, 2024 and is responsible for developing and implementing human resource strategies and initiatives aligned with the business strategy, performance management process, crafting talent acquisition strategies, managing admin budget and ensure cost-effectiveness and establish policies and procedures for administrative functions in accordance with objectives in our Company. She holds a diploma in business management from K.J. Somaiya Institute of Management Studies & Research and a diploma in personal management from Tata Institute of Social Sciences. She has also cleared the examinations of master's degree in commerce from the University of Mumbai. She has over 24 years of experience in the field of human resource management. Prior to joining our Company, she was associated with Axis Asset Management Company Limited, ICICI Bank Limited, Axis Bank Limited and Kotak Mahindra Bank Limited. In Fiscal 2025, she received remuneration of ₹ 4.85 million from our Company.

Nagesh Bihari Jha is the vice president – chief information and security officer of our Company. He has been associated with our Company since September 20, 2023 and is responsible for developing and implementing security architecture, maintaining and staying updated with the threat landscape, establishment of cyber security program and business continuity programme, vulnerability assessment & penetration testing of all websites, portals and IT systems and establishing and reviewing the risk assessment methodology in our Company. He holds a bachelor's degree and a master's degree in computer applications from Indira Gandhi National Open University. He has also a certified information systems security professional from the International Information System Security Certification Consortium, and a certified information security manager, information systems auditor and governance of enterprise IT from ISACA. He has also completed the Certified Associate of the Indian Institute of Bankers (CAIIB) risk management examination from the Indian Institute of Banking & Finance. He has over 20 years of experience in the field of cyber security. Prior to joining our Company, he was associated with Bank of Baroda and Daemons Software Services. In Fiscal 2025, he received remuneration of ₹ 8.27 million from our Company.

Yash Kumar Gyanani is the senior vice president - chief regulatory officer of our Company, appointed to hold such position for a period of three years. He has been associated with our Company since February 9, 2024 and is responsible for overseeing surveillance, investigation, and participant registration processes, while managing issuer or securities admission. He also ensures enforcement, grievance redressal and investor protection in our Company. He holds a bachelor's degree in commerce (honours) from the University of Delhi and master's in business administration (computer aided management) from the Guru Gobind Singh Indraprastha University. He has also cleared the examinations for bachelor's degree in law from the University of Delhi. He has over 23 years of experience in the field of regulatory and compliance. Prior to joining our Company, he was associated with the Citicorp Services India Private Limited, Hong Kong Shanghai Banking Corporation Limited, India, J.P. Morgan Asset Management India Private Limited, National Commodity and Derivatives Exchange Limited, Reliance Capital Asset Management Limited, the SEBI and Uttam Financial Services Limited. In Fiscal 2025, he received remuneration of ₹ 8.47 million from our Company.

Suresh Ramankutty Nair is the senior vice president - compliance officer and head legal of our Company. He has been associated with our Company since July 1, 2025 has been appointed to hold such position for a period of three years. He is responsible for providing comprehensive legal support across business, operations, and product development, including drafting, compliance, litigation management, and regulatory coordination. He

holds a bachelor's and a master's degree in commerce from University of Bombay and he also holds a bachelor's and a master's degree in law from the University of Mumbai. He has over 24 years of experience in the field of legal and compliance. Prior to joining our Company, he was associated with National Commodity Clearing Limited, National Commodity and Derivatives Exchange Limited, National Stock Exchange of India Limited and Mumbai Debts Recovery Tribunal No.2. Since he was appointed in Fiscal 2026, he did not receive any remuneration in Fiscal 2025.

**Suresh Ramankutty Nair has been appointed as the compliance officer with effect from July 1, 2025, pursuant to the requirement under Regulation 81 of the SEBI D&P Regulations.*

Senior Management

All the “Key Management Personnel” on page 278 of this Red Herring Prospectus, are also the members of the Senior Management in our Company.

Status of Key Management Personnel and Senior Management

All the Key Management Personnel and the members of the Senior Management are permanent employees of our Company.

Retirement and termination benefits

Except gratuity, superannuation benefits and other applicable statutory benefits upon termination of their employment in our Company, none of our Key Management Personnel or Senior Management would receive any benefits on their retirement or on termination of their employment with our Company.

Relationship among Key Management Personnel and Senior Management

None of our Key Management Personnel and Senior Management are related to any of our Directors or other Key Management Personnel or Senior Management.

Arrangements and understanding with major Shareholders, customers, suppliers or others

None of our Key Management Personnel and Senior Management have been selected pursuant to any arrangement or understanding with any major Shareholders, customers or suppliers of our Company, or others.

Shareholding of the Key Management Personnel and Senior Management

None of our Key Management Personnel and Senior Management hold any Equity Shares as on the date of this Red Herring Prospectus.

Service contracts with Key Management Personnel and Senior Management

Other than statutory benefits payable to our Key Managerial Personnel and Senior Management, our Company has not entered into any service contracts with any of our Key Managerial Personnel and Senior Management, which provide for benefits upon termination of employment.

Contingent and deferred compensation payable to our Key Management Personnel and Senior Management

Fifty percent of the total variable component forming part of the remuneration payable to our Key Managerial Personnel, is paid to them on a deferred basis after a minimum period of three years, in accordance with Regulation 28 of the SEBI D&P Regulations.

Except as disclosed above, there is no contingent or deferred compensation payable to our Key Management Personnel and Senior Management.

Bonus or profit-sharing plan of the Key Management Personnel and Senior Management

There is no bonus or profit-sharing plan for our Key Management Personnel and Senior Management, however, our Key Management Personnel and Senior Management are entitled to receive performance linked bonus in accordance with their terms of appointment.

Interest of Key Management Personnel and Senior Management

For details of the interest of our Executive Director in our Company, see “– *Interest of Directors*” on page 268 of this Red Herring Prospectus.

Our Key Management Personnel and Senior Management are interested in our Company only to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of their service.

Changes in the Key Management Personnel and Senior Management in last three years

The changes in the Key Management Personnel and Senior Management in the last three years are provided in the table below. For additional details of the changes in our Managing Director and Chief Executive Officer, see “– *Changes to our Board in the last three years*” on page 268 of this Red Herring Prospectus.

Name	Designation	Date of change	Reason for change
Suresh Ramankutty Nair	Senior vice president - compliance officer and head legal	July 1, 2025	Appointment
Yash Kumar Gyanani	Compliance officer	June 30, 2025	Ceased to be the compliance officer pursuant to appointment of Suresh Ramankutty Nair
Sameer Giridhar Patil	Senior vice president – chief business officer	May 23, 2025	Appointment
Gopalan Srinivasa Raghavan	Executive director*	May 31, 2025	Retirement
Rahul Pratap Singh	Vice president – head – business development and products	April 7, 2025	Resignation
Jigar Harshad Shah	Chief Financial Officer	March 3, 2025	Appointment
Vaishali Vaidya	Interim chief financial officer	March 2, 2025	Ceased to be the interim chief financial officer pursuant to appointment of Jigar Harshad Shah
Yash Kumar Gyanani	Chief regulatory officer and Compliance officer	December 18, 2024	Additionally appointed as the Compliance officer
Malav Rajesh Shah	Vice president – head – legal and compliance officer	December 17, 2024	Resignation
Pradip Sanjay Bhattacharya	Vice president – head – software development and maintenance	December 1, 2024	Resignation
Gopalan Srinivasa Raghavan	Interim managing director	November 27, 2024	Ceased to be the interim managing director pursuant to appointment of Vijay Chandok
Gopalan Srinivasa Raghavan	Interim managing director	September 15, 2024	Additionally appointed as interim managing director
Vishal Gupta	Deputy chief technology officer	August 27, 2024	Redesignation
Meghna Harish Kale	Chief human resources officer	July 19, 2024	Appointment
Pramit Sen	Chief human resources officer	July 18, 2024	Resignation
Vaishali Vaidya	Interim chief financial officer	July 18, 2024	Appointment
Pratik Dilip Punjabi	Chief financial officer	July 18, 2024	Termination
Kothandaraman Prabhakaran	Chief technology officer	June 5, 2024	Appointment
Vishal Gupta	Interim chief technology officer	June 4, 2024	Ceased to be the interim chief technology officer pursuant to appointment of

Name	Designation	Date of change	Reason for change
			Kothandaraman Prabhakaran
Prashant Pramod Vagal	Chief operating officer	May 8, 2024	Redesignation
Rahul Pratap Singh	Interim in-charge of overall BDP-1	May 8, 2024	Additionally appointed as interim in-charge of overall BDP-1
Amit Jindal	Senior vice president – chief operating officer	May 7, 2024	Resignation
Vishal Gupta	Interim chief technology officer	April 24, 2024	Additionally appointed as interim chief technology officer
Sunil Gianchand Batra	Executive vice president – chief technology officer	April 23, 2024	Resignation
Chandresh Mahendra Shah	Chief financial officer	April 17, 2024	Resignation
Pratik Dilip Punjabi	Chief financial officer	April 8, 2024	Appointment
Alen Wilfred Ferns	Company Secretary and Compliance Officer	April 5, 2024	Appointment
Malav Rajesh Shah	Interim company secretary	April 4, 2024	Ceased to be the interim company secretary pursuant to appointment of Alen Wilfred Ferns
Manoj Kumar Sarangi	Senior vice president – chief information and security officer	April 3, 2024	Resignation
Nagesh Bihari Jha	Chief information security officer	April 1, 2024	Appointment
Vishal Gajjar	Senior vice president – special projects	March 16, 2024	Additionally appointed as senior vice president – special projects
Yash Kumar Gyanani	Chief regulatory officer	February 9, 2024	Appointment
Vishal Gajjar	Chief regulatory officer – senior vice president	February 9, 2024	Ceased to be the chief regulatory officer – senior vice president pursuant to appointment of Yash Kumar Gyanani
Malav Rajesh Shah	Interim company secretary	February 6, 2024	Additionally appointed as interim company secretary
Nikhil Arya	Company secretary and compliance officer	February 5, 2024	Resignation
Samar Pawnkumar Banwat	Executive director - business	February 2, 2024	Resignation
Prashant Pramod Vagal	Chief business officer	November 15, 2023	Additionally appointed as chief business officer
Vishal Gajjar	Chief regulatory officer – senior vice president	September 1, 2023	Additionally appointed as chief regulatory officer – senior vice president
Sandip Dinesh Navdhare	Vice president – head of risk	June 26, 2023	Appointment
Balasaheb Yashwant Ugale	Vice president – infra & network services	April 3, 2023	Appointment
Gopalan Srinivasa Raghavan	Executive director*	January 30, 2023	Appointment

*Gopalan Srinivasa Raghavan was not a Director on our Board.

Payment or benefit to officers of our Company (non-salary related)

No amount or benefit has been paid or given to any officer of our Company including Key Management Personnel or Senior Management within the two years preceding the date of filing of this Red Herring Prospectus or is intended to be paid or given, other than in the ordinary course of their employment for their services rendered in our Company.

Employee stock options

As on the date of this Red Herring Prospectus, our Company does not have any employee stock option scheme.

OUR PRINCIPAL SHAREHOLDERS

Our Company is a professionally managed company and does not have any identifiable promoter in terms of SEBI ICDR Regulations and the Companies Act 2013. Consequently, there are no members forming part of the 'promoter group' in terms of the SEBI ICDR Regulations.

Our Board, pursuant to the resolution dated June 18, 2020, which was approved by the Shareholders at their annual general meeting dated September 29, 2020, approved the re-classification of certain Shareholders of our Company, namely, IDBI Bank Limited, National Stock Exchange of India Limited and Administrator of the Specified Undertaking of the Unit trust of India from the 'Promoter' category into 'Public' category in accordance with the notification of the SEBI D&P Regulations, on account of deletion of the concept of 'Sponsor' under the SEBI D&P Regulations.

Principal Shareholders

1. *Shareholders who control 15% or more of the voting rights in our Company*

Except for IDBI Bank Limited and National Stock Exchange of India Limited, who hold 26.10% and 24.00%, respectively of the issued and paid-up Equity Share capital of our Company, respectively, as on the date of this Red Herring Prospectus, no Shareholder, individually or as a group, controls 15% or more of the voting rights in our Company. See "*Capital Structure – Notes to Capital Structure – Other details of Shareholding of our Company*" on page 134. Additionally, in accordance with Regulation 21 of the SEBI D&P Regulations, no Shareholder of our Company will hold more than 15% of the post-Offer Equity Share capital of our Company post completion of the Offer.

2. *Persons who have the right to appoint director(s) on our Board*

In accordance with the provisions of the SEBI D&P Regulations, a Non-Independent Director may be elected or nominated by the Shareholders, see "*Our Management*" on page 262.

DIVIDEND POLICY

The declaration and payment of dividend on our Equity Shares, if any, will be recommended by the Board and approved by our Shareholders, at their discretion and subject to the provisions of the Articles of Association and applicable law, including the Companies Act and the dividend policy of our Company, which may be reviewed and amended periodically by the Board. The dividend policy of our Company was approved and adopted by way of a resolution dated January 31, 2023, passed by the Board of Directors and was last amended on January 31, 2025.

The Board shall, *inter alia*, consider certain financial, internal and external parameters before declaring dividend including fund requirements to finance the working capital needs of the business, fund requirements to meet expense to upgrade and maintain the infrastructure of the Company and profit earned during any of the previous financial year(s). Our Company may also, from time to time, pay interim dividends. The objective of the dividend policy is to lay down the parameters to be considered by the Board before declaring or recommending dividend to the Shareholders for a financial year.

Except as disclosed below, our Company has not paid any dividends on the Equity Shares during the last three Fiscals and until the date of this Red Herring Prospectus:

Particulars	From April 1, 2025 till the date of this Red Herring Prospectus	Fiscal 2025 ⁽³⁾	Fiscal 2024	Fiscal 2023
Number of Equity Shares at year/period ended	200,000,000	200,000,000	200,000,000	200,000,000 ⁽¹⁾
Face value per Equity Share (in ₹)	2	2	2	2
Final Dividend paid for the FY (in ₹ million) ⁽²⁾	-	₹ ⁽³⁾	200.00	200.00
Dividend per Equity Share (in ₹)	-	-	1.00	1.00
Rate of dividend (%)	-	-	50.00%	50.00%
Dividend distribution tax (in ₹ million)	-	-	Nil	Nil
Dividend distribution tax (%)	-	-	-	-
Mode of payment of dividend	-	-	Bank transfer ⁽²⁾⁽⁴⁾	Bank transfer ⁽²⁾

Notes:

⁽¹⁾ Pursuant to resolutions passed in extra-ordinary general meeting held on March 10, 2023, the Shareholders have approved sub-division of each equity share of face value of ₹ 10/- each into five Equity Shares of face value of ₹ 2 each.

⁽²⁾ Final dividend for a particular financial year has been paid in the subsequent financial year post approval by the Shareholders in the annual general meeting of our Company.

⁽³⁾ For Fiscal 2025, final dividend of ₹ 2 per Equity Share of face value of ₹ 2 each aggregating to ₹ 400.00 million has been recommended by our Board of Directors on 23rd May 2025 and is subject to the approval by the Shareholders at the annual general meeting of our Company.

⁽⁴⁾ The SEBI vide its letter dated October 6, 2023, directed our Company to freeze the voting rights and all corporate actions in respect of excess shareholding above 15% held by National Stock Exchange of India Limited and IDBI Bank Limited post October 3, 2023, until such excess shareholding is divested. Pursuant to the said letter, the dividend attributable to these two Shareholders in excess of their 15% holding has not been disbursed after October 3, 2023, and the said amount has been deposited in separate escrow account and will remain deposited until the excess shareholding is divested by the respective Shareholders.

The amount of dividend paid in the past is not necessarily indicative of the dividend policy of our Company or dividend amounts, if any, in the future. There is no guarantee that any dividends will be declared or paid or the dividend amount thereof will be increased in the future. For details, see “Risk Factors – We cannot assure payment of dividends on the Equity Shares in the future and our ability to pay dividends in the future will depend upon future earnings, financial condition, cash flows, working capital requirements, capital expenditures and restrictive covenants of our financing arrangements.” on page 107.

SECTION VI – FINANCIAL INFORMATION
RESTATED CONSOLIDATED FINANCIAL INFORMATION

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INDEPENDENT AUDITOR'S EXAMINATION REPORT ON RESTATED CONSOLIDATED FINANCIAL INFORMATION

To,

The Board of Directors

National Securities Depository Limited

Corporate Office Nos 301,401,501,601 & 701

Naman Chambers, Floor No. 3,4,5,6 & 7

G Block, Bandra Kurla Complex

Bandra (East)

Mumbai 400 051

Maharashtra, India

Dear Sirs/Madam,

1. We have examined the attached Restated Consolidated Financial Information of National Securities Depository Limited (the “Company” or the “Issuer”), its subsidiaries (the Company and its subsidiaries together referred to as the “Group”), and its associate company, comprising the Restated Consolidated Statement of Assets and Liabilities as at March 31, 2025, March 31, 2024 and March 31, 2023, the Restated Consolidated Statement of Profit and Loss (including other comprehensive income), the Restated Consolidated Statement of Changes in Equity, the Restated Consolidated Cash Flow Statement for the financial years ended March 31, 2025, March 31, 2024 and March 31, 2023, the summary statement of material/significant accounting policies, and other explanatory information including the notes to the Restated Consolidated Financial Information (collectively, the “Restated Consolidated Financial Information”), as approved by the board of directors of the Company (“**Board of Directors**”) at their meeting held on May 23, 2025 for the purpose of inclusion in filing of Updated Draft Red Herring Prospectus/Red Herring Prospectus/Prospectus (“UDRHP/RHP/Prospectus”) (collectively, the “Offer Documents”) with the Securities and Exchange Board of India (the “SEBI”) and BSE Limited (the “Stock Exchange”), in connection with its proposed Initial Public Offer of equity shares (“**IPO**”) prepared in terms of the requirements of:
 - a) Section 26 of Part I of Chapter III of the Companies Act, 2013 (the “**Act**”);
 - b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“**ICDR Regulations**”); and
 - c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (“**ICAI**”), as amended from time to time (the “Guidance

Note”).

2. The Board of Directors is responsible for the preparation of the Restated Consolidated Financial Information for the purpose of inclusion in offer documents to be filed with SEBI and Stock Exchange in connection with the IPO. The Restated Consolidated Financial Information have been prepared by the management of the Company in accordance with the basis of preparation stated in note 2.1 to the Restated Consolidated Financial Information. The responsibility of the respective board of directors’ of the companies in the Group and the associate company includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Consolidated Financial Information. The respective board of directors are also responsible for identifying and ensuring that the Group and the associate company comply with the Act, ICDR Regulations and the Guidance Note.
3. We have examined such Restated Consolidated Financial Information taking into consideration:
 - a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated April 29, 2025, in connection with the proposed IPO of equity shares of the Issuer;
 - b) The Guidance Note, which also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
 - c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Consolidated Financial Information; and
 - d) The requirements of Section 26 of the Act and the ICDR Regulations.

Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.

4. These Restated Consolidated Financial Information have been compiled by the management from the:
 - a) Audited Consolidated Ind AS financial statements of the Group and the associate company as at and for the financial years ended March 31, 2025, March 31, 2024 and March 31, 2023 prepared in accordance with the Indian Accounting Standards (referred to as “Ind AS”) as prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India (“Consolidated Financial

Statements”), which have been approved by the Board of Directors at their meeting held on May 17, 2025, May 14, 2024 and May 23, 2023 respectively.

5. For the purpose of our examination, we have relied on:
 - a) Auditors’ reports issued by us dated May 17, 2025, May 14, 2024 and May 23, 2023 on Consolidated Financial Statements of the Group and the Associate Company as at March 31, 2025, March 31, 2024 and March 31, 2023 respectively as referred in Paragraph 4 above.
6. The audit reports on Consolidated Financial Statements issued by us were not modified.
7. As indicated in our audit report for the Consolidated Financial Statements referred above:
 - a) We did not audit the financial statements of the subsidiaries whose total assets, total revenues, net cash inflows / (outflows) included in the Restated Consolidated Financial Information, for the relevant years is tabulated below, which have been audited by other auditors, Khandelwal Jain & Co. and K. Gopal Rao & Co for the financial year ended March 31, 2025, and Khandelwal Jain & Co. and V. Sankar Aiyar & Co for the financial years ended on March 31, 2024 and March 31, 2023 (“Other Auditors”), and whose reports have been furnished to us by the Company’s management and our opinion on the Restated Consolidated Financial Information, in so far as it relates to the amounts and disclosures included in respect of these components, is based solely on the reports of the Other Auditors:

Particulars	As at/ for the year ended March 31, 2025 (₹ in Million)	As at/ for the year ended March 31, 2024 (₹ in Million)	As at/ for the year ended March 31, 2023 (₹ in Million)
Total assets	8,644.25	6,586.79	7,055.21
Total revenue	8,027.87	7,961.93	6,291.02
Net cash inflows/ (outflows)	132.24	(784.64)	488.59

- b) We did not audit the financial statements of one associate company. The proportionate share of the company in Profit/(loss) of the said associate company included in the Restated Consolidated Financial Information, for the relevant years is tabulated below. The financial statements of this associate company have been reviewed and audited by other auditors, Vidya & Co. (“Other Auditors”) for the year ended on March 31, 2025, March 31, 2024 and March 31, 2023 respectively, and whose reports have been furnished to us by the Company’s management and our opinion on the Restated Consolidated Financial Information, in so far as it relates to the amounts and disclosures included in respect of this associate company, is based solely on the reports of the Other Auditors:

Particulars	For the year ended March 31, 2025 (₹ in Million)	For the year ended March 31, 2024 (₹ in Million)	For the year ended March 31, 2023 (₹ in Million)
Share of profit/(loss) in its associate	24.04	13.63	(48.37)
share in Other Comprehensive Income	10.48	3.48	17.44

The Other Auditors of the subsidiaries and associate company, as mentioned above, have examined the Restated Consolidated Financial Information and have confirmed that the Restated Consolidated Financial Information:

- a) have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial years ended March 31, 2025, March 31, 2024 and March 31, 2023 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the year ended March 31, 2025;
- b) do not require any adjustment for modification as there is no modification in the underlying audit report; and

- c) have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.

8. Based on our examination and according to the information and explanations given to us and also as per the reliance placed on the examination reports submitted by the Other Auditors of the subsidiaries and associate company for the respective years, we report that the Restated Consolidated Financial Information:

- a) have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial years ended on March 31, 2025, 2024 and 2023 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the year ended March 31, 2025;
- b) do not require any adjustment for modification as there is no modification in the underlying audit report; and

- c) have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.

9. The Restated Consolidated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the Audited Consolidated Financial Statements mentioned in paragraph 4 above (except for the effect of the sub-division of equity shares as

described in Note 30.1 of the Restated Consolidated Financial Information).

10. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us or the Other Auditors, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
11. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
12. Our report is intended solely for use of the Board of Directors for inclusion in the offer documents to be filed with SEBI and the Stock Exchange in connection with the proposed IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or whose hands it may come without our prior consent in writing.

For K C Mehta & Co LLP

Chartered Accountants

Firm's Registration No. 106237W/W100829

Vishal P. Doshi

Partner

Membership No. 101533

ICAI UDIN: 25101533BOEOCS9037

Place: Vadodara

Date: May 23, 2025

NATIONAL SECURITIES DEPOSITORY LIMITED
Restated Consolidated Statement of Assets and Liabilities

		(₹ in Million)		
Particulars	Notes	As at 31st March, 2025	As at 31st March, 2024	As at 31st March, 2023
ASSETS				
Non-Current Assets				
a) Property, plant and equipment	3	2,672.87	2,548.39	338.16
b) Capital work-in-progress	3(a)	148.20	4.10	2.44
c) Intangible assets	3	465.32	223.26	188.09
d) Intangible asset under development	3(a)	67.02	125.02	48.56
e) Right of use of assets	3	77.73	117.41	156.78
f) Financial assets				
i) Non-current investments	4	13,123.68	12,202.09	11,190.11
ii) Other financial assets	5	632.10	868.56	389.57
g) Deferred tax assets (net)	6(a)	40.69	91.67	83.00
h) Income tax assets (net)		96.52	73.52	71.09
i) Other non-current assets	7	21.54	17.52	112.04
Total Non-Current Assets		17,345.67	16,271.54	12,579.84
Current Assets				
a) Financial assets				
i) Current investments	8	6,832.23	2,732.87	3,327.08
ii) Trade receivables	9	1,298.60	831.39	856.28
iii) Cash and cash equivalents	10	1,451.59	1,060.12	1,906.94
iv) Bank balances other than (iii) above	11	2,290.69	1,344.61	1,962.91
v) Other financial assets	5	101.34	55.37	70.98
b) Other current assets	7	528.25	281.45	230.72
Total Current Assets		12,502.70	6,305.81	8,354.91
Total Assets		29,848.37	22,577.35	20,934.75
EQUITY AND LIABILITIES				
Equity				
a) Equity share capital	12	400.00	400.00	400.00
b) Other equity	13	19,653.41	16,440.97	13,888.61
Total Equity		20,053.41	16,840.97	14,288.61
Liabilities				
Non-Current Liabilities				
a) Financial liabilities				
i) Lease liability	27	53.55	100.89	135.32
ii) Other financial liabilities	14	54.88	51.46	48.53
b) Deferred tax liability (Net)	6(b)	-	0.74	0.12
c) Other non-current liabilities	15	53.18	60.66	58.37
d) Provisions	18	7.92	6.88	6.43
Total Non-Current Liabilities		169.53	220.63	248.77
Current Liabilities				
a) Financial liabilities				
i) Trade payables				
a) Total outstanding dues of micro enterprises and small enterprises	16	179.96	142.68	130.47
b) Total outstanding dues of creditors other than micro enterprises and small enterprises	16	712.20	553.68	481.38
ii) Lease liability	27	47.78	35.35	32.85
iii) Other financial liabilities	17	7,058.84	3,595.73	4,702.25
b) Provisions	18	343.62	304.54	280.39
c) Current tax liability (net)		152.63	96.75	81.06
d) Other current liabilities	19	1,130.40	787.02	688.97
Total Current Liabilities		9,625.43	5,515.75	6,397.37
Total Liabilities		9,794.96	5,736.38	6,646.14
Total Equity and Liabilities		29,848.37	22,577.35	20,934.75
See accompanying notes forming integral part of the Restated Consolidated Financial Information		1 to 51		
In terms of our report of even date attached For K C Mehta & Co LLP Chartered Accountants Firm Registration No. 106237W / W100829		For and on behalf of the Board of Directors of NATIONAL SECURITIES DEPOSITORY LIMITED		
Vishal P Doshi Partner Membership No. 101533		Vijay Chandok Managing Director & CEO DIN: 01545262		
		Parveen Kumar Gupta Chairman DIN: 02895343		
Place : Mumbai Date : 23rd May, 2025		Alen Ferns Company Secretary M. No. A30633		
		Jigar Shah Chief Financial Officer M. No. 143856		

NATIONAL SECURITIES DEPOSITORY LIMITED
Restated Consolidated Statement of Profit and Loss

(₹ in Million)

(₹ in Millions)				
Particulars	Notes	Year ended 31st March, 2025	Year ended 31st March, 2024	Year ended 31st March, 2023
INCOMES				
Revenue from operations	20	14,201.46	12,682.44	10,219.88
Other income	21	1,150.41	974.61	778.26
Total Income		15,351.87	13,657.05	10,998.14
EXPENSES				
Employee benefits expense	22	1,385.27	1,231.99	1,098.07
Depreciation and amortisation expense	3	354.03	241.23	216.89
Finance cost	27	40.97	20.60	18.73
Contribution to investor protection fund	31	154.21	114.83	98.86
Other expenses	23	8,906.92	8,485.27	6,466.80
Total Expenses		10,841.40	10,093.92	7,899.35
Profit before Share of Profit / (Loss) of investment accounted for using equity method and Tax		4,510.47	3,563.13	3,098.79
Share of Profit / (Loss) of Associate		23.96	(13.63)	(48.37)
Profit before Tax		4,534.43	3,549.50	3,050.42
Tax Expense				
Current tax		1,052.96	803.10	720.24
Deferred tax charge / (credit)	6	50.23	(8.05)	(17.92)
Total Tax Expenses		1,103.19	795.05	702.32
Profit after Tax		3,431.24	2,754.45	2,348.10
Other Comprehensive Income				
Items that will not be reclassified to profit or loss :				
i) Actuarial gain/(loss) on post retirement benefit plans		(41.39)	(12.86)	7.35
ii) Income tax relating to items that will not be reclassified to profit or loss		10.03	3.38	(1.77)
Items that will be reclassified to profit or loss :				
i) Share of Profit of Associate		10.48	3.48	17.44
Total Other Comprehensive Income		(20.87)	(6.01)	23.02
Total Comprehensive Income for the year		3,410.37	2,748.45	2,371.12
Basic and Diluted earnings per equity share of ₹2 each (₹)	30	17.16	13.77	11.74
See accompanying notes forming integral part of the Restated Consolidated Financial Information	1 to 51			
In terms of our report of even date attached				
For K C Mehta & Co LLP		For and on behalf of the Board of Directors of		
Chartered Accountants		NATIONAL SECURITIES DEPOSITORY LIMITED		
Firm Registration No. 106237W / W100829				
Vishal P Doshi		Vijay Chandok		Parveen Kumar Gupta
Partner		Managing Director & CEO		Chairman
Membership No. 101533		DIN: 01545262		DIN: 02895343
		Alen Ferns		Jigar Shah
		Company Secretary		Chief Financial Officer
Place : Mumbai		M. No. A30633		M. No. 143856
Date : 23rd May, 2025				

NATIONAL SECURITIES DEPOSITORY LIMITED
Restated Consolidated Statement of changes in Equity

A. Equity Share Capital (₹ in Million)

As at 1st April, 2022	400.00
Changes in equity share capital during the year (Note 12)	-
As at 31st March, 2023	400.00
Changes in equity share capital during the year (Note 12)	-
As at 31st March, 2024	400.00
Changes in equity share capital during the year (Note 12)	-
As at 31st March, 2025	400.00

B. Other Equity (₹ in Million)

Particulars	Reserves and Surplus							Total
	General Reserve	Retained Earnings	OCI Actuarial Gains / (Losses)	Share Based Payment Reserve	Statutory Reserves	Investment Fluctuation reserves	Available for Sale reserves	
Balance as at 1st April, 2022	3,631.28	8,089.12	(4.21)	-	-	-	-	11,716.19
Profit after tax	-	2,348.10	-	-	-	-	-	2,348.10
Dividends	-	(200.00)	-	-	-	-	-	(200.00)
Other Comprehensive Income	-	-	23.02	-	-	-	-	23.02
Addition to Share based payment reserve	-	-	-	1.30	-	-	-	1.30
Transferred from retained earning to statutory reserves	-	(20.24)	-	-	20.24	-	-	-
Balance as at 31st March, 2023	3,631.28	10,216.98	18.81	1.30	20.24	-	-	13,888.61
Profit after tax	-	2,754.45	-	-	-	-	-	2,754.45
Dividends	-	(200.00)	-	-	-	-	-	(200.00)
Other Comprehensive Income	-	-	(6.00)	-	-	-	-	(6.00)
Addition to Share based payment reserve	-	-	-	3.91	-	-	-	3.91
Transferred from retained earning to statutory reserves	-	(4.28)	-	-	4.28	-	-	-
Transferred from retained earning to Investment Fluctuation reserves	-	(12.84)	-	-	-	12.84	-	-
Balance as at 31st March, 2024	3,631.28	12,754.31	12.82	5.21	24.52	12.84	-	16,440.97
Profit after tax	-	3,431.24	-	-	-	-	-	3,431.24
Dividends	-	(200.00)	-	-	-	-	-	(200.00)
Other Comprehensive Income	-	-	(20.87)	-	-	-	-	(20.87)
Addition to Share based payment reserve	-	-	-	2.04	-	-	-	2.04
Transferred from retained earning to statutory reserves	-	(4.51)	-	-	4.51	-	-	(0.00)
Transferred from retained earning to Investment Fluctuation reserves	-	(13.52)	-	-	-	13.52	-	-
MTM on investments considered in AFS reserve	-	-	-	-	-	-	0.02	0.02
Balance as at 31st March, 2025	3,631.28	15,967.53	(8.06)	7.25	29.02	26.35	0.02	19,653.41

See accompanying notes forming integral part of the Restated Consolidated Financial Information 1 to 51

In terms of our report attached.

For K C Mehta & Co LLP
Chartered Accountants
Firm Registration No. 106237W / W100829

For and on behalf of the Board of Directors of
NATIONAL SECURITIES DEPOSITORY LIMITED

Vishal P Doshi
Partner
Membership No. 101533

Vijay Chandok
Managing Director & CEO
DIN: 01545262

Parveen Kumar Gupta
Chairman
DIN: 02895343

Place : Mumbai
Date : 23rd May, 2025

Alen Ferns
Company Secretary
M. No. A30633

Jigar Shah
Chief Financial Officer
M. No. 143856

NATIONAL SECURITIES DEPOSITORY LIMITED
Restated Consolidated Statement of Cash Flows

(₹ in Million)			
Particulars	Year ended 31st March, 2025	Year ended 31st March, 2024	Year ended 31st March, 2023
<u>A. Cash Flow from Operating Activities</u>			
Profit before tax	4,534.43	3,549.50	3,050.42
<u>Adjustments for :</u>			
Depreciation and amortisation expense	354.03	241.23	216.89
Provision for compensated absences	9.03	3.70	(8.77)
Provision for investor awareness	69.72	65.81	64.03
Provision for doubtful trade receivables	201.41	120.73	70.47
Bad debts written off	1.09	11.28	9.96
Provision for doubtful rent deposit	-	(3.55)	9.56
Contribution to investor protection fund	154.21	114.83	98.86
Fair value gain on investments in mutual funds	(191.12)	(170.07)	(65.20)
Dividend income from current investments	-	(10.62)	(6.98)
Loss / (Profit) on sale of property, plant and equipment	9.30	-	6.09
Profit on sale of investments / assets	(8.81)	(4.34)	(2.06)
Interest income	(915.38)	(751.07)	(656.69)
Operating Profit before Working Capital Changes	4,217.89	3,167.43	2,786.58
<u>Changes in Working Capital :</u>			
(Increase) / decrease in other assets	(260.31)	(45.85)	9.69
(Increase) / decrease in other financial assets	214.99	(458.91)	1,490.17
(Increase) / decrease in trade receivables	(669.70)	(107.12)	85.70
Increase / (decrease) in trade payables	195.81	84.50	359.35
Increase / (decrease) in other financial liabilities	2,621.39	(774.73)	1,147.60
Increase / (decrease) in provisions	(57.44)	(46.99)	(52.22)
Increase / (decrease) in other liabilities	335.90	100.33	21.87
Cash generated from Operations	6,598.54	1,918.66	5,848.74
Net income tax paid	(1,020.07)	(789.84)	(769.35)
Net Cash generated from Operating Activities (A)	5,578.46	1,128.82	5,079.39
<u>B. Cash Flow from Investing Activities</u>			
Capital expenditure on property, plant and equipment, intangible assets, capital advance	(742.81)	(2,438.54)	(488.46)
Proceeds from sale of property, plant and equipment	0.78	-	0.09
Bank balances not considered as cash and cash equivalents			
i) Placed	(455.55)	(104.50)	(250.00)
ii) Matured	104.50	250.00	809.10
Purchase of non-current investments	(2,419.38)	(2,095.49)	(6,072.59)
Sale / Redemption of non-current investments	183.51	1,751.87	934.63
Proceeds / (Purchase) of current investments (Net)	(2,585.13)	110.88	(8.60)
Interest received	890.89	750.14	658.78
Net Cash used in Investing Activities (B)	(5,023.18)	(1,775.64)	(4,417.05)
<u>C. Cash Flow from Financing Activities</u>			
Dividend paid	(163.82)	(200.00)	(200.00)
Net Cash used in Financing Activities (C)	(163.82)	(200.00)	(200.00)
Net increase / (decrease) in Cash and Cash Equivalents (A+B+C)	391.47	(846.82)	462.34
Cash and Cash Equivalents at the beginning of the year	1,060.12	1,906.94	1,444.60
Cash and Cash Equivalents at the end of the year (Refer Note 10)	1,451.59	1,060.12	1,906.94
Cash and Cash Equivalents at the end of the year comprises			
(i) Cash in hand	0.06	0.06	0.05
(ii) Balance with Bank			
a) in current accounts	954.30	866.94	1623.14
b) in sweep fixed deposit	397.25	193.13	233.78
(iii) Investments in Treps	99.99	-	49.97
	1,451.59	1,060.12	1,906.94
The Cash Flow Statement has been prepared under the “Indirect Method” as set out in Indian Accounting Standard-7 “Statement of Cash Flows”.			
See accompanying notes forming integral part of the Restated Consolidated Financial Information	1 to 51		
In terms of our report of even date attached			
For K C Mehta & Co LLP	For and on behalf of the Board of Directors of		
Chartered Accountants	NATIONAL SECURITIES DEPOSITORY LIMITED		
Firm Registration No. 106237W / W100829			
Vishal P Doshi	Vijay Chandok	Parveen Kumar Gupta	
Partner	Managing Director & CEO	Chairman	
Membership No. 101533	DIN: 01545262	DIN: 02895343	

1 General Information

Corporate Information

National Securities Depository Limited ("the Holding Company" or "the Company") was incorporated on 27th April 2012. The Holding Company is a Depository registered with Securities Exchange Board of India under the provisions of Depositories Act, 1996, and Rules and Regulations framed thereunder. The Holding Company and its wholly owned subsidiaries constitute the Group. The Group provide electronic infrastructure for dematerialisation of securities, facilitates electronic settlement of trades in Indian Securities Market, offers services as a managed service provider, sets-up system infrastructure, connectivity, software application, database management systems, and banking

2.1 Basis of Preparation

The Restated Consolidated Financial Information of the Group comprise of the Restated Consolidated Statement of Assets and Liabilities as at 31st March, 2025, 31st March, 2024, and 31st March, 2023, the Restated Consolidated Statement of Profit and Loss including other comprehensive income, the Restated Consolidated Statement of Changes in Equity, the Restated Consolidated Statement of Cash Flows for the years ended 31st March, 2025, 31st March, 2024, and 31st March, 2023, and accompanying Restated Statement of Material Accounting Policies, and notes to Restated Financial Information along with other explanatory notes (hereinafter collectively referred to as, the 'Restated Consolidated Financial Information').

The Restated Consolidated Financial Information has been prepared by the Management of the Holding Company for the purpose of inclusion in the Red Herring Prospectus ('RHP') to be filed by the Holding Company with the Securities and Exchange Board of India ("SEBI"), and BSE Limited in connection with proposed Initial Public Offering ("IPO") of its equity shares (referred to as "Issue").

These Restated Consolidated Financial Information have been prepared in terms of the requirements of:

- a) Section 26 of Part I of Chapter III of the Companies Act, 2013, as amended (the "Act");
- b) Relevant provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended ("ICDR Regulations"); and
- c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "Guidance Note").

The Restated Consolidated Financial Information have been compiled from the audited consolidated financial statements of the Group as at and for the years ended 31st March, 2025, 31st March, 2024, and 31st March, 2023, prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Act read with relevant rules issued thereunder, as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meetings held on May 23, 2025, May 14, 2024, and May 23, 2023 respectively.

The accounting policies have been consistently applied by the Group in preparation of the restated consolidated financial Information to all the years presented.

The Restated Consolidated Financial Information does not reflect the effects of events that occurred subsequent to the respective dates of board meeting on audited consolidated financial statements mentioned above.

The Restated Consolidated Financial Information have been prepared on the historical cost basis, except for the certain assets and liabilities (refer accounting policy regarding financial instruments) and share based payments which have been measured at fair value as per Ind AS 102.

The Restated Consolidated Financial Information has been prepared on a going concern basis as the Management is satisfied that the Group shall be able to continue its business for the foreseeable future and no material uncertainty exists that may cast significant doubt on the going concern assumption. In making this assessment, the Management has considered a wide range of information relating to present and future conditions, including future projections of profitability, cash flows and capital resources.

The Restated Consolidated Financial Information:

- a) have been prepared after incorporating adjustments in respect of changes in the accounting policies, material errors, if any, and regrouping / reclassifications retrospectively as at and for the years ended 31st March, 2025, 31st March, 2024, and 31st March, 2023.
- b) do not require any adjustment for qualifications as there are no qualifications in the underlying auditor's reports which require any adjustments.

2.2 Presentation of the Restated Consolidated Financial Information

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. 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.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, Level 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 measurements in its entirety which are described as follows:

Level 1 — inputs are quoted (unadjusted) prices 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 in level 1, that are observable for the asset or liability either directly or indirectly;

Level 3 — inputs are unobservable inputs for the assets or liability.

The Restated Consolidated Financial Information are presented in Indian Rupees (INR), which is also the functional currency of the Holding Company, and all values are rounded to the nearest million, except when otherwise indicated.

2.3 Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the Holding Company, its subsidiaries, and its share of profit/(loss) including other comprehensive income in associate company. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the company obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Profit or loss and each component of other comprehensive income are attributed to the owners of the Group. Total comprehensive income of subsidiaries is attributed to the owners of the Group.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Principles of Consolidation

The Restated Consolidated Financial Information relate to National Securities Depository Limited (the 'Holding Company'), its subsidiaries and it includes share of profit/(loss) including other comprehensive income in associate company. The Consolidated Financial Information have been prepared on the following basis:

- a) The restated financial information of the subsidiary companies is drawn upto the same reporting date as that of the Group for each of the reporting period covered by restated consolidated financial Information.
- b) The restated financial information of the Holding Company and its subsidiary companies have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra-group transactions and resulting unrealised profits or losses, unless cost cannot be recovered.
- c) **Investment in Associates** - Investments in entities where the Group has significant influence (associate) is accounted under the equity method as prescribed by Indian Accounting Standard 28 Investments in Associates and Joint Ventures ("Ind AS 28"). Under the equity method, on initial recognition the investment in an associate has been recognized at cost, and the carrying amount has been increased or decreased to recognize the Group's share of the profit or loss of the investee after the date of acquisition. The Group's share of the investee's profit or loss has been recognized in the statement of profit or loss.
- d) Following companies have been considered in the preparation of the restated consolidated financial Information:

Name of the Entity	Relationship	Country of Incorporation	Ownership held by	% of Holding and voting power either directly or indirectly at each reporting period covered under these Consolidated Financial Statements.
NSDL Database Management Limited	Subsidiary	India	National Securities Depository Limited	100%
NSDL Payments Bank Limited	Subsidiary	India	National Securities Depository Limited	100%
India International Bullion Holding IFSC Limited	Associate	India	National Securities Depository Limited	20%

- e) The Restated Consolidated Financial Information has been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Group's separate restated financial statements.

Material Accounting Policies

2.4 Revenue Recognition

- a) The Group has applied Ind AS 115 Revenue from Contracts with Customers which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Under Ind AS 115, revenue is recognized at an amount that reflects the consideration to which an entity expects to be entitled in exchange for rendering services to a customer. The standard requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances related to contracts with their customers.
- b) The Group derive revenue primarily from services to corporates and capital market intermediary services. The Group recognise revenue when the significant terms of the arrangement are enforceable, services have been delivered and the collectability is reasonably assured. The Group recognise revenue based on two main models: services rendered at a point in time and services rendered over time:

Services rendered at a point in time: Revenues and costs relating to time and service contracts are recognised as the related services are rendered.

Services rendered over time: Revenue from annual fee contracts is recognised proportionately over the period of the contract. When services are performed through an indefinite number of repetitive acts over a specified period of time, revenue is recognised on a straight-line basis over the specified period or under some other method that better represents the stage of completion.

The Group accounts for pricing incentives to customers by reducing the amount of revenue.

- c) Interest income is accounted on accrual basis. For financial instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability.
- d) Dividend income is accounted for when the right to receive it is established.

2.5 Leasing

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.

As a Lessee -

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

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been adjusted towards rent expenses in the Statement of Profit and Loss.

2.6 Employee Benefits

Employee benefits include provident fund, superannuation fund, gratuity fund, and compensated absences.

Defined Contribution Plan

The Group's contribution to provident fund and superannuation fund are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

i. Superannuation

The Group contributes a sum equivalent to 15% of annual basic salary of the eligible employees to an insurance company which administers the fund. The Group recognises such contributions as an expense during the year they are incurred.

ii. Provident Fund

Employees are entitled to receive benefits in respect of provident fund, in which both employees and the Group make monthly contributions at a specified percentage of the covered employees' salary (currently 12% of employees' basic salary).

Defined Benefit Plans

i. Gratuity

The Group accounts for the net present value of its obligations for gratuity benefits based on an independent external actuarial valuation determined on the basis of the projected unit credit method carried out at the Balance Sheet date. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in retained earnings and is not reclassified to profit and loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

Defined benefit cost are categorised as follows:

- a) Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- b) Net interest expense or income; and
- c) Remeasurement

ii. Other Employee Benefits

Performance Incentive and Compensated Absences

The amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the period when the employees render the services. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

The Group accounts for the net present value of its obligations for compensated absences based on an independent external actuarial valuation carried out at the Balance Sheet date. The cost of short-term compensated absences is accounted as under:

- a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- b) in case of non-accumulating compensated absences, when the absences occur.

Employee stock option schemes

Share Based Payment Reserve: Our Subsidiary NSDL Payments Bank Limited has Employee stock option schemes under which the eligible employees and key management personnel are granted stock options. Stock options granted are measured at fair value on the grant date using Black-Scholes model and amortised over the vesting period as share based payment with corresponding credit in share-based payment reserve. On exercise of the stock options, balance in share-based payment reserve is transferred to securities premium account.

Method used for Accounting for Share Based Payment Plan: The stock options granted to employees pursuant to the Bank Stock options Schemes, are measured at the fair value of the options at the grant date using Black-Scholes model. The fair value of the options determined at grant date is recognised as employee compensation cost over the vesting period on straight line basis over the period of option, based on the number of grants expected to vest, with corresponding increase in equity.

2.7 Tax on Income

Income tax expense represents the sum of the tax currently payable and deferred tax.

i. Current Tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'Profit Before Tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, in accordance with the Income Tax Act, 1961 and the Income Computation and Disclosure Standards (ICDS) prescribed therein. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

ii. Deferred Tax

Deferred tax is recognised on the temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting year and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period when the liability is settled or the asset realised based on the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting year.

iii. Current and Deferred Tax for the period

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

2.8 Property, Plant and Equipment

Property, Plant & Equipment carried at cost less accumulated depreciation and amortisation and impairment losses, if any. The cost comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use.

Capital Work-in-Progress

Projects under which tangible fixed assets that are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses, and interest attributable.

2.9 Intangible Assets

Intangible assets purchased are measured at cost as of the date of acquisition less accumulated amortization and accumulated impairment, if any.

Intangible Assets under Development

Projects under which Intangible assets that are not yet ready for their intended use are carried at cost, comprising Development expenses and software expenses.

2.10 Depreciation and Amortisation

Depreciation is charged so as to write off the cost of assets other than Capital work-in-progress less its estimated residual value over their estimated useful lives as prescribed in Schedule II to the Companies Act, 2013, using the straight-line method except for the new office building for which useful life of 35 years has been adopted as determined by technical expert.

Depreciation on addition/(disposal) is provided on a pro-rata basis.

Intangible assets are amortized on a straight line basis. Computer software is amortised over useful life of assets. However, In case of its subsidiary NSDL Database Management Limited, Computer software is amortised over 48 months or useful life, whichever is lower.

2.11 Provision and Contingencies

A provision is recognised when the Group has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made.

Provisions are discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised / disclosed in the financial statements.

Contingent Liabilities and Assets

Contingent liabilities are 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 or a reliable estimate of the amount cannot be made. Contingent liabilities are not recognised but are disclosed in the notes.

Contingent asset is a possible asset that arises 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 enterprise. Contingent assets are neither recognised nor disclosed in the financial statements.

2.12 Foreign Currency Transactions and Balances

Transactions in foreign currency are translated into the respective functional currencies using the exchange rates prevailing at the dates of the respective transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the exchange rates prevailing at reporting date of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Profit and Loss and reported within foreign exchange gains/ (losses).

2.13 Financial Instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instruments. All financial instruments are recognised initially at fair value.

2.14 Financial Assets

Financial assets are (Investment in Mutual Funds, Non- Convertible Debentures, Bonds and Government Securities) classified into the following specified categories: financial assets “at amortised cost”, “fair value through other comprehensive income”, “fair value through Profit or Loss”. The classification depends on the entity’s business model for managing the financial assets and the contractual cash flow characteristics of the financial asset at the time of initial recognition.

Financial assets are recognised by the Group as per its business model. All Financial Assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction cost that are attributable to the acquisition of the Financial Asset. However, trade receivables that do not contain a significant financing component are measured at transaction price. Transaction costs directly attributable to the acquisition of financial assets measured at fair value through profit or loss are recognized immediately in the Statement of Profit and Loss.

All equity instruments are measured at fair value other than investments in unquoted equity shares including investment in subsidiaries and associates. Equity instruments held for trading is classified as FVTPL. For all other equity instruments, the Group may make an irrevocable election to present subsequent changes in the fair value in OCI. The Group makes such election on an instrument-by-instrument basis.

Income and expense is recognised on an effective interest basis for debt instrument. All other investments are classified as Fair Value Through Profit or Loss (FVTPL). The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Impairment of Financial Assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss. Financial assets are assessed for indicators of impairment at the end of each reporting year. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been impacted.

Objective evidence of impairment could include -

- a) Significant financial difficulty of the users or counterparty; or
- b) Default or delinquency in interest or principal payments; or
- c) It becoming probable that the borrower will enter bankruptcy or financial reorganization.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade and other receivables. For financial assets measured at amortised cost, if, in a subsequent year, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment loss was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Expected Credit Losses on Trade Receivables

For trade receivables the Group measures the loss allowance at an amount equal to life time expected credit losses. Further, for the purpose of measuring life time expected credit losses for trade receivables, the company follows simplified approach as permitted under Ind AS 109.

De-recognition of Financial Assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

2.15 Impairment of Non-Financial Assets

The Group assesses at each reporting date whether there is any observable evidence that a non-financial asset or a company of non-financial assets is impaired. If any such indication exists, the Group estimates the amount of impairment loss. An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognised in Statement of profit and loss and reflected in an allowance account. When the Group considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment loss was recognised, then the previously recognised impairment loss is reversed through statement of profit and loss.

2.16 Financial Liabilities and Equity Instruments

Classification as Debt or Equity

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deduction all of its liabilities.

Financial Liabilities

i. Initial Recognition and Measurement

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

ii. Subsequent Measurement

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

Derecognition of Financial Liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire.

2.17 Cash and Cash Equivalents

Cash and cash equivalents comprise of cash on hand, balances in current account and demand deposits with banks having an original maturity of three months or less. These do not include bank balances earmarked/restricted for specific purposes

Bank balances other than cash and cash equivalents comprises of demand deposits with banks having an original maturity of more than three months.

2.18 Use of Estimates and Judgement

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, incomes, expenses, disclosure of contingent assets and disclosure of contingent liabilities. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following note:

i. Useful lives of Property, Plant and Equipment/ Intangible Assets

Property, Plant and Equipment/ Intangible Assets are depreciated/amortised over their estimated useful lives, after taking into account estimated residual value. The useful lives and residual values are based on the Group's historical experience with similar assets and taking into account anticipated technological changes or commercial obsolescence. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation / amortisation to be recorded during any reporting period. The depreciation / amortisation for future periods is revised, if there are significant changes from previous estimates and accordingly, the unamortised/depreciable amount is charged over the remaining useful life of the assets.

ii. Contingent Liabilities and Assets

Contingent Liabilities are disclosed when there is a possible obligation arising from the 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 the past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

iii. Income Taxes

The Group's tax jurisdiction is in India. Significant judgments are involved in determining the provision for income taxes, deferred tax assets and liabilities including the amount expected to be paid or recovered in connection with uncertain tax positions.

iv. Expected Credit Losses on Trade Receivables

The Group estimates the probability of collection of trade receivable by analyzing historical payment patterns, customer status, customer credit-worthiness and current economic trends. If the financial condition of a customer deteriorates, additional allowances are made.

v. Employee Benefits

Defined employee benefit assets / liabilities determined based on the present value of future obligations using assumptions determined by the Company with advice from an independent qualified actuary.

2.19 Earnings / Loss per share

The basic Earnings Per Share ("EPS") is computed by dividing the net profit/(loss) after tax for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is calculated by dividing the net profit or loss (after tax) for the year attributable to equity shareholders and the weighted average number of equity shares outstanding during the year, both adjusted for the effects dilutive potential equity shares.

2.20 Operating cycle

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

2.21 Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has notified Ind AS – 117 "Insurance Contracts" and amendments to Ind AS 116 – "Leases", relating to sale and leaseback transactions, applicable w.e.f. April 1, 2024. The Group has reviewed the new pronouncements and based on its evaluation has determined that the Group has not entered into transactions covered under Ind 117 & amendments to Ind AS 116 and therefore, there is no impact on the consolidated financial information.

Note 3 : Property, Plant and Equipment, Other Intangible Assets, and Right of Use of Assets

(₹ in Million)

Gross Carrying Value	Property, Plant and Equipment									Other Intangible Assets	Right of Use of Assets
Description of Asset	Buildings	Computers	Data and Tele-Communication Equipment	Electrical Installations	Office Equipment	Furniture and Fixtures	Leasehold Improvements	Vehicle	Total	Computer Software (acquired)	
As at 1st April, 2022	351.78	563.07	42.93	17.24	43.47	22.78	4.89	-	1,046.16	1,359.35	131.88
Additions during the year	-	73.54	10.51	1.55	4.78	0.43	-	-	90.81	107.69	192.75
Deductions	-	(7.01)	(2.04)	(0.81)	(0.94)	(0.95)	(2.78)	-	(14.53)	(5.22)	(109.46)
As at 31st March, 2023	351.78	629.60	51.40	17.98	47.31	22.26	2.11	-	1,122.44	1,461.82	215.17
Additions during the year	2,147.07	153.27	16.05	1.95	2.48	5.73	-	-	2,326.55	120.00	0.72
Deductions	-	(1.15)	-	-	-	-	-	-	(1.15)	-	(0.01)
As at 31st March, 2024	2,498.85	781.72	67.45	19.93	49.79	27.99	2.11	-	3,447.84	1,581.82	215.88
Additions during the period	76.40	71.19	14.86	18.48	41.28	94.72	-	-	316.93	374.25	1.77
Deductions	-	(24.07)	(9.90)	(1.11)	(6.07)	(3.70)	-	-	(44.85)	(13.79)	(1.33)
As at 31st March, 2025	2,575.25	828.84	72.41	37.30	85.01	119.01	2.11	-	3,719.92	1,942.29	216.32
Accumulated Depreciation and Amortisation	Property, Plant and Equipment									Other Intangible Assets	Right of Use of Assets
Description of Asset	Buildings	Computers	Data and Tele-Communication Equipment	Electrical Installations	Office Equipment	Furniture and Fixtures	Leasehold Improvements	Vehicle	Total	Computer Software (acquired)	
As at 1st April, 2022	306.93	315.38	28.25	15.20	31.16	19.57	1.79	-	718.28	1,179.86	106.50
Additions during the year	0.89	68.15	3.64	0.20	3.12	0.38	0.33	-	76.71	96.73	43.45
Deductions	-	(6.23)	(1.77)	(0.25)	(0.77)	(0.37)	(1.32)	-	(10.71)	(2.86)	(91.56)
As at 31st March, 2023	307.82	377.30	30.12	15.15	33.51	19.58	0.80	-	784.28	1,273.73	58.39
Additions during the year	25.24	80.42	5.08	0.40	3.57	1.39	0.22	-	116.32	84.83	40.08
Deductions	-	(1.15)	-	-	-	-	-	-	(1.15)	-	-
As at 31st March, 2024	333.06	456.57	35.20	15.55	37.08	20.97	1.02	-	899.45	1,358.56	98.47
Additions during the period	60.99	99.96	8.99	2.55	10.34	7.62	0.22	-	190.67	123.03	40.34
Deductions	-	(23.06)	(9.52)	(1.08)	(5.71)	(3.70)	-	-	(43.07)	(4.63)	(0.22)
As at 31st March, 2025	394.05	533.48	34.67	17.02	41.71	24.89	1.25	-	1,047.06	1,476.96	138.58
Net Carrying Value	Property, Plant and Equipment									Other Intangible Assets	Right of Use of Assets
Description of Asset	Buildings	Computers	Data and Tele-Communication Equipment	Electrical Installations	Office Equipment	Furniture and Fixtures	Leasehold Improvements	Vehicle	Total Tangible Assets	Computer Software (acquired)	
As at 31st March, 2023	43.96	252.30	21.28	2.83	13.80	2.68	1.31	-	338.16	188.09	156.78
As at 31st March, 2024	2,165.79	325.15	32.25	4.38	12.71	7.02	1.09	-	2,548.39	223.26	117.41
As at 31st March, 2025	2,181.20	295.37	37.74	20.28	43.30	94.12	0.86	-	2,672.87	465.32	77.73

Note 3(a) : Capital work-in-progress (CWIP) and Intangible Asset Under Development (IAUD)

Particulars	(₹ in Million)		
	As at 31st March, 2025	As at 31st March, 2024	As at 31st March, 2023
Capital work-in-progress	148.20	4.10	2.44
Intangible Asset Under Development	67.02	125.02	48.56
Total	215.22	129.12	51.00

3 (a)(i) Movement of Capital work-in-progress (CWIP) and Intangible Asset Under Development (IAUD)

Capital work-in-progress (CWIP)	(₹ in Million)		
	As at 31st March, 2025	As at 31st March, 2024	As at 31st March, 2023
Balance at the beginning of the year	4.10	2.44	-
Additions during the year ended	425.19	210.65	58.60
Capitalised during the year ended	(281.08)	(208.99)	(56.16)
Balance as at the end of the year	148.20	4.10	2.44

Intangible Asset Under Development (IAUD)	(₹ in Million)		
	As at 31st March, 2025	As at 31st March, 2024	As at 31st March, 2023
Balance at the beginning of the year	125.02	48.56	33.05
Additions during the year ended	151.65	149.58	114.98
Write off during year	-	-	-
Capitalised during the year ended	(209.65)	(73.12)	(99.47)
Balance as at the end of the year	67.02	125.02	48.56

3 (a)(ii) Capital work-in-progress and Intangible Asset Under Development Aging Schedule as on 31st March, 2025

Particulars	Amount in CWIP and IAUD for a period of				Total
	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	
Capital work-in-progress					
Projects in progress	148.20	-	-	-	148.20
Intangible Asset Under Development					
Projects in progress	32.38	34.64	-	-	67.02
Total	180.58	34.64	-	-	215.22

3 (a)(iii) Capital work-in-progress and Intangible Asset Under Development Aging Schedule as on 31st March, 2024

Particulars	Amount in CWIP and IAUD for a period of				Total
	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	
Capital work-in-progress					
Projects in progress	3.62	0.48	-	-	4.10
Intangible Asset Under Development					
Projects in progress	95.93	29.09	-	-	125.02
Total	99.55	29.57	-	-	129.12

3 (a)(iv) Capital work-in-progress and Intangible Asset Under Development Aging Schedule as on 31st March, 2023

Particulars	Amount in CWIP and IAUD for a period of				Total
	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	
Capital work-in-progress					
Projects in progress	2.44	-	-	-	2.44
Intangible Asset Under Development					
Projects in progress	38.23	2.96	2.78	4.59	48.56
Total	40.67	2.96	2.78	4.59	51.00

3 (a)(v) For Capital work-in-progress and Intangible Asset Under Development whose completion is overdue or has exceeded its cost compared to its original plan

There is no time and cost overrun for any of the projects forming part of Capital work-in-progress and and IAUD in view of readiness of an asset for intended management use.

NATIONAL SECURITIES DEPOSITORY LIMITED
Notes to the Restated Consolidated Financial Information

Note 4 : Non-Current Investments

								(₹ in Million)
Particulars		Rate of Interest (%)	Year of Maturity	Nos.	Face Value / NAV (₹)	As at 31st March, 2025	As at 31st March, 2024	As at 31st March, 2023
(a) Investment in Equity Instruments of Associate (Accounted using Equity Method)								
India International Bullion Holding IFSC Ltd				50,00,00,000	1	484.12	249.67	259.90
Sub-total						484.12	249.67	259.90
(b) Investment in Equity Instruments of Other Entity (at FVTPL)								
Open Network For Digital Commerce				10,00,000	100	100.00	100.00	100.00
Sub-total						100.00	100.00	100.00
(c) Investment in Debentures or Bonds (at amortised cost)								
1	India Infrastructure Finance Company Limited	9.41	2,037	3	10,00,000	3.46	3.47	3.48
2	Power Finance Corporation of India Limited *	7.35	2,035	50,000	1,000	52.52	52.58	52.63
3	Rural Electrification Corporation Limited	7.99	2,035	20	1,00,00,000	201.84	-	-
4	National Housing Bank *	8.76	2,034	8,000	5,000	42.60	42.70	42.85
5	Housing and Urban Development Corporation Limited*	8.76	2,034	5,000	1,000	5.41	5.43	5.45
6	India Infrastructure Finance Company Limited*	8.66	2,034	70,000	1,000	82.72	88.08	84.62
7	NTPC Limited*	8.66	2,033	92,899	1,000	109.48	110.71	111.85
8	NHPC Ltd*	8.67	2,033	49,420	1,000	59.27	59.81	60.29
9	India Infrastructure Finance Company Limited*	7.40	2,033	50,000	1,000	54.31	54.67	54.99
10	India Infrastructure Finance Company Limited*	7.46	2,033	1,500	1,00,000	158.93	158.94	-
11	National Highway Authority of India Limited *	7.35	2,031	1,89,883	1,000	211.27	212.09	213.13
12	Indian Renewable Energy Development Agency Limited*	7.49	2,031	50,000	1,000	50.91	50.94	50.98
13	National Bank for Agriculture and Rural Development*	7.35	2,031	4,40,010	1,000	465.68	468.90	472.45
14	Indian Railway Finance Corporation Limited *	7.35	2,031	99,000	1,000	106.87	107.39	108.09
15	Housing and Urban Development Corporation Limited*	7.39	2,031	1,00,000	1,000	109.62	110.69	111.64
16	Indian Railway Finance Corporation Limited *	7.28	2,030	11,074	1,000	12.16	12.26	12.36
17	National Bank for Agriculture and Rural Development*	6.49	2,030	50	10,00,000	48.45	48.04	47.82
18	Rural Electrification Corporation Limited *	7.96	2,030	9	10,00,000	9.72	-	-
19	National Housing Bank *	8.68	2,029	30,000	5,000	156.60	157.90	159.32
20	Indian Railway Finance Corporation Limited *	8.40	2,029	63,000	1,000	70.52	70.83	71.59
21	Rural Electrification Corporation Limited *	8.80	2,029	100	10,00,000	111.73	112.67	113.41
22	Power Finance Corporation of India Limited *	8.85	2,029	100	10,00,000	111.80	112.68	113.46
23	Indian Railway Finance Corporation Limited *	7.48	2,029	100	10,00,000	106.80	106.88	106.81
24	Rural Electrification Corporation Limited *	8.97	2,029	8	10,00,000	8.38	-	-
25	NHPC Ltd*	8.54	2,028	81,428	1,000	92.41	93.46	94.21
26	Power Finance Corporation of India Limited *	8.95	2,028	50	10,00,000	53.91	-	-
27	Rural Electrification Corporation Limited *	8.37	2,028	200	10,00,000	212.07	-	-
28	Power Finance Corporation of India Limited *	8.46	2,028	40	10,00,000	42.09	42.01	41.96
29	Rural Electrification Corporation Limited *	8.46	2,028	60,000	1,000	65.99	67.11	68.15
30	Rural Electrification Corporation Limited *	8.46	2,028	157	10,00,000	175.36	178.13	180.44
31	Indian Railway Finance Corporation Limited *	8.48	2,028	100	10,00,000	111.80	112.33	113.47
32	Indian Railway Finance Corporation Limited *	7.34	2,028	60,000	1,000	62.28	62.35	62.44
33	India Infrastructure Finance Company Limited*	8.26	2,028	80	10,00,000	86.40	87.03	87.61
34	National Housing Bank *	8.46	2,028	90	10,00,000	98.08	99.02	99.88
35	Housing and Urban Development Corporation Limited*	8.56	2,028	20	10,00,000	22.33	22.67	23.00
36	PFC (SERIES 172)	7.74	2,028	250	10,00,000	252.57	252.39	251.76
37	7.59% PFC 2028	7.59	2,028	45	10,00,000	45.79	-	-
38	National Highway Authority of India Limited *	8.30	2,027	1,40,000	1,000	147.76	148.72	149.52
39	Power Finance Corporation of India Limited *	8.30	2,027	50,000	1,000	52.33	52.48	52.64
40	Indian Railway Finance Corporation Limited *	7.38	2,027	100	10,00,000	107.58	109.01	110.33
41	Indian Railway Finance Corporation Limited *	8.10	2,027	50,000	1,000	53.86	54.84	55.77
42	Rural Electrification Corporation Limited *	8.12	2,027	1,00,000	1,000	110.05	111.41	113.63
43	Rural Electrification Corporation Limited *	7.70	2,027	50	10,00,000	51.26	-	-
44	Power Grid Corporation of India Limited	7.20	2,027	150	10,00,000	162.34	161.65	163.19
45	Power Grid Corporation of India Limited	9.25	2,027	50	10,00,000	52.95	54.11	55.36
46	IRFC	7.33	2,027	200	10,00,000	213.71	213.18	212.98
47	SIDBI	7.79	2,027	1,000	1,00,000	103.17	-	-
48	National Bank for Agriculture and Rural Development	7.70	2,027	500	1,00,000	52.08	-	-
49	Power Finance Corporation of India Limited	6.09	2,026	100	10,00,000	103.40	103.28	102.72
50	NHPC Ltd	7.13	2,026	1,000	2,00,000	-	205.86	207.80
51	Power Grid Corporation of India Limited	7.36	2,026	150	10,00,000	157.77	159.99	161.03
52	Power Finance Corporation of India Limited	6.09	2,026	250	10,00,000	254.02	-	-
53	Rural Electrification Corporation Limited *	7.52	2,026	50	10,00,000	52.18	52.63	53.05
54	SIDBI	7.44	2,026	500	1,00,000	52.01	-	-
55	NHPC Ltd	7.52	2,026	50	10,00,000	53.34	53.54	53.74
56	NABARD	7.40	2,026	250	10,00,000	-	252.99	252.92
57	Rural Electrification Corporation Limited *					-	197.36	-
58	NTPC Limited*					-	184.46	188.52
59	IDFC FIRST Bank Limited					-	5.56	5.56
60	IDFC FIRST Bank Limited					-	4.24	4.24
61	Indian Renewable Energy Development Agency Limited*					-	62.20	62.14
62	Power Grid Corporation of India Limited					-	54.18	55.50
63	Power Grid Corporation of India Limited					-	29.43	30.28
64	National Bank for Agriculture and Rural Development					-	155.20	154.61
65	Power Finance Corporation of India Limited					-	51.31	51.03
66	Indian Railway Finance Corporation Limited *	8.63	2,029	40,000	1,000	44.13	44.29	-
67	Housing and Urban Development Corporation Limited *	8.56	2,028	100	10,00,000	108.67	109.59	-
68	India Infrastructure Finance Company Limited *	8.66	2,034	30,000	1,000	33.32	33.55	-
69	Housing and Urban Development Corporation Limited *	8.51	2,028	50,000	1,000	53.81	54.27	-
70	NHPC Limited *	8.67	2,033	10,000	1,000	11.72	11.79	-
71	NTPC Limited*	7.37	2,035	12,491	1,000	12.94	12.94	-
72	Power Finance Corporation of India Limited *	7.35	2,035	1,540	1,000	1.59	1.59	-

NATIONAL SECURITIES DEPOSITORY LIMITED
Notes to the Restated Consolidated Financial Information

Note 4 : Non-Current Investments

								(₹ in Million)
	Particulars	Rate of Interest (%)	Year of Maturity	Nos.	Face Value / NAV (₹)	As at 31st March, 2025	As at 31st March, 2024	As at 31st March, 2023
73	Rural Electrification Corporation Limited *	7.18	2,035	11,450	1,000	11.72	11.73	-
74	National Highway Authority of India *	7.28	2,030	50	10,00,000	54.07	54.12	-
75	Indian Railway Finance Corporation Limited *	7.28	2,030	12,080	1,000	12.49	12.49	-
76	National Highway Authority of India *	7.35	2,031	28,313	1,000	30.40	30.39	-
77	National Highway Authority of India *	7.35	2,031	50,000	1,000	55.58	55.83	-
78	National Bank For Agriculture And Rural Development *	7.35	2,031	1,20,000	1,000	126.60	127.41	-
79	India Infrastructure Finance Company Limited *	7.40	2,033	50,000	1,000	54.33	54.68	-
80	National Housing Bank *	8.46	2,028	50	10,00,000	55.72	56.54	-
81	NTPC Limited*	8.48	2,028	1,00,000	1,000	110.49	112.36	-
82	National Housing Bank *	8.68	2,029	20,000	5,000	92.63	94.32	-
83	Rural Electrification Corporation Limited *					-	52.13	49.27
84	Power Finance Corporation of India Limited	8.03	2,026	50	10,00,000	54.67	55.52	-
85	Power Finance Corporation of India Limited	6.09	2,026	50	10,00,000	51.87	51.90	-
86	Rural Electrification Corporation Limited	7.52	2,026	50	10,00,000	52.34	52.94	-
87	Rural Electrification Corporation Limited					-	50.81	-
88	Rural Electrification Corporation Limited	7.54	2,026	50	10,00,000	51.93	52.44	-
89	Power Finance Corporation of India Limited	6.09	2,026	50	10,00,000	51.65	51.55	-
90	Power Finance Corporation of India Limited	9.46	2,026	21	10,00,000	23.07	23.58	-
91	Power Finance Corporation of India Limited	7.23	2,027	50	10,00,000	50.88	50.89	-
92	Indian Railway Finance Corporation Limited	10.04	2,027	50	10,00,000	55.29	56.51	-
93	National Bank For Agriculture And Rural Development	7.40	2,026	50	10,00,000	-	50.62	-
94	Indian Railway Finance Corporation Limited	7.33	2,027	50	10,00,000	53.45	53.42	-
95	Indian Railway Finance Corporation Limited	6.92	2,031	50	10,00,000	51.60	51.40	-
96	National Bank For Agriculture And Rural Development	7.62	2,028	500	1,00,000	50.67	-	-
97	National Bank For Agriculture And Rural Development	7.62	2,028	1,000	1,00,000	101.55	-	-
98	National Bank For Agriculture And Rural Development	7.70	2,027	1,000	1,00,000	104.16	-	-
99	Power Finance Corporation of India Limited	9.10	2,029	50	10,00,000	52.86	-	-
100	National Bank For Agriculture And Rural Development					-	51.04	-
101	National Bank For Agriculture And Rural Development					-	50.49	-
102	REC					-	-	146.31
103	National Bank for Agriculture and Rural Development					-	-	52.31
104	Power Finance Corporation of India Limited					-	-	6.78
105	Indian Railway Finance Corporation Limited *					-	-	44.43
106	Housing and Urban Development Corporation Limited *					-	-	110.43
107	India Infrastructure Finance Company Limited *					-	-	33.74
108	Housing and Urban Development Corporation Limited *					-	-	54.70
109	NHPC Limited *					-	-	11.86
110	NTPC Limited*					-	-	12.94
111	Power Finance Corporation of India Limited *					-	-	1.59
112	Rural Electrification Corporation Limited *					-	-	11.72
113	National Highway Authority of India *					-	-	54.17
114	Indian Railway Finance Corporation Limited *					-	-	12.49
115	National Highway Authority of India *					-	-	30.39
116	National Highway Authority of India *					-	-	56.08
117	National Bank For Agriculture And Rural Development *					-	-	128.26
118	India Infrastructure Finance Company Limited *					-	-	55.00
119	National Housing Bank *					-	-	57.31
120	NTPC Limited*					-	-	114.11
121	National Housing Bank *					-	-	95.87
122	Rural Electrification Corporation Limited *					-	-	52.80
123	Power Finance Corporation of India Limited					-	-	56.30
124	Power Finance Corporation of India Limited					-	-	51.92
125	Rural Electrification Corporation Limited					-	-	53.49
126	Rural Electrification Corporation Limited					-	-	50.79
127	Rural Electrification Corporation Limited					-	-	52.93
128	Power Finance Corporation of India Limited					-	-	51.44
129	Power Finance Corporation of India Limited					-	-	24.06
130	Power Finance Corporation of India Limited					-	-	50.89
131	Indian Railway Finance Corporation Limited					-	-	57.61
132	National Bank For Agriculture And Rural Development					-	-	50.42
133	National Bank For Agriculture And Rural Development					-	-	50.61
134	Indian Railway Finance Corporation Limited					-	-	52.80
135	Indian Railway Finance Corporation Limited					-	-	50.28
	Sub-total					7,128.14	7,274.88	7,162.80
(d)	Investment in Government Securities (at amortised cost)							
1	7.54% GOI 2036	7.54	2,036	35,00,000	100	363.68	363.63	363.50
2	7.40% GOI 2035	7.40	2,035	10,00,000	100	100.51	100.61	100.66
3	6.64% GOI 2035	6.64	2,035	10,00,000	100	96.93	96.43	96.11
4	6.54% GOI 2032	6.54	2,032	45,00,000	100	437.52	435.73	432.73
5	7.95% GOI 2032	7.95	2,032	5,00,000	100	52.08	52.10	52.24
6	7.26% GOI 2032	7.26	2,032	10,00,000	100	101.19	100.67	100.01
7	6.10% GOI 2031	6.10	2,031	50,00,000	100	479.94	475.14	470.12
8	6.68% GOI 2031	6.68	2,031	20,00,000	100	194.90	194.40	193.84
9	9.20% GOI 2030	9.20	2,030	5,00,000	100	56.83	54.82	57.70
10	7.10% GOI 2029	7.10	2,029	10,00,000	100	102.31	102.26	102.22
11	6.79% GOI 2029	6.79	2,029	10,00,000	100	99.87	99.44	99.10
12	6.45% GOI 2029	6.45	2,029	10,00,000	100	99.37	99.01	98.76
13	6.79% GOI 2027	6.79	2,027	15,00,000	100	152.67	151.84	151.24
14	8.15% GOI 2026	8.15	2,026	20,00,000	100	209.25	210.86	211.41
15	8.20% GOI 2025					-	20.40	20.65
16	8.20% GOI 2025					-	30.60	30.97
17	6.10% GOI 2031	6.10	2,031	10,00,000	100	95.73	95.04	94.39
18	6.68% GOI 2031	6.68	2,031	5,00,000	100	48.79	48.63	48.48

NATIONAL SECURITIES DEPOSITORY LIMITED
Notes to the Restated Consolidated Financial Information

Note 4 : Non-Current Investments

						(₹ in Million)		
Particulars		Rate of Interest (%)	Year of Maturity	Nos.	Face Value / NAV (₹)	As at 31st March, 2025	As at 31st March, 2024	As at 31st March, 2023
19	6.54% GOI 2032	6.54	2,032	12,50,000	100	120.79	120.14	119.53
20	6.64% GOI 2035	6.64	2,035	7,00,000	100	67.83	67.60	67.39
21	7.54% GOI 2036	7.54	2,036	10,00,000	100	103.51	103.56	102.00
22	7.26% GOI 2033	7.26	2,033	5,00,000	100	50.48	50.47	-
23	7.50% GOI 2034	7.50	2,034	5,00,000	100	51.44	51.51	-
24	7.10% GOI 2029	7.10	2,029	5,00,000	100	51.76	49.68	-
Sub-total						3,137.39	3,174.57	3,013.05
(e) Investment in State Development Loans (at amortised cost)								
1	7.45% Maharashtra 2039	7.45	2039	15,00,000	100	150.86	-	-
2	7.68% Karnataka SDL 2037	7.68	2037	15,00,000	100	156.62	-	-
3	7.77% Haryana SGS 2036	7.77	2036	15,00,000	100	153.66	153.92	-
4	7.73% Maharashtra 2036	7.73	2036	15,00,000	100	155.13	-	-
5	7.66% Haryana 2036	7.66	2036	15,00,000	100	153.74	-	-
6	7.74% Karnataka 2036	7.74	2036	5,00,000	100	51.74	-	-
7	7.47% Haryana SDL 2035	7.47	2035	5,00,000	100	50.98	51.07	-
8	7.67% Haryana SDL 2035	7.67	2035	15,00,000	100	153.14	153.54	-
9	7.49% Haryana 2035	7.49	2035	10,00,000	100	99.98	-	-
10	7.73% Maharashtra SGS 2034	7.73	2034	5,00,000	100	50.24	50.29	-
11	6.91% Maharashtra SDL 2034	6.91	2034	5,00,000	100	48.76	48.73	-
12	7.66% Tamil Nadu SDL 2033	7.66	2033	10,00,000	100	101.99	102.14	-
13	7.87% Tamil Nadu SDL 2033	7.87	2033	5,00,000	100	52.43	52.48	-
14	7.39% Tamil Nadu SDL 2033	7.39	2033	5,00,000	100	51.61	51.69	-
15	7.48% Karnataka SGS 2033	7.48	2033	10,00,000	100	101.05	101.20	-
16	7.7% Maharashtra 2033	7.70%	2033	5,00,000	100	53.05	-	-
17	7.65% Tamil Nadu 2033	7.65	2033	5,00,000	100	51.59	-	-
18	7.75% Tamil Nadu SDL 2032	7.75	2032	5,00,000	100	51.33	-	-
19	7.67% Karnataka 2032	7.67	2032	10,00,000	100	104.21	-	-
Sub-total						1,792.10	765.06	-
(f) Investment in Mutual Funds (at FVTPL)								
1	AXIS AAA Bond Plus SDL ETF 2026 (TMF)					-	-	81.68
2	ICICI Prudential PSU BOND PIUS SDL 40:60 Index 2027			19,67,050	12.14	23.88	22.07	20.53
3	SBI CPSE Bond PLUS SDL SEP 2026 50-50 Index Fund			1,01,66,743	12.03	122.36	113.48	105.72
4	AXIS AAA Bond Plus SDL ETF 2026 (TMF)			75,00,000	12.43	93.23	87.00	-
5	Nippon India ETF Nifty CPSE Bond Plus SDL 2024					-	-	51.41
6	Axis AAA Bond Plus SDL ETF - 2026 Maturity			75,00,000	12.52	93.92	87.21	81.28
7	ICICI Prudential PSU Bond Plus Index Fund - Sep 2027					-	-	104.79
8	Bandhan Mutual Fund Gov Sec FD Const Mat Pl Dir Growth			13,38,811	45.54	60.97	55.35	50.86
9	Nippon India Nivesh Lakhsay Fund			34,98,506	18.09	63.30	57.60	52.35
10	Axis Corporate Debt Fund - Growth					-	54.13	50.11
11	Axis Corporate Debt Fund - Growth			13,77,318	17.63	24.28	-	-
12	ICICI Prudential Corporate Bond Fund - Direct Plan - Growth					-	101.25	-
Sub-total						481.93	578.09	598.73
(g) Investment in ETF Bonds (at FVTPL)								
1	Edelweiss Bharat Bond ETF					-	59.82	55.63
Sub-total						-	59.82	55.63
Total						13,123.68	12,202.09	11,190.11
* Investment in tax free bonds								
Aggregate amount of quoted investment						12,539.55	11,852.43	10,830.21
Aggregate market value of quoted investment						12,625.73	11,798.82	10,815.33
Aggregate amount of unquoted investments						584.12	349.67	359.90

Note 5 : Other Financial Assets

Particulars	As at		As at		As at	
	31st March, 2025		31st March, 2024		31st March, 2023	
	Non-Current	Current	Non-Current	Current	Non-Current	Current
Security deposits#	530.24	2.88	468.62	8.20	147.42	6.76
Interest accrued on investments	-	-	-	0.15	-	3.08
Interest accrued on fixed deposits	2.20	43.22	9.84	10.94	3.34	13.59
Deposits with original maturity of more than twelve months*	89.76	-	378.15	-	214.41	21.93
Margin money deposits with a bank (earmarked as security for performance guarantee and other commitments)	5.60	0.90	5.90	19.30	24.40	0.80
Others	4.29	54.34	6.05	16.78	-	24.82
Total	632.10	101.34	868.56	55.37	389.57	70.98

* Includes FD earmarked for future payments.

Includes Rs.323.27 Million paid in relation to the service tax and GST litigation matter.

Note 6 : Deferred Tax Asset and Liability (net)

Note 6(a) : Deferred Tax Asset

Particulars	As at		As at		As at	
	31st March, 2025		31st March, 2024		31st March, 2023	
Deferred Tax Asset :						
Lease Liability		3.97		0.30		0.25
Employee benefits		35.10		26.91		27.38
Disallowances under Section 40(a)(i) and 43B of the Income Tax Act, 1961		0.01		1.50		-
Expected credit loss		143.19		91.55		61.34
		182.27		120.27		88.97
Less: Deferred Tax Liability :						
Property, plant and equipment		76.68		28.59		5.97
Fair value gain on investments		64.90		-		-
		141.58		28.59		5.97
Net Deferred Tax Asset		40.69		91.67		83.00

The movement in Deferred Tax Asset and Liabilities:

Particulars	As at		Credited / (Charge) to		Credited / (Charge) to		As at	
	31st March, 2024		Profit and Loss		Other Comprehensive Income		31st March, 2025	
Deferred Tax Asset :								
Lease Liability		0.30		3.67		-		3.97
Employee Benefit		26.91		(1.85)		10.03		35.10
Disallowances under Section 40(a)(i) and 43B of the Income Tax Act, 1961		1.50		(1.49)		-		0.01
Expected credit loss		91.55		51.64		-		143.19
		120.26		51.97		10.03		182.27
Less: Deferred Tax Liability :								
Property, plant and equipment		28.59		48.09		-		76.68
Fair value gain on investments		-		64.90		-		64.90
		28.59		112.99		-		141.58
Net Deferred Tax Asset		91.67		(61.02)		10.03		40.69

The movement in Deferred Tax Asset and Liabilities:

Particulars	As at		Credited / (Charge) to		Credited / (Charge) to		As at	
	31st March, 2023		Profit and Loss		Other Comprehensive Income		31st March, 2024	
Deferred Tax Asset :								
Lease Liability		0.25		0.05		-		0.30
Employee Benefit		27.38		(3.85)		3.38		26.91
Disallowances under Section 40(a)(i) and 43B of the Income Tax Act, 1961		-		1.50		-		1.50
Expected credit loss		61.34		30.21		-		91.55
		88.97		27.91		3.38		120.26
Less: Deferred Tax Liability :								
Property, plant and equipment		5.97		22.62		-		28.59
		5.97		22.62		-		28.59
Net Deferred Tax Asset		83.00		5.29		3.38		91.67

The movement in Deferred Tax Asset and Liabilities:

Particulars	(₹ in Million)			
	As at 1st April, 2022	Credited / (Charge) to Profit and Loss	Credited / (Charge) to Other Comprehensive Income	As at 31st March, 2023
Deferred Tax Asset :				
Lease Liability	0.26	(0.01)	-	0.25
Employee Benefit	27.52	1.63	1.77	27.38
Expected credit loss	45.34	16.00	-	61.34
	73.12	17.62	(1.77)	88.97
Less: Deferred Tax Liability :				
Property, plant and equipment	5.96	0.01	-	5.97
	5.96	0.01	-	5.97
Net Deferred Tax Asset	67.16	17.61	(1.77)	83.00

Note 6(b) : Deferred Tax Liability

Particulars	(₹ in Million)		
	As at 31st March, 2025	As at 31st March, 2024	As at 31st March, 2023
Deferred Tax Liability :			
Property, plant and equipment	-	6.27	6.53
Fair value gain on investments	-	4.88	2.49
	-	11.15	9.02
Less: Deferred Tax Asset :			
Employee benefits	-	6.38	5.35
Expected credit loss	-	0.96	1.49
Lease Liability	-	3.07	2.06
	-	10.41	8.90
Net Deferred Tax Liability	-	0.74	0.12

The movement in Deferred Tax Asset and Liabilities:

Particulars	(₹ in Million)			
	As at 31st March, 2024	Credited / (Charge) to Profit and Loss	Credited / (Charge) to Other Comprehensive Income	As at 31st March, 2025
Deferred Tax Liability :				
Property, plant and equipment	6.27	(6.27)	-	-
Fair value gain on investments	4.88	(4.88)	-	-
	11.15	(11.15)	-	-
Less: Deferred Tax Asset :				
Employee benefits	6.38	(6.38)	-	-
Expected credit loss	0.96	(0.96)	-	-
Lease Liability	3.07	(3.07)	-	-
	10.41	(10.41)	-	-
Net Deferred Tax Liability	0.74	(0.74)	-	-

The movement in Deferred Tax Asset and Liabilities:

Particulars	(₹ in Million)			
	As at 31st March, 2023	Credited / (Charge) to Profit and Loss	Credited / (Charge) to Other Comprehensive Income	As at 31st March, 2024
Deferred Tax Liability :				
Property, plant and equipment	6.53	(0.26)	-	6.27
Fair value gain on investments	2.49	2.39	-	4.88
	9.02	2.13	-	11.15
Less: Deferred Tax Asset :				
Employee benefits	5.35	1.03	-	6.38
Expected credit loss	1.49	(0.53)	-	0.96
Lease Liability	2.06	1.01	-	3.07
	8.90	1.51	-	10.41
Net Deferred Tax Liability	0.12	0.62	-	0.74

The movement in Deferred Tax Asset and Liabilities:

Particulars	(₹ in Million)			
	As at 1st April, 2022	Credited / (Charge) to Profit and Loss	Credited / (Charge) to Other Comprehensive Income	As at 31st March, 2023
Deferred Tax Liability :				
Property, plant and equipment	5.72	0.81	-	6.53
Fair value gain on investments	3.79	(1.30)	-	2.49
	9.51	(0.49)	-	9.02
Less: Deferred Tax Asset :				
Employee benefits	4.96	0.39	-	5.35
Expected credit loss	2.24	(0.75)	-	1.49
Lease Liability (Refer Note 27)	0.12	1.94	-	2.06
	7.32	1.58	-	8.90
Net Deferred Tax Liability	2.19	(2.07)	-	0.12

Note 7 : Other Assets

Particulars	(₹ in Million)					
	As at 31st March, 2025		As at 31st March, 2024		As at 31st March, 2023	
	Non-current	Current	Non-current	Current	Non-current	Current
Capital advances	-	-	9.49	-	99.13	1.68
Prepaid expenses	21.54	101.91	8.03	62.89	12.63	48.45
Advance to employees for expenses	-	0.46	-	1.05	-	1.65
GST credit receivable	-	308.67	-	189.27	-	163.31
Other deposits	-	2.90	-	2.22	-	1.39
Others	-	114.30	-	26.02	0.28	14.24
Total	21.54	528.25	17.52	281.45	112.04	230.72

NATIONAL SECURITIES DEPOSITORY LIMITED
Notes to the Restated Consolidated Financial Information

Note 8 : Current Investments

(₹ in Million)						
Particulars	Rate of Interest	Nos.	Face Value / NAV (₹)	As at 31st March, 2025	As at 31st March, 2024	As at 31st March, 2023
(a) Current portion of Long-Term Investments :						
Investment in Debentures or Bonds (at amortised cost)						
1 National Bank for Agriculture and Rural Development				-	52.28	-
2 Power Finance Corporation of India Limited				-	6.08	-
3 IDFC FIRST Bank Limited	9.03	5	10,00,000	5.55	-	-
4 Power Grid Corporation of India Limited	9.64	21	12,50,000	28.51	-	-
5 NTPC Limited*	7.15	171	10,00,000	180.14	-	155.47
6 IDFC FIRST Bank Limited	8.80	4	10,00,000	4.24	-	-
7 National Bank for Agriculture and Rural Development	5.70	150	10,00,000	155.56	-	-
8 Power Finance Corporation of India Limited	6.50	50	10,00,000	51.60	-	-
9 Indian Renewable Energy Development Agency Limited*	7.17	60	10,00,000	62.16	-	-
10 Power Grid Corporation of India Limited	8.85	40	12,50,000	52.77	-	-
11 Rural Electrification Corporation Limited *	5.85	50	10,00,000	50.37	-	-
12 Rural Electrification Corporation Limited *	5.85	150	10,00,000	148.85	-	-
13 NHPC LIMITED	7.13	1,000	2,00,000	203.78	-	-
14 NABARD	7.40	250	10,00,000	253.01	-	-
15 Rural Electrification Corporation Limited *	7.17	50	10,00,000	51.41	-	-
16 National Bank For Agriculture And Rural Development	5.70	50	10,00,000	51.68	-	-
17 Rural Electrification Corporation Limited	5.85	50	10,00,000	50.81	-	-
18 National Bank For Agriculture And Rural Development	7.40	50	10,00,000	50.62	-	-
19 NHPC LIMITED*				-	-	35.67
20 HDB Financial Services Limited				-	-	1.01
21 Housing and Urban Development Corporation Limited*				-	-	51.76
22 National Housing Bank*				-	-	137.58
23 Indian Railways Finance Corporation Limited*				-	-	55.80
24 India Infrastructure Finance Company Limited*				-	-	52.45
25 NTPC Limited*				-	-	51.96
Sub-total				1,401.07	58.36	541.70
(b) Investment in Government Securities (at amortised cost)						
1 8.20% GOI 2025	8.20	20,000	100	20.14	-	-
2 8.20% GOI 2025	8.20	30,000	100	30.20	-	-
2 5.22% GOI 2025	5.22	5,00,000	100	49.89	-	-
Sub-total				100.23	-	-
(c) Other Current Investments :						
Investment in Mutual Funds (at FVTPL)						
1 Units of UTI Treasury Advantage Fund - Daily Dividend Reinvestment				-	-	81.55
2 Units of Axis Liquid Fund - Direct Plan- Daily Dividend				-	-	0.16
3 Units of IDFC Liquid Fund - Direct Plan - Daily Dividend				-	-	0.10
4 Units of HDFC Liquid Fund- Daily Dividend Reinvestment				-	-	74.30
5 Units of IDBI Ultra Short Term Fund- Daily Dividend Reinvestment				-	-	0.10
6 Units of Principal Debt Opportunity Conservative Fund- Daily Dividend Reinvestment				-	-	66.48
7 Units of UTI Liquid Fund - Daily Dividend Reinvestment				-	-	74.25
8 Units of L&T Banking & PSU debt fund		29,88,465	24.90	74.40	68.91	64.29
9 Units of Sundaram Corporate bond fund		37,67,812	40.52	152.68	140.64	131.74
10 ICICI Prudential Mutual Fund Corporate Bond				-	-	267.31
11 AXIS MUTUAL FUND CORP DBT FD DIR GROWTH		1,07,10,331	17.59	188.40	172.95	160.16
12 Kotak Mahindra Mutual Fund Corporate Bond				-	-	106.00
13 UTI Corporate Bond Fund - Direct Growth Plan Growth				-	-	52.99
14 IDFC Prudential Mutual Fund Corporate Bond				-	-	105.08
15 Edelweiss Bharat Bond ETF				-	-	122.43
16 KOTAK Liquid Fund - Dir - Growth-2		28,760.75	5,230.46	150.43	240.47	-
17 NIPPON INDIA MONEY MARKET FUND - DIRECT GROWTH		55,721.93	4,113.23	229.20	212.81	-
18 ADITYA BIRLA SUN LIFE MONEY MANAGER FUND		6,24,899.82	366.88	229.27	212.84	-
19 TATA LIQUID MUTUAL FUND				-	12.72	-
20 ICICI Money Market Fund				-	31.26	-
21 Nippon India ETF Nifty CPSE Bond Plus SDL 2024				-	55.27	-
22 HDFC Corporate Bond Fund		70,54,489	32.47	229.06	-	-
23 Axis Corporate Bond Fund		59,14,694	17.59	104.04	-	-
24 Aditya Birla Corporate Bond Fund		36,50,870	112.20	409.63	-	-
25 ICICI Corporate Bond Fund		1,57,33,353	30.49	479.77	-	-
26 Tata Corporate Bond Fund		1,22,88,122	12.34	151.59	-	-
27 UTI Corporate Bond Fund		92,74,999	16.33	151.49	-	-
28 SBI Corporate Bond Fund		1,29,81,559	15.57	202.15	-	-
29 Bandhan Liquid Fund - Direct Plan Growth		-	-	-	43.24	-
Sub-total				2,752.11	1,191.11	1,306.94
(d) Investment in ETF Bonds (at FVTPL)						
1 Edelweiss Bharat Bond ETF		49,997	1,000	64.39	-	-
Sub-total				64.39	-	-
Investments in Treasury Bills and CD						
Total				2,514.43	1,483.40	1,478.44
Total				6,832.23	2,732.87	3,327.08
* Investment in tax free bonds						
Note - The Repurchase Price / NAV has been considered as the Quoted Market Price						
Aggregate amount of quoted investment				6,832.22	2,732.87	3,377.05
Aggregate market value of quoted investment				6,796.21	2,730.47	3,362.81
Aggregate amount of unquoted investments				-	-	-

Note 9 : Trade Receivables

Particulars	(₹ in Million)		
	As at 31st March, 2025	As at 31st March, 2024	As at 31st March, 2023
Trade receivables considered good - Secured,	22.50	10.07	16.95
Trade receivables considered good - Unsecured,	1,276.10	821.32	839.33
Trade receivables credit impaired - Unsecured			
Which have significant increase in credit risk	25.78	28.62	2.39
Credit Impaired	555.18	351.52	257.88
	1,879.55	1,211.53	1,116.55
Less: Expected credit loss / Allowance for doubtful debts (Refer Note 2.14)			
Trade receivables -Unsecured / Allowance for doubtful debts	580.95	380.14	260.27
	580.95	380.14	260.27
Total	1,298.60	831.39	856.28

Footnote: .

1) The average credit period on sale of services is 30 days. No interest is charged on trade receivables for the first 30 days from the date of invoice. Thereafter, interest is charged at the range of 12% to 24% p.a. on certain categories of receivables.
2) The Holding Company has appropriate levels of control procedures for new customers which ensures the potential customer's credit quality. Credit limits attributed to customers are reviewed periodically by the Management.

9 (a) Movement in Expected Credit Loss

Particulars	(₹ in Million)		
	As at 31st March, 2025	As at 31st March, 2024	As at 31st March, 2023
Balance at the beginning of the year	380.14	260.27	189.80
Provision during the year	232.49	156.69	75.95
Reversal during the year	31.68	36.82	5.48
Balance at the end of the year	580.95	380.14	260.27

9 (b) Trade Receivables Ageing Schedule as on 31st March, 2025

Particulars	Outstanding for following periods from due date of payment							Total
	Unbilled	Current but not due	Less than 6 Months	6 Months -1 Year	1-2 Years	2-3 Years	More than 3 Years	
Undisputed, trade receivables – considered good	158.56	230.30	431.42	330.46	113.76	34.11	-	1,298.60
Which have significant increase in credit risk	-	-	-	-	25.78	-	-	25.78
Credit Impaired	-	0.32	2.01	17.92	34.57	124.79	375.57	555.18
Less: Expected credit loss / Allowance for doubtful debts	-	0.32	2.01	17.92	60.35	124.79	375.57	580.95
Total	158.56	230.30	431.42	330.46	113.76	34.11	-	1,298.60

9 (d) Trade Receivables Ageing Schedule as on 31st March, 2024

Particulars	Outstanding for following periods from due date of payment							Total
	Unbilled	Current but not due	Less than 6 Months	6 Months -1 Year	1-2 Years	2-3 Years	More than 3 Years	
Undisputed, trade receivables – considered good	173.44	28.05	204.23	252.27	130.20	42.11	1.09	831.39
Which have significant increase in credit risk	-	-	-	-	28.62	-	-	28.62
Credit Impaired	-	-	-	1.91	12.74	106.76	230.11	351.52
Less: Expected credit loss / Allowance for doubtful debts	-	-	-	1.91	41.36	106.76	230.11	380.14
Total	173.44	28.05	204.23	252.27	130.20	42.11	1.09	831.39

9 (e) Trade Receivables Ageing Schedule as on 31st March, 2023

Particulars	Outstanding for following periods from due date of payment							Total
	Unbilled	Current but not due	Less than 6 Months	6 Months -1 Year	1-2 Years	2-3 Years	More than 3 Years	
Undisputed, trade receivables – considered good	99.75	57.14	171.41	317.43	168.81	41.74	-	856.28
Which have significant increase in credit risk	-	-	-	-	2.39	-	-	2.39
Credit Impaired	-	-	0.15	4.70	46.10	99.24	107.69	257.88
Less: Expected credit loss / Allowance for doubtful debts	-	-	0.15	4.70	48.49	99.24	107.69	260.27
Total	99.75	57.14	171.41	317.43	168.81	41.74	-	856.28

Note 10 : Cash and Cash Equivalents

(₹ in Million)			
Particulars	As at 31st March, 2025	As at 31st March, 2024	As at 31st March, 2023
Cash on hand	0.06	0.05	0.05
Balances with banks:			
i) in current accounts	954.30	866.94	1,623.14
ii) in sweep fixed deposit	397.25	193.13	233.78
Investments in Treps	99.99	-	49.97
Total	1,451.59	1,060.12	1,906.94

* Includes fixed deposits of Rs.2.5 million marked under lien

Note 11 : Bank Balances other than Cash and Cash Equivalents

(₹ in Million)			
Particulars	As at 31st March, 2025	As at 31st March, 2024	As at 31st March, 2023
Other bank balances:			
i) in current accounts*	1,835.14	1,240.11	1,712.91
ii) In other deposit accounts with original maturity more than 3 months	455.55	104.50	250.00
Total	2,290.69	1,344.61	1,962.91

* These balances have restriction on repatriation.

Includes fixed deposits of Rs. 0.10 million marked under lien.

NATIONAL SECURITIES DEPOSITORY LIMITED
Notes to the Restated Consolidated Financial Information

Note 12 : Equity Share Capital

Particulars	(₹ in Million)		
	As at 31st March, 2025	As at 31st March, 2024	As at 31st March, 2023
Authorised : 500,000,000 equity shares of ₹2 each with voting rights*	1,000.00	1,000.00	1,000.00
Issued, Subscribed and Fully Paid - up : 200,000,000 equity shares of ₹2 each fully paid up with voting rights*	400.00	400.00	400.00
Total	400.00	400.00	400.00

*Refer Note No.30.1 for details regarding sub-division of shares during the year.

12 (a) There are no promoters as on 31st March, 2025, 31st March, 2024, and 31st March, 2023.

12 (b) Details of Shares held by each Shareholder holding more than 5% :

Name of the Shareholder	As at 31st March, 2025	As at 31st March, 2024	As at 31st March, 2023
	Number of Shares	Number of Shares	Number of Shares
IDBI Bank Ltd.	5,22,00,000	5,22,00,000	5,22,00,000
Holding (%)	26.10	26.10	26.10
National Stock Exchange of India Ltd	4,80,00,000	4,80,00,000	4,80,00,000
Holding (%)	24.00	24.00	24.00
HDFC Bank Limited	1,59,09,500	1,78,99,500	1,78,99,500
Holding (%)	7.95	8.95	8.95
Administrator of the Specified Undertaking of the Unit Trust of India- Unit Scheme 1964	1,36,60,000	1,36,60,000	1,36,60,000
Holding (%)	6.83	6.83	6.83

*Refer Note No.30.1 for details regarding sub-division of shares during the year.

12 (c) The Company has one class of equity shares having a par value of ₹2 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors, (except in case of interim dividend), is subject to the approval of the share holders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all dues, proportionate to their shareholding.

12 (d) Reconciliation of the Shares outstanding at the beginning and end of the year :

Particulars	No of shares*	(₹ in Million)
Balance as at 31st March, 2022	20,00,00,000	400
Add: Issue of Shares	-	-
Balance as at 31st March, 2023	20,00,00,000	400
Add: Issue of Shares	-	-
Balance as at 31st March, 2024	20,00,00,000	400
Add: Issue of Shares	-	-
Balance as at 31st March, 2025	20,00,00,000	400

*Refer Note No.30.1 for details regarding sub-division of shares during the year.

12 (e) On 23rd May, 2025, the Board of Directors of the Holding Company had recommended a final dividend of ₹2.00 per equity share of the face value of ₹2 per share (₹1.00 per equity share of the face value of ₹2 per share for March, 2024 on 14th May, 2024, and ₹1.00 per equity share of the face value of ₹2 per share for March, 2023 on 23rd May, 2023) in respect of the year ended 31st March, 2025, subject to approval of shareholders at the Annual General Meeting for March, 2025 (for March, 2024, approved at the 12th Annual General Meeting held on 28th August, 2024 and for March, 2023, approved at the 11th Annual General Meeting held on 31st August, 2023). If approved, the dividend would result in a cash outflow of ₹ 400.00 Million for March 2025 (the dividend resulted in a cash outflow of ₹200.00 Million for March, 2024 and ₹200.00 Million for March, 2023).

On 2nd May, 2025, the Board of Directors of the Subsidiary Company had recommended a final dividend of ₹3.00 per equity share of the face value of ₹10 per share (₹3.00 per equity share of the face value of ₹10 per share for March, 2024 on 2nd May, 2024, and ₹3.00 per equity share of the face value of ₹10 per share for March, 2023) in respect of the year ended 31st March, 2025, subject to approval of shareholders at the Annual General Meeting for March, 2025 (for March, 2024 approved at the 20th Annual General Meeting held on 26th August, 2024 and for March, 2023, approved at the 19th Annual General Meeting held on 29th August, 2023). If approved, the dividend would result in a cash outflow of ₹ 183.15 Million for March 2025 (the dividend resulted in a cash outflow of ₹183.15 Million for March, 2024 and 183.15 Million for March, 2023).

NATIONAL SECURITIES DEPOSITORY LIMITED
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Note 13 : Other Equity

	(₹ in Million)		
Particulars	As at 31st March, 2025	As at 31st March, 2024	As at 31st March, 2023
General Reserve			
Balance at the beginning of the year	3,631.28	3,631.28	3,631.28
Addition during the year	-	-	-
Balance as at the end of the year	3,631.28	3,631.28	3,631.28
Retained Earnings			
Balance at the beginning of the year	12,754.31	10,216.98	8,089.12
Profit for the year	3,431.24	2,754.45	2,348.10
Less: Dividend (Refer Note 12(e))	(200.00)	(200.00)	(200.00)
Add: Transferred to statutory reserves	(4.51)	(4.28)	(20.24)
Add: Transferred to Investment Fluctuation reserves	(13.52)	(12.84)	-
Balance as at the end of the year	15,967.52	12,754.32	10,216.98
Other Comprehensive Income			
Balance at the beginning of the year	12.83	18.81	(4.21)
Other comprehensive income during the year	(20.87)	(6.00)	23.02
Balance as at the end of the year	(8.04)	12.82	18.81
Share Based Payment Reserve			
Balance at the beginning of the year	5.20	1.30	-
Addition during the year	2.04	3.91	1.30
Balance as at the end of the year	7.24	5.21	1.30
Statutory Reserves			
Balance at the beginning of the year	24.52	20.24	-
Add: Transferred from retained earning	4.51	4.28	20.24
Balance as at the end of the year	29.03	24.52	20.24
Investment Fluctuation reserves			
Balance at the beginning of the year	12.84	-	-
Add: Transferred from retained earning	13.52	12.84	-
Balance as at the end of the year	26.35	12.84	-
Available for Sale reserves			
Balance at the beginning of the year	-	-	-
Add: MTM on investments considered in AFS reserve	0.02	-	-
Balance as at the end of the year	0.02	-	-
Total	19,653.41	16,440.97	13,888.61

Share based payment reserve:

Our Subsidiary has employee stock options scheme under which the eligible employees and key management personnel are granted stock options. Stock options granted are measured at fair value on the grant date using Black-Scholes model and amortised over the vesting year as employees share based payments expenses with corresponding credit in Share based payment reserve.

Statutory reserve:

It has been created by our subsidiary in terms of Sections 17(1) and 11(2)(b)(ii) of Banking Regulation Act, 1949 and transfers at least 25% of its net profits every year to this reserve before any dividend is declared.

Investment fluctuation reserve:

It has been created by our subsidiary as per the RBI circular on “Prudential Norms for Classification, Valuation and Operation of Investments Portfolio by Banks – Spreading of MTM losses and creation of Investment Fluctuation Reserve (IFR)”.

AFS reserve:

It has been created by our subsidiary as per the RBI Master Direction on “Classification, Valuation and Operation of Investment Portfolio of Commercial Banks” to recognise mark-to-market gains on investments held in Available for Sale (AFS) category.

Note 14 : Other Financial Liabilities (Non-Current)

(₹ in Million)			
Particulars	As at 31st March, 2025	As at 31st March, 2024	As at 31st March, 2023
Others:			
Incentive payable to employees	54.28	51.04	48.14
Advances from customers	0.60	0.42	0.39
Total	54.88	51.46	48.53

Note 15 : Other Non-Current Liabilities

(₹ in Million)			
Particulars	As at 31st March, 2025	As at 31st March, 2024	As at 31st March, 2023
Others:			
Income received in advance	53.18	60.66	58.37
Total	53.18	60.66	58.37

Note 16 : Trade Payables

(₹ in Million)			
Particulars	As at 31st March, 2025	As at 31st March, 2024	As at 31st March, 2023
Amounts due to micro enterprise and small enterprises*	179.96	142.68	130.47
Others	712.20	553.68	481.38
Total	892.16	696.35	611.85

* Dues to micro enterprise and small enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

16 (a) Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006:

(₹ in Million)			
Particulars	As at 31st March, 2025	As at 31st March, 2024	As at 31st March, 2023
Principal amount remaining unpaid to any supplier as at the end of the accounting year.	179.93	142.68	130.47
Interest due thereon remaining unpaid to any supplier as at the end of the accounting year.	-	-	-
The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day.	0.00	-	-
The amount of interest due and payable for the year.	0.03	-	-
The amount of interest accrued and remaining unpaid at the end of the accounting year.	-	-	-
The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid.	-	-	-
Total	179.96	142.68	130.47

16 (b) Trade Payables Ageing Schedule as on 31st March, 2025

(₹ in Million)							
Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled dues	Current but not due	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	
Amounts due to MSME	177.00	-	2.95	0.01	-	-	179.96
Others	617.26	-	93.70	1.25	-	-	712.20
Total	794.26	-	96.64	1.26	-	-	892.16

16 (d) Trade Payables Ageing Schedule as on 31st March, 2024

(₹ in Million)							
Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled dues	Current but not due	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	
Amounts due to MSME	129.85	-	12.27	0.56	-	-	142.68
Others	331.67	-	212.77	9.23	-	-	553.67
Total	461.52	-	225.04	9.79	-	-	696.35

16 (e) Trade Payables Ageing Schedule as on 31st March, 2023

(₹ in Million)							
Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled dues	Current but not due	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	
Amounts due to MSME	122.69	-	7.78	-	-	-	130.47
Others	398.08	-	71.42	11.61	0.27	-	481.38
Total	520.77	-	79.20	11.61	0.27	-	611.85

NATIONAL SECURITIES DEPOSITORY LIMITED
Notes to the Restated Consolidated Financial Information

Note 17 : Other Financial Liabilities (Current)			
	(₹ in Million)		
Particulars	As at 31st March, 2025	As at 31st March, 2024	As at 31st March, 2023
Security deposit received from customers / depository participants	1,635.21	753.64	659.60
Payables on purchase of Property, plant and equipment, intangible assets	29.81	5.01	7.82
Payable to Investor Protection Fund Trust (Refer Note 31)	50.69	26.58	29.41
Payable on redemption of NSC/KVP and government securities	22.00	22.18	411.73
Payables to staff	161.94	150.64	153.25
Gratuity payable to Fund (Refer Note 29)	73.20	45.12	25.30
Annual custody charges payable	6.47	10.15	8.84
Equity dividend payable**	36.18	-	-
Payable for stamp duty collection	968.53	427.56	487.61
Advance received for auction of DP demat accounts*	781.01	781.01	781.01
Corporate Social Responsibility Liability	17.76	12.51	23.01
Settlement Charges Payable	155.76	-	-
Advance from Selling Shareholders for IPO	1.08	1.08	3.71
Others	3,119.21	1,360.26	2,110.96
Total	7,058.84	3,595.74	4,702.25

* Advance received for Auction of Demat Accounts for DP Karvy Stock Broking Limited. The matter is subjudice with Bombay High Court.

** Securities and Exchange Board of India ("SEBI") vide its letter dated October 6, 2023, directed the company to freeze the voting rights and all corporate actions in respect of excess shareholding above 15% held by National Stock Exchange ("NSE") and IDBI Bank until such excess shareholding is divested. Pursuant to the said letter, the dividend attributable to these two shareholders in excess of their 15 % holding has not been disbursed and the said amount has been deposited in separate escrow account and will remain deposited until the excess shareholding is divested by the respective shareholders.

NATIONAL SECURITIES DEPOSITORY LIMITED
Notes to the Restated Consolidated Financial Information

Note 18 : Provisions

Particulars	As at 31st March, 2025		As at 31st March, 2024		As at 31st March, 2023	
	Non-current	Current	Non-current	Current	Non-current	Current
Provision for Employee Benefit						
Provision for compensated absences*	7.92	137.31	6.88	129.31	6.43	126.07
Other Provision						
Provision for investor awareness (Refer Note 32)	-	206.31	-	175.23	-	154.32
Total	7.92	343.62	6.88	304.54	6.43	280.39

* The provision for compensated absences includes ordinary and sick leaves

Note 19 : Other Current Liabilities

Particulars	As at		
	31st March, 2025	31st March, 2024	31st March, 2023
Advances from customers	902.79	539.83	475.52
Income received in advance	127.37	95.51	96.27
Statutory remittances	64.09	124.37	109.21
Other Payables	36.15	27.31	7.97
Total	1,130.40	787.02	688.97

NATIONAL SECURITIES DEPOSITORY LIMITED
Notes to the Restated Consolidated Financial Information

Note 20: Revenue from Operations

(₹ in Million)

Particulars	Year ended 31st March, 2025	Year ended 31st March, 2024	Year ended 31st March, 2023
Annual fees	306.37	274.18	273.74
Custody fees	2,351.02	2,058.94	1,875.04
Registration fees	49.22	33.30	58.50
Transaction fees	4,249.60	3,086.34	2,553.82
Software license fees	4.58	2.25	1.93
Communication fees	35.68	31.27	43.41
Income from banking services	7,199.34	7,192.40	5,407.78
Other operating income	5.65	3.76	5.66
Total	14,201.46	12,682.44	10,219.88

20 (a) Timing of revenue recognition as per Ind AS 115

(₹ in Million)

Particulars	Year ended 31st March, 2025	Year ended 31st March, 2024	Year ended 31st March, 2023
Services transferred at a point in time	11,406.32	10,264.49	7,969.62
Services transferred over time	2,795.14	2,417.95	2,250.26
Total revenue from contracts with customers	14,201.46	12,682.44	10,219.88

Note 21 : Other Income

(₹ in Million)

Particulars	Year ended 31st March, 2025	Year ended 31st March, 2024	Year ended 31st March, 2023
Interest income :			
i) On non-current investments	889.27	737.46	586.16
ii) On fixed deposits with banks	26.11	13.61	70.53
iii) On overdue trade receivables	9.58	10.10	17.56
Sub-total	924.96	761.17	674.25
Dividend income from current Investments	-	10.62	6.98
Fair value gain on investments in mutual funds	191.12	170.07	65.20
Profit on sale of investments	7.83	4.34	2.06
Profit / (loss) on sale of property, plant and equipment	0.98	-	-
Bad debts recovered	-	0.00	1.35
Extinguishment of Lease Liability	-	-	3.47
Rent recovery (Ind AS 116 - Leases)	0.72	1.21	0.79
Amounts written back	0.59	8.12	-
Miscellaneous income	24.20	19.08	24.16
Total	1,150.41	974.61	778.26

21 (a) Details of Fair gain on financial instruments at fair value through profit & loss

(₹ in Million)

Particulars	Year ended 31st March, 2025	Year ended 31st March, 2024	Year ended 31st March, 2023
Realised	44.57	72.48	5.92
Unrealised	154.38	101.93	59.28
Total	198.95	174.42	65.20

Note 22 : Employee Benefits Expenses

(₹ in Million)

Particulars	Year ended 31st March, 2025	Year ended 31st March, 2024	Year ended 31st March, 2023
Salaries and wages	1,236.49	1,094.03	967.79
Contribution to provident and other funds (Refer Note 29)	98.37	96.30	96.94
Staff welfare expenses	48.38	37.97	26.31
Deputation Cost	2.04	3.69	7.03
Total	1,385.27	1,231.99	1,098.07

NATIONAL SECURITIES DEPOSITORY LIMITED
Notes to the Restated Consolidated Financial Information

Note 23 : Other Expenses

Particulars	(₹ in Million)		
	Year ended 31st March, 2025	Year ended 31st March, 2024	Year ended 31st March, 2023
Annual fees	52.04	46.20	42.57
Repairs and maintenance - system	644.28	552.22	447.00
Repairs and maintenance - premises	36.45	23.64	25.27
Repairs and maintenance - others	102.75	86.75	61.76
System support charges	87.59	59.74	48.26
Insurance (Refer Note 28)	31.79	28.41	26.31
Processing charges	124.97	128.73	124.88
Power and fuel	23.16	17.49	16.77
Rent (net of recovery)	11.74	20.27	21.51
Communication expenses	262.80	212.32	194.31
Travelling and conveyance expenses	27.88	23.99	23.66
Professional and consultancy fees	152.33	119.52	126.34
Legal charges	16.44	24.31	14.87
Printing and stationery expenses	34.01	17.31	27.13
Rates and taxes	207.00	17.22	9.54
Corporate social responsibility expense (Refer Note 33)	60.94	56.96	46.35
Seminar and business promotion expenses	15.91	11.77	25.35
Payment to auditors (net of GST set-off) :			
(a) Audit fees	4.24	4.40	3.91
(b) Tax audit fees	0.43	0.42	0.34
(c) Taxation matters	0.50	0.20	0.12
(d) Other services	1.76	2.22	2.00
(e) Reimbursement of expenses (out of pocket expenses)	0.18	0.20	-
Directors sitting fees	7.11	7.44	6.37
Provision for investor awarness (Refer Note 32)	25.04	23.44	21.48
Provision for doubtful trade receivables	69.72	65.81	64.03
Provision for doubtful trade receivables	201.41	120.73	70.47
Bad debts written-off	1.09	11.28	9.96
Provision for doubtful rent deposit	-	-3.55	9.55
Bad debts written off - rent deposit	-	3.55	-
Loss on sale of Assets / written off	9.30	-	3.59
IAUD written off	-	-	2.49
Marketing expenses	0.77	1.88	1.46
Business & remittance expenses	6,588.15	6,738.71	4,936.29
Miscellaneous expenses	112.27	69.13	59.23
Total	8,906.92	8,485.27	6,466.80

24. Contingent Liabilities and Other Commitments (to the extent not provided for)

Contingent Liabilities

- a) Demand from the service tax authorities of ₹523.62 Million as at 31st March, 2025 (for 31st March, 2024 ₹523.62 Million, 31st March, 2023 ₹523.62 Million) in respect of FY 2004-05 to FY 2008-09 relate to service tax demanded in respect of depository participant services during that period. The Group has received order from the Central Excise and Service Tax Appellate Tribunal (CESTAT) on 12th June, 2020, and it subsequently filed a civil appeal in the Supreme Court and the Service Tax Department has filed a counter affidavit with the Supreme Court. The Group has paid ₹323.27 Million under protest. The Group is hopeful of succeeding in appeals and does not expect any significant liability to materialise.
- b) Demand from the Goods and Service Tax ("GST") authorities of Maharashtra for ₹15.42 Million in respect of FY 2019-20 has been received mainly for proportionate reversal of Input Tax Credit as per rule 42 and 43 for exempt supply made during the aforesaid period. The Holding Company has filled an appeal on 28th November, 2024. Further, the Holding Company had paid ₹1.37 Million under Section 107(1), as pre-deposit for filling an appeal which is 10 percent of tax amount. The Holding Company is hopeful of succeeding in appeals and does not expect any significant liability to materialize.
- c) Demand from Goods and Service Tax authorities of Rs. ₹9.04 Million as at 31st March, 2025 (for 31st March, 2024 ₹9.04 Million, 31st March, 2023 ₹9.04 Million) on account of disputed demand of Goods and Service Tax pertaining to year 2017-18 to -2019-20. The Group is hopeful of succeeding in appeals and does not expect any significant liability to materialise.
- d) Demand from income tax authorities is given below :

(₹ in Million)

Particulars	Demand from income tax authorities as at		
	31st March, 2025	31st March, 2024	31st March, 2023
2014-15	0.86	0.86	0.86
2015-16	3.49	3.49	3.33
2016-17	141.58	141.58	141.58
2017-18	89.26	89.26	89.26
2018-19	280.27	280.27	280.27
2019-20	81.05	81.08	79.67
2020-21	53.91	53.84	53.84
2021-22	28.13	28.13	28.13
2022-23	21.03	21.03	-
2023-24	1.56	-	-
2024-25	0.09	-	-
Total	701.22	699.54	676.94

The Company is confident to receive adjudication in their favour and accordingly no provision is considered necessary.

- e) GSRTC a merchant of Payment Gateway has disputed transactions amounting to ₹0.92 Million. The merchant customer has a Bank Guarantee of ₹0.80 Million. The Company is in discussion with the highest authority of the merchant customer and is hopeful of preventing an invocation of Bank Guarantee.
- f) Fixed Deposits placed with Corporation Bank for issue of Bank Guarantee to Unique Identification Authority of India (UIDAI) on behalf of NSDL Payments Bank Limited for ₹2.50 Million as at 31st March, 2025 (for 31st March, 2024 ₹2.50 Million and for 31st March, 2023 ₹2.5 million).
- g) The Group is a party in certain legal proceedings filed by beneficial owners / third parties in the normal course of business. In view of the management the chances of these legal proceedings being decided against the Company are very remote and it may not have any material adverse impact on its financial conditions, results of operations and cash flow.
- h) The Company has preferred two civil appeals before Hon'ble Supreme Court challenging the Order of Securities Appellant Tribunal ("SAT") dated December 20, 2023 in the matter of Karvy Stock Broking Limited ("Karvy") wherein Securities and Exchange Board of India ("SEBI"), National Stock Exchange of India Limited ("NSE") and National Securities Depositories Limited ("NSDL") were directed to either (i) permit Axis Bank (one of the lenders to Karvy) to invoke the shares pledged in its favour by Karvy, as available in the Demat account and (ii) restore the pledge of shares in favour of other appellant Banks & NBFC; or compensate them with the value of underlined securities which were pledged by Karvy in their favour, along with interest. It was alleged in SEBI interim order dated November 22, 2019 ("Interim Order") that Karvy pledged clients' shares unlawfully in order to avail loan facilities from various Banks and NBFC. The said SEBI order was quashed by SAT vide its above referred order. According to SEBI's order issued in December 13, 2019, the total dues payable to Banks & NBFC by Karvy amounted to ₹14,350.50 million. The exact amount of Karvy's current outstanding dues is not known.

24. Contingent Liabilities and Other Commitments (to the extent not provided for)

Further, both SEBI and NSE have also independently filed their appeals before the Hon'ble Supreme Court against SAT Order. The Hon'ble Supreme Court has directed that no coercive steps be taken against SEBI, NSE and NSDL in respect of SAT order and status quo to be maintained in respect of shares pledged with Axis Bank, as available in the Demat account. Although SAT passed an order implicating SEBI, NSE and NSDL collectively, the Company's management maintains the stand that the Company's actions of releasing the pledge and also returning the securities to Karvy's Clients were strictly as per SEBI's Interim Order (as a Regulator) and were taken under the supervision of NSE and as a result, the Company cannot be held liable towards the Banks and NBFC and no liability can be attributed to the Company. However, the outcome of the matter is contingent upon Hon'ble Supreme Court's verdict and the financial obligations on the Company, if there would be any, would be known once the verdict is pronounced by Hon'ble Supreme Court since the same cannot be reliably estimated at present stage. The Civil Appeals were listed on April 07, 2025 before the Registrar Court of Supreme Court of India wherein several other matters were tagged alongwith the present appeal. All the matters are now scheduled to be listed on July 15, 2025 before the Registrar's Court. In the assessment of the management and based on legal opinion obtained in the matter, the Company believes that it has strong case on merits to challenge the SAT Order and hence, no provision is required to be made in the books of account.

- i) In the matter of inspection conducted by SEBI for FY 23-24, there were certain non-compliances observed by SEBI viz Freezing/unfreezing of accounts, backdated outsourcing agreements in a few cases, Non-conversion of eligible demat accounts into BSDA and CUSA/CUSPA related software changes. Subsequently SEBI issued a Show cause notice on October 11, 2024 and SEBI has initiated Adjudication proceedings under various sections of SEBI Act as well. The Company filed a settlement application on December 10, 2024 proposing ₹10.56 Millions as the settlement amount. On May 06, 2025, the meeting with IC took place and after due deliberations, the final settlement amount of ₹ 155.76 Million has been proposed. The company is in the process to make submission with revised settlement terms of an amount of ₹ 155.76 Million and non-monetary terms to settle the proceedings, accordingly Company has made provision for proposed settlement charges. The final outcome of the matter and further financial obligation, if any, cannot be reliably estimated at present as the same is contingent upon SEBI's acceptance or otherwise of the settlement terms proposed by the Company.

Commitments

(₹ in Million)

Particulars	Estimated amount of commitments as at		
	31st March, 2025	31st March, 2024	31st March, 2023
Capital contracts not provided for (net of advances)	31.71	228.95	1,892.40
Other Commitments: Contractual guarantee	6.50	25.17	25.17

25. Segment Reporting

The Group's operating segments are established on the basis of those components of the group that are evaluated regularly by the Chief Operating Decision Maker (CODM), in deciding how to allocate resources and in assessing performance. The Managing Director has been identified as the CODM. The Operating segments have been identified taking into account nature of products and services, the differing risk and returns and the internal business reporting systems. The Group has three operating and reporting segments; viz. Depository, Database Management Services, and Banking Services. Since the operations of the segments are in India, no geographical segments have been identified.

Revenue and Expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and Expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocable". Segment Assets and Segment Liabilities represent Assets and Liabilities in respective segments. Investments, tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as "Unallocable".

Depository Segment (DP) includes providing various services to the investors like, dematerialisation, rematerialisation, holding, transfer and pledge of securities in electronic form, providing facility to market intermediaries for "Straight through Processing " and providing e-voting services to companies.

Database Management Services (DMS) includes data management services like National Skills Registry to IT / ITeS industry and transactions services like SEZ Online system on behalf of Ministry of Commerce & Industry, KYC registration agency (KRA) for centralization of the KYC records in the securities market, operations pertaining to the Repository of Insurance Policies.

Banking Services segment (BS) includes accepting demand deposits in the form of savings bank deposits, to provide payment/ remittance/recharge services through its mobile application, issue of debit cards for point of sale/Ecommerce and ATM transactions, accepting demand deposits in the form of current account deposits, offering domestic money transfer through Business Correspondent, offering mutual fund investment services through mobile app, offering Bank verification services for corporate brokers, offering insurance investment services through mobile app.

Particulars	For the year ended 31st March, 2025				For the year ended 31st March, 2024			
	Depository	Database Management	Banking Services	Total	Depository	Database Management	Banking Services	Total
Segment Revenue								
Revenue	6,186.04	816.08	7,199.34	14,201.46	4,730.34	759.69	7,192.40	12,682.44
Less: Inter segment revenue	-	-	-	-	-	-	-	-
Total	6,186.04	816.08	7,199.34	14,201.46	4,730.34	759.69	7,192.40	12,682.44
Segment Results	3,105.98	258.44	36.61	3,401.03	2,305.06	281.55	22.50	2,609.10
Add: Other unallocable income (net of unallocable expense)				249.41				199.83
Add: Interest income				924.96				761.17
Less: Finance cost				40.97				20.60
Profit before Tax				4,534.43				3,549.50
Less: Tax expense				1,103.19				795.05
Profit for the period				3,431.24				2,754.44

Particulars	For the year ended 31st March, 2023			
	Depository	Database Management	Banking Services	Total
Segment Revenue				
Revenue	4,091.46	720.64	5,407.78	10,219.88
Less: Inter segment revenue	-	-	-	-
Total	4,091.46	720.64	5,407.78	10,219.88
Segment Results	1,965.49	289.69	84.07	2,339.25
Add: Other unallocable income (net of unallocable expense)				55.65
Add: Interest income				674.25
Less: Finance cost				18.73
Profit before Tax				3,050.42
Less: Tax expense				702.32
Profit for the year				2,348.10

25. Segment Reporting

(₹ in Million)

Particulars	As at and for the year ended 31st March, 2025					As at and for the year ended 31st March, 2024				
	Depository	Database Managem ent	Banking Services	Un-allocable	Total	Depository	Database Managem ent	Banking Services	Un-allocable	Total
Segment Assets	4,830.50	504.18	2,052.31	22,461.38	29,848.37	3,944.53	415.15	1,667.11	16,550.56	22,577.35
Segment Liabilities	3,611.99	506.73	3,712.43	1,963.80	9,794.96	2,075.53	449.90	1,879.70	1,331.25	5,736.38
Capital Expenditure	469.52	166.40	106.90	-	742.82	2,237.17	58.28	88.30	-	2,383.74
Depreciation / Amortisation	211.19	65.29	77.55	-	354.03	123.53	59.58	58.13	-	241.24
Material non-cash items other than Depreciation / Amortisation	424.09	2.33	-	-	426.41	307.55	(1.32)	2.87	-	309.09

(₹ in Million)

Particulars	As at and for the year ended 31st March, 2023				
	Depository	Database Managem ent	Banking Services	Un-allocable	Total
Segment Assets	1,587.15	382.19	2,186.09	16,779.32	20,934.75
Segment Liabilities	1,854.83	445.89	2,553.07	1,792.35	6,646.14
Capital Expenditure	223.20	35.90	7.09	-	266.19
Depreciation / Amortisation	103.36	52.13	61.40	-	216.89
Material non-cash items other than Depreciation / Amortisation	245.90	(2.94)	9.91	-	252.87

26. Related Party Disclosures

a) Names of Related Parties and Relationship		
i)	IDBI Bank Limited	Company having substantial Interest
ii)	National Stock Exchange of India Limited	Company having substantial Interest
iii)	India International Bullion Holding IFSC Limited	Associate Company (w.e.f. August 13, 2021)
iv)	GKM Global Services Private Limited	Companies in which director is interested (w.e.f. May 24, 2024)
v)	Mr. B. A. Prabhakar (till 7th May, 2023)	Public Interest Director
	Mr. Parveen Kumar Gupta	
	Prof. G. Sivakumar (till 9th January, 2024)	
	Dr. Rajani Gupte (till May 22, 2024)	
	Ms. Sripriya Kumar (appointed on May 23, 2024)	
	Mr. Rajat Moona	Shareholder Director
	Dr. Madhu Sudan Sahoo	
	Mr. B. Sambamurthy (till 19th April, 2022)	
	Mr. Rajeev Kumar (upto 10th January, 2023)	
	Mr. Sriram Krishnan	Managing Director and CEO
	Mr. Shailendra Nadkarni (till 31st December, 2024)	
	Ms. Priya Subbaraman (till 29th May, 2023)	
	Mr. Vijay Chandok (Appointed on November 28, 2024)	
	Ms. Padmaja Chunduru (till 31st August 2024)	

b) Nature and Volume of Transactions during the year with the above Related Parties

(₹ in Million)

Sr. No.	Particulars	For the year ended		
		31st March, 2025	31st March, 2024	31st March, 2023
(i)	Transactions during the year :			
	<u>I. Companies having Substantial Interest</u>			
	a) IDBI Bank Limited			
	Transaction fees	5.85	6.49	5.90
	Annual fees	1.15	1.01	1.03
	Annual custody fees	2.58	2.63	2.67
	Reimbursement of expenses	-	-	0.02
	Interest Income on fixed deposit with bank	8.68	9.54	25.51
	Interest (waiver)/ income – other	0.05	0.03	0.04
	Miscellaneous expenses	0.03	0.02	0.04
	Investor awareness expense	0.32	0.33	0.51
	Dividend paid	52.20	52.20	52.20
	b) National Stock Exchange of India Limited			
	Transaction fees	43.33	4.59	6.34
	Dividend paid	48.00	48.00	48.00
	<u>II. Associate Company</u>			
	a) India International Bullion Holding IFSC Limited			
	Investment in Associate	200.00	-	100.00
	<u>III. Key Managerial Personnel</u>			
	a) Sitting Fees to directors	15.82	13.38	11.06
	b) Remuneration to KMPs (Refer note ii) :			
	Short-term employee benefit	32.74	33.77	33.68
	Long-term employee benefit	-	-	-
	<u>IV. Companies in which director is interested</u>			
	a) GKM Global Services Private Limited			
	Income	0.02	-	-
	Security deposit received	0.01	-	-

(₹ in Million)

Sr. No.	Particulars	As at		
		31st March, 2025	31st March, 2024	31st March, 2023
(ii)	(Payable)/Receivable at the end of the year :			
	I. Companies having Substantial Interest			
	a) IDBI Bank Limited			
	Security deposit payable	3.00	3.00	3.00
	Balance in current account	38.39	2.18	4.74
	FDS	340.00	115.29	117.85
	Trade receivables	-	-	0.33
	Trade Payables	0.52	0.46	-
	b) National Stock Exchange of India Limited			
	Trade receivables	44.97	5.37	4.72
	II. Associate Company			
	a) India International Bullion Holding IFSC Limited			
	Investment in Associate	484.12	249.67	259.90
	Trade receivables (net)	0.01	-	-
	III. Key Managerial Personnel			
	a) Payable to key managerial person	21.44	25.99	21.53
	IV. Companies in which director is interested			
	a) GKM Global Services Private Limited			
	Trade payables	0.02	-	-
	Security deposit payable	0.01	-	-
Notes				
i	There are no provisions for doubtful debts or amounts written off/written back in respect of dues from/to related parties.			
ii	Managerial Remuneration does not include provision made for compensated absence and gratuity since the same is provided for the company as a whole based on independent actuarial valuation except to the extent of amount paid.			
iii	Outstanding balances at the year-end are unsecured and interest free. For the year ended March 31, 2025, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (Nil for the year ended March 31, 2024 and March 31, 2023).			

- c) The following are the details of the transactions eliminated on consolidation as per Ind AS 24 read with ICDR Regulations for the year ended 31st March, 2025, 31st March, 2024, and 31st March, 2023

(₹ in Million)

Sr. No.	Particulars	For the year ended		
		31st March, 2025	31st March, 2024	31st March, 2023
(i)	Transactions during the year :			
	I. Subsidiary Companies			
	a) NSDL Database Management Limited			
	Income	0.17	2.00	13.24
	Expense	6.25	4.76	7.85
	Reimbursement of expense	2.51	1.70	2.53
	Dividend received	183.15	183.15	122.10
	b) NSDL Payments Bank			
	Investment In subsidiary	-	-	-
	Income	0.08	0.08	0.30
	Expense	5.39	4.30	3.53
	Reimbursement of expense	0.59	0.76	1.50
	II. Associate Company			
	a) India International Bullion Holding IFSC Limited			
	Income	0.08	0.08	0.08

(₹ in Million)

Sr. No.	Particulars	As at		
		31st March, 2025	31st March, 2024	31st March, 2023
(ii)	(Payable)/Receivable at the end of the year :			
	I. Subsidiary Companies			
	a) NSDL Database Management Limited			
	Trade receivables (net)	-	-	-
	Trade Payables (net)	6.49	1.54	2.42
	b) NSDL Payments Bank			
	Security deposit payable	0.15	0.15	0.15
	Balance in current account	0.14	0.14	0.17
	Payables (net)	1.16	0.69	2.07

27. Lease Liability

Statement showing movement in Lease Liabilities

(₹ in Million)

Particulars	As at		
	31st March, 2025	31st March, 2024	31st March, 2023
Balance as at beginning	136.24	168.17	29.25
Add/(less): Agreements reassessed as lease contracts	-	-	-
Additions	1.77	0.73	189.34
Deductions/Adjustments	1.13	0.02	20.68
Finance cost accrued during the year	9.68	12.29	14.42
Payment of lease liabilities	45.23	44.93	44.16
Balance as at end	101.33	136.24	168.17

Statement showing carrying value of Right of Use Assets

(₹ in Million)

Particulars	As at		
	31st March, 2025	31st March, 2024	31st March, 2023
Balance as at beginning	117.42	156.78	25.38
Add/(less): Agreements reassessed as lease contracts	-	-	-
Additions	1.77	0.73	192.75
Deductions/Adjustments	1.11	0.01	17.90
Depreciation	40.34	40.08	43.45
Balance as at end	77.74	117.42	156.78

Statement showing break up value of the Current and Non - Current Lease Liabilities

(₹ in Million)

Particulars	As at		
	31st March, 2025	31st March, 2024	31st March, 2023
Current lease liabilities	47.78	35.35	32.85
Non- Current lease liabilities	53.55	100.89	135.32
Total	101.33	136.24	168.17

Statement showing agreement maturities of Lease Liabilities on an undiscounted basis

(₹ in Million)

Particulars	As at		
	31st March, 2025	31st March, 2024	31st March, 2023
Due for			
Up to One year	54.87	45.13	52.76
One year to Five years	56.41	109.76	149.55
More than Five years	-	-	-
Total	111.29	154.89	202.31

Statement showing amount recognised in Statement of Profit and Loss

(₹ in Million)

Particulars	For the year ended		
	31st March, 2025	31st March, 2024	31st March, 2023
Interest on lease liabilities	9.68	12.29	14.42
Depreciation on right of use assets	40.34	40.08	43.45
Total	50.01	52.37	57.87

Statement showing total cash outflow for leases

(₹ in Million)

Particulars	As at		
	31st March, 2025	31st March, 2024	31st March, 2023
Total cash outflow for leases	45.23	44.93	44.16

28. Expenses in Note 23 has been disclosed net of recoveries as under

(₹ in Million)

Particulars	For the year ended		
	31st March, 2025	31st March, 2024	31st March, 2023
Insurance	8.69	6.40	5.27

29. Employee Benefits

- a) The Company has recognized the following amounts in the statement of profit and loss under the head company's contribution to provident fund and other funds.

(₹ in Million)

Particulars	For the year ended		
	31st March, 2025	31st March, 2024	31st March, 2023
a. Provident fund	48.67	44.19	44.29
b. ESIC	0.02	0.02	0.05
c. Superannuation fund	15.56	18.24	17.94
Total	64.25	62.45	62.28

- b) Gratuity

(i) Summary of Actuarial Assumptions

Particulars	For the year ended		
	31st March, 2025	31st March, 2024	31st March, 2023
Discount rate	6.73% - 6.83%	7.21% - 7.18%	6.09% - 7.15%
Rate of return on plan assets	6.73% - 6.83%	7.21% - 7.18%	6.09% - 7.15%
Salary escalation	7% - 8%	7.00%	7.00%
Attrition rate	Slab (20%<5, 4%>=5)	Slab (18%<5, 4%>=5)	Slab (18%-20%<5, 4%-5%>=5)
Mortality table	Indian Assured Lives Mortality (2012-14) Urban	Indian Assured Lives Mortality (2012-14) Urban	Indian Assured Lives Mortality (2012-14) Urban

(ii) Reconciliation of defined benefit obligation

(₹ in Million)

Particulars	As at		
	31st March, 2025	31st March, 2024	31st March, 2023
Liability at the beginning of the year	338.57	327.62	316.15
Interest cost	24.40	24.45	22.50
Current service cost	30.84	32.23	31.56
Liability Transferred Out/ Divestments	-	-	-
(Gains)/ Losses on Curtailment	-	(1.09)	-
Benefits paid	(42.10)	(55.53)	(35.35)
Actuarial loss /(gain) on obligations	42.53	10.88	(7.24)
Liability at the end of the year	394.24	338.56	327.62

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(iii) Reconciliation of fair value of plan assets

(₹ in Million)

Particulars	As at		
	31st March, 2025	31st March, 2024	31st March, 2023
Fair value of plan assets at the beginning of the year	293.45	302.60	276.12
Interest Income	21.15	22.58	19.64
Contributions by the Employer	47.40	25.77	42.08
Benefits paid	(42.10)	(55.53)	(35.35)
Actuarial (gain)/ loss on Plan Assets	1.15	(1.97)	0.11
Fair value of plan assets at the end of the year	321.04	293.45	302.60

(iv) Amount recognised in Balance Sheet

(₹ in Million)

Particulars	As at		
	31st March, 2025	31st March, 2024	31st March, 2023
Present value of funded obligation	(394.24)	(338.56)	(327.62)
Fair value of plan assets at the end of the year	321.04	293.45	302.60
Amount recognised in balance sheet	(73.20)	(45.11)	(25.02)

(v) Expenses recognised in Statement of Profit and Loss

(₹ in Million)

Particulars	For the year ended		
	31st March, 2025	31st March, 2024	31st March, 2023
Current service cost	30.84	32.23	31.56
Interest cost	3.25	1.87	2.85
(Gains)/ Losses on Curtailment	-	(1.09)	-
Expenses recognised in the Statement of Profit and Loss	34.09	33.01	34.41

(vi) Expenses recognised in other Comprehensive Income

(₹ in Million)

Particulars	For the year ended		
	31st March, 2025	31st March, 2024	31st March, 2023
Actuarial gain loss on obligation	42.53	10.88	(7.24)
Actuarial (Gain) or Loss	(1.15)	1.97	(0.11)
Net (Income)/Expense for the year recognized in OCI	41.39	12.85	(7.35)

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(vii) Balance Sheet reconciliation

(₹ in Million)

Particulars	As at		
	31st March, 2025	31st March, 2024	31st March, 2023
Opening net liability	45.12	25.02	40.03
Expenses Recognized in Statement of Profit and Loss	34.09	33.01	34.41
Expenses Recognized in OCI	41.39	12.85	(7.35)
Employers Contribution	(47.40)	(25.77)	(42.07)
Amount recognised in balance sheet	73.20	45.11	25.02

(viii) Description of Plan Assets (managed by an Insurance Company)

Information of major categories of plan assets of gratuity fund is not available with the Company and hence not disclosed as per the requirements of Ind AS 19 “Employee Benefits”.

(ix) Expected contribution in the next year

(₹ in Million)

Particulars	For the year ended		
	31st March, 2025	31st March, 2024	31st March, 2023
Expected contribution in the next year	30.18	38.85	40.73

(x) Sensitivity Analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

(₹ in Million)

Particulars	Defined Benefit Obligation		
	31st March, 2025	31st March, 2024	31st March, 2023
Increase in Assumption			
Discount rate (1% movement)	(32.29)	(28.77)	(27.57)
Future salary appreciation (1% movement)	36.44	32.74	31.43
Attrition rate (1% movement)	(1.35)	(0.12)	0.35
Decrease in Assumption			
Discount rate (1% movement)	36.91	33.00	31.60
Future salary appreciation (1% movement)	(32.49)	(29.08)	(27.93)
Attrition rate (1% movement)	1.44	0.08	(0.45)

The above details are as certified by the actuary and relied upon by the auditors.

The actuarial calculation used to estimate defined benefit commitment and expenses are based on above assumptions which if changed would affect the defined benefit commitments and expenses.

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

30. Earnings Per Share

(₹ in Million)

Particulars	For the year ended		
	31st March, 2025	31st March, 2024	31st March, 2023
Restated Profit for the year attributable to the equity shareholders	3,431.24	2,754.45	2,348.10
Number of equity shares at the beginning of the year (absolute)	4,00,00,000	4,00,00,000	4,00,00,000
Number of shares outstanding post stock split in the ratio of 5:1 (absolute) (Refer Note No.30.1 for details regarding sub-division of shares during the year)	20,00,00,000	20,00,00,000	20,00,00,000
Weighted average number of equity shares during the year	20,00,00,000	20,00,00,000	20,00,00,000
Basic and diluted earnings per share (₹)*	17.16	13.77	11.74
Face value of each share (₹)	10.00	10.00	10.00
Face value of each share post Stock split (₹) (Refer Note No.30.1 for details regarding sub-division of shares during the year)	2.00	2.00	2.00

*Diluted Earnings per share is equal to the Basic Earnings per share in view of absence of any dilutive potential equity shares.

30.1 Pursuant to resolutions passed in extra-ordinary general meeting held on 10th March, 2023, shareholders of the Holding Company have approved sub-division of each equity share of face value of ₹ 10 each into five equity shares of face value of ₹ 2 each. As required under Ind AS 33 "Earnings per share" the effect of such sub-division has been adjusted retrospectively for the purpose of computing earnings per share for all the periods presented retrospectively.

Restated Basic and Diluted earning per share are calculated by dividing the restated profit for the year attributable to equity holders of the Holding Company by the weighted average number of equity shares outstanding during the year.

31. Investor Protection Fund (IPF)

31.1 On January 21, 2016, The Securities Exchange Board of India (SEBI) has issued SEBI (Depositories and Participants) (Amendment) Regulations, 2016 ("the Amended Regulations"). According to these Amended Regulations, depositories are required to establish and maintain an Investor Protection Fund (IPF) for the protection of interest of beneficial owners and every depository shall credit five per cent of its profits from depository operations every year to the Investor Protection Fund.

The contribution to IPF is given below in the table, being 5% of the profits from depository operations of the Group before tax for the year available after making such contribution.

(₹ in Million)

Particulars	For the year ended		
	31st March, 2025	31st March, 2024	31st March, 2023
Contribution to IPF	154.21	114.83	98.86

31.2 Further, SEBI vide its Circular dated June 7, 2016 issued guidelines for utilization of IPF. The guidelines require administration of IPF by creation of a trust administered by Depository. As required by the Guidelines, the Group created irrevocable Trust 'National Securities Depository Limited Investor Protection Fund Trust' (NSDL IPF Trust).

The amount transferred by the Group to NSDL IPF Trust is given below in the table. The amount includes contribution to IPF, and it includes other amounts recovered from depository participants and SEBI Clearing members as required by the guidelines.

(₹ in Million)

Particulars	For the year ended		
	31st March, 2025	31st March, 2024	31st March, 2023
Amount transferred to NSDL IPF Trust	161.87	135.81	107.95

32. Other Provisions: Provision for Investor Awareness

SEBI vide its circular no. CIR/MRD/DP/18/2015, dated December 9, 2015 (the "Circular") has revised the annual custody / issuer charges to be collected by the depositories from the issuers with effect from financial year 2015-16. The Circular has also directed the Depositories to set aside 20% of the incremental revenue received from the issuers listed with SEBI.

Pursuant to the Circular, the amount set aside by the Group, being 20% of incremental revenue on issuer income, and balance, if any, to be utilised is given below in the table.

(₹ in Million)

Particulars	For the year ended		
	31st March, 2025	31st March, 2024	31st March, 2023
Amount set aside by the Group	69.72	65.81	64.03

(₹ in Million)

Particulars	As at		
	31st March, 2025	31st March, 2024	31st March, 2023
Opening Balance	175.23	154.32	166.83
Addition	69.72	65.81	64.03
Payment / Utilisation	(38.63)	(44.90)	(76.54)
Closing Balance	206.31	175.23	154.32

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33. Expenses towards Corporate Social Responsibility

(₹ in Million)

Sr. No.	Particulars	Year ended 31st March, 2025	Year ended 31st March, 2024	Year ended 31st March, 2023
1	Amount required to be spent by the company during the year	60.93	56.61	46.97
2	Amount of expenditure spent during the year	44.17	45.50	33.46
3	(Excess) of earlier years adjusted	(0.01)	-	0.71
4	(Excess) / Shortfall at the end of the year #	16.76	11.11	12.80
5	Total of previous years shortfall	(0.01)	-	-
6	Reason for shortfall	-	-	-
7	Nature of CSR activities	1) Project Sanjeevani (Mobile Medical Unit) 2) Project Yogdaan (Thalassemia Patients) 3) Comprehensive Eye Care Project (Sankara Nethralaya) 4) Mid-Day Meal Program 5) Project Management, Capacity Building and Administration 6) Project Sanjeevani Nirantar Seva (Ambulance Service) 7) Impact Assessment of CSR Project (Centre of Excellence in CSR) 8) NSDL Shiksha Sahyog (educational scholarship project) 9) NSDL Niramay- Cancer Screening Unit 10) Setting up IT Infrastructure at Skill Development Center 11) Setting up Mini Science Center in Schools	1) Project Sanjeevani (Mobile Medical Unit) 2) Project Yogdaan (Thalassemia Patients) 3) Chalo School Chale Campaign (school kit distribution drive) 4) Blood Donation Camp at NSDL 5) Comprehensive Eye Care Project (Sankara Nethralaya) 6) Support for Geriatric and Palliative Care Centre 7) Mid-Day Meal Program 8) Infra Support in Andhra Education Society's High School 9) Project Management, Capacity Building and Administration 10) Project Sanjeevani Nirantar Seva (Ambulance Service) 11) Impact Assessment of CSR Project (Centre of Excellence in CSR)	1) Project Sanjeevani - Clinic on Wheels (Mobile Medical Unit) 2) Project Yogdaan (support to Thalassemia Patients) 3) Chalo School Chale Campaign (school kit distribution drive) 4) Blood Donation Camp 5) Comprehensive Eye Care Project (Sankara Nethralaya) 6) Project SAMEIP - Skill Development Project (Artha SAMARTH) 7) Mid-Day Meal Program 8) Mini Science Centre Project in School 9) Capacity Building, Project Monitoring, Reporting & Project Administration
8	Details of related party transactions	NA	NA	NA
9	Provision made in financial year due to any contractual obligation	NA	NA	NA

As at 31st March, 2025, ₹16.76 Million towards ongoing projects remained unspent, which were transferred to a special account opened by the company in that behalf for the financial year 2024-25 in scheduled bank to be called Unspent Corporate Social Responsibility Account, and such amount shall be spent by the company in pursuance of its obligation towards Corporate Social responsibility policy within a period of three financial years from the date of such transfer.

As at 31st March, 2024, ₹11.11 Million towards ongoing projects remained unspent, which were transferred to a special account opened by the company in that behalf for the financial year 2023-24 in scheduled bank to be called Unspent Corporate Social Responsibility Account, and such amount shall be spent by the company in pursuance of its obligation towards Corporate Social responsibility policy within a period of three financial years from the date of such transfer. As of March 31, 2025, Rs.1.00 Million is remained unspent in respect of financial year 2023-24.

As at 31st March, 2023, ₹12.80 Million towards ongoing projects remained unspent, which were transferred to a special account opened by the company in that behalf for the financial year 2022-23 in scheduled bank to be called Unspent Corporate Social Responsibility Account, and such amount shall be spent by the company in pursuance of its obligation towards Corporate Social responsibility policy within a period of three financial years from the date of such transfer. As of March 31, 2025, the unspent amount is fully spent towards Corporate Social responsibility in respect of financial year 2022-23.

34. Fair value measurement

(₹ in Million)

Particulars	As at		
	31st March, 2025	31st March, 2024	31st March, 2023
Financial Assets			
a) Amortised cost*			
Investments in debt instrument	16,073.34	12,756.28	12,195.99
Trade receivables	1,298.60	831.39	856.28
Cash and cash equivalents	1,451.59	1,060.12	1,906.94
Other bank balances	2,290.69	1,344.61	1,962.91
Other financial assets	733.44	923.94	460.55
	21,847.66	16,916.33	17,382.67
b) FVTPL			
Investment in mutual funds	3,234.04	1,769.19	1,905.67
Investment in Exchange traded Fund	64.39	59.83	55.63
Investment in Other entities	100.00	100.00	100.00
	3,398.43	1,929.02	2,061.30
Total	25,246.09	18,845.35	19,443.97
Financial Liabilities			
a) Amortised cost*			
Trade payables	892.16	696.35	611.85
Lease liability	101.33	136.24	168.17
Other financial liabilities	7,113.72	3,647.20	4,750.78
Total	8,107.21	4,479.79	5,530.80

*The fair values of the above financial assets and liabilities approximate their carrying amounts except in case of investment in bonds and debentures.

Fair value hierarchy of financial assets and financial liabilities measured at amortised cost:

(₹ in Million)

Assets and liabilities which are measured at amortised cost for which fair values are disclosed as at 31st March, 2025	Fair value	Carrying value	Fair value hierarchy
Financial Assets			
Investments in debt instrument	16,108.53	16,073.34	Level 2
Trade receivables	1,298.60	1,298.60	Level 3
Cash and cash equivalents	1,451.59	1,451.59	Level 1
Other bank balances	2,290.69	2,290.69	Level 1
Other financial assets	733.44	733.44	Level 3
Total	21,882.85	21,847.66	
Financial Liabilities			
Trade payables	892.16	892.16	Level 3
Lease liability	101.33	101.33	Level 3
Other financial liabilities	7,113.72	7,113.72	Level 3
Total	8,107.21	8,107.21	

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Fair value hierarchy of financial assets and financial liabilities measured at amortised cost:

(₹ in Million)

Assets and liabilities which are measured at amortised cost for which fair values are disclosed as at 31st March, 2024	Fair value	Carrying value	Fair value hierarchy
Financial Assets			
Investments in debt instrument	12,700.28	12,756.28	Level 2
Trade receivables	831.39	831.39	Level 3
Cash and cash equivalents	1,060.12	1,060.12	Level 1
Other bank balances	1,344.61	1,344.61	Level 1
Other financial assets	923.94	923.94	Level 3
Total	16,860.34	16,916.34	
Financial Liabilities			
Trade payables	696.35	696.35	Level 3
Lease liability	136.24	136.24	Level 3
Other financial liabilities	3,647.20	3,647.20	Level 3
Total	4,479.79	4,479.79	

(₹ in Million)

Assets and liabilities which are measured at amortised cost for which fair values are disclosed as at 31st March, 2023	Fair value	Carrying value	Fair value hierarchy
Financial Assets			
Investments in debt instrument	12,216.84	12,195.99	Level 2
Trade receivables	856.28	856.28	Level 3
Cash and cash equivalents	1,906.94	1,906.94	Level 1
Other bank balances	1,962.91	1,962.91	Level 1
Other financial assets	460.55	460.55	Level 3
Total	17,403.52	17,382.67	
Financial Liabilities			
Trade payables	611.85	611.85	Level 3
Lease liability	168.17	168.17	Level 3
Other financial liabilities	4,750.78	4,750.78	Level 3
Total	5,530.80	5,530.80	

35. Financial Instruments

Capital Risk Management

The Group's objectives when managing capital is to safeguard continuity as a going concern and provide adequate return to shareholders through continuing growth and maintain an optimal capital structure to reduce the cost of capital. The Company sets the amount of capital required on the basis of annual business plan and long-term operating plans which include capital investments.

Financial Risk Management

A wide range of risks may affect the Group's business and financial results. Amongst other risks that could have significant influence on the Company are market risk, credit risk and liquidity risk.

The Board of Directors of the Group manage and review the affairs of the Company by setting up short term and long term budgets by monitoring the same and taking suitable actions to minimise potential adverse effects on its operational and financial performance.

The Group is exposed to the following market risks:

(a) Credit Risk

Credit risk refers to the risk that the counter party will default on its contractual obligation resulting in financial loss to the Group. The Company has adopted a policy of dealing with only credit worthy counter parties. This risk principally arises from credit exposures to customers, deposits with banks and financial institutions and other receivables.

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Trade and Other Receivables: The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Receivables mainly consist of receivables from Depository Participants (DP), Issuers of Securities, Registrar and Transfer Agents (RTA), Asset Management Companies (AMC) and Stock Exchanges. Trade receivables consist of a large number of customers, representing diverse industries and geographical areas; hence the Group is not exposed to concentration risks. With respect to DPs, the Group performs credit evaluation while on boarding the customer and security deposits are taken. Ongoing credit evaluation is performed on the financial conditions of the accounts receivable.

The Group has a dedicated Credit and Control team primarily responsible for monitoring credit risk and receivables. They monitor outstanding receivables along with ageing on periodic basis. For receivables pertaining to other streams of revenues, the credit and collection team regularly follows up for the collection. The credit risk on liquid funds, banks and financial institutions is limited because the counterparties are with high credit-ratings.

(b) Liquidity Risk

Liquidity risk refers to the risk that the Group may not be in a position to meet its financial obligations timely. Management monitors rolling forecasts of the Group's liquidity position (comprising of undrawn bank facilities and cash and cash equivalents) on the basis of expected cash flows. This monitoring includes financial ratios and takes into account the accessibility of cash and cash equivalents.

(c) Market Risk

Market Risk is the risk that the value of on and off-balance sheet positions of a Group will be adversely affected by movements in market rates or prices such as interest rates, prices resulting in a loss to earnings and capital.

The Group may be exposed to Market Risk in different ways. The market risk is potential for loss resulting from adverse movement in market risk factors such as interest rates and prices. The Group's exposure to market risk is primarily on account of interest rate risk, price risk. All investment in Debentures and Bonds are at fixed rate of Interest and does not have material interest rate risks.

The Group's exposure to assets having price risk is as under:

Particulars	(₹ in Million)		
	As at		
	31st March, 2025	31st March, 2024	31st March, 2023
Mutual Fund	3,234.04	1,769.20	1,905.67
Exchange traded Fund	64.39	59.82	55.63
Total	3,298.43	1,829.02	1,961.30

Sensitivity

The table below summarises the impact of increases/ decreases of the Price on profit for the period. The analysis is based on the assumption that the instrument index has increased/ decreased by 5% with all other variables held constant.

Particulars	(₹ in Million)		
	Impact on profit after tax as at		
	31st March, 2025	31st March, 2024	31st March, 2023
Increase by 5%	164.92	91.45	98.07
Decrease by 5%	(164.92)	(91.45)	(98.07)

Particulars	(₹ in Million)		
	Impact on other components of equity as at		
	31st March, 2025	31st March, 2024	31st March, 2023
Increase by 5%	-	-	-
Decrease by 5%	-	-	-

36. Additional information pursuant to Para 2 of general instructions for the preparations of Consolidated Financial Information

Name of Entity in the Group	Net Assets (Total Assets less Total Liabilities)		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of Consolidated Net Assets	Amount	As % of Consolidated Profit or Loss	Amount	As % of Consolidated Other Comprehensive Income	Amount	As % of Consolidated Total Comprehensive Income	Amount
National Securities Depository Limited								
As at 31st March, 2025	76.70%	15,380.91	88.73%	3,044.41	81.87%	(17.09)	88.77%	3,027.32
As at 31st March, 2024	74.68%	12,576.42	87.30%	2,404.50	182.02%	(10.91)	87.09%	2,393.59
As at 31st March, 2023	71.45%	10,209.80	84.49%	1,983.85	15.58%	3.59	83.81%	1,987.43
NSDL Database Management Limited								
As at 31st March, 2025	13.52%	2,711.44	10.17%	348.91	61.03%	(12.74)	9.86%	336.18
As at 31st March, 2024	15.18%	2,556.60	12.75%	351.25	(14.40%)	0.86	12.81%	352.11
As at 31st March, 2023	16.68%	2,383.51	14.27%	335.06	7.21%	1.66	14.20%	336.72
NSDL Payments Bank Limited								
As at 31st March, 2025	7.37%	1,476.94	0.41%	13.96	7.33%	(1.53)	0.36%	12.43
As at 31st March, 2024	8.66%	1,458.28	0.45%	12.32	(9.62%)	0.58	0.47%	12.89
As at 31st March, 2023	10.05%	1,435.41	3.30%	77.56	1.48%	0.34	3.29%	77.90
India International Bullion Holding IFSC Ltd								
As at 31st March, 2025	2.41%	484.12	0.70%	23.96	(50.23%)	10.48	1.01%	34.45
As at 31st March, 2024	1.48%	249.67	(0.49%)	(13.63)	(58.00%)	3.48	-0.37%	(10.15)
As at 31st March, 2023	1.82%	259.90	(2.06%)	(48.37)	75.73%	17.44	(1.30%)	(30.93)
As at 31st March, 2025	100.00%	20,053.41	100.00%	3,431.24	100.00%	(20.87)	100.00%	3,410.37
As at 31st March, 2024	100.00%	16,840.97	100.00%	2,754.44	100.00%	(6.00)	100.00%	2,748.45
As at 31st March, 2023	100.00%	14,288.62	100.00%	2,348.10	100.00%	23.03	100.00%	2,371.12

37. Additional Regulatory Disclosures

- (i) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property. The title deeds of immovable properties are held in the name of the Group as at the balance sheet date.
- (ii) The Group has not traded or invested in Crypto currency or Virtual Currency.
- (iii) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries), or
 - (b) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (iv) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
 - (a) 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
 - (b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (v) The Group does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961.
- (vi) There are no loans or advances in the nature of loans that are granted to promoters, directors, key managerial personnel (KMPs) and the related parties either severally or jointly with any other person, that are: a) Repayable on demand or b) Without specifying any terms or period of repayment.
- (vii) The Group is not a declared willful defaulter by any bank or financial Institution or other lender.
- (viii) The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 in respect of investments in subsidiaries.

38. Income Tax Expenses recognised in Statement of Profit and Loss

Particulars	For the year ended		
	31st March, 2025	31st March, 2024	31st March, 2023
Profit before Tax from Continuing Operations	4,534.43	3,549.50	3,050.42
Corporate tax expense rate	25.17%	25.17%	25.17%
Tax on accounting profit	1,176.71	938.96	790.43
Effect of tax on income exempt from taxation	(117.53)	(125.94)	(114.59)
Effect of expenses not deductible in determining taxable income	23.28	18.36	23.75
Effect of different tax rates for capital gain on investments	(14.78)	-	15.10
Effect of tax on unrealised gains on investment	41.22	(33.43)	(14.01)
Others	(5.71)	(2.89)	1.64
Income Tax Expense recognised in Statement of Profit and Loss	1,103.19	795.05	702.32

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39. Following are the details of balances outstanding on account of any transaction with companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956

(₹ in Million)

Sr. No.	Name Of Struck Off Company	Nature of Transaction	Outstanding Balance as at			Relationship
			31st March, 2025	31st March, 2024	31st March, 2023	
1	AANKIT GRANITES LIMITED	Receivables	(0.15)	(0.20)	-	Customer
2	AARKAY HABITAT LIMITED	Receivables	0.01	0.01	-	Customer
3	AARKAY HABITAT LIMITED	Security Deposit	(0.00)	(0.00)	-	Customer
4	ABCAP TRUSTEE COMPANY PRIVATE LIMITED	Receivables	0.01	0.01	0.00	Customer
5	ACME HANUMANGARH SOLAR ENERGY PRIVATE LIMITED	Receivables	0.00	0.00	-	Customer
6	ACME JAIGARH SOLAR ENERGY PRIVATE LIMITED	Receivables	0.00	0.00	-	Customer
7	AK SKILL DEVELOPERS LIMITED	Receivables	0.01	0.01	0.00	Customer
8	AK SKILL DEVELOPERS LIMITED	Security Deposit	(0.01)	(0.01)	-	Customer
9	AKB ELECTRONICS & TELECOM LIMITED	Receivables	0.01	0.01	-	Customer
10	AKB ELECTRONICS & TELECOM LIMITED	Security Deposit	(0.00)	(0.00)	-	Customer
11	AKSHARA AGRI FARMS PRIVATE LIMITED	Receivables	0.01	0.01	0.01	Customer
12	ALTICO HOUSING FINANCE INDIA LIMITED	Receivables	0.01	0.01	0.01	Customer
13	AMTIER INFOTECH LIMITED	Receivables	(0.00)	0.00	-	Customer
14	ANANDAA CONSUMERS LIMITED	Receivables	0.01	0.01	-	Customer
15	ANANDAA CONSUMERS LIMITED	Security Deposit	(0.01)	(0.01)	-	Customer
16	ARDHIKA INFRASTRUCTURE LIMITED	Receivables	0.01	0.01	-	Customer
17	ARDHIKA INFRASTRUCTURE LIMITED	Security Deposit	(0.01)	(0.01)	-	Customer
18	ARDOR INTERNATIONAL LIMITED	Receivables	0.09	0.09	-	Customer
19	ARUNACHAL HYDRO POWER LIMITED	Receivables	0.09	0.09	0.09	Customer
20	ASHOKA CUTTACK ANGUL TOLLWAY LIMITED	Receivables	0.00	0.00	-	Customer
21	ASTERPETAL TRADE & SERVICES PRIVATE LIMITED	Receivables	0.00	0.00	0.00	Customer
22	ATLAS CYCLES (SAHIBABAD) LIMITED	Receivables	0.01	0.01	-	Customer
23	ATLAS CYCLES (SAHIBABAD) LIMITED	Security Deposit	(0.01)	(0.01)	-	Customer
24	ATRIA ROOFTOP HOLDINGS PRIVATE LIMITED	Receivables	0.02	0.01	-	Customer
25	ATRIA SOLAR POWER (KADAPA) PRIVATE LIMITED	Receivables	(0.00)	(0.00)	-	Customer
26	ATRIA SOLAR POWER (RAICHUR) PRIVATE LIMITED	Receivables	(0.00)	(0.00)	-	Customer
27	ATRIA WIND POWER (AN)PRIVATE LIMITED	Receivables	0.02	0.02	0.02	Customer
28	ATRIA WIND POWER (KR3) PRIVATE LIMITED	Receivables	0.02	0.01	0.00	Customer
29	AVAADA GREEN APPROJECT PRIVATE LIMITED	Receivables	0.01	0.01	0.01	Customer
30	AZURE POWER THIRTY FIVE PRIVATE LIMITED	Receivables	0.01	(0.00)	(0.00)	Customer
31	BASTILLE SOLAR PRIVATE LIMITED	Receivables	0.01	-	-	Customer
32	BENIOS MARKETING LIMITED	Receivables	0.01	0.01	-	Customer
33	BHASKAR INFRAVENTURE LIMITED	Receivables	0.01	0.01	-	Customer
34	BHASKAR INFRAVENTURE LIMITED	Security Deposit	(0.01)	(0.01)	-	Customer
35	BILVANI SCHOOL LIMITED	Receivables	0.01	0.01	-	Customer
36	BILVANI SCHOOL LIMITED	Security Deposit	(0.00)	(0.00)	-	Customer
37	BLISS HOME PRIVATE LIMITED	Receivables	0.01	0.01	0.01	Customer
38	BLUESHIFT INFORMATION SYSTEMS PRIVATE LIMITED	Receivables	0.01	0.01	0.01	Customer
39	BOMBAY PIECE-GOODS YARN AND PLASTICS TRADERS LIMITED	Receivables	0.00	(0.00)	-	Customer
40	BOMBAY PIECE-GOODS YARN AND PLASTICS TRADERS LIMITED	Security Deposit	(0.01)	(0.01)	-	Customer
41	BRAHI HYDRO-ELECTRIC POWER PROJECTS LIMITED	Receivables	(0.00)	(0.00)	-	Customer
42	BRAHMA IRON AND POWER LIMITED	Receivables	0.05	0.03	-	Customer
43	CAMBRONNE SOLAR PRIVATE LIMITED	Receivables	0.00	(0.00)	-	Customer
44	CHERRYPICK TECHNOLOGIES LIMITED	Receivables	0.01	-	-	Customer
45	CIEL TRANSMISSION PRIVATE LIMITED	Receivables	0.01	0.00	(0.00)	Customer
46	CM LUBES INDIA LIMITED	Receivables	0.01	0.01	-	Customer
47	CM LUBES INDIA LIMITED	Security Deposit	(0.00)	(0.00)	-	Customer
48	CS AGRICO PRIVATE LIMITED	Receivables	(0.00)	(0.00)	-	Customer
49	DABRIPADA ENERGY LIMITED	Receivables	(0.00)	(0.00)	(0.00)	Customer
50	DABRIPADA ENERGY LIMITED	Security Deposit	(0.01)	(0.01)	-	Customer
51	DADHA HEALTHCARE PRIVATE LIMITED	Receivables	0.01	0.01	0.01	Customer
52	DBL POWER TRANSMISSION PRIVATE LIMITED	Receivables	0.01	0.01	0.01	Customer
53	DCL INFORMATION TECHNOLOGIES LIMITED	Receivables	0.01	0.01	-	Customer
54	DCM FINANCE AND LEASING LIMITED	Receivables	0.01	0.01	0.01	Customer
55	DCM FINANCE AND LEASING LIMITED	Security Deposit	(0.01)	(0.01)	-	Customer
56	DELUXE VYAPAAR PRIVATE LIMITED	Receivables	0.01	0.01	0.01	Customer
57	DEVONA POWER LIMITED	Receivables	0.17	0.17	-	Customer
58	DHANVANTHRI PHARMA DISTRIBUTORS PRIVATE LIMITED	Receivables	0.01	(0.00)	(0.00)	Customer
59	DIANA ENERGY LIMITED	Receivables	0.01	0.00	-	Customer

NATIONAL SECURITIES DEPOSITORY LIMITED
Notes to the Restated Consolidated Financial Information

39. Following are the details of balances outstanding on account of any transaction with companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956

(₹ in Million)

Sr. No.	Name Of Struck Off Company	Nature of Transaction	Outstanding Balance as at			Relationship
			31st March, 2025	31st March, 2024	31st March, 2023	
60	DIVYA MINING CORP LIMITED	Receivables	(0.01)	(0.01)	(0.01)	Customer
61	DOIT RETAIL NETWORKS (INDIA) PRIVATE LIMITED	Receivables	0.01	0.01	0.01	Customer
62	DOTOM AMBIT DEVELOPERS PRIVATE LIMITED	Receivables	0.02	0.02	0.02	Customer
63	DUET INDIA HOTELS (BENGALURU CYBERCITY) PRIVATE LIMITED	Receivables	0.01	0.01	0.01	Customer
64	DUROC SOLAR PRIVATE LIMITED	Receivables	0.00	(0.01)	0.00	Customer
65	EAST WEST HOTELS LIMITED	Receivables	0.00	0.01	0.01	Customer
66	EDCL - SEPPA NIRE HYDRO ELECTRIC PRIVATE LIMITED	Receivables	0.03	0.03	0.03	Customer
67	EDEN RENEWABLE ANVERS PRIVATE LIMITED	Receivables	0.00	(0.00)	-	Customer
68	EDEN RENEWABLE BLANCHE PRIVATE LIMITED	Receivables	(0.01)	(0.00)	-	Customer
69	EDEN RENEWABLE CONCORDE PRIVATE LIMITED	Receivables	0.00	(0.00)	-	Customer
70	EDEN RENEWABLE IENA PRIVATE LIMITED	Receivables	0.00	(0.00)	0.01	Customer
71	EDEN RENEWABLE JASMIN PRIVATE LIMITED	Receivables	0.02	0.02	0.02	Customer
72	EDEN RENEWABLE LOURMEL PRIVATE LIMITED	Receivables	(0.00)	(0.00)	0.01	Customer
73	EDEN RENEWABLE SIMPLON PRIVATE LIMITED	Receivables	0.00	(0.00)	0.01	Customer
74	EDEN RENEWABLE VARENNE PRIVATE LIMITED	Receivables	0.00	(0.00)	0.01	Customer
75	EDEN RENEWABLE VILLIERS PRIVATE LIMITED	Receivables	(0.00)	(0.00)	0.01	Customer
76	EDEN SOLAR RASPAIL PRIVATE LIMITED	Receivables	0.00	(0.00)	-	Customer
77	ELECTROSTEEL THERMAL POWER LIMITED	Receivables	(0.00)	0.01	0.01	Customer
78	EMPOWER ELECTRONICS LIMITED	Receivables	0.00	0.00	-	Customer
79	EMPOWER ELECTRONICS LIMITED	Security Deposit	(0.01)	(0.01)	-	Customer
80	FIRST BLUE FINANCIAL CONSULTANTS LIMITED	Receivables	0.01	0.01	0.01	Customer
81	FIRST BLUE FINANCIAL CONSULTANTS LIMITED	Security Deposit	(0.00)	(0.00)	-	Customer
82	FLUENCE ADVISORY SERVICES LIMITED	Receivables	0.01	0.01	0.01	Customer
83	FRC COMPOSITES INDIA LIMITED	Receivables	(0.00)	(0.01)	0.04	Customer
84	GARG TRADLOGISTICS PRIVATE LIMITED	Receivables	0.01	0.01	-	Customer
85	GINNI CAPITAL LIMITED	Receivables	0.01	0.01	0.01	Customer
86	GOLD NEST TRADING COMPANY LIMITED	Receivables	0.01	0.01	0.01	Customer
87	GOLD NEST TRADING COMPANY LIMITED	Security Deposit	(0.01)	(0.01)	-	Customer
88	GORAKHPUR EXPRESSWAY LIMITED	Receivables	0.18	0.09	-	Customer
89	GREENWILLOW HOMES PRIVATE LIMITED	Receivables	0.02	0.02	0.02	Customer
90	GTPL SURAT TELELINK PRIVATE LIMITED	Receivables	0.01	0.00	0.00	Customer
91	GTPL TV TIGER PRIVATE LIMITED	Receivables	0.01	0.00	0.00	Customer
92	GTPL VIDARBHA TELE LINK PRIVATE LIMITED	Receivables	0.01	0.00	0.00	Customer
93	GTPL VIDEO VISION PRIVATE LIMITED	Receivables	0.01	0.00	0.00	Customer
94	H J THAKKAR PROPERTY INVESTMENT LIMITED	Receivables	(0.00)	(0.00)	-	Customer
95	H J THAKKAR PROPERTY INVESTMENT LIMITED	Security Deposit	(0.01)	(0.01)	-	Customer
96	HARITA PACKAGINGS LIMITED	Receivables	0.01	0.01	-	Customer
97	HARITA PACKAGINGS LIMITED	Security Deposit	(0.01)	(0.01)	-	Customer
98	HATHWAY PALAMPUR CABLE NETWORK PRIVATE LIMITED	Receivables	0.02	0.02	0.01	Customer
99	HINDUSTAN BIOTECH LIMITED	Receivables	(0.00)	(0.01)	-	Customer
100	HITECHI JEWELERY INDUSTRIES LIMITED	Receivables	0.09	0.09	0.09	Customer
101	HOLLAND SHIELDING SYSTEMS (INDIA) PRIVATE LIMITED	Receivables	0.01	0.01	0.01	Customer
102	HOME TRADE LTD	Security Deposit	(0.82)	(0.82)	-	Customer
103	HYPERSONIC INVESTMENT PVT LTD	Receivables	0.01	0.01	(0.00)	Customer
104	ICAP INSTITUTIONAL STOCK EXCHANGE OF INDIA LIMITED	Receivables	0.01	0.01	-	Customer
105	ICAP INSTITUTIONAL STOCK EXCHANGE OF INDIA LIMITED	Security Deposit	(0.01)	(0.01)	-	Customer
106	IDEASPACE SOLUTIONS LIMITED	Receivables	0.00	0.00	-	Customer
107	IEE INTERNATIONAL LIMITED	Receivables	0.01	0.01	-	Customer
108	IEE INTERNATIONAL LIMITED	Security Deposit	(0.01)	(0.01)	-	Customer
109	INDIA INTERACTIVE TECHNOLOGIES LIMITED	Receivables	(0.02)	(0.02)	(0.02)	Customer
110	INDIAN SCHOOL OF K -12 EDUCATION PRIVATE LIMITED	Receivables	0.01	0.01	-	Customer
111	INTARVO TECHNOLOGIES LIMITED	Receivables	0.01	0.01	-	Customer
112	IQU POWER COMPANY PRIVATE LIMITED	Receivables	(0.00)	0.00	0.00	Customer
113	JABALPUR PATAN SHAHPURA TOLLWAYS LIMITED	Receivables	0.02	0.02	-	Customer
114	JAIPUR CEMENTS PRIVATE LIMITED	Receivables	(0.01)	(0.01)	-	Customer
115	JAMADOBA STEEL LIMITED	Receivables	0.01	0.01	0.01	Customer
116	JAMBHORA ENERGY PROJECTS LIMITED	Receivables	0.00	0.00	0.00	Customer
117	JAMES CAPITAL AND FINANCE PRIVATE LIMITED	Receivables	0.02	0.02	0.01	Customer
118	JEEVANDHARA MULTITRADE LIMITED	Receivables	0.01	0.01	0.01	Customer

NATIONAL SECURITIES DEPOSITORY LIMITED
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39. Following are the details of balances outstanding on account of any transaction with companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956

(₹ in Million)

Sr. No.	Name Of Struck Off Company	Nature of Transaction	Outstanding Balance as at			Relationship
			31st March, 2025	31st March, 2024	31st March, 2023	
119	Jugsalai Steel Limited	Receivables	0.00	0.00	-	Customer
120	JUPITER SATELLITE INDIA PRIVATE LIMITED	Receivables	0.01	0.01	-	Customer
121	JUPITER SATELLITE INDIA PRIVATE LIMITED	Security Deposit	(0.01)	(0.01)	-	Customer
122	KAIZEN POWER LIMITED	Receivables	0.04	0.04	-	Customer
123	KALBROS IRON AND STEELS LIMITED	Receivables	0.01	0.01	0.01	Customer
124	KALBROS IRON AND STEELS LIMITED	Security Deposit	(0.01)	(0.01)	-	Customer
125	KALDAR ENERGY PROJECTS LIMITED	Receivables	0.01	0.01	0.01	Customer
126	KALDAR ENERGY PROJECTS LIMITED	Security Deposit	(0.01)	(0.01)	-	Customer
127	KAMDHENU ISPATLIMITED	Receivables	0.01	0.01	0.01	Customer
128	KAMDHENU ISPATLIMITED	Security Deposit	(0.01)	(0.01)	-	Customer
129	KAMDHENU PAINTS INDIA LIMITED	Receivables	0.01	0.01	0.01	Customer
130	KAMDHENU PAINTS INDIA LIMITED	Security Deposit	(0.01)	(0.01)	-	Customer
131	KEWAL KIRAN MANAGEMENT CONSULTANCY LIMITED	Receivables	0.01	0.01	-	Customer
132	KEWAL KIRAN MANAGEMENT CONSULTANCY LIMITED	Security Deposit	(0.01)	(0.01)	-	Customer
133	KEWAL KIRAN MEDIA AND COMMUNICATION LIMITED	Receivables	0.01	0.01	-	Customer
134	KEWAL KIRAN MEDIA AND COMMUNICATION LIMITED	Security Deposit	(0.01)	(0.01)	-	Customer
135	KKR ARC INDIA PRIVATE LIMITED	Receivables	0.03	0.03	0.02	Customer
136	KMC ROAD HOLDINGS PRIVATE LIMITED	Receivables	0.01	-	-	Customer
137	KNR Chidambaram Infra Private Limited	Receivables	0.03	0.03	0.03	Customer
138	KONDAIBARI ENERGY LIMITED	Receivables	0.00	0.00	-	Customer
139	KONDAIBARI ENERGY LIMITED	Security Deposit	(0.01)	(0.01)	-	Customer
140	L & T ARUNACHAL HYDROPOWER LIMITED	Receivables	0.20	0.11	0.01	Customer
141	LOGOS LIFECARE LIMITED	Receivables	0.00	(0.00)	0.01	Customer
142	LOGOS LIFECARE LIMITED	Security Deposit	(0.01)	(0.01)	-	Customer
143	LOKMANGAL GARMENTS LIMITED	Receivables	(0.01)	(0.01)	-	Customer
144	LOWE INFRA AND WELLNESS PRIVATE LIMITED	Receivables	0.01	0.01	0.01	Customer
145	LUMINO BIO FUEL PRIVATE LIMITED	Receivables	0.00	(0.00)	(0.01)	Customer
146	MAHARANI HOTELS LIMITED	Receivables	(0.01)	(0.01)	-	Customer
147	MAHARISHI AYURVED HEALTH CARE LIMITED	Receivables	(0.00)	0.00	-	Customer
148	MANBHAWANI INVESTMENT LIMITED	Receivables	0.01	0.01	-	Customer
149	MAPLE TECHNOLOGIES LIMITED	Receivables	0.01	-	-	Customer
150	MAPLE TECHNOLOGIES LIMITED	Security Deposit	(0.01)	(0.01)	-	Customer
151	Marvel Omega Builders Pvt Ltd	Receivables	0.01	0.01	-	Customer
152	MAX PLANCK SOLARFARMS PRIVATE LIMITED	Receivables	0.05	0.05	(0.00)	Customer
153	METAFFINITY PRIVATE LIMITED	Receivables	0.01	-	-	Customer
154	NARANG REALTY & CONSTRUCTION PRIVATE LIMITED	Receivables	(0.01)	(0.02)	-	Customer
155	NARANG SHELTERS PRIVATE LIMITED	Receivables	(0.01)	(0.02)	-	Customer
156	NARAYANA HEALTH INSTITUTIONS PRIVATE LIMITED	Receivables	0.01	(0.00)	(0.00)	Customer
157	NARAYANA HEALTH INSTITUTIONS PRIVATE LIMITED	Security Deposit	(0.01)	(0.01)	-	Customer
158	NATIONAL TRADERS LIMITED	Receivables	0.01	0.00	-	Customer
159	NATIONAL TRADERS LIMITED	Security Deposit	(0.01)	(0.01)	-	Customer
160	NAYA RAIPUR GEMS AND JEWELLERY SEZ LIMITED	Receivables	0.02	0.02	0.02	Customer
161	NEARA ENERGY PRIVATE LIMITED	Receivables	0.01	0.01	0.01	Customer
162	NEARA KHANDWA ENERGY PRIVATE LIMITED	Receivables	0.01	0.01	0.01	Customer
163	NEARA MADHYA ENERGY PRIVATE LIMITED	Receivables	0.01	0.01	0.01	Customer
164	NEARA PAVAGADA PRIVATE LIMITED	Receivables	0.01	0.01	0.01	Customer
165	NETMEDS HEALTH AND WELLNESS MARKETPLACE PRIVATE L	Receivables	0.02	0.01	0.00	Customer
166	NETMEDS HEALTH AND WELLNESS MARKETPLACE PRIVATE L	Security Deposit	(0.01)	(0.01)	-	Customer
167	NETS ENERGY AND INFRA TECH PRIVATE LIMITED	Receivables	0.01	0.01	0.01	Customer
168	NIGHTSTAY TRAVELS PRIVATE LIMITED	Receivables	0.02	0.02	0.02	Customer
169	NIRUPAM ENERGY PROJECTS PRIVATE LIMITED	Receivables	(0.00)	(0.00)	-	Customer
170	OFFSHORE FINANCIAL SERVICES LIMITED	Receivables	0.01	0.01	-	Customer
171	OMNESYS TECHNOLOGIES PRIVATE LIMITED	Receivables	0.01	0.01	-	Customer
172	ORBIS SECURITIES PRIVATE LIMITED	Receivables	0.00	-	-	Customer
173	ORBIS SECURITIES PRIVATE LIMITED	Security Deposit	(0.09)	-	-	Customer
174	ORIENT GREEN POWER (MAHARASHTRA) PRIVATE LIMITED	Receivables	0.03	(0.02)	(0.02)	Customer
175	P D REALTORS LIMITED	Receivables	0.01	0.01	-	Customer
176	P D REALTORS LIMITED	Security Deposit	(0.00)	(0.00)	-	Customer
177	PARASWANATH SOLAR POWER (ITAGI) PRIVATE LIMITED	Receivables	0.02	0.01	0.00	Customer

NATIONAL SECURITIES DEPOSITORY LIMITED
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39. Following are the details of balances outstanding on account of any transaction with companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956

(₹ in Million)

Sr. No.	Name Of Struck Off Company	Nature of Transaction	Outstanding Balance as at			Relationship
			31st March, 2025	31st March, 2024	31st March, 2023	
178	PARASWANATH SOLAR POWER (KOPPAL) PRIVATE LIMITED	Receivables	0.01	0.01	0.01	Customer
179	PAYLESS HOLIDAYS LIMITED	Receivables	(0.00)	(0.00)	-	Customer
180	PENTA PHARMADYES LIMITED	Receivables	0.03	0.03	-	Customer
181	PERPETUAL INFRACON PRIVATE LIMITED	Receivables	(0.02)	0.02	-	Customer
182	PLETHORA INVESTMENT ADVISER LIMITED	Receivables	0.01	0.01	0.01	Customer
183	PRAGATI PRE FAB (INDIA) PRIVATE LIMITED	Receivables	0.01	-	-	Customer
184	PREMIER LIMITED	Receivables	(0.02)	0.01	-	Customer
185	PRIME TECHNOLOGY RESOURCES MANAGEMENT LIMITED	Receivables	0.01	0.01	-	Customer
186	PRIME TECHNOLOGY RESOURCES MANAGEMENT LIMITED	Security Deposit	(0.01)	(0.01)	-	Customer
187	PRISEK ENTERPRISES LIMITED	Receivables	(0.00)	(0.01)	-	Customer
188	PRISEK ENTERPRISES LIMITED	Security Deposit	(0.01)	(0.01)	-	Customer
189	PURI PORTS LIMITED	Receivables	(0.00)	0.01	-	Customer
190	QUIPPPO DRILLING INTERNATIONAL PRIVATE LIMITED	Receivables	0.02	0.02	0.01	Customer
191	RAAS DISTRIBUTION (INDIA) PRIVATE LIMITED	Receivables	0.02	0.01	0.02	Customer
192	RAJASTHAN TILTERS LIMITED	Receivables	0.01	0.01	0.01	Customer
193	RAMKY ESCO LIMITED	Receivables	0.01	0.01	0.01	Customer
194	RAMKY FOOD PARK CHATTISGARH LIMITED	Receivables	0.01	0.01	0.01	Customer
195	RAMKY FOOD PARK KARNATAKA LIMITED	Receivables	0.01	0.01	0.01	Customer
196	RAMKY HERBAL & MEDICINAL PARK CHATTISGARH LTD	Receivables	0.01	0.01	0.01	Customer
197	RANAKPUR CEMENT LIMITED	Receivables	(0.01)	(0.01)	(0.00)	Customer
198	RAR BREWERIES LIMITED	Receivables	(0.00)	0.01	-	Customer
199	RATTAN VANASPATI LIMITED	Receivables	0.03	0.03	0.03	Customer
200	RAVI FARMTECH (INDIA) PRIVATE LIMITED	Receivables	0.01	0.01	0.01	Customer
201	RAVI MILK PRODUCTS (INDIA) PRIVATE LIMITED	Receivables	0.01	0.01	0.01	Customer
202	RAYMUS PORTABUILDINGS LIMITED	Receivables	0.01	-	-	Customer
203	RAYMUS PORTABUILDINGS LIMITED	Security Deposit	(0.01)	(0.01)	-	Customer
204	REGENCY CONVENTION CENTRE AND HOTELS LIMITED	Receivables	0.01	0.01	0.01	Customer
205	REGENCY CONVENTION CENTRE AND HOTELS LIMITED	Security Deposit	(0.01)	(0.01)	-	Customer
206	RENEE INDUSTRIES LIMITED	Receivables	0.03	0.03	0.03	Customer
207	RICHE HOSPITALITY LIMITED	Receivables	0.01	0.01	-	Customer
208	RICHE HOSPITALITY LIMITED	Security Deposit	(0.00)	(0.00)	-	Customer
209	RICHE LABORATORIES LIMITED	Receivables	0.02	0.02	-	Customer
210	RICHE LABORATORIES LIMITED	Security Deposit	(0.01)	(0.01)	-	Customer
211	RUSHIL GLOBAL TRADE LIMITED OGD8	Receivables	0.01	0.01	0.01	Customer
212	RUTHERFORD SOLARFARMS PRIVATE LIMITED	Receivables	0.00	0.00	-	Customer
213	S2 CAPITAL SERVICES PRIVATE LIMITED	Receivables	0.01	0.01	0.01	Customer
214	SAKET HOLIDAYS RESORTS PRIVATE LIMITED	Receivables	0.03	0.03	-	Customer
215	SANTA BANTA NET LIMITED	Receivables	0.01	0.00	-	Customer
216	SANTA BANTA NET LIMITED	Security Deposit	(0.01)	(0.01)	-	Customer
217	SBE RENEWABLES TWENTY ONE PROJECTS PRIVATE LIMITED	Receivables	0.02	0.02	-	Customer
218	SEGUR SOLAR PRIVATE LIMITED	Receivables	0.00	(0.00)	-	Customer
219	SEVEN SEAS LEASING LIMITED	Receivables	0.01	0.00	-	Customer
220	SEZ ADITYAPUR LIMITED.)	Receivables	0.01	0.01	0.01	Customer
221	SHARP INTEGRATED FOOD PARK LIMITED	Receivables	0.01	0.01	-	Customer
222	SHARP INTEGRATED FOOD PARK LIMITED	Security Deposit	(0.01)	(0.01)	-	Customer
223	SHIBIR INDIA LIMITED	Receivables	0.01	0.01	0.01	Customer
224	SHRAVANI AGRI FARMS PRIVATE LIMITED	Receivables	0.01	-	-	Customer
225	SHREE AMBIKA IMPEX LIMITED	Receivables	0.01	0.01	-	Customer
226	SHREE AMBIKA IMPEX LIMITED	Security Deposit	(0.01)	(0.01)	-	Customer
227	SHRI PURAN MULTIMEDIA LIMITED	Receivables	(0.02)	(0.02)	-	Customer
228	SIDH INDUSTRIES LIMITED	Receivables	0.01	0.01	0.01	Customer
229	SIL GOVINDAM ENERGY PRIVATE LIMITED	Receivables	0.01	0.00	-	Customer
230	SIL GOVINDAM POWER PRIVATE LIMITED	Receivables	0.01	0.00	-	Customer
231	SPA CAPITAL SERVICES LIMITED	Receivables	0.02	0.01	-	Customer
232	SPIRIT FINANCIAL ADVISORY PRIVATE LIMITED	Receivables	0.01	0.01	0.01	Customer
233	SPML INFRA DEVELOPERS LIMITED	Receivables	0.01	0.01	0.01	Customer
234	STOA SQUARES PRIVATE LIMITED	Receivables	0.02	0.02	0.02	Customer
235	SUNDRAM SERVICES LIMITED	Receivables	0.01	0.01	-	Customer
236	SUNDRAM SERVICES LIMITED	Security Deposit	(0.00)	(0.00)	-	Customer

NATIONAL SECURITIES DEPOSITORY LIMITED
Notes to the Restated Consolidated Financial Information

39. Following are the details of balances outstanding on account of any transaction with companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956

(₹ in Million)

Sr. No.	Name Of Struck Off Company	Nature of Transaction	Outstanding Balance as at			Relationship
			31st March, 2025	31st March, 2024	31st March, 2023	
237	Sunflex Finance and Investments Limited	Receivables	0.01	0.01	0.01	Customer
238	SURATGARH-SRIGANGANAGAR TOLL ROAD PVT. LTD.	Receivables	0.02	0.02	0.01	Customer
239	SUSTAINABLE AGG SOLUTIONS LIMITED	Receivables	0.01	0.01	-	Customer
240	SUSTAINABLE AGG SOLUTIONS LIMITED	Security Deposit	(0.01)	(0.01)	-	Customer
241	SYSTEL INFOTECH LIMITED	Receivables	0.04	0.04	0.04	Customer
242	TAPIR LAND DEVELOPMENT LIMITED	Receivables	0.00	0.00	-	Customer
243	THAPAR SPINNING MILLS LIMITED	Receivables	0.01	0.01	0.01	Customer
244	THE RUBBER PRODUCTS LIMITED	Receivables	0.00	0.00	-	Customer
245	TODAY GLOBAL BUILDERS PRIVATE LIMITED	Receivables	0.02	0.02	-	Customer
246	TRIDENT INNOVATIONS LIMITED	Receivables	0.01	(0.00)	(0.00)	Customer
247	TRIDENT INNOVATIONS LIMITED	Security Deposit	(0.01)	(0.01)	-	Customer
248	TUDOR INDIA LIMITED	Receivables	0.00	0.00	-	Customer
249	TURBO INVESTMENT PRIVATE LIMITED	Receivables	0.01	0.01	0.01	Customer
250	TVS COMMUTATION SOLUTIONS LIMITED	Receivables	0.00	0.00	-	Customer
251	UNIVERSAL CABLETEL AND DATACOM PRIVATE LIMITED OC62	Receivables	(0.00)	(0.00)	-	Customer
252	VANS STRATEGIC MANAGEMENT PRIVATE LIMITED	Receivables	0.00	0.00	-	Customer
253	Vatsa Educations Limited	Receivables	0.01	0.01	0.01	Customer
254	VAYAM RENEWABLE LIMITED	Receivables	(0.00)	(0.00)	-	Customer
255	VICKITASH MEDIA VENTURE LIMITED	Receivables	(0.00)	0.01	0.01	Customer
256	VICKITASH MEDIA VENTURE LIMITED	Security Deposit	(0.01)	(0.01)	-	Customer
257	Victor Gaskets India Limited	Receivables	0.02	0.02	-	Customer
258	VIRIDI CLEAN ALTERNATIVES PRIVATE LIMITED	Receivables	0.01	0.00	(0.00)	Customer
259	VISUAL CHANNEL SERVICES PRIVATE LIMITED	Receivables	(0.00)	(0.00)	-	Customer
260	VITTHAL REFINED SUGARS LIMITED	Security Deposit	(0.01)	(0.01)	-	Customer
261	WHITE LAKE ADVISORS PRIVATE LIMITED	Receivables	0.02	0.02	0.01	Customer
262	XRBI DEVELOPERS LIMITED	Receivables	0.08	0.08	-	Customer
263	XRBI WARAI DEVELOPERS PRIVATE LIMITED	Receivables	0.02	0.02	-	Customer
264	ZENITH GLOBAL CONSULTANTS LIMITED	Receivables	0.03	0.03	0.03	Customer
265	Fine Lifestyle Brands Ltd	Receivables	0.02	0.02	0.01	Customer
266	Dreams Broking Private Limited	Receivables	(0.00)	(0.00)	-	Customer
267	Artham Securities & Broking India Private Limited	Receivables	0.00	(0.00)	-	Customer
268	Clearlogix Technologies Pvt Ltd	Receivables	0.00	0.00	-	Customer
269	Gor Medical Gas Equipment P Ltd.	Receivables	(0.00)	(0.00)	-	Customer
270	Wiltech Software Solutions Private Ltd.	Receivables	0.00	0.00	-	Customer
271	Chakiath Motor Works Pvt. Ltd	Receivables	(0.00)	(0.00)	-	Customer
272	Surat Cigarettes Pvt Ltd	Receivables	(0.00)	(0.00)	-	Customer
273	MDL Technologies India Private Limited	Receivables	(0.00)	(0.00)	-	Customer
274	Resonance Outsourcing Services Private Limited	Receivables	(0.00)	(0.00)	-	Customer
275	Jungsan Diamond Tools India Private Limited	Receivables	(0.01)	(0.01)	(0.01)	Customer
276	Costal Energy Limited	Receivables	(0.00)	(0.00)	-	Customer
277	M/s. Mam Power Electroncs Solutions Pvt Ltd	Receivables	(0.00)	(0.00)	-	Customer
278	Nutmeg Infotech Private Limited	Receivables	(0.00)	(0.00)	-	Customer
279	Galaxe Solutions India Pvt. Ltd.	Receivables	-	(0.01)	(0.01)	Customer
280	Parkview Warehouses Pvt. Ltd.	Receivables	(0.00)	(0.00)	-	Customer
281	CRAYSOL BUSINESS SOLUTIONS PRIVATE LIMITED	Receivables	(0.01)	(0.01)	-	Customer
282	Itek Business Solutions Pvt Ltd	Receivables	(0.01)	(0.01)	(0.01)	Customer
283	Ms Ozone Warehousing Private Limited	Receivables	(0.00)	(0.00)	-	Customer
284	Sod Technologies Pvt Ltd	Receivables	(0.01)	(0.01)	(0.01)	Customer
285	Ms Enlit Softech Private Limited	Receivables	0.00	0.00	-	Customer
286	Vens It Solutions Private Limited	Receivables	(0.00)	(0.00)	-	Customer
287	Colonialistslandmark Cosmetics India Pvt Ltd	Receivables	(0.00)	(0.00)	-	Customer
288	Mach 3 Machine Tools India Pvt Ltd	Receivables	(0.00)	(0.00)	-	Customer
289	Sunray Designs Private Limited	Receivables	(0.00)	(0.00)	-	Customer
290	Wilson Associates Interior Architectural Design Private Limited	Receivables	0.01	0.01	0.01	Customer
291	Feofus Solutions Private Limited	Receivables	0.01	0.01	0.01	Customer
292	Faes Packaging Solutions Pvt Ltd	Receivables	0.00	0.00	-	Customer
293	M/s. Spatika Digital Solutions Pvt Ltd	Receivables	0.01	0.01	-	Customer
294	I2 Software Tech Solutions Private Limited	Receivables	0.00	0.00	-	Customer
295	Qagate Technologies Private Limited	Receivables	(0.00)	(0.00)	-	Customer

NATIONAL SECURITIES DEPOSITORY LIMITED
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39. Following are the details of balances outstanding on account of any transaction with companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956

(₹ in Million)

Sr. No.	Name Of Struck Off Company	Nature of Transaction	Outstanding Balance as at			Relationship
			31st March, 2025	31st March, 2024	31st March, 2023	
296	Rajeshwar Exports Private Limited	Receivables	(0.02)	(0.02)	(0.02)	Customer
297	Hanin Enterprises Private Limited	Receivables	(0.02)	(0.02)	(0.02)	Customer
298	M/s. Nile Logistics Pvt. Ltd.	Receivables	(0.00)	(0.00)	-	Customer
299	Norjimm Private Limited	Receivables	(0.01)	(0.01)	(0.01)	Customer
300	Abacsys Technologies Private Limited	Receivables	(0.01)	(0.01)	(0.01)	Customer
301	Precieux Diamond Manufacturing & Sorting Private Limited	Receivables	(0.00)	(0.00)	-	Customer
302	Hilado Spintex Private Limited	Receivables	(0.01)	(0.01)	(0.01)	Customer
303	Bigdataint Engineers Private Limited	Receivables	(0.00)	(0.00)	-	Customer
304	Bombay Jewellery Manufacturers Private Limited	Receivables	(0.01)	(0.01)	(0.04)	Customer
305	Powernet Technologies India Limited	Receivables	(0.00)	(0.00)	-	Customer
306	Kbs Designs Private Limited	Receivables	(0.01)	(0.01)	(0.01)	Customer
307	Quality Engineers Pvt Ltd	Receivables	(0.00)	(0.00)	-	Customer
308	Nyay Bharat International Media Private Limited	Receivables	(0.02)	(0.02)	-	Customer
309	Shree Ganesh Exports Imports Pvt Ltd	Receivables	(0.00)	(0.00)	-	Customer
310	Vmt Systems India Private Limited	Receivables	(0.00)	(0.00)	-	Customer
311	Universal Packaging Private Limited	Receivables	(0.00)	(0.01)	(0.00)	Customer
312	Orbit Softwares Pvt Ltd	Receivables	(0.00)	(0.00)	-	Customer
313	Vhn Diamonds Private Limited	Receivables	(0.00)	(0.00)	-	Customer
314	Kinjal Trade Exports Pvt Ltd	Receivables	(0.01)	(0.01)	(0.01)	Customer
315	Deepak Gems Private Limited	Receivables	0.00	0.00	-	Customer
316	Laxmi Ideal Interiors Private Limited	Receivables	(0.03)	(0.10)	(0.02)	Customer
317	Kaushal Exports Private Limited	Receivables	(0.00)	(0.00)	-	Customer
318	Novitas Infotech Private Limited	Receivables	(0.00)	(0.00)	-	Customer
319	Viraj Diamond Jewellery Private Limited	Receivables	(0.00)	(0.00)	-	Customer
320	Super Gems Private Limited	Receivables	(0.00)	(0.00)	(0.01)	Customer
321	Srg Impex Private Limited	Receivables	(0.00)	(0.00)	-	Customer
322	Vishnu Exports Pvt Ltd	Receivables	(0.00)	(0.02)	(0.00)	Customer
323	Ark International Private Limited	Receivables	(0.00)	(0.00)	-	Customer
324	I Woxmart It Services Pvt. Ltd	Receivables	(0.02)	(0.02)	(0.02)	Customer
325	Fabby Technologies Pvt Ltd	Receivables	(0.00)	(0.00)	-	Customer
326	A-one Jewellery Private Limited	Receivables	(0.00)	(0.00)	(0.01)	Customer
327	Shivaay Jewellers (opc) Private Limited	Receivables	(0.01)	(0.00)	(0.02)	Customer
328	Metadata Technologies Private Limited	Receivables	(0.00)	(0.00)	-	Customer
329	Vishwas Enterprises Limited	Receivables	(0.00)	(0.00)	-	Customer
330	Shrine Technologies Private Limited	Receivables	(0.00)	(0.00)	-	Customer
331	Isha Impex Private Limited	Receivables	0.00	(0.00)	(0.00)	Customer
332	Ab Warehousing Corporation Private Limited	Receivables	(0.00)	(0.01)	(0.00)	Customer
333	Axiogen Biotech Private Limited	Receivables	(0.00)	(0.00)	0.01	Customer
334	Surabhi Exports Pvt Ltd	Receivables	0.01	0.01	0.01	Customer
335	Neogeek Technologies Private Limited	Receivables	(0.01)	(0.01)	0.01	Customer
336	Asist Tools Pvt Ltd	Receivables	(0.00)	(0.00)	-	Customer
337	Blink Consulting Private Limited	Receivables	(0.00)	(0.00)	-	Customer
338	GSPC Offshore Ltd	Receivables	(0.02)	0.02	-	Customer
339	Webtogo Mobiles Internet Private Limited	Receivables	(0.00)	(0.00)	-	Customer
340	JSW Electric Vehicles Pvt Ltd	Receivables	0.00	0.00	-	Customer
341	Vado Technology Pvt Ltd	Receivables	(0.00)	(0.00)	-	Customer
342	Crescent Gems Lip	Receivables	(0.01)	(0.01)	0.01	Customer
343	Dess Computers Private Limited	Receivables	(0.00)	(0.00)	-	Customer
344	Hanzi Healthcure Pvt Ltd	Receivables	(0.00)	(0.00)	-	Customer
345	Jassal Impex Private Limited	Receivables	(0.00)	(0.00)	-	Customer
346	Dtalkz Solutions Private Limited	Receivables	(0.00)	(0.00)	-	Customer
347	Bucks Gainer Advisory Services	Receivables	0.00	(0.00)	-	Customer
348	Divya Creations Private Limited	Receivables	(0.01)	(0.01)	-	Customer
349	Sugandha Exports Private Limited	Receivables	(0.00)	(0.00)	-	Customer
350	Krishna Enterprises Private Limited	Receivables	(0.00)	(0.01)	-	Customer
351	Dot Technologies (india) Limited	Receivables	(0.00)	(0.00)	-	Customer
352	Khodiyar Engineering Pvt Ltd	Receivables	(0.00)	(0.00)	-	Customer
353	Reliance Communication Infrastructure Ltd	Receivables	(0.01)	-	-	Customer
354	P2525 - Punjab And Maharashtra Co-Operative Bank Limited	Receivables	(0.00)	-	-	Customer

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39. Following are the details of balances outstanding on account of any transaction with companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956

(₹ in Million)

Sr. No.	Name Of Struck Off Company	Nature of Transaction	Outstanding Balance as at			Relationship
			31st March, 2025	31st March, 2024	31st March, 2023	
355	Moser Baer Infrastructure And Developers Limited	Receivables	(0.02)	-	-	Customer
356	Saraf Agencies Pvt.Ltd	Receivables	(0.00)	-	-	Customer
357	Sarto Electro Equipments Pvt. Ltd. Trading Unit	Receivables	(0.01)	-	-	Customer
358	Dot In Technologies	Receivables	(0.00)	-	-	Customer
359	Rajyog Enterprises	Office Expenses	-	-	0.03	Vendors
360	Sivananda Electronics	Maintainance	-	-	0.01	Vendors
361	Six Sigma Alchemy (P) Ltd	Call center charges	-	-	3.71	Vendors
362	Asian Traders	Office Expenses	-	-	0.06	Vendors
363	Ranchhod Multi - Trade Limited	Receivables	-	-	0.00	Customer
364	Shapoorji Pallonji Saurpower Private Limited	Receivables	-	-	(0.02)	Customer
365	Motherson Auto Engineering Service Limited	Receivables	-	-	-	Customer
366	Sundram Services Limited)	Receivables	-	-	-	Customer
367	Akb Electronics & Telecom Limited)	Receivables	-	-	0.01	Customer
368	Aarkay Habitat Limited)	Receivables	-	-	0.01	Customer
369	Dcl Information Technologies Limited)	Receivables	-	-	(0.00)	Customer
370	Brahma Iron And Power Limited)	Receivables	-	-	(0.00)	Customer
371	Sil Govindam Energy Private Limited)	Receivables	-	-	(0.01)	Customer
372	Sil Govindam Power Private Limited)	Receivables	-	-	(0.01)	Customer
373	Ardhika Infrastructure Limited)	Receivables	-	-	0.01	Customer
374	National Traders Limited)	Receivables	-	-	(0.00)	Customer
375	Riche Laboratories Limited)	Receivables	-	-	0.01	Customer
376	Payless Holidays Limited)	Receivables	-	-	0.01	Customer
377	Bilvani School Limited)	Receivables	-	-	0.01	Customer
378	Sbe Renewables Twenty One Projects Private Limited)	Receivables	-	-	0.01	Customer
379	Icap Institutional Stock Exchange Of India Limited)	Receivables	-	-	0.00	Customer
380	Cm Lubes India Limited)	Receivables	-	-	0.01	Customer
381	Riche Hospitality Limited)	Receivables	-	-	0.01	Customer
382	Kewal Kiran Management Consultancy Limited)	Receivables	-	-	(0.00)	Customer
383	Kewal Kiran Media And Communication Limited)	Receivables	-	-	(0.00)	Customer
384	Seven Seas Leasing Limited)	Receivables	-	-	(0.00)	Customer
385	Offshore Financial Services Limited)	Receivables	-	-	(0.00)	Customer
386	Today Global Builders Private Limited)	Receivables	-	-	0.01	Customer
387	Lokmangal Garments Limited)	Receivables	-	-	(0.01)	Customer
388	Prisek Enterprises Limited)	Receivables	-	-	(0.01)	Customer
389	Sustainable Agg Solutions Limited)	Receivables	-	-	0.00	Customer
390	Atria Rooftop Holdings Private Limited)	Receivables	-	-	0.00	Customer
391	Principle Mutual Fund	Receivables	-	-	0.17	Customer
392	Spangle Marketing Limited	Receivables	-	-	0.02	Customer
393	Terra Land Developers Limited	Receivables	-	-	(0.02)	Customer
394	Manavta Holdings Limited	Receivables	-	-	0.02	Customer
395	Home Trade Ltd	Deposit	-	-	(0.82)	Customer
396	Bharat Investments Growth Limited	Deposit	-	-	(0.01)	Customer
397	Subex Technologies Limited	Deposit	-	-	(0.02)	Customer
398	Sabarmati River Front Development Corporation Limited	Deposit	-	-	(0.09)	Customer
399	Abhishek Ventures & Projects Limited)	Deposit	-	-	(0.01)	Customer
400	Regency Convention Centre And Hotels Limited	Deposit	-	-	(0.01)	Customer
401	Jupiter Satellite India Private Limited	Deposit	-	-	(0.01)	Customer
402	Atlas Cycles (Sahibabad) Limited	Deposit	-	-	(0.01)	Customer
403	Bhaskar Infraventure Limited	Deposit	-	-	(0.01)	Customer
404	Ak Skill Developers Limited	Deposit	-	-	(0.01)	Customer
405	Narayana Health Institutions Private Limited	Deposit	-	-	(0.01)	Customer
406	Rar Breweries Limited	Deposit	-	-	(0.01)	Customer
407	Netmeds Health And Wellness Marketplace Private Limited	Deposit	-	-	(0.01)	Customer
408	Kaldar Energy Projects Limited	Deposit	-	-	(0.01)	Customer
409	Dabripada Energy Limited	Deposit	-	-	(0.01)	Customer
410	Kondaibari Energy Limited	Deposit	-	-	(0.01)	Customer
411	H J Thakkar Property Investment Limited	Deposit	-	-	(0.01)	Customer
412	Dcm Finance And Leasing Limited	Deposit	-	-	(0.01)	Customer
413	Gold Nest Trading Company Limited	Deposit	-	-	(0.01)	Customer

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Notes to the Restated Consolidated Financial Information

39. Following are the details of balances outstanding on account of any transaction with companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956

(₹ in Million)

Sr. No.	Name Of Struck Off Company	Nature of Transaction	Outstanding Balance as at			Relationship
			31st March, 2025	31st March, 2024	31st March, 2023	
414	Motherson Auto Engineering Service Limited	Deposit	-	-	(0.01)	Customer
415	Puri Ports Limited	Deposit	-	-	(0.01)	Customer
416	Kamdheni Ispat Limited	Deposit	-	-	(0.01)	Customer
417	Kamdheni Paints India Limited	Deposit	-	-	(0.01)	Customer
418	Harita Packagings Limited)	Receivables	-	-	-	Customer
419	Harita Packagings Limited)	Deposit	-	-	(0.01)	Customer
420	Prime Technology Resources Management Limited)	Receivables	-	-	-	Customer
421	Prime Technology Resources Management Limited)	Deposit	-	-	(0.01)	Customer
422	Maharishi Ayurved Health Care Limited)	Deposit	-	-	(0.01)	Customer
423	Empower Electronics Limited)	Receivables	-	-	0.01	Customer
424	Empower Electronics Limited)	Deposit	-	-	(0.01)	Customer
425	Bombay Piece-Goods Yarn And Plastics Traders Limited)	Deposit	-	-	(0.01)	Customer
426	Ardhika Infrastructure Limited)	Deposit	-	-	(0.01)	Customer
427	National Traders Limited)	Deposit	-	-	(0.01)	Customer
428	Riche Laboratories Limited)	Deposit	-	-	(0.01)	Customer
429	Devona Power Limited)	Receivables	-	-	0.09	Customer
430	Diana Energy Limited)	Receivables	-	-	0.01	Customer
431	Iee International Limited)	Receivables	-	-	0.01	Customer
432	Iee International Limited)	Deposit	-	-	(0.01)	Customer
433	Icap Institutional Stock Exchange Of India Limited)	Deposit	-	-	(0.01)	Customer
434	Vickitash Media Venture Limited	Deposit	-	-	(0.01)	Customer
435	Kewal Kiran Management Consultancy Limited)	Deposit	-	-	(0.01)	Customer
436	Kewal Kiran Media And Communication Limited)	Deposit	-	-	(0.01)	Customer
437	Prisek Enterprises Limited)	Deposit	-	-	(0.01)	Customer
438	Benios Marketing Limited)	Receivables	-	-	-	Customer
439	New Gen Footwear Limited)	Receivables	-	-	0.01	Customer
440	New Gen Footwear Limited)	Deposit	-	-	(0.01)	Customer
441	Sustainable Agg Solutions Limited)	Deposit	-	-	(0.01)	Customer
442	Anandaa Consumers Limited)	Receivables	-	-	-	Customer
443	Anandaa Consumers Limited)	Deposit	-	-	(0.01)	Customer
444	Sharp Integrated Food Park Limited	Deposit	-	-	(0.01)	Customer
445	Logos Lifecare Limited	Deposit	-	-	(0.01)	Customer
446	Trident Innovations Limited	Deposit	-	-	(0.01)	Customer
447	Kalbros Iron And Steels Limited	Deposit	-	-	(0.01)	Customer
448	Terra Land Developers Limited	Deposit	-	-	(0.01)	Customer
449	Ranapur Cement Limited	Deposit	-	-	(0.01)	Customer
450	Maharani Hotels Limited	Deposit	-	-	(0.01)	Customer
451	Devona Power Limited)	Deposit	-	-	(0.01)	Customer
452	Diana Energy Limited)	Deposit	-	-	(0.01)	Customer
453	Duncan Investments And Industries Ltd	Receivables	-	-	-	Customer

40. Share Based Payment

The Subsidiary NSDL Payments Bank Limited has formulated share-based payment schemes for its employees (Plan I). Details of grants in operation are as given below:

a) Description of share-based payments		
Sr. No.	Particulars	ESOP 2022
i)	Vesting Requirements	33% at the end of each 12, 24 months and 34% at the end of each 36 months from the date of grant
ii)	Maximum term of option	5 Years
iii)	Method of settlement	Equity settled
iv)	Modifications to share based payment plans	Not Applicable
v)	Any other details as disclosed in the audited Ind AS financial statements	Not Applicable
vi)	Grant Date	20th October, 2022

b) Summary of share-based payments - ESOP 2022				
Sr. No.	Particulars	31st March, 2025	31st March, 2024	31st March, 2023
(i)	Outstanding balance at the beginning of the year	15,33,396	12,90,000	-
	Options granted	6,05,111	5,43,396	16,50,000
	Options forfeited	2,70,000	3,00,000	3,60,000
	Options exercised	-	-	-
	Options expired	-	-	-
	Options lapsed	-	-	-
(ii)	Options outstanding at the end of the year	18,68,507	15,33,396	12,90,000
	Options exercisable at the end of the period	8,33,841	5,06,021	-
(iii)	For share options exercised			
	Weighted average exercise price at date of exercise	-	-	-
	Money realized by exercise of options (in actual rupees)	-	-	-
(iv)	For share options outstanding			
	Range of exercise price	19.05	19.05	19.05
	Average remaining contractual life of options	4.56 years	5.56 Years	6.55 Years
(v)	Modification of plans	Not Applicable	Not Applicable	Not Applicable
(vi)	Incremental fair value on modification	Not Applicable	Not Applicable	Not Applicable

c) Valuation of stock options		
Sr. No.	Particulars	ESOP 2022
i)	Share Price	19.05 per share
ii)	Exercise Price	19.05 per share
iii)	The weighted average fair value as on the date of grant (per stock option)	4.56 - 6.87
iv)	Valuation Model used:	Black Scholes Valuation
v)	Expected Volatility	25.15% - 28.34%
vi)	Basis of determination of expected volatility	Volatility has been calculated based on the daily closing market price of Nifty Financial services over the most recent period that is generally commensurate with the expected life of the option being valued.
vii)	Contractual Option Life (years):	5 years from the date of vesting
viii)	Expected Dividends:	Nil
ix)	Risk Free interest rate:	7.03% - 7.32%
x)	Vesting Dates:	33% vesting on October 20, 2023
		33% vesting on October 20, 2024
		34% vesting on October 20, 2025
xi)	Valuation of incremental fair value on modification	Not Applicable

The fair value of the options determined at grant date is recognised as employee compensation cost over the vesting period on straight line basis over the period of option, based on the number of grants expected to vest, with corresponding increase in equity. The stock based compensation expense charged to the Statement of Profit and Loss for the year ended March 31, 2025 is ₹ 2.04 Million (For March 31, 2024 ₹3.91 Million and March 31, 2023 ₹1.3 Million).

NATIONAL SECURITIES DEPOSITORY LIMITED
Notes to the Restated Consolidated Financial Information

41. Analytical Ratios

(₹ in Million)

Sr. No.	Ratios	Numerator	Denominator	31st March, 2025	31st March, 2024	Variance % (FY25 to FY24)	31st March, 2023	Variance % (FY24 to FY23)	Reason for variance
1	Current Ratio	Current Assets	Current Liabilities	1.30	1.14	13.6%	1.31	(12.5%)	For FY 25 Due to Increase in Current Investments. For FY24 Due to Decrease in Current Investments
2	Debt-Equity Ratio			N.A.	N.A.		N.A.		
3	Debt Service Coverage Ratio			N.A.	N.A.		N.A.		
4	Return on Equity Ratio	Net Profits after taxes	Average Shareholder's Equity	18.6%	19.0%	(2.2%)	17.8%	7.0%	
5	Inventory Turnover Ratio			N.A.	N.A.		N.A.		
6	Trade Receivables Turnover Ratio	Revenue from Operations	Average Trade Receivable	13.33	13.68	(2.5%)	10.88	25.8%	For Y23 Due to increase in revenue from Banking Services Segment
7	Trade Payables Turnover Ratio	Other Expenses	Average Trade Payables	11.21	17.89	(37.3%)	14.97	19.5%	For FY 25 Due to Increase in trade payables of Company and Banking Services Segment For FY24 Due to increase in expenses from Banking Services Segment
8	Net Working Capital Turnover Ratio	Revenue from Operations	Working Capital	4.94	16.05	(69.3%)	5.22	207.5%	For FY25 Due to Increase in working capital For FY24 Due to Decrease in working capital.
9	Net Profit Ratio	Net Profit	Revenue from Operations	24.2%	21.7%	11.2%	23.0%	(5.5%)	
10	Return on Capital Employed Ratio	Earnings before interest and taxes	Shareholder's Equity	22.7%	21.3%	6.7%	21.8%	(2.4%)	
11	Return on Investment Ratio	Finance Income	Average Investment	6.2%	7.6%	(18.1%)	5.5%	37.6%	For FY24 Due to increase finance income on Investment

NATIONAL SECURITIES DEPOSITORY LIMITED
Notes to the Restated Consolidated Financial Information

42. Statement of Adjustments to the Audited Consolidated Financial Statements as at and for the year ended 31st March, 2025, 31st March, 2024, and 31st March, 2023

Summarized below are the restatement adjustments made to the Audited Consolidated Financial Statements as at and for the year ended 31st March, 2025, 31st March, 2024, and 31st March, 2023 and their impact on equity and profit of the Group.

Part A: Statement of Adjustments to Audited Consolidated Financial Statements

Reconciliation between Audited equity and restated equity

(₹ in Million)

	Particulars	As at		
		31st March, 2025	31st March, 2024	31st March, 2023
A	Total Equity as per Audited Consolidated Financial Statements	20,053.41	16,840.97	14,288.61
B	Adjustments:			
	Material restatement adjustment			
	(i) Audit qualifications	-	-	-
	(ii) Adjustments due to prior period items/other adjustment	-	-	-
	(iii) Change in accounting policies	-	-	-
	(iv) Deferred tax impact on adjustments, as applicable	-	-	-
C	Total impact of adjustments (i+ii+iii+iv)	-	-	-
D	Total Equity as per Restated Consolidated Financial Information (A+C)	20,053.41	16,840.97	14,288.61

Reconciliation between Audited Consolidated Profit and Restated Profit

(₹ in Million)

	Particulars	For the year ended		
		31st March, 2025	31st March, 2024	31st March, 2023
A	Profit after tax as per Audited Consolidated Financial Statements	3,431.24	2,754.45	2,348.10
B	Adjustments:			
	Material restatement adjustment			
	(i) Audit qualifications	-	-	-
	(ii) Adjustments due to prior period items/other adjustment	-	-	-
	(iii) Change in accounting policies	-	-	-
	(iv) Deferred tax impact on adjustments, as applicable	-	-	-
C	Total impact of adjustments (i+ii+iii+iv)	-	-	-
D	Restated profit after tax as per Restated Consolidated Financial Information (A+C)	3,431.24	2,754.45	2,348.10

Notes to adjustment:

- i) Audit qualifications - There are no audit qualifications in auditor's report for the year ended 31st March, 2025, 31st March, 2024, and 31st March, 2023.
- ii) Material regrouping / reclassification - Following are the details of regroupings/ reclassifications in Audited Consolidated Financial Statements for the year ended 31st March, 2025, 31st March, 2024, and 31st March, 2023 carried out in Restated Consolidated Financial Information, which are not material. There were no material regrouping/reclassifications in above referred periods. These regrouping are made to make better presentation and to make numbers comparable.
 - a Rs.49.97 Million were moved from "Current Investment" to "Cash and Cash Equivalents" within the Current Financial Assets category for the year ended 31st March, 2023.
 - b Rs.74.68 Million was moved from "Trade Payables – Other" to "Trade Payables – MSME" for the year ended 31st March, 2023 within the Current Financial Liabilities category.
 - c Rs.6.43 Million and Rs.3.54 Million were moved from "Other Expenses" to "Finance Cost" for the year ended 31st March, 2024 and 31st March, 2023.
- iii) Material errors - There were no material errors in Audited Consolidated Financial Statements for the year ended 31st March, 2025, 31st March, 2024, and 31st March, 2023, requiring any adjustments in Restated Consolidated Financial Information.

43. Our Subsidiary NSDL Database Management Limited has informed that Insurance Regulatory and Development Authority of India (IRDAI) had advised the Company to convert its existing Strategic Business Unit (SBU) i.e. NSDL National Insurance Repository Services (NIR) into a separate company. The company had made a representation to IRDAI to continue to allow Insurance Repository operations under SBU structure. IRDAI vide its letter dated June 26, 2023, had granted an extension to the Company to operate its 'Insurance Repository' (IR) as a Strategic Business Unit (SBU) till March 2024. The Company made further representation in December 2023 to IRDAI to permit to continue IR operations as an SBU of the Company until the Regulations are notified. IRDAI vide its letter dated February 23, 2024, had granted an extension to the Company to operate its 'Insurance Repository' (IR) as a Strategic Business Unit (SBU) till March 31, 2025 or notification of amended regulations, whichever is earlier. Further on January 09, 2025, the IRDAI has directed the company to comply with the above said communication dated February 23, 2024. The Company vide letter dated March 26, 2025, requested IRDAI to allow Company to continue operating the insurance Repository under the current framework as a SBU, until the validity of Certificate of Registration (COR) i.e. July 2027 or until new Regulations are issued.

NIR recorded revenue of ₹ 46.93 Million for the year ended March 31, 2025 (₹ 56.46 Million and ₹48.33 Million for the year ended March 31, 2024 and March 31, 2023 respectively) and profit ₹ 1.85 Million for the year ended March 31, 2025 (₹ 18.78 Million and ₹ 16.75 Million for the year ended March 31, 2024 and March 31, 2023 respectively). Considering NIR Performance to total performance of the company, the management is of the view that the NIR operations does not represent a major line of business operations and therefore related revenue, expense and pre-tax profit/loss of the NIR operations has not been separately disclosed in accordance with Ind-AS 105 "Non-current Assets Held for Sale and Discontinued Operations" in their condensed financial statements.

44. The "National Academic Depository (NAD)" was set-up by our Subsidiary NSDL Database Management Limited in 2017 as per the decision taken by the Union Cabinet of India, Govt. of India to facilitate "e-Governance" and "Digital Services" for academic certificate issuance / maintenance / verification. The scheme was accordingly implemented during 2017-2019. However, in 2020, UGC had informed that as per MHRD direction, it was decided that NAD shall be implemented through DigiLocker system of Govt. of India and NDML will not be required to continue the same. Company had represented MHRD with a request to allow continuity of the services and approve the framework of user charges.

However, on conservative basis, Company had made a provision for impairment of NAD Project Intangible assets and Intangible assets under development aggregating to ₹ 4.99 million. Out of the said amount, ₹ 2.37 million related to Intangible assets is included under 'Depreciation, impairment and amortisation expenses' and ₹ 2.62 million related to Intangible assets under development is included under 'Other Expenses' for the year ended March 31, 2021.

In the FY 2022-23, the company has written off ₹ 2.37 million related to Intangible assets & ₹ 2.62 million related to Intangible assets under development after the necessary approval from Board.

45. SEZ Online project is a significant vertical operated by our Subsidiary NSDL Database Management Limited. Following the conceptualization of ICEGATE in Finance Bill 2022, Ministry of Commerce and Industry (MoCI) vide its letter dated 22.06.2024 had informed that documents for import and exports in respect of non IT/ ITES SEZs & FTWZs shall be filed in ICEGATE w.e.f. 01.07.2024. Later, MoCI extended the date for filing of documents on SEZ-Online till 12.08.2024 and clarified that the units that have migrated to ICEGATE shall continue to file future transactions through ICEGATE. MoCI extended the date for filing of documents on SEZ-Online till 10.12.2024, vide letter dated 10.10.2024. Further, MoCI extended the date for filing of documents on SEZ Online till 17.02.2025, vide letter dated 10.01.2025. While Service category of SEZ-Online business will continue; however consequent to the above development, the merchandise category of SEZ-Online business, constituting approximately 65% of the revenue from SEZ-Online business of the Company will be migrated to ICEGATE system operated by Department of Commerce (SEZ Division). Further, MOCI vide its letter dated March 25, 2025, permitted filing of documents in case of specific transactions through NDML's SEZ-Online portal till further orders. SEZ Online project recorded revenue of ₹ 217.55 Million for the year ended March 31, 2025 (₹ 235.87 Million for the year ended March 31, 2024 and ₹ 238.56 Million for the year ended March 31, 2023) and Total profit of ₹ 124.74 Million for the year ended March 31, 2025 (₹ 151.86 Million and ₹ 149.45 for the year ended March 31, 2024 and March 31, 2023 respectively).

46. Our Subsidiary NSDL Payments Bank Limited has accumulated losses. The Bank has not recognised any Current Tax and Deferred Tax during the year ended March 31, 2025, March 31, 2024, and March 31, 2023. Hence effective tax rate is NIL for the year ended March 31, 2025, March 31, 2024, and March 31, 2023.

The Taxation Laws (Amendment) Ordinance, 2019 ('Ordinance') has inserted section 115BAA of the Income-tax Act, 1961 which allows domestic companies to opt for an alternative tax regime from financial year 2019-20. As per the said tax regime, Companies are allowed to pay reduced income tax @ 22% (plus surcharge and cess) subject to foregoing of certain exemptions / deductions which were allowed earlier. Once exercised, such option cannot be withdrawn for the same or subsequent assessment years. Pursuant to the aforesaid amendment, the Bank, has opted for lower rate of tax with effect from financial year ended March 31, 2023 while filing the income tax return. Accordingly, the provisions of Minimum Alternate Tax under Section 115JB of the Income Tax Act, 1961 are not applicable to the Bank. Hence, no provision for taxation is required to be recognised in line with these extant guidelines of the Income Tax Act, 1961.

47. Our Subsidiary NSDL Database Management Limited has been providing services to National Payments Corporation of India (NPCI) for managing Paper to follow process for supporting Grid Based Cheque Truncation System (CTS). NPCI has informed the Company that in consultation with RBI, it has been decided as the volume of cheques required to participate in P2F operation is negligible; the facility of P2F centers is not needed anymore. Accordingly, from July 2024 onwards NPCI has advised to close all P2F centers. P2F recorded revenue of ₹ 2.28 Million for the year ended March 31, 2025 (₹ 10.09 Million and ₹ 21.34 Million for the year ended March 31, 2024 and March 31, 2023 respectively) and Total profit of ₹ 0.05 Million for the year ended March 31, 2025 (₹ 3.11 Million and ₹ 9.52 Million for the year ended March 31, 2024 and March 31, 2023 respectively).

48. During the year ended March 31, 2025, RBI has granted our Subsidiary NSDL Database Management Limited, 'Certificate of Authorisation' to operate as an 'Online Payment Aggregator' in India with effect from 22.05.2024 as per the guidelines issued by Reserve Bank of India.
49. "Easy FD" was set-up by our Subsidiary NSDL Database Management Limited, in August 2022 to facilitate digital Fixed Deposit aggregation based on API integrations, wherein the platform would consume individual (and diverse) APIs from Issuers and serve a master API to Distributors; who could in-turn direct investors to the platform for investing in FDs. The concept provided both, the issuers and the distributors with the manifold easier option of connecting to a single platform than connecting with individual distributors and issuers at scale. However, a combination of external developments, competing platforms by distributors, and needs of additional capital expenditure has rendered the project unfeasible. During the year, the Company has written off ₹ 9.13 Million related to Intangible assets.
50. The Code on wages 2019 and Code on Social Security, 2020 ("the Codes") relating to employee compensation and post-employment benefits that received Presidential assent have not been notified further the related rules for quantifying the financial impact have not been notified. The Company will assess the impact of the Codes when the rules are notified and will record any related impact in the period the Code becomes effective.
51. The previous year's figures have also been regrouped and rearranged wherever necessary.

In terms of our report of even date attached
For K C Mehta & Co LLP
Chartered Accountants
Firm Registration No. 106237W / W100829

**For and on behalf of the Board of Directors of
NATIONAL SECURITIES DEPOSITORY LIMITED**

Vishal P Doshi
Partner
Membership No. 101533

Vijay Chandok
Managing Director & CEO
DIN: 01545262

Parveen Kumar Gupta
Chairman
DIN: 02895343

Place : Mumbai
Date : 23rd May, 2025

Alen Ferns
Company Secretary
M. No. A30633

Jigar Shah
Chief Financial Officer
M. No. 143856

OTHER FINANCIAL INFORMATION

Accounting ratios

The details of accounting ratios derived from Restated Consolidated Financial Information required to be disclosed under the SEBI ICDR Regulations and other non-GAAP measures are set forth below:

(in ₹ million, except otherwise stated)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
Basic Earnings / (loss) per Equity Share (in ₹) ⁽¹⁾⁽²⁾	17.16	13.77	11.74
Diluted Earnings / (loss) per Equity Share (in ₹) ⁽¹⁾⁽²⁾	17.16	13.77	11.74
Return on net worth (in %) ⁽³⁾	17.11%	16.36%	16.43%
Net asset value per Equity Share (in ₹) ⁽⁴⁾	100.27	84.20	71.44
Weighted average number of Equity Shares outstanding during the period/ year	200,000,000	200,000,000	200,000,000
EBITDA (₹ in million) ⁽⁵⁾	4,929.43	3,811.33	3,286.04

Notes:

1. Pursuant to resolutions passed in extra-ordinary general meeting held on March 10, 2023, shareholders of the Holding Company have approved sub-division of each equity share of face value of ₹ 10 each into five equity shares of face value of ₹ 2 each. As required under Ind AS 33 "Earning per share", the above sub-division are retrospectively considered for the computation of weighted average number of equity shares outstanding during the period/ year, in accordance with Ind AS 33.
2. Basic Earnings Per Share is calculated by dividing profit or loss attributable to ordinary equity holders of the Company (the numerator) by the weighted average number of ordinary shares outstanding (the denominator) during the period of Restated Financial Statement. Diluted Earnings Per Share, an entity shall adjust profit or loss attributable to ordinary equity holders of the Company, and the weighted average number of shares outstanding, for the effects of all dilutive potential ordinary shares.
3. Net worth means the aggregate of paid-up equity share capital and other equity (all reserves created out of the profits and debit or credit balance of consolidated profit and loss account as per the Restated Consolidated Financial Information). Return on net worth is calculated as Profit for the year divided by Net worth.
4. Net Asset Value per Equity Share = Net worth as per the Restated Consolidated Financial Information / Number of equity shares outstanding as at the end of year.
5. EBITDA is calculated as the sum of (i) restated profit for the year, (ii) total tax expenses, (iii) depreciation and amortization expenses, and (iv) finance costs.

Other financial statements

In accordance with the SEBI ICDR Regulations, the audited standalone financial statements of our Company and our Material Subsidiaries for the Fiscals 2025, 2024 and 2023 (collectively, the "Audited Financial Statements") are available on our website at <https://nsdl.co.in/investor-relation/financials.php>.

Our Company is providing a link to this website solely to comply with the requirements specified in the SEBI ICDR Regulations. The Audited Financial Statements and the reports thereon do not constitute (i) a part of this Red Herring Prospectus; or (ii) a prospectus, a statement in lieu of a prospectus, an offering circular, an offering memorandum, an advertisement, an offer or a solicitation of any offer or an offer document to purchase or sell any securities under the Companies Act, the SEBI ICDR Regulations, or any other applicable law in India or elsewhere. The Audited Financial Statements and the reports thereon should not be considered as part of information that any investor should consider subscribing for or purchase any securities of our Company, our Subsidiaries or any entity in which our Shareholders have significant influence and should not be relied upon or used as a basis for any investment decision. None of our Companies or any entity in which our Shareholders have significant influence or any of its advisors, nor BRLMs or M- BRLM or the Selling Shareholders, nor any of their respective employees, directors, affiliates, agents or representatives accept any liability whatsoever for any loss, direct or indirect, arising from any information presented or contained in the Audited Financial Statements, or the opinions expressed therein.

Reconciliation of Non-GAAP measures

Reconciliation for the following Non-GAAP measures included in this Red Herring Prospectus are set out below:

Reconciliation of defined benefit obligation

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
Liability at the beginning of the year	338.57	327.62	316.15
Interest cost	24.40	24.45	22.50
Current service cost	30.84	32.23	31.56
Liability Transferred Out/ Divestment	-	-	-
(Gains)/ Losses on Curtailment	-	(1.09)	-
Benefits paid	(42.10)	(55.53)	(35.35)
Actuarial loss/ (gain) on obligations	43.53	10.88	(7.24)
Liability at the end of the year	394.24	338.56	327.62

Reconciliation of fair value of plan assets

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
Fair value of plan assets at the beginning of the year	293.45	302.60	276.12
Interest income	21.15	22.58	19.64
Contributions by the Employer	47.40	25.77	42.08
Benefits paid	(42.10)	(55.53)	(35.35)
Actuarial (gain)/ loss on Plan Assets	1.15	(1.97)	0.11
Fair value of plan assets at the end of the year	321.04	293.45	302.60

Reconciliation of balance sheet

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening net liability	45.12	25.02	40.03
Expenses recognized in Statement of Profit and Loss	34.09	33.01	34.41
Expenses recognized in OCI	41.39	12.85	(7.35)
Employers contribution	(47.40)	(25.77)	(42.07)
Amount recognized in balance sheet	73.20	45.11	25.02

CAPITALISATION STATEMENT

The following table sets forth our Company's capitalization as at March 31, 2025 on the basis of our Restated Consolidated Financial Information, and as adjusted for the Offer. This table should be read in conjunction with the sections "Risk Factors", "Restated Consolidated Financial Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations", on pages 34, 286 and 354, respectively.

(in ₹ million, except ratios)

Particulars	Pre-Offer as at March 31, 2025	Post Offer*
Borrowings		
Current borrowings (I)	-	[●]
Non-current borrowings (including current maturity of long term debt)** (II)	-	[●]
Total Borrowings (I) + (II) = (A)	-	[●]
Equity		
Equity share capital	400.00	[●]
Other equity	19,653.41	[●]
Total Equity (B)	20,053.41	[●]
Capitalisation (A) + (B)	20,053.41	[●]
Non-current borrowings (including current maturity of long term debt)/equity ratio (II/B)	N.A.	[●]
Total borrowings/equity ratio (A/B)	N.A.	[●]

*The corresponding post-Offer capitalization data for each of the amounts given in the above table is not determinable at this stage pending the completion of the Book Building process and hence the same have not been provided in the above statement. However, there will be no change in capital structure post the Offer since it is an initial public offering by way of an Offer for Sale by the Selling Shareholders.

**These terms shall carry the meaning as per Schedule III of the Companies Act.

Notes:

- The above has been computed on the basis on amounts derived from the Restated Consolidated Financial Information.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion in conjunction with our Restated Consolidated Financial Information included herein as of and for the Financial Years 2025, 2024 and 2023, including the related notes, schedules and annexures. Our Restated Consolidated Financial Information has been prepared in accordance with Ind AS and restated in accordance with the requirements of Section 26 of the Companies Act, 2013, the SEBI ICDR Regulations and the Guidance Note. Ind AS differs in certain material respects from IFRS and US GAAP. See “Risk Factors – External Risk Factors – Risks Related to India – Significant differences exist between the Indian Accounting Standards (Ind AS) used to prepare our financial information and other accounting principles, such as the United States Generally Accepted Accounting Principles (U.S. GAAP) and the International Financial Reporting Standards (IFRS), which may affect investors’ assessments of our Company’s financial condition.” on page 106.

Our Financial Year commences on April 1 and ends on March 31 of each year, and all references to a particular Financial Year are to the 12 months ended March 31 of that year. Unless otherwise stated, or the context otherwise requires, the financial information used in this section is derived from our “Restated Consolidated Financial Information” on page 286.

*Unless otherwise indicated, the industry-related information contained in this section is derived from the industry report titled “Assessment of the Depository System, Database Management and Payments Banks in India” July 2025 (the “**CRISIL Report**”), prepared by CRISIL Intelligence, a division of CRISIL Limited which has been exclusively commissioned and paid for by our Company pursuant to an engagement letter dated June 19, 2025, for the purpose of confirming our understanding of the industry we operate in, in connection with the Offer. The data included in this section includes excerpts from the CRISIL Report and may have been re-ordered by us for the purposes of presentation. Unless otherwise indicated, all financial, operational, industry and other related information derived from the CRISIL Report and included herein with respect to any particular year, refers to such information for the relevant calendar year.*

This discussion contains forward-looking statements that involve risks and uncertainties and reflects our current view with respect to future events and financial performance. Actual results may differ from those anticipated in these forward-looking statements as a result of factors such as those set forth under “Forward-looking Statements” and “Risk Factors” on pages 23 and 34, respectively.

Overview

We are a SEBI registered market infrastructure institution (“**MII**”) offering a wide range of products and services to the financial and securities markets in India. Following the introduction of the Depositories Act in 1996, through our Company, we pioneered the dematerialization of securities in India in November 1996. As of March 31, 2025, we are the largest depository in India in terms of number of issuers, number of active instruments, market share in demat value of settlement volume and value of assets held under custody (Source: *CRISIL Report*). Further, as of March 31, 2025, we have a network of 65,391 depository participants’ service centres as compared to 18,918 such centres with CDSL.

As a depository, we provide a robust depository framework that enables market participants to participate in the financial and securities markets in India. We also play a central role in developing products and services that will continue to address the growing needs of the financial services industry in India. Using innovative and flexible technology systems, NSDL works to support investors, brokers, issuers and other market participants in the Indian capital markets and aims at ensuring the safety and soundness of Indian securities market by developing settlement solutions that increase efficiency, minimize risk and reduce costs.

Our depository facilitates securities to be held in digital form by investors through accounts known as “Demat Accounts” held with us through depository participants. This includes securities held in dematerialized form with various asset classes namely equities (listed equity and unlisted equity), preference shares, warrants, funds (mutual funds, REITs, InvITs and AIFs), debt instruments (corporate debt, commercial paper, certificate of deposit, pass through certificate, security receipts, government securities, sovereign gold bonds, municipal debt, treasury bill) and electronic gold receipts.

As part of our depository business, we operate a centralized digital book-keeping system that facilitates the holders of securities to hold and transfer their securities in electronic form and enables settlement solutions in an efficient

and cost-effective manner. We also facilitate and maintain complete records of the ownership of securities held in dematerialised form with us on behalf of the issuer entity. We provide depository services to investors, issuers, depository participants, financial institutions, stockbrokers, custodians, clearing corporations and other market intermediaries and have established an ecosystem for these entities to integrate with our systems.

Our core depository services provide us with a steady source of recurring revenue, primarily through annual custody fees that we charge issuers of securities and annual maintenance fees we charge depository participants in relation to corporate accounts serviced through our depository platform. We charge a standardized fixed fee per annum for each corporate account, pro-rated according to the month in which such account is opened in our depository platform. We also charge transaction fees to depository participants and issuers of securities for transactions effected through our depository systems. As part of our commitment to the capital markets community in India, we have leveraged our technological infrastructure to cater to the diverse needs of the securities market in India and introduced several additional products, e-services and ancillary value-added services and initiatives directly and through our subsidiaries, NSDL Database Management Limited (“**NDML**”) and NSDL Payments Bank Limited (“**NPBL**”), thereby emerging as a key enabler for the financial market in India (Source: *CRISIL Report*).

The core functions of NSDL are as follows:

- *Maintaining allotment and transfer of ownership records:* One of our core functions is maintaining details of allotment and transfer of ownership records of securities assets held with us through electronic book entries. We deploy and utilize innovative technological systems to support issuers, investors and market intermediaries in the Indian securities market while minimizing risk, reducing operational costs and increasing efficiency of operations.
- *Facilitating asset servicing:* Asset servicing is a core function as it helps ensure the safety and efficient management of all assets held in dematerialised form with us. We hold various asset classes in dematerialised form and leverage our software tools and framework to build a robust and resilient central securities depository system to ensure the continued safekeeping and servicing of assets held with us.
- *Transaction and other services:* The core depository services provided by us include dematerialization of securities, settlement of trades, off-market transfers, pledge of securities, including margin pledges and re-pledges, implementation of client unpaid securities pledgee accounts (“**CUSPA**”) by trading members to ensure the segregation of client securities, and corporate action for issuer companies. In addition to providing core depository services, we also provide several additional services such as e-voting services, consolidated account statement (“**CAS**”), blockchain-based security and covenant monitoring platform for debentures and non-disposal undertakings (“**NDU**”).

Through our Subsidiaries, NDML and NPBL, we offer a range of IT-enabled solutions through multiple verticals such as e-governance, payments solutions, collaborative industry solutions, regulatory platforms, KYC solutions, insurance repository services, digital banking services, amongst others. Through NDML, some additional services include the automation and e-governance project for special economic zones (“**SEZ**”) pursuant to an agreement with the Ministry of Commerce and Industry, Government of India and a national skills registry that seeks to build a credible record of the employees working in the IT / ITeS industry. Through NPBL, we operate our payments bank business that was launched in October 2018. NPBL has a focus on financial inclusion, bringing within the ambit of financial services for the disadvantaged and low-income population in remote areas of India, NPBL operates on a business-to-business-to-consumer (“**B2B2C**”) model and offers digital banking solutions, inclusive banking products (covering domestic money transfers, savings accounts, micro-ATMs and an Aadhar-Enabled Payment System (“**AePS**”), prepaid cards (including general purpose reloadable payment cards, gift cards and use case-based cards), merchant acquisition services (including UPI-payment services and point-of-sale solutions) and the distribution of third party products such as life insurance, health insurance and mutual fund schemes.

As on March 31, 2025, we had over 39.45 million active demat accounts held with 294 depository participants registered with us, and our accounts holders were located in more than 99.34% of pin codes in India and 194 countries across the world. During the Financial Year 2025, we witnessed a net increase of 33,758 issuers to 79,773 issuers registered with us as compared to 46,015 issuers as at March 31, 2024. Furthermore, the average number of Demat Accounts opened with us per day for March 31, 2025 was 15,320.

Set forth below are the details of the aggregate number of issuers, listed and unlisted, registered with us, as of March 31, 2025, 2024 and 2023.

Particulars	As of March 31,		
	2025	2024	2023
	(Number of Issuers)		
Listed Issuers	6,287	5,942	5,804
Unlisted Issuers	73,486	40,073	35,183
Total number of Issuers	79,773	46,015	40,987

As on March 31, 2025, we serviced 99.99% of the value of equity, debt and other securities held by foreign portfolio investors in dematerialized form in India (Source: *CRISIL Report*). We also held assets in custody aggregating to ₹70,167.65 billion for individuals (including NRIs) and Hindu Undivided Family (“HUFs”) accounts, which constituted 67.90% of the total value of such assets under custody in dematerialized across depositories as of March 31, 2025 (Source: *CRISIL Report*). Similarly, as of March 31, 2025, we held assets in custody in relation to non-residents Indians aggregating to ₹4,676.01 billion, constituting 85.56% of the total value of such assets held by non-residents Indians under custody in dematerialized form across depositories (Source: *CRISIL Report*). We also had a market share of 96.98% of the dematerialized value of debt securities in custody aggregating to ₹52,195.07 billion, as on March 31, 2025 (Source: *CRISIL Report*).

Our management team led by Vijay Chandok, Managing Director and Chief Executive Officer and comprising qualified and experienced professionals contributes to our growth. We believe that their vision, leadership and adherence to strong corporate governance policies have driven our positive performance in the past and will drive our strategic direction in the future. For details, please see “*Our Business — Our Strengths — Experienced senior management team*” on page 223.

We have an established track record of growth in revenue and profits. Between Financial Years 2023 and Financial Year 2025, our revenue from operations grew from ₹10,219.88 million to ₹14,201.46 million. For the similar years, our profit after tax grew from ₹2,348.10 million to ₹3,431.24 million. Our EBITDA also grew at a CAGR of 22.48% from ₹3,286.04 million in Financial Year 2023 to ₹4,929.43 million in Financial Year 2025. Our EBITDA on a standalone basis grew at a CAGR of 25.36% from ₹2,821.10 million in Financial Year 2023 to ₹4,433.59 million in Financial Year 2025. For a reconciliation of our profit for the year to EBITDA, see “*Financial Information — Other Financial Information*” on pages 351 and “*Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation*” on 20.

Significant Factors Affecting our Financial Condition and Results of Operation

Our financial condition and results of operations are affected by various factors and uncertainties, including those discussed in the section titled “*Risk Factors*” on page 34. The paragraphs below discuss certain factors that have had, and we expect will continue to have, a significant effect on our financial condition and results of operations.

Trading Volumes and Market Activity

We derive our revenue from operations from a number of sources including transaction fees that we charge Depository Participants, custody fees that we charge issuers and annual fees that we charge Depository Participants and issuers, and fees from other ancillary services provided to market participants through NSDL and our Subsidiaries, NDML and NPBL. We are dependent on transaction fees for a significant portion of our revenue from operations. In the Financial Years 2025, 2024 and 2023, we derived ₹4,249.60 million, ₹3,086.34 million and ₹2,553.82 million, respectively, of our revenue from operations from transaction fees, constituting 29.92%, 24.34% and 24.99% of our revenue from operations, respectively. Among other factors, our transaction fees are primarily dependent on the number of transactions effected by Depository Participants registered with us whereas our issuer-related charges are dependent on the number of listed and unlisted securities and the number of investors per security issued by issuers through Depository Participants registered with us. Some of these factors are beyond our control and dependent on general market conditions, macro-economic factors (such as interest rates and inflations), competition, and regulatory changes, each significantly influencing the trading volumes for securities.

As we maintain a fixed cost structure across our transaction, custody and annual fees, we benefit from an increase in trading volumes and resulting revenues that can positively affect our margins. Conversely, if transaction

volumes and revenues decline, we may not be able to adjust our cost structure to offset the associated revenue loss, which could adversely affect our profitability.

In addition to our core depository business, we provide several ancillary services through NSDL and our Subsidiaries. We are actively exploring opportunities to provide existing users of our depository services to avail our ancillary services, including our e-voting, e-AGM and foreign investment limit monitoring (FILM) for institutional investors. Our success in these businesses is also heavily influenced by our ability to adapt to changing market conditions and develop innovative products and services that meet the evolving needs of our customers.

Macro-Economic Considerations including India's Economic Condition and Demat Account Penetration

The capital markets have played a pivotal role in development of the Indian economy with the amount of total capital raised (equity and debt) increasing from ₹919.5 billion in Financial Year 2019 to ₹2,181.2 billion in Financial Year 2025 (Source: *CRISIL Report*). This market is expected to grow further with capital raised from the primary market through public and rights issues increasing about 113% y-o-y in Financial Year 2025 and about 42% y-o-y in Financial Year 2024 (Source: *CRISIL Report*). The Demat Account penetration in India is 13.4% in Financial Year 2025 and 10.6% in the Financial Year 2024, and presents a huge opportunity to depositories for growth in the overall business considering India's population is more than 1.44 billion as of calendar year 2024. (Source: *CRISIL Report*).

We are India's first depository and the largest depository in terms of number of issuers, number of active instruments, market share in demat value of settlement volume and value of assets held under custody as of March 31, 2025 (Source: *CRISIL Report*). We continue to benefit from the growth in the Indian capital markets. Our revenue from operations increased from ₹10,219.88 million in Financial Year 2023 to ₹12,682.44 million in Financial Year 2024, and ₹14,201.46 million in Financial Year 2025.

General macro-economic conditions have a considerable impact on financial and securities markets and the availability of capital, as well as investor confidence, is influenced by the health of the economy. As all our assets and market participants are in, or have businesses related to, India, we are significantly impacted by economic conditions in India and are reliant on the health and stability of the Indian economy. Changes in the Indian economy (including market volatility) or the outlook for the capital markets and financial services industries can affect our revenues, primarily through fluctuations in trading volumes, new listings and clearing and settlement volumes, among other factors. Our business can also be impacted by such economic conditions which may affect new listings or offerings by issuer clients, leading to a reduction in the number or size of new securities offered and impacting our ability to generate revenue.

Emergence of new age fin-tech brokers

We derive a significant portion of our revenues from annual fees charged to Depository Participants and issuers, custody fees charged to issuers and transaction fees charged to Depository Participants on all on-market and off-market transactions carried out by them. These fees are linked to the market share of Depository Participants registered with us and have a significant impact on our revenue from operations. Recently, there has been an emergence of a new kind of Depository Participant known as new age fin-tech brokers or discount brokers, who have revolutionized the Indian capital markets with a low-cost digital business model (Source: *CRISIL Report*). Leveraging their low operational costs, these new age fin-tech brokers have been able to transfer this benefit to their clients by significantly bringing down the cost of investing. This is achieved by charging minimal brokerage fees and introducing demat accounts with almost zero brokerage fees. As of March 31, 2025, these new age fin-tech brokers had a market share of 70.00% as compared to 5.00% in Financial Year 2016 (Source: *CRISIL Report*). The increasing financial literacy among India's technologically proficient young population, coupled with the availability of almost zero brokerage services offered by these new age fin-tech brokers through digital platforms, has resulted in a rapid expansion of market share for these new age fin-tech brokers (Source: *CRISIL Report*). Consequently, to ensure that we maintain a significant market share of the depository service market in India, we strive to increasingly onboard such new age fin-tech brokers. To effectively respond to this challenge, we have focused on enhancing our technology and digital capabilities to streamline our operations and improve the customer experience.

Our Payments Bank Business

We have strategically diversified our business by operationalizing our payments bank business through NPBL in 2018 which, over time, has emerged as a significant revenue stream for us. The success of NPBL can be attributed to several key factors, including the demand for digital payment solutions, widespread adoption of mobile banking, and a favorable regulatory environment for digital payments solutions in India. We have capitalized on these opportunities, resulting in a successful expansion into the payments bank business. For instance, in the Financial Years 2025, 2024 and 2023, our income from banking services was ₹7,199.34 million, ₹7,192.40 million and ₹5,407.78 million, respectively, constituting 50.69%, 56.71% and 52.92%, of our revenue from operations, respectively. We expect the payments bank business in India to be poised for continued growth, with the digital payments landscape expected to further evolve and the Indian government's efforts towards financial inclusion likely to drive success in this segment.

Our Ability to Incorporate and Maintain Technology Advancements and Manage Key Expenses

The effective functioning of our businesses and our financial performance relies upon our ability to incorporate and maintain technology advancements to offer secure, fast, and reliable services to market participants. The maintenance and enhancement of our IT infrastructure is a critical aspect in this regard as it serves as the foundation for our future growth and expansion, while ensuring the safety and reliability of India's capital markets ecosystem. Since inception, we have allocated significant resources towards the upgradation of our IT systems. Set forth below are the details of our expenditures towards repairs and maintenance – system, system support charges, and our capital expenditure on information technology during the Financial Years 2025, 2024 and 2023.

Particulars	For the Financial Year		
	2025	2024	2023
	(in ₹ million, unless otherwise stated)		
Revenue Expense			
Repairs and maintenance – system	644.28	552.22	447.00
System support charges	87.59	59.74	48.26
Total revenue expense	731.87	611.96	495.26
Total revenue expense as a percentage of total expenditure (%)	6.75%	6.06%	6.27%
Capital Expenditure			
Capital expenditure in relation to information technology*	460.30	289.32	191.74
Total capital expenditure as a percentage of total expenditure (%)	4.25%	2.87%	2.43%

*Excluding capital work in progress and intangible assets under development.

Further, set forth below are the details of our expenditure towards repairs and maintenance – system and capital expenditure in relation to information technology for our depository business for the Financial Years 2025, 2024 and 2023.

Particulars	For the Financial Year		
	2025	2024	2023
	(in ₹ million, unless otherwise stated)		
Revenue Expense			
Repairs and maintenance – system	651.61	560.32	457.02
Total revenue expense as a percentage of total expenditure (Depository Business) (%)	21.07%	23.00%	21.37%
Capital Expenditure			
Capital expenditure in relation to information technology*	304.10	111.90	81.82
Total capital expenditure as a percentage of total expenditure (Depository Business) (%)	9.83%	4.59%	3.83%

*Excluding capital work in progress and intangible assets under development.

The advanced electronic systems we operate today enable us to consistently execute and settle transactions. To keep our systems and processes current, we are focused on enhancing efficiency by digitizing operational

processes across a range of functions such as client onboarding and centralized servicing, and re-evaluating process flows to enable seamless journeys with minimal manual intervention and first-time resolution. We constantly strive to enhance our technology stack to manage increasing transaction volumes, adopt a mobile-first approach in relevant areas, transform applications to enhance operational efficiency, and develop do-it-yourself (DIY) journeys to improve system performance and resiliency. As result of increase in our customer base and transactional volume driven by our technological upgradation, our segment-wise revenue generated from our operating segments for the Financial Years 2025, 2024 and 2023, also expressed as a percentage of total revenue from operations for such years, as mentioned below:

Segment	For the Financial Year					
	2025		2024		2023	
	Revenue (₹ in million)	(% of Total Revenue from Operations)	Revenue (₹ in million)	(% of Total Revenue from Operations)	Revenue (₹ in million)	(% of Total Revenue from Operations)
Depository	6,186.04	43.56%	4,730.34	37.30%	4,091.46	40.03%
Banking services	7,199.34	50.69%	7,192.40	56.71%	5,407.78	52.92%
Database management	816.08	5.75%	759.70	5.99%	720.64	7.05%
Total Revenue	14,201.46	100.00%	12,682.44	100.00%	10,219.88	100.00%

Regulatory Oversight and Changes in Governmental Policy and Regulation

Our operations are subject to regulation by SEBI, the RBI and IRDAI and rules, regulations, guidelines and notifications made and issued by these authorities. This includes the SEBI D&P Regulations, the Guidelines for Licensing of Payments Banks, the SEBI KRA Regulations and the IRDAI (Indian Insurance Companies) (Amendment) Regulations, 2021, among others. For more information, see “*Key Regulations and Policies in India*” on page 242.

Our core depository business operations, including the introduction of new products and the fees imposed for the provision of depository services, are subject to stringent regulatory oversight. We are obligated to comply with regulatory directives when modifying the fees associated with our depository services. Any change in or interpretation of existing, or the promulgation of new, laws, rules and regulations can have a material impact on our operations. We may have to incur increased costs, change our business model and bear other burdens relating to compliance with such requirements, which may require significant management time and other resources. For instance, on February 23, 2024 and May 13, 2025, IRDAI had advised NDML to operate its insurance repository business *via* a separate company. NDML is in the process of preparing its proposal for submission to IRDAI. The setting up of a separate company, which will be a new subsidiary, and investment into such company will be required to be approved by the Company and SEBI. For further details, see “*Risk Factors – We may, on our own accord pursuant to commercial requirements or pursuant to directions from regulators, divest our stake in our Subsidiaries, or may demerge certain of our businesses into a new entity*” on page 94.

Changes in government policy, tax policy, tax treaties between India and other countries, and the level and volatility of interest rates fixed by the RBI can have an impact on investment patterns in India, which can materially affect our business. For instance, NDML’s SEZ Online business operates under authorization from the Ministry of Commerce & Industry, Government of India and provides a platform for SEZ units, developers, and co-developers to file custom transactions and administrative filings. The Government of India had announced a plan to process the customs functions of SEZ Online systems through the Indian Customs Electronic Data Interchange Gateway (“**ICEGATE**”) system, which will facilitate online payment of duties. Accordingly, Ministry of Commerce & Industry (“**MOCI**”) issued notification for SEZ units from non-IT SEZs to file customs transactions for merchandise on ICEGATE portal effective July 1, 2024. Correspondingly, filing of customs transactions through ICEGATE have begun. Pursuant to its notification dated March 25, 2025, MOCI has further extended the timeline for shifting from SEZ Online System to ICEGATE in relation to certain modules, until further orders are issued in this regard. When such shifting from SEZ Online System to ICEGATE is completed, while the service category of the customs’ transaction will continue to be processed by NDML, NDML will no longer be involved in the processing of the merchandise category of the customs’ transactions for SEZs which will result in a significant loss of revenue for us. Similarly, the Government of India has proposed to replace the Special Economic Zones Act, 2006 with a new legislation namely, Development of Enterprise and Service Hubs (DESH). For more information, see “*Risk Factors - Proposed changes in the Government policies and other factors beyond our control may result in a potential loss of revenue for NDML’s SEZ Online business*” Additionally, our KRA business may be adversely impacted if we receive regulatory mandates to transfer all the

KYC records maintained by us to a central KYC system, which would affect our revenue stream generated from charging for granting download access for documents. For more information, see “*Risk Factors – NDML’s KRA operations are subject to certain regulatory mandates and market risks, which may adversely affect our results of operations*” on page 94.

Significant Accounting Policies

Basis of Preparation

Our Restated Consolidated Financial Information comprise the restated consolidated statement of assets and liabilities as at March 31, 2025, March 31, 2024 and March 31, 2023, the restated consolidated statement of profit and loss including other comprehensive income, the restated consolidated statement of changes in equity, the restated consolidated statement of cash flows for the Financial Years ended March 31, 2025, March 31, 2024 and March 31, 2023, and accompanying restated statement of significant accounting policies, and notes to the restated financial information along with other explanatory notes (collectively the “**Restated Consolidated Financial Information**”).

The Restated Consolidated Financial Information has been prepared by us for the purpose of inclusion in this Red Herring Prospectus to be filed with SEBI and BSE in connection with the Offer. The Restated Consolidated Financial Information has been prepared in terms of the requirements of:

- Section 26 of Part I of Chapter III of the Companies Act;
- relevant provisions of the SEBI ICDR Regulations; and
- the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India, as amended.

The Restated Consolidated Financial Information has been compiled from our audited consolidated financial statements as at and for the Financial Years ended March 31, 2025, March 31, 2024 and March 31, 2023, prepared in accordance with the Indian Accounting Standards as prescribed under Section 133 of the Companies Act read with relevant rules issued thereunder, as amended, and other accounting principles generally accepted in India, which have been approved by our Board at its meetings held on May 23, 2025, May 14, 2024 and May 23, 2023, respectively. The accounting policies have been consistently applied by us in preparation of the Restated Consolidated Financial Information to all the years presented.

The Restated Consolidated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the board meetings on the audited consolidated financial statements mentioned above.

The Restated Consolidated Financial Information has been prepared on the historical cost basis, except for the certain assets and liabilities (refer accounting policy regarding financial instruments) and share based payments which have been measured at fair value as per Ind AS 102.

The Restated Consolidated Financial Information has been prepared on a going concern basis as our management is satisfied that we shall be able to continue our business for the foreseeable future and no material uncertainty exists that may cast significant doubt on the going concern assumption. In making this assessment, our management has considered a wide range of information relating to present and future conditions, including future projections of profitability, cash flows and capital resources.

The Restated Consolidated Financial Information:

- has been prepared after incorporating adjustments in respect of changes in the accounting policies, material errors, if any, and regrouping / reclassifications retrospectively as at and for the Financial Years ended March 31, 2025, March 31, 2024 and March 31, 2023; and
- does not require any adjustment for qualifications as there are no qualifications in the underlying auditor's reports which require any adjustments.

Presentation of the Restated Consolidated Financial Information

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. 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.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, Level 2 or Level 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 measurements in its entirety which are described as follows:

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

The Restated Consolidated Financial Information is presented in Indian Rupees (INR), which is also our functional currency, and all values are rounded to the nearest million, except when otherwise indicated.

Basis of Consolidation

The Restated Consolidated Financial Information incorporate the financial information of our Company, our Subsidiaries, and our associate company. Control is achieved when we:

- have power over the investee;
- are exposed, or have rights, to variable returns from its involvement with the investee; and
- have the ability to use its power to affect its returns.

We reassess whether or not we control an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when we obtain control over the subsidiary and ceases when we lose control of the subsidiary. Profit or loss and each component of other comprehensive income are attributed to our owners. Total comprehensive income of subsidiaries is attributed to our owners. All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the group are eliminated in full on consolidation.

Principles of Consolidation

The Restated Consolidated Financial Information relate to our Company, our Subsidiaries and include the share of profit/(loss) including other comprehensive income in our associate company. The consolidated financial information has been prepared on the following basis:

- the restated financial information of the Subsidiaries is drawn up to the same reporting date as that of our Company for each of the reporting period covered by Restated Consolidated Financial Information; and
- the restated financial information of our Company and our Subsidiaries have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra-group transactions and resulting unrealised profits or losses, unless cost cannot be recovered.
- Investment in Associates - Investments in entities where we have significant influence (associate) is accounted under the equity method as prescribed by Indian Accounting Standard 28 Investments in Associates and Joint Ventures ("Ind AS 28"). Under the equity method, on initial recognition the investment in an associate has been recognized at cost, and the carrying amount has been increased or decreased to recognize our share of the profit or loss of the investee after the date of acquisition. Our share of the investee's profit or loss has been recognized in the statement of profit or loss.

The following companies have been considered in the preparation of the Restated Consolidated Financial Information:

Name of the Entity	Relationship	Country of Incorporation	Ownership held by	% of holding and voting power either directly or indirectly at each reporting period covered under the Restated Consolidated Financial Information
NSDL Database Management Limited	Subsidiary	India	National Securities Depository Limited	100%

Name of the Entity	Relationship	Country of Incorporation	Ownership held by	% of holding and voting power either directly or indirectly at each reporting period covered under the Restated Consolidated Financial Information
NSDL Payments Bank Limited	Subsidiary	India	National Securities Depository Limited	100%
India International Bullion Holding IFSC Ltd	Associate	India	National Securities Depository Limited	20%

The Restated Consolidated Financial Information has been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as our separate restated financial statements.

Revenue Recognition

We have applied Ind AS 115, “Revenue from Contracts with Customers” which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Under Ind AS 115, revenue is recognized at an amount that reflects the consideration to which an entity expects to be entitled to in exchange for rendering services to a customer. The standard requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances related to contracts with their customers.

We derive revenue primarily from services to corporates and capital market intermediary services. We recognise revenue when the significant terms of the arrangement are enforceable, services have been delivered and the collectability is reasonably assured. We recognise revenue based on two main models, services rendered at a point in time and services rendered over time:

Services rendered at a point in time

Revenues and costs relating to time and service contracts are recognised as the related services are rendered.

Services rendered over time

Revenue from annual fee contracts is recognised proportionately over the period of the contract. When services are performed through an indefinite number of repetitive acts over a specified period of time, revenue is recognised on a straight-line basis over the specified period or under some other method that better represents the stage of completion. We account for pricing incentives to customers by reducing the amount of revenue.

Interest income is accounted on accrual basis. For financial instruments measured at amortised cost, interest income is recorded using the effective interest rate (“EIR”). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. Dividend income is accounted for when the right to receive it is established.

Leasing

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.

As a Lessee

At the date of commencement of the lease, we recognize a right-of-use asset and a corresponding lease liability for all the lease arrangements in which we are a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low value leases, we recognize the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. The right-of-use assets and lease liabilities include these options when it is reasonably certain that they will be exercised. The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial

direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e., the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if we change our assessment if whether we will exercise an extension or a termination option. Lease liability and right-of-use asset have been separately presented in the balance sheet and lease payments have been adjusted towards rent expenses in the statement of profit and loss.

Employee Benefits

Employee benefits include provident fund, superannuation fund, gratuity fund, and compensated absences.

Defined Contribution Plan

Our contribution to provident fund and superannuation fund are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

Superannuation

We contribute a sum equivalent to 15% of annual basic salary of the eligible employees to an insurance company which administers the fund. We recognise such contributions as an expense during the period / year they are incurred.

Provident Fund

Employees are entitled to receive benefits in respect of provident fund, in which both, we and the employees, make monthly contributions at a specified percentage of the covered employees' salary (currently 12% of employees' basic salary).

Defined Benefit Plans

Gratuity

We account for the net present value of our obligations for gratuity benefits based on an independent external actuarial valuation determined on the basis of the projected unit credit method carried out at the balance sheet date. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in retained earnings and is not reclassified to profit and loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit cost are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement

Other Employee Benefits:

Performance Incentive and Compensated Absences

The amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the period / year when the employees render the services. These benefits include performance incentive and compensated absences which are expected to occur within 12 months after the end of the period in which the employee renders the related service.

We account for the net present value of its obligations for compensated absences based on an independent external actuarial valuation carried out at the balance sheet date. The cost of short-term compensated absences is accounted as under:

- in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- in case of non-accumulating compensated absences, when the absences occur.

Share Based Payment Reserve:

Our Subsidiary, NPBL, has employee stock option schemes under which the eligible employees and key management personnel are granted stock options. Stock options granted are measured at fair value on the grant date using Black-Scholes model and amortised over the vesting period as share-based payment with corresponding credit in share-based payment reserve. On exercise of the stock options, balance in share-based payment reserve is transferred to securities premium account.

Method used for accounting for share-based payment plan

The stock options granted to employees pursuant to NPBL's stock options schemes, are measured at the fair value of the options at the grant date using Black-Scholes model. The fair value of the options determined at grant date is recognised as employee compensation cost over the vesting period on straight line basis over the period of option, based on the number of grants expected to vest, with corresponding increase in equity

Tax on Income

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current Tax

The tax currently payable is based on taxable profit for the period / year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, in accordance with the Income Tax Act, 1961 and the Income Computation and Disclosure Standards prescribed therein. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. We periodically evaluate positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establish provisions where appropriate.

Deferred Tax

Deferred tax is recognised on the temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting year and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period when the liability is settled or the asset realised based on the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting year.

Current and Deferred Tax for the period / year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Property, Plant and Equipment

Property, plant and equipment carried at cost less accumulated depreciation and amortisation and impairment losses, if any. The cost comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use.

Capital Work-in-Progress:

Projects under which tangible fixed assets that are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses, and interest attributable.

Intangible Assets

Intangible assets purchased are measured at cost as of the date of acquisition less accumulated amortization and accumulated impairment, if any.

Intangible Assets under Development

Projects under which intangible assets that are not yet ready for their intended use are carried at cost, comprising development expenses and software expenses.

Depreciation and Amortisation

Depreciation is charged so as to write off the cost of assets other than capital work-in-progress less its estimated residual value over the useful lives as prescribed in Schedule II to the Companies Act, using the straight-line method except for the new office building for which useful life of 35 years has been adopted as determined by technical expert.

Depreciation on addition/(disposal) is provided on a pro-rata basis.

Intangible assets are amortized on a straight-line basis. Computer software is amortised over useful life of assets. However, in case of our Subsidiary, NDML, computer software is amortised over 48 months or useful life, whichever is lower.

Provision and Contingencies

A provision is recognised when we have a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the notes to the Restated Consolidated Financial Information. Contingent assets are not recognised /disclosed in the Restated Consolidated Financial Information.

Contingent Liabilities and Assets

Contingent liabilities are 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 or a reliable estimate of the amount cannot be made. Contingent liabilities are not recognised but are disclosed in the notes.

Contingent asset is a possible asset that arises 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 enterprise. Contingent assets are neither recognised nor disclosed in the restated consolidated financial information.

Foreign Currency Transactions and Balances

Transactions in foreign currency are translated into the respective functional currencies using the exchange rates prevailing at the dates of the respective transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the exchange rates prevailing at reporting date of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of profit and loss and reported within foreign exchange gains/ (losses).

Financial Instruments

Financial assets and financial liabilities are recognised when we become a party to the contractual provisions of the instruments. All financial instruments are recognised initially at fair value.

Financial Assets

Financial assets are (investment in mutual funds, non-convertible debentures, bonds, and government securities) classified into the following specified categories: financial assets “at amortised cost”, “fair value through other comprehensive income”, “fair value through profit or loss”. The classification depends on the entity’s business model for managing the financial assets and the contractual cash flow characteristics of the financial asset at the time of initial recognition.

Financial assets are recognised as per our business model. All financial assets are recognized initially at fair value, plus, in the case of financial assets not recorded at fair value through profit or loss, transaction cost that is attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price. Transaction costs directly attributable to the acquisition of financial assets measured at fair value through profit or loss are recognized immediately in the Statement of Profit and Loss.

All equity instruments are measured at fair value other than investments in unquoted equity shares including investment in subsidiaries and associates. Equity instruments held for trading is classified as fair value through profit or loss (“FVTPL”). For all other equity instruments, we may make an irrevocable election to present subsequent changes in the fair value in other comprehensive income. We make such election on an instrument-by-instrument basis.

Income and expense are recognised on an effective interest basis for debt instrument. All other investments are classified as FVTPL. We use valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Impairment of Financial Assets

In accordance with Ind AS 109, we apply expected credit loss model for measurement and recognition of impairment loss. Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been impacted.

Objective evidence of impairment could include:

- significant financial difficulty of the users or counterparty; or
- default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial reorganization.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade and other receivables. For financial assets measured at amortised cost, if, in a subsequent

year, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment loss was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Expected Credit Losses on Trade Receivables

For trade receivables we measure the loss allowance at an amount equal to lifetime expected credit losses. Further, for the purpose of measuring lifetime expected credit losses for trade receivables, we follow simplified approach as permitted under Ind AS 109.

De-recognition of Financial Assets

We derecognise a financial asset only when the contractual rights to the cash flows from the asset expire, or when we transfer the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If we neither transfer nor retain substantially all the risks and rewards of ownership and continue to control the transferred asset, we recognise its retained interest in the asset and an associated liability for amounts it may have to pay. If we retain substantially all the risks and rewards of ownership of a transferred financial asset, we continue to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Impairment of Non-Financial Assets

We assess at each reporting date whether there is any observable evidence that a non-financial asset or a company of non-financial assets is impaired. If any such indication exists, we estimate the amount of impairment loss. An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognised in statement of profit and loss and reflected in an allowance account. When we consider that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment loss was recognised, then the previously recognised impairment loss is reversed through the statement of profit and loss.

Financial Liabilities and Equity Instruments

Classification as Debt or Equity

Financial liabilities and equity instruments issued by us are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deduction all of its liabilities.

Financial Liabilities:

Initial Recognition and Measurement:

Financial liabilities are recognised when we become 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.

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.

Derecognition of Financial Liabilities

We derecognise financial liabilities when, and only when, our obligations are discharged, cancelled or they expire.

Cash and Cash Equivalents

Cash and cash equivalents comprise of cash on hand, balances in current account and demand deposits with banks having an original maturity of three months or less. These do not include bank balances earmarked/restricted for specific purposes. Bank balances other than cash and cash equivalents comprise of demand deposits with banks having an original maturity of more than three months.

Use of Estimates and Judgement

Preparation of the Restated Consolidated Financial Information in conformity with Ind AS requires our management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, incomes, expenses, disclosure of contingent assets and disclosure of contingent liabilities. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the Restated Consolidated Financial Information is included in the following note:

Useful lives of Property, Plant and Equipment/ Intangible Assets

Property, Plant and Equipment/ Intangible Assets are depreciated/amortised over their estimated useful lives, after taking into account estimated residual value. The useful lives and residual values are based on our historical experience with similar assets and taking into account anticipated technological changes or commercial obsolescence. Our management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation / amortisation to be recorded during any reporting period. The depreciation / amortisation for future periods is revised, if there are significant changes from previous estimates and accordingly, the unamortised/depreciable amount is charged over the remaining useful life of the assets.

Contingent Liabilities and Assets

Contingent Liabilities are disclosed when there is a possible obligation arising from the 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 the past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

Income Taxes

Our tax jurisdiction is in India. Significant judgments are involved in determining the provision for income taxes, deferred tax assets and liabilities including the amount expected to be paid or recovered in connection with uncertain tax positions.

Expected Credit Losses on Trade Receivables

We estimate the probability of collection of trade receivable by analysing historical payment patterns, customer status, customer creditworthiness and current economic trends. If the financial condition of a customer deteriorates, additional allowances are made.

Employee Benefits

Defined employee benefit assets / liabilities determined based on the present value of future obligations using assumptions determined by us with advice from an independent qualified actuary.

Earnings / Loss per share

The basic Earnings Per Share ("EPS") is computed by dividing the net profit/(loss) after tax for the year attributable to the Equity Shareholders of the Holding Company by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is calculated by dividing the net profit or loss (after tax) for the year attributable to equity shareholders and the weighted average number of equity shares outstanding during the year, both adjusted for the effects dilutive potential equity shares.

Operating Cycle

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

Recent 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. For the year ended March 31, 2025, MCA has notified Ind AS – 117 "Insurance Contracts" and amendments to Ind AS 116 – "Leases", relating to sale and leaseback transactions, applicable w.e.f. April 1, 2024. We have reviewed the new pronouncements and based on our evaluation has determined that we have not entered into transactions covered under Ind 117 & amendments to Ind AS 116 and therefore, there is no impact on the consolidated financial information.

Key Components of our Statement of Profit and Loss

The following descriptions set forth information with respect to the key components of our statement of profit and loss.

Total Income

Total Income consists of revenue from operations and other income.

Revenue from operations. Revenue from operations comprises the following components:

- **annual fees:** We charge an annual fee from depository participants for all corporate demat accounts registered with us and DMS software provided by us to depository participants. We also charge annual fees from issuers of securities for monitoring their foreign investment limits, from mutual funds for the downloading facility for beneficial owners' statements and transfer feeds, from SEZ units for our system usage, from insurance companies in relation to credit of policies in a dematerialized format, annual usage fees for generation of IT professional identification number for registrations with NSR and annual fees for STeAdy, annual fees in relation to usage of Cloud DPM, annual fees from depository participants for value-added services such as DPM plus, STP navigator, E-signer, and annual usage fees from issuers to provide RTA services. Such fee is generally charged at the beginning of each financial year or charged on a recurring basis annually on the date when the entity registered with us.
- **custody fees:** We charge issuers and other corporate clients custody fees to admit their securities to our platform and offer demat facilities to their shareholders. This fee is calculated at ₹11 per folio, subject to a minimum amount based on slab of the nominal value of admitted securities.
- **registration fees:** We charge registration fees from issuers and RTAs to register themselves on our platform and to avail our services.
- **transaction fees:** We charge our corporate clients and depository participants transaction fees in relation to transactions such as securities settlements and corporate actions effected through our depository systems. Further, transaction fees also include charges in relation to our e-Voting and CAS facilities, pledge fees, margin pledge fees, non-disposal undertaking fees, fees for providing digital contract notes, SEZ transaction fees, fees for uploading and downloading KRAs and fees for insurance policy credits.

- **software license fees:** Depository participants registered with us are required to deploy requisite technology infrastructure for their operations. Consequently, we charge an annual software license fees for the software provided by us to the Depository Participants for operational efficiency.
- **communication fees:** We charge annual communication fees to depository participants for connectivity charges determined by the bandwidth utilization of their operations.
- **income from banking services:** This relates to income generated from the banking services provided by our Subsidiary, NPBL. Such income includes interchange fees in relation to transactions undertaken through AePS, micro-ATMs and domestic money transfer services, issuance of prepaid cards, fees from account opening and commission on cash management services and other products.
- **other operating income:** This includes fees charged by us for carrying out a change of RTAs and fees for training provided by us to depository participants in relation to our depository participant management software.

Our operating segments are depository business, banking services and database management. Set forth below is the segment-wise revenue generated from our operating segments for the Financial Years 2025, 2024 and 2023, also expressed as a percentage of total revenue from operations for such years.

Segment	For the Financial Year					
	2025		2024		2023	
	Revenue (₹ in million)	(% of Total Revenue from Operations)	Revenue (₹ in million)	(% of Total Revenue from Operations)	Revenue (₹ in million)	(% of Total Revenue from Operations)
Depository	6,186.04	43.56%	4,730.34	37.30%	4,091.46	40.04%
Banking services	7,199.34	50.69%	7,192.40	56.71%	5,407.78	52.91%
Database management	816.08	5.75%	759.70	5.99%	720.64	7.05%
Total Revenue	14,201.46	100.00%	12,682.44	100.00%	10,219.88	100.00%

As per the report on trend and progress of banking in India (2023-2024) published by the Reserve Bank of India (RBI), payments banks in India experienced minimal profit margins at a slower pace during the Financial Year 2024 compared to the Financial Year 2023. This was primarily attributed to high operating expenses, resulting in a cost-to-income ratio of 97.2% for the same period. Similarly, we operate our payments bank business with a high cost to income ratio, leading to a very thin margin of income for provision of services. Set forth below are the details of our total allocable revenue and allocable expenses from our banking services for the Financial Years 2025, 2024 and 2023:

Segment	For the Financial Year					
	2025		2024		2023	
	(₹ in million)	(% of Total Revenue/ Expense /Results from Operations)	(₹ in million)	(% of Total Revenue/ Expense /Results from Operations)	(₹ in million)	(% of Total Revenue/ Expense /Results from Operations)
Total allocable revenue	7,199.34	50.69%	7,192.40	56.71%	5,407.78	52.92%
Total allocable expense	7,162.73	66.32%	7,169.90	71.18%	5,323.71	67.55%
Segmental results/ Operating margin	36.61	1.08%	22.50	0.86%	84.07	3.59%

The revenue and expenses derived from our banking services are consolidated on a gross basis. As a result of this consolidation, we have observed a substantial growth in our revenue from operations. However, it is critical to note that our payment banks, which are subject to a high cost-to-income ratio, contribute to an increase in overall expenses. Consequently, our other significant revenue sources, including transaction fees, custody fees, and annual fees, demonstrate an increasing trend when evaluated on a consolidated basis.

Other income. Other income primarily comprises (i) interest income on non-current investments; (ii) interest income on fixed deposits with banks; (iii) fair value gain on investments in mutual funds; (iv) interest income on overdue trade receivables; and (v) miscellaneous income.

Expenses

Expenses consist of employee benefits expense, depreciation and amortisation expense, finance costs, contribution to investor protection fund and other expenses.

Employee benefits expense. Employee benefits expense comprises salaries and wages, contribution to provident and other funds, staff welfare expenses and deputation costs.

Depreciation and amortisation expense. Depreciation primarily comprises depreciation on capital work-in-progress and amortization primarily comprises amortization of intangible assets.

Finance costs. Finance costs primarily comprise interest on lease liabilities.

Contribution to investor protection fund. Contribution to investor protection fund comprises payments pursuant to SEBI (Depositories and Participants) (Amendment) Regulations, 2016 (“**SEBI Depositories Amendment Regulations**”) which require depositories to establish and maintain an investor protection fund and deposit five per cent of the depository’s profit from depository operations annually into the fund.

Other expenses. The largest components of other expenses include business and remittance expenses, repairs and maintenance (system) expenses, system support charges, communication expenses, processing charges, professional and consultancy fees and provision for doubtful trade receivables. Set forth below is a brief summary of the key components of our other expenses.

- business and remittance expenses: Business and remittance expenses comprise operational expenses in the normal course of our banking business. Our payments bank business requires us to act as an acquiring bank wherein while the income primarily comprises the gross amount retained or receivable from the issuing bank, our business and remittance expenses pertain to amounts payable by us to corporate business correspondents and agents.
- repairs and maintenance (system) expenses: Repairs and maintenance (system) expenses are expenses incurred by us in, among others, maintaining our information technology systems and software, development of new products and services, and certain regulatory compliance such cyber security expenses, vulnerability assessment and penetration testing audits and IT system audits.
- system support charges: System support charges are expenses incurred by NDML in maintaining its database servers and software, development of new products and services, and certain regulatory compliance such cyber security expenses, vulnerability assessment and penetration testing audits and IT system audits.
- communication expenses: It comprises postage and courier charges for dispatching physical CAS, along with charges incurred in dispatching text messages in relation to transactions made, passwords generated, and reminders for e-voting and e-notices. We recover a portion of these expenses from our clients.
- processing charges: Processing charges comprise expenses incurred by us in processing the transactions on our platform, including, charges pertaining to, among others, our KRA services, transactions undertaken through *Instigo*, NIR registrations, and transactions of PayGov merchants through Billdesk or Razorpay.

Tax expense/(income)

Tax expense/(income) consists of current tax and deferred tax.

Our Results of Operations

The following table sets forth select financial data from our restated consolidated statement of profit and loss for the Financial Years 2025, 2024 and 2023, the components of which are also expressed as a percentage of total income for such years:

Particulars	For the Financial Year					
	2025		2024		2023	
	(₹ in million)	(% of Total Income)	(₹ in million)	(% of Total Income)	(₹ in million)	(% of Total Income)
INCOME						
Revenue from operations	14,201.46	92.51%	12,682.44	92.86%	10,219.88	92.92%
Other income	1,150.41	7.49%	974.61	7.14%	778.26	7.08%
Total Income	15,351.87	100.00%	13,657.05	100.00%	10,998.14	100.00%
EXPENSES						
Employee benefits expenses	1,385.27	9.02%	1,231.99	9.02%	1,098.07	9.98%
Depreciation and amortisation	354.03	2.31%	241.23	1.77%	216.89	1.97%
Finance costs	40.97	0.27%	20.60	0.15%	18.73	0.17%
Contribution to investor protection fund	154.21	1.00%	114.83	0.84%	98.86	0.90%
Other expenses	8,906.92	58.02%	8,485.27	62.13%	6,466.80	58.80%
Total Expenses	10,841.40	70.62%	10,093.92	73.90%	7,899.35	71.82%
Profit before Share of Profit / (Loss) of investment accounted for using equity method and Tax	4,510.47	29.38%	3,563.13	26.09%	3,098.79	28.18%
Share of Profit / (Loss) of Associate	23.96	0.16%	(13.63)	(0.10%)	(48.37)	(0.44%)
Profit before Tax	4,534.43	29.54%	3,549.50	25.99%	3,050.42	27.74%
Tax Expenses						
Current tax	1,052.96	6.86%	803.10	5.88%	720.24	6.55%
Deferred tax charge / (credit)	50.23	0.33%	(8.05)	(0.06%)	(17.92)	(0.16%)
Total Tax Expenses	1,103.19	7.19%	795.05	5.82%	702.32	6.39%
Profit after Tax	3,431.24	22.35%	2,754.45	20.17%	2,348.10	21.35%

Financial Year 2025 compared to Financial Year 2024

Total Income. Total Income increased by 12.41% from ₹13,657.05 million for the Financial Year 2024 to ₹15,351.87 million for the Financial Year 2025 due to an increase in revenue from operations and other income.

Revenue from operations. Revenue from operations increased by 11.98% from ₹12,682.44 million for the Financial Year 2024 to ₹14,201.46 million for the Financial Year 2025 primarily due to:

- an increase in the transaction fees collected from ₹3,086.34 million for the Financial Year 2024 to ₹4,249.60 million for the Financial Year 2025, primarily due to an increase in (i) corporate action fees, on account of a significant increase in the number of new issuers that registered with us and an increase in the initial public offerings during the Financial Year 2025, (ii) settlement fees and pledge fees for margin, on account of an increase in the volume of cash market transactions and margin pledged transactions during the Financial Year 2025; and (iii) e-voting fees, on account of an increase in the e-voting events fees during the Financial Year 2025; and
- an increase in the custody fees from ₹2,058.94 million for the Financial Year 2024 to ₹2,351.02 million for the Financial Year 2025, primarily due to an increase in the custody fees on account of an increased number of issuers that availed our services primarily being unlisted issuers during the Financial Year 2025.

Set forth below is a segment-wise discussion of our revenue from operations from Financial Year 2024 to Financial Year 2025.

Revenue from Operations from our Depository Business. Our revenue from operations from our depository business increased by 30.77% from ₹4,730.34 million for the Financial Year 2024 to ₹6,186.04 million for the Financial Year 2025 primarily due to an increase in the transaction fees and custody fees on account of (i) corporate action fees as a result of a significant increase in the number of new issuers that joined us, bonus issues and an increase in the initial public offerings during the Financial Year 2025, (ii) settlement fee and pledge fee for margin, as a result an increase in the volume of cash market transactions, and margin pledge transactions

during the Financial Year 2025, (iii) e-voting fees, as a result of an increase in the e-voting events fee and (iv) custody fees as a result of an increased number of issuers that availed our services, primarily being unlisted issuers, during the Financial Year 2025.

Revenue from Operations from our Banking Services. Our revenue from operations from our banking services increased by 0.10% from ₹7,192.40 million for the Financial Year 2024 to ₹7,199.34 million for the Financial Year 2025, primarily due to an increase in the volume of transactions undertaken through AePS, micro-ATMs, domestic money transfer and cash management services along with an increase in issuance of prepaid cards, on account of an increase in the number of collaborations entered into by NPBL with corporate business correspondents.

Revenue from Operations from our Database Management Services. Our revenue from operations from our database management services increased by 7.42% from ₹759.69 million for the Financial Year 2024 to ₹816.08 million for the Financial Year 2025, primarily due to an increase in the number of transactions leading to an increase in transaction fees and increase in our revenue from KRA business and RTA business.

Other income. Other income increased by 18.04% from ₹974.61 million for the Financial Year 2024 to ₹1,150.41 million for the Financial Year 2025, primarily due to an increase in (i) interest income on non-current investments from ₹737.46 million for the Financial Year 2024 to ₹889.27 million for the Financial Year 2025 due to increased investments in long term securities consisting of bonds and state development loans on account of a higher cash-in-hand; and (ii) fair value gain on investments in mutual funds from ₹170.07 million for the Financial Year 2024 to ₹191.12 million for the Financial Year 2025 due to increase in the net asset value of mutual funds during the Financial Year 2024. This was partially offset by a decrease in dividend income from current investments from ₹10.62 million for the Financial Year 2024 to nil for the Financial Year 2025 due to the redemption of such dividend yielding mutual funds.

Total Expenses. Total expenses increased by 7.41% from ₹10,093.92 million for the Financial Year 2024 to ₹10,841.40 million for the Financial Year 2025, primarily due to an increase in repairs and maintenance (system), system support charges, rates and taxes, provision for doubtful trade receivables, miscellaneous expenses and communication charges, along with an increase in employee benefits expense, depreciation and amortisation expense, and contribution to investor protection fund.

Employee benefits expense. Employee benefits expense increased by 12.44% from ₹1,231.99 million for the Financial Year 2024 to ₹1,385.27 million for the Financial Year 2025, primarily due to (i) salaries and wages from ₹1094.03 million for the Financial Year 2024 to ₹1,236.49 million for the Financial Year 2025, primarily due to increase in the number of employees and annual increment in the salaries of our employees during the Financial Year 2025; (ii) contribution to provident and other funds from ₹96.30 million for the Financial Year 2024 to ₹98.37 million for the Financial Year 2025, primarily due to an increase in superannuation and gratuity contributions on account of annual increment in the salaries of our employees; and (iii) staff welfare expenses from ₹37.97 million for the Financial Year 2024 to ₹48.38 million for the Financial Year 2025. This was partially offset by a decrease in deputation cost from ₹3.69 million for the Financial Year 2024 to ₹2.04 million for the Financial Year 2025 due to a decrease in the number of resources.

Depreciation and amortisation expense. Depreciation and amortisation expense increased by 46.76% from ₹241.23 million for the Financial Year 2024 to ₹354.03 million for the Financial Year 2025, primarily due to depreciation on fixed assets, and amortization of intangible assets, on account of an increase in our fixed assets during the Financial Year 2025.

Finance costs. Finance costs increased by 98.88% from ₹20.60 million for the Financial Year 2024 to ₹40.97 million for the Financial Year 2025, on account of interest paid on customer deposits pertaining to our banking business during the Financial Year 2025.

Contribution to investor protection fund. Contribution to investor protection fund increased by 34.29% from ₹114.83 million for the Financial Year 2024 to ₹154.21 million for the Financial Year 2025 pursuant to the requirements prescribed under SEBI Depositories Amendment Regulations. The increase in our contribution to investor protection fund for the Financial Year 2025 from the Financial Year 2024 was primarily due to an increase in our depository profit for the Financial Year 2025 from the Financial Year 2024.

Other expenses. Other expenses increased by 4.97% from ₹8,485.27 million for the Financial Year 2024 to ₹8,906.92 million for the Financial Year 2025, primarily due to an increase in (i) rates and taxes from ₹17.22

million for the Financial Year 2024 to ₹207.00 million for the Financial Year 2025, primarily due to payment and provision for payment of settlement amount in relation to show cause notice; (ii) repairs and maintenance (system) from ₹552.22 million for the Financial Year 2024 to ₹644.28 million for the Financial Year 2025, primarily due to an increase in e-voting webcast processing cost and costs in relation to e-services for system maintenance and software development; (iii) provision for doubtful trade receivables from ₹120.73 million for the Financial Year 2024 to ₹201.41 million for the Financial Year 2025, primarily due to an increase in the doubtful trade receivables; (iv) miscellaneous expenses from ₹69.13 million for the Financial Year 2024 to ₹112.27 million for the Financial Year 2025, primarily due to an increase in expenses such as common area maintenance charges, and security and housekeeping related expenses and increase in call center charges; (v) communication expenses from ₹212.32 million for the Financial Year 2024 to ₹262.80 million for the Financial Year 2025 due to an increase in the SMS costs for various e-services, and costs in relation to postage, courier and telephone services. These were primarily offset by a decrease in (i) business and remittance expenses from ₹6,738.71 million for the Financial Year 2024 to ₹6,588.15 million for the Financial Year 2025 due to overall contraction in the market and reduction in the overall volumes; (ii) bad debts written-off from ₹11.28 million for the Financial Year 2024 to ₹1.09 million for the Financial Year 2025 due to better recovery of debts; (iii) rent (net of recovery) from ₹20.27 million for the Financial Year 2024 to ₹11.74 million for the Financial Year 2025 due to the vacation of a few old office spaces; (iv) legal charges from ₹24.31 million for the Financial Year 2024 to ₹16.44 million for the Financial Year 2025 due to a decrease in such fees paid in Financial Year 2025; and (v) processing charges from ₹128.73 million for the Financial Year 2024 to ₹124.97 million for the Financial Year 2025 due to a decrease in the KRA processing charges, paper-to-follow charges and e-sign charges.

Share of profit/(loss) of associate. The share of profit of associate stood at ₹23.96 million for the Financial Year 2025 as compared to the share of loss of associate of ₹13.63 million for the Financial Year 2024, primarily due to an increase in the trading activities which commenced in the last quarter of Financial Year 2024 that resulted in the increase in the operational revenue of our Associate, IIBHIL, during the Financial Year 2025.

Tax expenses. We had tax expenses of ₹795.05 million for the Financial Year 2024, comprising current tax of ₹803.10 million and deferred tax credit of ₹8.05 million. We had tax expense of ₹1,103.19 million for the Financial Year 2025 comprising current tax of ₹1,052.96 million and deferred tax charge of ₹50.23 million. The increase in current tax from the Financial Year 2024 to Financial Year 2025 was primarily on account of higher operating profit.

Profit for the year. As a result of the foregoing, our profit after tax for the year increased by 24.57% from ₹2,754.45 million for the Financial Year 2024 to ₹3,431.24 million for the Financial Year 2025.

Financial Year 2024 compared to Financial Year 2023

Total Income. Total Income increased by 24.18% from ₹10,998.14 million for the Financial Year 2023 to ₹13,657.05 million for the Financial Year 2024 due to an increase in revenue from operations and other income.

Revenue from operations. Revenue from operations increased by 24.10% from ₹10,219.88 million for the Financial Year 2023 to ₹12,682.44 million for the Financial Year 2024 primarily due to:

- an increase in our income from banking services (provided by NPBL) from ₹5,407.78 million for the Financial Year 2023 to ₹7,192.40 million for the Financial Year 2024, primarily due to an increase in the volume of transactions undertaken through AePS, micro-ATMs, domestic money transfer and cash management services along with an increase in issuance of prepaid cards, on account of an increase in the number of partnerships entered into by NPBL with corporate business correspondents during the Financial Year 2024;
- an increase in the transaction fees collected by us from ₹2,553.82 million for the Financial Year 2023 to ₹3,086.34 million for the Financial Year 2024, primarily due to an increase in (i) pledge fees, on account of an increased number of transactions during the Financial Year 2024, (ii) settlement fees on account of an increase in the volume of cash market transactions during the Financial Year 2024, (iii) corporate action fees, on account of an increase in the number of new issuers that registered with us and an increase in the initial public offerings during the Financial Year 2024; and
- an increase in the custody fees from ₹1,857.04 million for the Financial Year 2023 to ₹2,058.94 million for the Financial Year 2024, primarily due to an increase in the custody fees on account of an increased number

of issuers that availed our services which led to increase in the number of folios chargeable during the Financial Year 2024.

Set forth below is a segment-wise discussion of our revenue from operations from Financial Year 2023 to Financial Year 2024.

Revenue from Operations from our Depository Business. Our revenue from operations from our depository business increased by 15.61% from ₹4,091.46 million for the Financial Year 2023 to ₹4,730.34 million for the Financial Year 2024, primarily due to an increase in the transaction fees and custody fees on account of (i) pledge fees, as a result of an increased number of transactions during the Financial Year 2024, (ii) settlement fee, as a result of an increase in the volume of cash market transactions during the Financial Year 2024, (iii) corporate action fees, as a result of an increase in the number of new issuers that joined us and an increase in the initial public offerings during the Financial Year 2024 and (iv) custody fees, as a result of an increased number of issuers that availed our services which led to increase in the number of folios chargeable during the Financial Year 2024.

Revenue from Operations from our Banking Services. Our revenue from operations from our banking services increased by 33.00% from ₹5,407.78 million for the Financial Year 2023 to ₹7,192.40 million for the Financial Year 2024, primarily due to an increase in the volume of transactions undertaken through AePS, micro-ATMs, and domestic money transfer and cash management services along with an increase in issuance of prepaid cards, on account of an increase in the number of partnerships entered into by NPBL with corporate business correspondents.

Revenue from Operations from our Database Management Services. Our revenue from operations from our database management services increased by 5.42% from ₹720.64 million for the Financial Year 2023 to ₹759.69 million for the Financial Year 2024, primarily due to an increase in the number of transactions leading to an increase in transaction fees and increase in our revenue from KRA business.

Other income. Other income increased by 25.23% from ₹778.26 million for the Financial Year 2023 to ₹974.61 million for the Financial Year 2024, primarily due to an increase in (i) interest income on non-current investments from ₹586.16 million for the Financial Year 2023 to ₹737.46 million for the Financial Year 2024 due to increased investments by us in long-term securities, consisting bonds and government securities on account of a higher cash-in-hand, and the resultant increase in the interest income accrued on such investments; and (ii) fair value gain on investments in mutual funds from ₹65.20 million for the Financial Year 2023 to ₹170.07 million for the Financial Year 2024 due to increase in the net asset value of mutual funds during the Financial Year 2024. This was partially offset by a decrease in interest income on fixed deposits with bank from ₹70.53 million for the Financial Year 2023 to ₹13.61 million for the Financial Year 2024 due to decrease in fixed deposits maintained with banks and the resultant interest income pursuant thereto during the Financial Year 2024.

Total Expenses. Total expenses increased by 27.78% from ₹7,899.35 million for the Financial Year 2023 to ₹10,093.92 million for the Financial Year 2024, primarily due to an increase in business and remittance expenses, repairs and maintenance (system), provision for doubtful trade receivables, and communication charges, along with an increase in employee benefits expense, depreciation and amortisation expense, and contribution to investor protection fund.

Employee benefits expense. Employee benefits expense increased by 12.20% from ₹1,098.07 million for the Financial Year 2023 to ₹1,231.99 million for the Financial Year 2024, primarily due to an increase in (i) salaries and wages from ₹967.79 million for the Financial Year 2023 to ₹1,094.03 million for the Financial Year 2024, primarily due to annual increment in the salaries of our employees during the Financial Year 2024 and (ii) staff welfare expenses from ₹26.31 million for the Financial Year 2023 to ₹37.97 million for the Financial Year 2024. This was partially offset by the decrease in deputation cost from ₹7.03 million for the Financial Year 2023 to ₹3.69 million for the Financial Year 2024 due to decrease in number of resources.

Depreciation and amortisation expense. Depreciation and amortisation expense increased by 11.22% from ₹216.89 million for the Financial Year 2023 to ₹241.23 million for the Financial Year 2024, primarily due to depreciation on fixed assets, and amortization of intangible assets, on account of an increase in our fixed assets during the Financial Year 2024.

Finance costs. Finance costs increased from ₹18.73 million for the Financial Year 2023 to ₹20.60 million for the Financial Year 2024, primarily due to other interest paid during the Financial Year 2024, on account of interest paid on customer deposits and payment of late fees during the Financial Year 2024.

Contribution to investor protection fund. Contribution to investor protection fund increased by 16.15% from ₹98.86 million for the Financial Year 2023 to ₹114.83 million for the Financial Year 2024 pursuant to the requirements prescribed under SEBI Depositories Amendment Regulations. The increase in our contribution to investor protection fund for the Financial Year 2024 from the Financial Year 2023 was primarily due to an increase in our depository profit for the Financial Year 2024 from the Financial Year 2023.

Other expenses. Other expenses increased by 31.21% from ₹6,466.80 million for the Financial Year 2023 to ₹8,485.27 million for the Financial Year 2024, primarily due to (i) business and remittance expenses from ₹4,936.29 million for the Financial Year 2023 to ₹6,738.71 million for the Financial Year 2024 on account of an increase in the volume of transactions undertaken through our AePS, micro ATM, domestic money transfer, cash management and prepaid card services leading to a higher commission payout to business correspondent partners, which led to higher remittance and operational expenses; (ii) repairs and maintenance (system) from ₹447.00 million for the Financial Year 2023 to ₹552.22 million for the Financial Year 2024, primarily due to an increase in e-voting webcast processing cost and costs in relation to e-services for system maintenance and software development; (iii) provision for doubtful trade receivables from ₹70.47 million for the Financial Year 2023 to ₹120.73 million for the Financial Year 2024, primarily due to an increase in amount of doubtful trade receivables; (iv) communication expenses from ₹194.31 million for the Financial Year 2023 to ₹212.32 million for the Financial Year 2024 due to an increase in the SMS costs for various e-services, and costs in relation to upgradation and addition of multi-protocol label switching links; and (v) repairs and maintenance (others) from ₹61.76 million for the Financial Year 2023 to ₹86.75 million for the Financial Year 2024 due to an increase in repairs and maintenance of office furniture and equipment. These were primarily offset by a decrease in (i) seminar and business promotion expenses from ₹25.35 million for the Financial Year 2023 to ₹11.77 million for the Financial Year 2024, on account of decrease in business promotional events in Financial Year 2024; and (ii) professional and consultancy fees from ₹126.34 million for the Financial Year 2023 to ₹119.52 million for the Financial Year 2024, primarily due to a decrease in the consultancy fees, and referral fees paid for onboarding issuers of securities; and (iii) printing and stationery expenses from ₹27.13 million for the Financial Year 2023 to ₹17.31 million for the Financial Year 2024, primarily due to a decrease in expenses related to send consolidated account statements.

Share of profit/(loss) of associate. The share of loss of associate decreased from ₹48.37 million for the Financial Year 2023 to ₹13.63 million for the Financial Year 2024, primarily due to an increase in the operational revenue of our Associate, IIBHIL, during the Financial Year 2024.

Tax expenses. We had tax expenses of ₹702.35 million for the Financial Year 2023, comprising current tax of ₹720.24 million and deferred tax credit of ₹17.92 million. We had tax expense of ₹795.05 million for the Financial Year 2024 comprising current tax of ₹803.10 million and deferred tax credit of ₹8.05 million. The increase in current tax from the Financial Year 2023 to the Financial Year 2024 was primarily on account of higher operating profit.

Profit for the year. As a result of the foregoing, our profit after tax for the year increased by 17.31% from ₹2,348.10 million for the Financial Year 2023 to ₹2,754.45 million for the Financial Year 2024.

Liquidity and Capital Resources

Our principal sources of liquidity include cash generated from operations and interest accrued from our investments. We typically invest our surplus cash in mutual funds, bonds and government securities, along with allocation of certain funds to fixed deposits with maturities of more than 12 months. For details in relation to applicable statutory guidelines pertaining to the liquidity requirements for our banking business, see “Key Regulations and Policies in India” on page 242.

As of March 31, 2025, we had cash and cash equivalents of ₹1,451.59 million. We believe that after considering the expected cash to be generated from our business and operations, we have sufficient working capital for both our present and anticipated future requirements for capital expenditures and other cash requirements for 12 months following the date of this Red Herring Prospectus.

Cash Flows

The following table summarizes our cash flows data for the years indicated:

Particulars	For the Financial Year		
	2025	2024	2023
	(₹ in million)		
Net Cash generated from Operating Activities (A)	5,578.46	1,128.82	5,079.39
Net Cash used in Investing Activities (B)	(5,023.18)	(1,775.64)	(4,417.05)
Net Cash used in Financing Activities (C)	(163.82)	(200.00)	(200.00)
Net increase / (decrease) in Cash and Cash Equivalents (A+B+C)	391.47	(846.82)	462.34

Net cash generated from operating activities

Financial Year 2025

Net cash generated from operating activities was ₹5,578.46 million for the Financial Year 2025. We had profit before tax of ₹4,534.43 million for the for the Financial Year 2025, which was primarily adjusted for interest income of ₹915.38 million and depreciation and amortisation expense of ₹354.03 million to arrive at operating profit before working capital changes of ₹4,217.89 million. This was further adjusted for working capital changes, which primarily consisted of increase in other assets of ₹260.31 million, increase in other financial liabilities of ₹2,621.39 million, increase in trade receivables of ₹669.70 million, increase in other liabilities of ₹335.90 million and decrease in other financial assets of ₹214.99 million. As a result, cash generated from operations for the Financial Year 2025 was ₹6,598.54 million before adjusting for net income tax paid of ₹1,020.07 million.

Financial Year 2024

Net cash generated from operating activities was ₹1,128.82 million for the Financial Year 2024. We had profit before tax of ₹3,549.50 million for the for the Financial Year 2024, which was primarily adjusted for interest income of ₹751.07 million and depreciation and amortisation expense of ₹241.23 million to arrive at operating profit before working capital changes of ₹3,167.43 million. This was further adjusted for working capital changes, which primarily consisted of an increase in other financial assets of ₹458.91 million, decrease in other financial liabilities of ₹774.73 million. As a result, cash generated from operations for the Financial Year 2024 was ₹1,918.66 million before adjusting for net income tax paid of ₹789.84 million.

Financial Year 2023

Net cash generated from operating activities was ₹5,079.39 million for the Financial Year 2023. We had profit before tax of ₹3,050.42 million for the for the Financial Year 2023, which was primarily adjusted for interest income of ₹656.69 million and depreciation and amortization expenses of ₹216.89 million to arrive at operating profit before working capital changes of ₹2,786.58 million. This was further adjusted for working capital changes, which primarily consisted an increase in other financial liabilities of ₹1,147.60 million as a result of increase in the closing amount of customer deposits, earnest money deposits and settlement accounts related to NPBL and trade payables of ₹359.35 million and decrease in other financial assets of ₹1,490.17 million. As a result, cash generated from operations for the Financial Year 2023 was ₹5,848.74 million before adjusting for net income tax paid of ₹769.35 million.

Net cash (used in)/generated from investing activities

Financial Year 2025

Net cash used in investing activities was ₹5,023.18 million for the Financial Year 2025. This was primarily due to purchase of current investments (net) of ₹2,585.13 million, purchase of non-current investments of ₹2,419.38 million, net amount placed of other deposit accounts with original maturity of more than three months of ₹351.05 million, partially offset by interest received of ₹890.89 million, sale / redemption of non-current investments of ₹183.51 million, and proceeds from sale of property, plant and equipment ₹0.78 million.

Financial Year 2024

Net cash used in investing activities was ₹1,775.64 million for the Financial Year 2024. This was primarily due to purchase of new office and other capital expenditures of ₹2,438.54 million, purchase of non-current investments of ₹2,095.49 million, partially offset by sale / redemption of non-current investments of ₹1,751.87 million,

proceeds of current investment (net) of ₹110.88 million, net amount received from maturity of other deposit accounts with original maturity of more than three months of ₹145.50 million and increase in interest received of ₹750.14 million.

Financial Year 2023

Net cash used in investing activities was ₹4,417.05 million for the Financial Year 2023. This was primarily due to purchase of non-current investments of ₹6,072.59 million which consisted of investment in government securities, mutual funds and taxable bonds, capital expenditure on property, plant and equipment, intangible assets and capital advance of ₹488.46 million and purchase of current investments (net) of ₹8.60 million, partially offset by sale / redemption of non-current investments of ₹934.63 million, net amount received from maturity of other deposit accounts with original maturity of more than three months of ₹559.10 million and increase in interest received of ₹658.78 million.

Net cash used in financing activities

Financial Year 2025

Net cash used in financing activities was ₹163.82 million for the Financial Year 2025 comprising dividend paid of ₹163.82 million.

Financial Year 2024

Net cash used in financing activities was ₹200.00 million for the Financial Year 2024 comprising dividend paid of ₹200.00 million.

Financial Year 2023

Net cash used in financing activities was ₹200.00 million for the Financial Year 2023 comprising dividend paid of ₹200.00 million.

Capital Expenditures

Our historical capital expenditures relate to expenditure on property, plant and equipment, intangible assets, capital advance and informational technology infrastructure including development of internal software and procurement of requisite computer systems.

The table below sets forth our capital expenditure for the Financial Years 2025, 2024 and 2023.

Segment	Capital Expenditure		
	For the Financial Year		
	2025	2024	2023
	(₹ in million)		
Depository Services	469.52	2,237.17	223.20
Database Management Services	166.40	58.28	35.90
Banking Services	106.90	88.30	7.09
Total	742.82	2,383.75	266.19

Our capital commitment as on March 31, 2025 is estimated to be approximately ₹31.71 million out of which material commitments relate to the application development of the KRA project of NDML amounting to ₹15.66 million, and ₹13.25 million which relate mainly to the development of switch infrastructure of the enterprise platform for NPBL.

Financial Indebtedness

As on the date of this Red Herring Prospectus, we do not have any outstanding or sanctioned facilities. In relation to our borrowing powers, see “Our Management – Borrowing Powers” on page 267.

Contingent Liabilities and Other Commitments

The following table sets forth a breakdown of our contingent liabilities as of March 31, 2025:

Particulars	As of March 31, 2025 (₹ in million)
Demand from income tax authorities ⁽¹⁾	701.22
Demand from service tax authorities ⁽²⁾	523.62
Demand from goods and service tax authorities ⁽³⁾⁽⁴⁾	24.46
Fixed deposits placed on behalf of NPBL ⁽⁵⁾	2.50
Disputed transactions with merchants of Payment Gateway ⁽⁶⁾	0.92
Total	1,252.72

Notes:

- (1) Demand from income tax authorities comprises the following:

Demand Period	Demand from income tax authorities (₹ in million)
Financial Year 2015	0.86
Financial Year 2016	3.49
Financial Year 2017	141.58
Financial Year 2018	89.26
Financial Year 2019	280.27
Financial Year 2020	81.05
Financial Year 2021	53.91
Financial Year 2022	28.13
Financial Year 2023	21.03
Financial Year 2024	1.56
Financial Year 2025	0.09
Total	701.22

- (2) Demand from the service tax authorities of ₹523.62 million as of March 31, 2025 (for March 31, 2024: ₹523.62 million, March 31, 2023: ₹523.62 million) in respect of Financial Year 2004-05 to Financial Year 2008-09 relate to service tax demanded in respect of depository participant services during that period. The Group has received order from the Central Excise and Service Tax Appellate Tribunal (CESTAT) on June 12, 2020, and it subsequently filed a civil appeal in the Supreme Court and the Service Tax Department has filed a counter affidavit with the Supreme Court. The Group has paid ₹323.27 million under protest. The Group is hopeful of succeeding in appeals and does not expect any significant liability to materialise.
- (3) Demand from the goods and service tax authorities of Maharashtra for ₹15.42 million in respect of Financial Year 2019-20 has been received mainly for proportionate reversal of Input Tax Credit as per rule 42 and 43 for exempt supply made during the aforesaid period. The Holding Company has filled an appeal on November 28, 2024. Further, the Holding Company had paid ₹1.37 million under Section 107(1), as pre-deposit for filling an appeal which is 10 percent of tax amount. The Holding Company is hopeful of succeeding in appeals and does not expect any significant liability to materialize.
- (4) Demand from goods and service tax authorities of ₹9.04 million as at March 31, 2025 (for March 31, 2024: ₹9.04 million, March 31, 2023: ₹9.04 million) on account of disputed demand of Goods and Service Tax pertaining to Financial Year 2017-18 to Financial Year 2019-20. The Group is hopeful of succeeding in appeals and does not expect any significant liability to materialise.
- (5) Fixed deposits placed with Corporation Bank for issue of Bank Guarantee to Unique Identification Authority of India ("UIDAI") on behalf of NSDL Payments Bank Limited for ₹2.50 million as at March 31, 2025 (for March 31, 2024: ₹2.50 Million and for March 31, 2023: ₹2.5 million).
- (6) GSRTC a merchant of Payment Gateway has disputed transactions amounting to ₹0.92 million. The merchant customer has a Bank Guarantee of ₹0.80 Million. The Company is in discussion with the highest authority of the merchant customer and is hopeful of preventing an invocation of Bank Guarantee.
- (7) The above table does not include other contingent liabilities which are not quantifiable such as two pending civil appeals before the Hon'ble Supreme Court challenging the Order of Securities Appellant Tribunal ("SAT") dated December 20, 2023 in the matter of Karvy Stock Broking Limited and the settlement amount payable in relation to Show cause notice dated October 11, 2024.

Capital and Other commitments

The following table sets forth a summary of the maturity profile of our contractual obligations for the Financial Years 2025, 2024 and 2023.

Particulars	Estimated amount of commitments as at March 31,		
	2025	2024	2023
	(₹ in million)		
Capital contracts not provided for (net of advances)	31.71	228.95	1,892.40
Other commitments: Contractual guarantee	6.50	25.17	25.17

Off-Balance Sheet Commitments and Arrangements

As of the date of this Red Herring Prospectus, we do not have any off-balance sheet arrangements, derivative instruments, swap transactions or relationships with affiliates or other unconsolidated entities or financial partnerships that would have been established for the purpose of facilitating off-balance sheet arrangements.

Quantitative and Qualitative Analysis of Market and Other Risks

We are exposed to various types of financial risks during the normal course of business, such as market risk, credit risk and liquidity risk. Our Board manages and reviews our affairs by setting up short term and long-term budgets. It monitors these and takes suitable actions to minimize potential adverse effects on our operational and financial performance.

Credit Risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in financial loss to us. We have adopted a policy to deal with only creditworthy counterparties. This risk principally arises from credit exposures to customers, deposits with banks and financial institutions and other receivables.

Trade and Other Receivables

Our exposure to credit risk depends upon the individual characteristics of each customer. Trade and other receivables mainly consist of receivables from Depository Participants, issuers of securities, RTAs, AMCs and stock exchanges. Our trade receivables are from a large number of customers, representing diverse industries and geographical areas. Hence, we are not exposed to customer concentration risks. With respect to Depository Participants, we perform credit evaluation while onboarding the customer and take security deposits. Further, we perform ongoing credit evaluation on the financial condition of accounts receivables. Additionally, we have a dedicated credit and control team primarily responsible for monitoring credit risk and receivables. It monitors outstanding receivables along with ageing on a periodic basis. For receivables pertaining to other streams of revenues, the credit and collection team regularly follows up for collection. We consider the credit risk on liquid funds, banks and financial institutions to be limited because the counterparties have high credit-ratings.

Liquidity Risk

Liquidity risk refers to the risk wherein we may not be in a position to meet our financial obligations in a timely manner. Our management monitors rolling forecasts of our liquidity position (comprising undrawn bank facilities and cash and cash equivalents) on the basis of expected cash flows. This monitoring includes the review of financial ratios and takes into account the accessibility of cash and cash equivalents.

Market Risk

Market Risk is the risk that the value of our on and off-balance sheet positions will be adversely affected by movements in market rates or prices, such as interest rates, and prices resulting in a loss to earnings and capital. Our exposure to market risk is primarily on account of interest rate risk and price risk. All of our investments in debentures and bonds are at a fixed rate of interest and do not have material interest rate risks.

Unusual or Infrequent Events or Transactions

Except as described in this Red Herring Prospectus, to our knowledge, there have been no unusual or infrequent events or transactions that have in the past or may in the future affect our business operations or future financial performance.

Known Trends or Uncertainties

Our business has been subject, and we expect it to continue to be subject, to significant economic changes arising from the trends identified above in “– *Significant Factors Affecting Our Financial Condition and Results of Operation*” and the uncertainties described in “*Risk Factors*” on pages 356 and 34, respectively. Except as disclosed in this Red Herring Prospectus, there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on our revenues or income from continuing operations.

Significant Economic Changes

Our business has been subject, and we expect it to continue to be subject, to significant economic changes that materially affect or are likely to affect income from continuing operations. See “*Risk Factors*” and “– *Significant Factors Affecting Our Financial Condition and Results of Operation*” on pages 34 and 356, respectively.

Future Relationship between Cost and Revenue

Other than as described in “*Risk Factors*”, “*Our Business*” and above in “– *Significant Factors Affecting Our Financial Condition and Results of Operation*” on pages 34, 215 and 356, respectively to our knowledge there are no known factors that may adversely affect our business prospects, results of operations and financial condition.

New Products or Business Segments

Except as disclosed in this Red Herring Prospectus, including as described in “*Our Business*” on page 215, there are no new products or business segments that have or are expected to have a material impact on our business prospects, results of operations or financial condition.

Supplier or Customer Concentration

We are not dependent on any particular supplier or customer.

Competitive Conditions

We expect competition in our industry from existing and new competitors to intensify. For details, please refer to the discussions of our industry and competition in the sections “*Risk Factors*”, “*Our Business*” and “*Industry Overview*” and on pages 34, 215 and 161, respectively.

Seasonality

Our business, financial condition and results of operations are not affected by seasonal factors.

Recent Accounting Pronouncements

As of the date of this Red Herring Prospectus, there are no recent accounting pronouncements, which would have a material effect on our results of operations or financial condition.

Significant Developments Occurring after March 31, 2025

Except as disclosed in this Red Herring Prospectus, no circumstances have arisen since March 31, 2025, the date of the last financial statements included in this Red Herring Prospectus, which materially and adversely affect or are likely to affect our operations or profitability or the value of our assets within the next 12 months.

FINANCIAL INDEBTEDNESS

As on the date of this Red Herring Prospectus, our Company does not have any outstanding or sanctioned fund-based facilities. In relation to the borrowing powers of our Company, see “*Our Management – Borrowing Powers*” on page 267.

RELATED PARTY TRANSACTIONS

For details of related party transactions as per the requirements under applicable accounting standards, i.e., *Ind AS 24 – Related Party Disclosures*, read with the SEBI ICDR Regulations, for the years ended March 31, 2025, March 31, 2024, and March 31, 2023, see “*Restated Consolidated Financial Information – Note 26 – Related Party Disclosures*” on page 326.

SECTION VII – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND OTHER MATERIAL DEVELOPMENTS

Except as disclosed below, there are no outstanding (i) criminal proceedings involving our Company, Subsidiaries, or Directors, (collectively, “**Relevant Parties**”); (ii) actions by statutory or regulatory authorities involving the Relevant Parties; (iii) claims involving the Relevant Parties for any direct or indirect tax liabilities (disclosed in a consolidated manner giving the total number of claims and the total amounts involved); (iv) any other outstanding litigation involving the Relevant Parties (other than proceedings covered under (i) to (iii) above) which has been determined to be material pursuant to the Materiality Policy (as disclosed herein below); and (v) outstanding litigation involving the Group Companies, which may have a material impact on our Company. Further, except as disclosed in this section, there are no criminal proceedings involving and actions by regulatory and statutory authorities against our Key Management Personnel and Senior Management.

In addition, all outstanding enforcement actions pending as on date against our Company, as required to be disclosed in accordance with the SEBI In-principle Approval Letter, have been disclosed in this section. For details in relation to the enforcement actions which are not pending as on the date, see “Risk Factors- Our Company has been subject to enforcement actions, in the past, by way of issuance of show cause notices by SEBI in relation to violations/ non-compliances of relevant SEBI laws by our Company. There can be no assurance that such actions will not be taken against our Company in the future.”, on page 78.

In accordance with the Materiality Policy, all outstanding litigation (other than outstanding criminal proceedings, actions by statutory or regulatory authorities and claims relating to direct and indirect taxes mentioned in points (i) to (iii) above) involving the Relevant Parties:

- (i) where the aggregate monetary claim, to the extent quantifiable, made by or against the Relevant Party (individually or in aggregate), or the disputed amount in any such pending litigation is equal to or in excess of 1% of the Company’s consolidated profit after tax, in the most recently completed fiscal year as per the Restated Consolidated Financial Information.

The consolidated profit after tax of the Company for Fiscal 2025 as per the Restated Consolidated Financial Information was ₹ 3,431.24 million. Accordingly, we have disclosed all such outstanding litigation proceedings where the aggregate monetary claim made by or against the Relevant Party (individually or in aggregate) is equal to or in excess of ₹ 34.31 million (being 1% of the consolidated profit after tax for Fiscal 2025 as per the Restated Consolidated Financial Information);

- (ii) any such litigation wherein a monetary liability is not determinable or quantifiable, or which does not fulfil the threshold as specified in (i) above, but the outcome of which could, nonetheless, have a material adverse effect on the business, operations, performance, prospects, financial position or reputation of the Company, in the opinion of the Board of Directors of the Company, have been considered “material” and accordingly have been disclosed in this section; and
- (iii) Where the decision in one matter is likely to affect the decision in similar matters, such that the cumulative amount involved in such cases exceeds the materiality threshold (as specified in (i) above, even though the amount involved in an individual matter may not exceed the materiality threshold as specified in (i) above.

Further, in accordance with the Materiality Policy, our Company has considered such creditors ‘material’ to whom the amount due is equal to or in excess of 5% of the trade payables of our Company as of the end of the most recent period covered in the Restated Consolidated Financial Information. The trade payables of our Company as on March 31, 2025 was ₹ 892.16 million. Accordingly, a creditor has been considered ‘material’ if the amount due to such creditor exceeds ₹ 44.61 million as on March 31, 2025.

For the purposes of the above, pre-litigation notices received by the Relevant Parties from third parties (excluding notices issued by governmental/ statutory / regulatory/tax authorities or notices threatening criminal action) shall, unless otherwise decided by the Board of Directors, not be considered a material litigation until such time that the Relevant Party is impleaded as a defendant in proceedings initiated before any court, tribunal or governmental authority, or judicial / arbitral forum or is notified by any governmental, statutory or regulatory authority of any such proceeding that may be commenced.

Unless stated to the contrary, the information provided below is as of the date of this Red Herring Prospectus. All terms defined in a particular litigation disclosure below are for that particular litigation only.

A. Litigation involving our Company

Outstanding criminal litigation filed by and against our Company

Criminal proceedings against our Company

M. Haroon Siddiqui (“**Complainant**”) has filed a complaint dated November 20, 2012 before the Chief Metropolitan Magistrate, Patiala House Court, New Delhi (“**Court**”) against our Company and others, including certain of our employees (“**Defendants**”) alleging misconduct in relation to financial dealings or services connected to our Company or its personnel. Thereafter, a settlement agreement was reached between the parties through mediation, pursuant to which the one of the accused persons have complied with the terms as per the order of the Court dated January 30, 2025. The matter is currently at prosecution evidence stage and pending for verification of compliance with the settlement terms.

Actions by statutory or regulatory authorities against our Company

Outstanding show cause notices

1. Our Company, through certain of its current and former directors, has received a show cause notice dated January 1, 2025, from the Regional PF Commissioner (II), Employees’ Provident Fund Organisation (“**Commissioner**” and such notice, “**Show Cause Notice**”) in relation to violation of certain provisions of the Employees’ Provident Fund and Miscellaneous Provisions Act, 1952 (**EPF Act**) and schemes thereunder, alleging that (i) the returns submitted by our Company contained incorrect information on the number of employees; and (ii) numerous claims have been rejected due to incorrect membership details submitted under the Employee Pension Scheme, 1995. Pursuant to the Show Cause Notice, our Company was directed to show cause as to why no action should be taken against our Company within three days from the receipt of the Show Cause Notice. Our Company, pursuant to its letter dated February 21, 2025, has requested the Commissioner an extension of 15 days to complete its internal review process and submit the revised returns. Subsequently, our Company has submitted the necessary documents for the rectification of contribution towards employees’ provident fund in relation to the employees stated in the Show Cause Notice. The matter is currently pending.
2. SEBI conducted an onsite inspection of our Company at its previous registered office for Financial Year 2023-2024, for the inspection period from October 01, 2022, to July 31, 2023, and issued certain observations pursuant to its letter dated April 15, 2024 to which our Company had shared its responses pursuant to letters dated May 8, 2024 and May 28, 2024. Thereafter, a post inspection analysis was carried out by SEBI. Based on our Company’s responses, SEBI *vide* its letter dated June 19, 2024, issued and noted warnings, deficiencies and advisories relating to certain observations in the inspection. Thereafter, on September 24, 2024, SEBI appointed an Adjudicating Officer (“**AO**”) to inquire into the alleged violations of certain provisions of the SCRA, SEBI Listing Regulations and certain circulars issued by SEBI, observed pursuant to the above-mentioned inspection. Subsequently, our Company received another letter dated October 4, 2024, from SEBI, wherein SEBI has issued and noted warnings, deficiencies, advisories on the remaining observations in the inspection and thereby initiated quasi-judicial proceedings against our Company. Thereafter, our Company received a show cause notice dated October 11, 2024 (“**Show Cause Notice**”) from the AO in relation to the said alleged violations. Our Company has filed a settlement application dated December 11, 2024 (“**Settlement Application**”) before SEBI, setting out the monetary and non-monetary settlement terms. Thereafter, a revised settlement application dated May 28, 2025 has been filed with SEBI. The settlement application is currently pending before SEBI.

Other actions by statutory or regulatory authorities

1. Our Company received an inspection report *vide* letter dated June 8, 2004 from SEBI in relation to SEBI’s investigation conducted in the matter of shares allotted by DSQ Software Limited (“**DSQS Shares**”) to certain individuals and entities and role of our Company in the dematerialisation of said shares (the “**Inspection Report**”). The Inspection Report alleged negligence and failure to exercise due diligence by our Company in the dematerialisation of DSQS Shares. Our Company, by its letter dated

July 5, 2004, contended, *inter alia*, that there is no obligation on it, under the Erstwhile SEBI D&P Regulations or the Depositories Act, to check that shares are issued in accordance with law. Thereafter, SEBI issued a show cause notice dated July 3, 2006 under the Erstwhile SEBI D&P Regulations, the Depositories Act read with the SEBI Act (the “**Show Cause Notice**”), alleging violation of certain provisions of the Erstwhile SEBI D&P Regulations by our Company, *inter alia*, that our Company: (i) proceeded to dematerialise DSQS Shares without seeking clarifications in relation to discrepancies in certain details; (ii) dematerialised certain unpaid DSQS Shares; (iii) failed to obtain information on listing applications prior to dematerialisation; (iv) failed to exercise due care in relation to the fresh issue of shares in demat form; (v) failed to provide adequate safeguards to prevent manipulation of records; (vi) failed to protect the interest of beneficial owners of demat securities; and (vii) credited partly paid up and unpaid dematerialised DSQS Shares to depository participant accounts of DSQ Software Limited without the same having been listed. Our Company responded to the Show Cause Notice by its letter dated September 29, 2006 denying the allegations stated in the Show Cause Notice and sought for proceedings initiated by SEBI pursuant to the Show Cause Notice to be dropped.

Thereafter, on March 12, 2007, representatives from our Company appeared for a personal hearing before the then whole-time member of SEBI and filed its written submission. Subsequently, SEBI constituted a two-member committee (the “**Mohan Gopal Committee**”) to oversee the proceedings. The Mohan Gopal Committee passed an order dated December 4, 2008 directing our Company to, *inter alia*, (i) conduct an independent inquiry to establish individual responsibility for the failure of our Company to meet its legal duties and responsibilities and to take necessary action to ensure individual accountability for such failure; and (ii) conduct an independent audit of its systems to prevent trading of unlisted securities in dematerialised form on stock exchanges and to assess their adequacy and identify any remedial measures as may be needed (the “**Committee Order**”). On November 9, 2009, SEBI declared the Committee Order as *non-est* and gave an opportunity for a fresh hearing to our Company before the full board of SEBI (except chairman) on December 22, 2009. The SEBI full board on February 2, 2010 passed an order stating that no directions were needed to be issued to our Company and the Show Cause Notice was disposed-off accordingly (the “**SEBI Full Board Order**”).

Thereafter, Social Action Forum for Manav Adhikar (“**SAFMA**”) filed a public interest litigation (“**PIL**”) before the Delhi High Court challenging SEBI’s decision to not serve the Committee Order on our Company and declaring it as *non-est*. The Delhi High Court dismissed the PIL by way of its order dated September 29, 2010 (“**Delhi High Court Order**”). SAFMA filed another special leave petition dated March 28, 2011 before the Hon’ble Supreme Court (“**SLP**”), wherein an order was passed for SEBI to reconsider the Committee Order with respect to our Company. Subsequently, the Committee Order was served on our Company by way of SEBI letter dated July 28, 2011. The SLP was thereafter disposed of by the Hon’ble Supreme Court by its order dated September 5, 2011. Our Company filed an appeal dated September 12, 2011 before the Securities Appellate Tribunal (“**SAT**”) against the decision of SEBI to serve the Committee Order on our Company (“**SAT Appeal**”). SAT, in its order dated August 30, 2013, quashed and set aside the Committee Order and allowed the SAT Appeal (“**SAT Order**”). Thereafter, SEBI filed a civil appeal dated November 1, 2013 before the Hon’ble Supreme Court (“**SC Civil Appeal**”) challenging the SAT Order. Our Company filed a counter affidavit dated November 3, 2015 seeking dismissal of the SC Civil Appeal. The matter is currently pending.

2. SEBI issued an ex-parte ad interim order dated April 27, 2006 (“**Ad Interim Order**”) against our Company and certain other entities in relation to its investigation conducted into the buying, selling or dealing in the shares issued through initial public offerings of 21 companies during the period of 2003-2005 (such initial public offerings, the “**IPO(s)**”) wherein fraud by many entities to corner/ acquire shares in IPOs by making fictitious applications, opening multiple demat accounts in fictitious names, etc. to the detriment of retail investors came to light. The Ad Interim Order directed our Company to, *inter alia*, (i) ensure that the dematerialised accounts which served as the conduit for certain persons are not utilised for manipulation of allotment made in initial public offerings in the future; (ii) conduct inspection of certain depository participants to verify if all the demat holders of the depository participants are genuine and the know your client norms have been complied with; and (iii) revamp the management of our Company. Thereafter, our Company filed an appeal dated May 23, 2006 before the Securities Appellate Tribunal (the “**SAT**”) against the Ad Interim Order. SAT passed an order dated June 12, 2006 staying the operation of the Ad Interim Order in so far as it pertained to the revamping the management of our Company (“**SAT Order**”). On November 21, 2006, SEBI passed an order directing our Company and other entities to pay, jointly and severally, a total disgorgement amount of ₹ 1,158.00 million (out of which ₹ 900.21 million to be paid by our Company) within six months for the loss allegedly suffered by

retail investors who purportedly lost out on allotments in the IPOs (the “**Disgorgement Order**”). Thereafter, SEBI issued a show cause notice dated November 23, 2006 under the Securities and Exchange Board of India (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 1995 initiating adjudication proceedings against our Company, alleging (i) failure to notice unauthorised outsourcing by depository participants; (ii) failure to put in place adequate mechanisms for the purpose of reviewing, monitoring and evaluating control systems, procedures and safeguards; (iii) failure to prevent the opening / existence of multiple beneficial owner accounts; (iv) failure to verify the infrastructural facilities of the depository participants; and (v) failure to take appropriate action against the depository participants for various irregularities committed by them (the “**Show Cause Notice**”). The Ad Interim Order and the Show Cause Notice were later disposed of vide order dated January 14, 2009 passed by SAT.

Our Company filed an appeal dated December 4, 2006 before the SAT against the Disgorgement Order. SAT passed an order dated January 11, 2007 staying the operation of the Disgorgement Order (“**SAT Order II**”). Further, our Company responded to the Show Cause Notice by way of its letter dated December 15, 2006 denying the allegations made therein. Thereafter, SEBI issued a supplemental notice to the Show Cause Notice dated February 14, 2007 seeking additional information (“**Supplemental Notice**”). Our Company responded to the Supplemental Notice by its letter dated March 6, 2007. Subsequently, SEBI passed an order dated April 27, 2007 imposing a fine of ₹ 50 million under the SEBI Act read with the Depositories Act, on our Company alleging failure to exercise oversight over its depository participants (“**Adjudication Order**”). Our Company filed an appeal dated June 25, 2007 before the SAT against the Adjudication Order which was allowed by SAT by its order dated January 14, 2009 and the Adjudication Order was accordingly set aside. The appeal filed by our Company dated May 23, 2006 along with the Disgorgement Order were also disposed off by SAT by its order dated November 22, 2007. Subsequently, SEBI constituted a two-member committee (the “**Mohan Gopal Committee**”) to oversee the proceedings. The Mohan Gopal Committee passed an order dated December 4, 2008 giving directions to our Company to, *inter alia*: (i) conduct an independent inquiry in relation to the failure of our Company to meet its legal duties and responsibilities and take necessary actions to ensure individual accountability for such failure; and (ii) conduct an independent audit of its systems to prevent trading of unlisted securities in dematerialised form on stock exchanges and to assess their adequacy and identify any remedial measures as may be needed (the “**Committee Order**”). On November 9, 2009, SEBI declared the Committee Order as *non-est*.

Thereafter, Social Action Forum for Manav Adhikar (“**SAFMA**”) filed a public interest litigation (“**PIL**”) before the Delhi High Court for implementation of the Committee Order. The Delhi High Court dismissed the PIL by way of its order dated September 29, 2010 (“**Delhi High Court Order**”). SAFMA filed another special leave petition dated March 28, 2011 before the Hon’ble Supreme Court (“**SLP**”), wherein an order was passed for SEBI to reconsider the Committee Order with respect to our Company. Subsequently, the Committee Order was served on our Company by way of SEBI letter dated July 29, 2011. The SLP was thereafter disposed of by the Hon’ble Supreme Court by its order dated September 5, 2011. Our Company filed an appeal dated September 12, 2011 before the SAT against the decision of SEBI to serve the Committee Order on our Company. SAT, in its order dated August 6, 2013, set aside the Committee Order (“**SAT Order III**”). Thereafter, SEBI filed a civil appeal dated October 7, 2013 before the Supreme Court of India (“**SC Civil Appeal**”) challenging the SAT Order. Our Company filed a counter affidavit dated November 3, 2015 praying for the dismissal of the SC Civil Appeal. The matter is currently pending.

Other outstanding material litigation filed by and against our Company

Litigations filed against our Company

1. Mehul Shirish Oswal (acting through his power of attorney holder, Rajendra Shriram Khandelwal) (“**Plaintiff**”) filed a civil suit dated February 26, 2021 before the Court of Civil Judge, Junior Division, Jalgaon (the “**Civil Court**”) against our Company and the Stock Holding Corporation of India Limited (“**SHCIL**”, together with our Company, the “**Defendants**”) seeking permanent restraint against the Defendants from freezing / suspending the demat accounts of the Plaintiffs along with compensation of an amount of ₹ 0.1 million per day, with interest, from May 18, 2018 till the date the Defendants restore the operation of the demat accounts of the Plaintiff (the “**Plaint**”). Our Company filed its written statement dated September 11, 2021 before the Civil Court denying the allegations, submissions and contentions made in the Plaint. Thereafter, the Plaintiff filed an application dated October 28, 2021 before the Civil Court for discovery and production of documents (“**Civil Application**”). Our Company replied

to the Civil Application on December 13, 2021 stating that the actions of our Company were bonafide on the ground that the account of the Plaintiffs was frozen due to a statutory order dated May 15, 2018 of the recovery officer, Mumbai and Rupee Co-Op Bank Ltd., Pune, which our Company had a statutory obligation to abide by. The matter is currently pending.

2. The then whole time member of SEBI passed an ex-parte ad-interim order cum show cause notice dated November 22, 2019 under Sections 11(1), 11(4) and 11B of the SEBI Act read with the Securities and Exchange Board of India (Intermediaries) Regulations, 2008 in the matter of Karvy Stock Broking Limited (“**KSBL**”), directing our Company to, *inter alia*, not act upon any instruction given by KSBL and to monitor the movement of securities into and from the depository participant account of clients of KSBL (“**SEBI Ad Interim Order**”). Additionally, the SEBI Ad Interim Order instructed our Company to prohibit transfer of securities held in KSBL’s depository participant account. Bajaj Finance Limited, HDFC Bank Limited, ICICI Bank Limited and IndusInd Bank Limited (collectively, the “**Appellants**”) filed their respective representations before the Securities Appellate Tribunal (the “**SAT**”) against the SEBI, NSE, KSBL and our Company (collectively, the “**Respondents**”), challenging the SEBI Ad Interim Order on the ground that the SEBI Ad Interim Order prevented the Appellants from enforcing the legally valid pledges created by KSBL in favour of the Appellants (the “**Appeals**”). HDFC Bank Limited has claimed a compensation of ₹ 2,088.06 million from the Respondents and IndusInd Bank Limited has claimed a compensation of ₹ 1,108.80 million from our Company for the loss suffered by it. SAT by its order dated December 4, 2019 decided to hear the Appeals together. SEBI, on December 13, 2019, passed an order disposing the respective representations made by Appellants (“**SEBI Order I**”). Thereafter, Bajaj Finance Limited, HDFC Bank Limited, ICICI Bank Limited and IndusInd Bank Limited filed their respective appeals before SAT against SEBI Order I. Further, SEBI passed an order dated January 14, 2020 in respect of a representation made by Axis Bank Limited (“**Axis Bank**”) against the SEBI Ad Interim Order, wherein Axis Bank was prevented from accessing or dealing with the pledged securities and the representation made by Axis Bank was disposed of (“**SEBI Order II**”). Subsequently, Axis Bank filed an appeal dated January 15, 2020 before the SAT against the SEBI, KSBL, our Company and others, challenging the SEBI Order II on the ground that the SEBI Order II prevented Axis Bank from enforcing the legally valid pledges created by KSBL in favour of it (the “**Axis Bank Appeal**”). Thereafter, our Company filed its reply dated March 5, 2020 before the SAT stating that our Company merely carried out the instructions given by SEBI and that it does not have the jurisdiction to conduct investigation. SAT, by its order dated December 20, 2023 (“**SAT Order**”), quashed SEBI Order I and SEBI Order II and directed SEBI, NSE and our Company to return the shares pledged by KSBL to the lenders or compensate them with the value of the securities along with an interest of 10% p.a. SEBI, NSE and our Company filed an appeal dated January 2, 2024 against the SAT Order before the Supreme Court. The Supreme Court, pursuant to its orders dated January 18, 2024, January 25, 2024 and January 29, 2024, stayed the SAT Order in so far as it pertained to SEBI and ordered status quo with respect to the shares pledged with Axis Bank, admitting the appeals filed by SEBI, NSE and our Company. The appeals are currently pending before the Supreme Court.
3. M S K Kumari (“**Petitioner**”) has filed a writ petition dated June 6, 2023 before the High Court of Judicature at Bombay (“**High Court**”) against SEBI, our Company, National Stock Exchange of India Limited and Enforcement Directorate, Hyderabad (collectively, the “**Respondents**”) alleging failure on part of the Respondents in discharging their duty to protect the shares held in dematerialised form by the Petitioner (“**Specified Securities**”) and to prevent the large scale fraud committed by Karvy Stock Broking Limited (“**KSBL**”) and thereafter failing to restore the loss caused to the Petitioner. The Petitioner has prayed that a total of 19,670 shares be transferred from KSBL’s or its group companies’ demat account into the Petitioner’s account, and in the alternative, has claimed a compensation at the rate of the highest trading price the Specified Securities would have fetched during the period for which it has been missing along with interest at 24% per annum from December 5, 2019 till the date of payment, among others. Thereafter, the High Court passed an interlocutory order dated December 7, 2023 directing KSBL and BSE Limited to be impleaded as Respondents. Subsequently, the High Court passed another interlocutory order dated January 4, 2024, wherein the Petitioner was instructed to deposit the amount received on July 8, 2022 as proportionate monetary compensation to the High Court along with 12% interest per annum, within two weeks thereof. Subsequently, the Petitioner filed an interim application dated January 13, 2024 praying *inter alia* to: (i) either direct the Respondents to execute an undertaking-cum-indemnity bond with the Petitioner as done for other investors; or (ii) alternatively, allow the Petitioner to submit such an undertaking, stating that in the event the writ petition is allowed and the shares get located, the investors will return the amount received as compensation as a pre-condition for reinstatement of their securities. Subsequently, upon request by the Petitioner, the High Court, in its order

dated November 19, 2024, allowed the Petitioner to withdraw the petition along with refund of the amount deposited by the Petitioner. Subsequently, the Petitioner had filed an appeal dated January 10, 2025 in the Supreme Court (“**Appeal**”) on the above matter. Thereafter, the Appeal was listed for admission on March 28, 2025, before the Registrar’s Court of the Supreme Court, wherein the Respondents were directed to file their counter affidavit within four weeks, delay in which will result in the Appeal being listed for hearing before the Supreme Court. The Petitioner has also filed a consumer complaint dated May 16, 2025 against our Company before the Consumer Dispute Redressal Commission, Mumbai, which is listed for first hearing on August 18, 2025.

B. Litigation involving our Subsidiaries

Outstanding criminal litigation filed by and against our Subsidiaries

Nil

Actions by statutory or regulatory authorities against our Subsidiaries

Nil

Other pending material litigation filed by and against our Subsidiaries

Nil

C. Litigation involving our Directors

Outstanding criminal litigation filed by and against our Directors

Criminal proceedings against our Directors

Chairman and Public Interest Director

1. Utpal Majumdar (“**Complainant**”) has filed a complaint dated December 4, 2024 before the 19th Judicial Magistrate at Calcutta (“**Magistrate**”) against our Chairman and Public Interest Director, and certain other persons including certain employees of our Company (collectively, “**Defendants**”) under certain provisions of the Bhartiya Nyaya Sanhita, 2023 alleging cyber-crime, criminal conspiracy, manipulation, cheating, fraud and forgery of documents in the elections, resulting in alteration of the results of the election of Calcutta Club Limited, held on July 26, 2024, for the posts of president and committee members. Further, pursuant to a hearing held on April 9, 2025, the Defendants were directed by the Magistrate to appear for a pre-cognizance hearing on May 17, 2025. The matter is currently pending for order.

Managing Director and Chief Executive Officer

1. The Registrar of Companies, Gujarat has filed a criminal complaint before the Chief Metropolitan Magistrate, Ahmedabad (“**Magistrate Court**”) against ICICI Bank Limited, its current and former officers, including Vijay Chandok (former director) (“**Defendants**”), alleging violation of Section 188 of the Companies Act in relation to certain related party transactions entered into by ICICI Bank Limited (“**Complaint**”). The Court registered the Complaints and issued process under Section 204(1) of the Code of Criminal Procedure, 1973 (“**CrPC**”) *vide* order dated October 1, 2024 (“**Order**”). Thereafter, the Defendants filed revision applications before the Sessions Court, Ahmedabad (“**Sessions Court**”) challenging the Order. The Sessions Court *vide* its order dated April 18, 2025 allowed the revision application, staying the Order. The matter is currently pending.
2. The Registrar of Companies, Gujarat has filed a criminal complaint before the Chief Metropolitan Magistrate, Ahmedabad (“**Magistrate Court**”) against ICICI Bank Limited, its current and former officers, including Vijay Chandok (former director) (“**Defendants**”), alleging violation of Sections 117 and 179 of the Companies Act in relation to non-filing of a certified true copy of a shareholders’ resolution (“**Complaint**”). The Court registered the Complaints and issued process under Section 204(1) of CrPC *vide* order dated October 1, 2024 (“**Order**”). Thereafter, the Defendants filed revision applications before the Sessions Court, Ahmedabad (“**Sessions Court**”) challenging the Order. The

Sessions Court *vide* its order dated April 18, 2025 allowed the revision application, staying the Order. The matter is currently pending.

3. The Registrar of Companies, Gujarat has filed a criminal complaint before the Chief Metropolitan Magistrate, Ahmedabad (“**Magistrate Court**”) against ICICI Bank Limited, its current and former officers, including Vijay Chandok (former director) (“**Defendants**”), alleging violation of Sections 117 and 179(3)(c) of the Companies Act in relation to incomplete details of issue of debentures, price, consideration, etc. in a resolution passed by ICICI Bank Limited (“**Complaint**”). The Court registered the Complaints and issued process under Section 204(1) of CrPC *vide* order dated October 1, 2024 (“**Order**”). Thereafter, the Defendants filed revision applications before the Sessions Court, Ahmedabad (“**Sessions Court**”) challenging the Order. The Sessions Court *vide* its order dated April 18, 2025 allowed the revision application, staying the Order. The matter is currently pending.
4. K.C. Aggarwal (“**Complainant**”) had filed a complaint against the National Stock Exchange of India, Vijay Chandok (in his capacity as (former) director of ICICI Securities Limited) and others (“**Defendants**”) under Section 200 CrPC, alleging criminal misappropriation amounting to ₹0.02 million, criminal breach of trust, fraud and cheating by ICICI Securities Limited, in its capacity as the broker of the Complainant, in collusion with NSE and its officials (“**Complaint**”). The Complaint was dismissed *vide* an order dated June 20, 2024. Thereafter, the Complainant has filed a criminal revision petition before the District and Sessions Judge, New Delhi, in relation to the above. The matter is currently pending.

Actions by statutory or regulatory authorities against our Directors

1. The Regional Director, Registrar of Companies has served a notice under Section 210(1)(c) of the Companies Act (“**Notice**”) to the directors of a company undergoing corporate insolvency resolution process, for investigation into the company’s affairs. Thereafter, the Notice was also served to one of our directors, Sripriya Kumar, in her capacity as the liquidator and insolvency resolution professional of such company. The matter is currently pending.

Other pending material litigation filed by and against our Directors

Nil

D. Litigation involving our Key Management Personnel and Senior Management

Outstanding criminal litigation filed by and against our Key Management Personnel and Senior Management

Other than the criminal proceedings involving Vijay Chandok, our Managing Director and Chief Executive Officer, disclosed in “- *Litigation involving our Directors - Outstanding criminal litigation filed by and against our Directors - Criminal proceedings against our Directors - Vijay Chandok, Managing Director and Chief Executive Officer*” on page 389, there are no other outstanding criminal litigation filed by or against our Key Management Personnel or Senior Management.

Actions by statutory or regulatory authorities against our Key Management Personnel and Senior Management

Nil

E. Litigation involving our Group Companies

Pending regulatory proceedings involving our Group Company, National Stock Exchange of India Limited (“NSE”)

NSE was in receipt of show cause notice dated January 7, 2021 under Rule 4(1) of SCRR Adjudication Rules read with Sec 15-I of the SEBI Act and a supplementary note dated May 06, 2021 from SEBI in relation to certain violations and fraud committed by Karvy Stock Broking Limited (“**KSBL**”) which includes, among others, NSE’s negligence in examination of certain demat accounts that lead to KSBL wrongly pledging the securities of such accounts, NSE’s failure to tag demat accounts in the prescribed nomenclature and NSE’s

failure to take appropriate action in relation to various alters pertaining to off-market transfers. Thereafter, SEBI by its order dated April 12, 2022 levied a penalty of ₹ 20 million on NSE on account of alleged laxity on part of NSE resulting in delayed detection of the misconduct by KSBL (“**SEBI Order**”). NSE has preferred an appeal against the SEBI Order before the SAT. SAT by way of its interim order dated June 24, 2022 has stayed the SEBI Order. The matter is currently pending.

Other pending material litigation involving our Group Company, National Stock Exchange of India Limited (“NSE”)

Other than the litigation involving NSE as disclosed in “- Other outstanding material litigation filed by and against our Company - Litigations filed against our Company” on page 387, there are no other outstanding material litigation involving our Group Companies.

F. Tax proceedings involving the Relevant Parties

Set out herein below are details of claims relating to direct and indirect taxes involving the Relevant Parties.

Nature of case	No. of cases	Ascertainable amount involved ^{##} (in ₹ million)
<i>Our Company</i>		
Direct tax	15	779.29
Indirect tax	2	535.99
<i>Subsidiaries</i>		
Direct tax	16	63.66
Indirect tax	1	4.05
<i>Directors</i>		
Direct tax	Nil	Nil
Indirect tax	Nil	Nil

^{*}The aforementioned amounts are stated to the extent they can be quantified, and rounded off to the nearest rupees in millions, with precision up to two decimal places.

^{##}The aforementioned amounts do not include any accumulated interest as of the current date, nor does it account for any associated penalties.

G. Outstanding dues to creditors

As per the Materiality Policy, a creditor of our Company shall be considered ‘material’ (“**Material Creditors**”) for the purpose of disclosure in this Addendum, if amounts due to such creditor by our Company is equal to or in excess of 5% of the trade payables of our Company as on March 31, 2025. Accordingly, a creditor has been considered ‘material’ if the amount due to such creditor exceeds ₹ 44.61 million as on March 31, 2025.

As of March 31, 2025, outstanding dues to micro, small and medium enterprises and other creditors is as follows:

S. No.	Type of creditor	No. of creditors	Amount involved (₹ in million)
1.	Dues to micro, small and medium enterprises*	160	179.96
2.	Material Creditors	5	381.68
3.	Dues to other creditors	490	330.52
	Total	655	892.16

*As defined under the Micro, Small and Medium Enterprises Development Act, 2006, as amended.

Notes: Amounts have been rounded off to the nearest rupees in millions, with precision up to two decimal places.

The complete details pertaining to outstanding overdues to Material Creditors, along with the name and amounts involved for each such Material Creditor, are available on the website of our Company at <https://nsdl.co.in/investor-relation/financials.php>.

H. Material Developments

Except as disclosed in “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on page 354, there have been no material developments nor any circumstances since March 31, 2025 which materially and adversely affect, or are likely to affect our trading or profitability of our Company or the value of our assets or our ability to pay our liabilities within the next 12 months.

GOVERNMENT AND OTHER APPROVALS

*Our business requires various approvals, consents, licenses and registrations issued by relevant governmental and regulatory authorities of the respective jurisdictions under various rules and regulations. Set out below is an indicative list of all material approvals, consents, licenses and registrations (“**Material Approvals**”) obtained by our Company and our Material Subsidiaries, as applicable, for the purposes of undertaking their respective businesses and operations. Certain Material Approvals may expire periodically in the ordinary course and applications for renewal of such expired approvals are submitted in accordance with applicable requirements and procedures.*

Except as disclosed herein, we have obtained all Material Approvals from various governmental statutory and regulatory authorities, which are necessary for undertaking our current business activities and operations and no further Material Approvals are required for carrying on the present business activities and operations of our Company and its Material Subsidiaries. Unless otherwise stated, these Material Approvals are valid as on the date of this Red Herring Prospectus. For incorporation related details of our Company, see “History and Certain Corporate Matters” on page 251.

For details in connection with the regulatory and legal framework within which our Company and its Subsidiaries operate, see “Key Regulations and Policies in India” on page 242. For details of risk associated with not obtaining or delay in obtaining the requisite approvals, see “Risk Factors – We are required to obtain various approvals in relation to our business and our inability to be able to obtain or renew such approvals may affect our business and results of operations.” on page 81.

I. Approvals relating to the Offer

For details regarding the approvals and authorisations obtained by our Company in relation to the Offer, see “Other Regulatory and Statutory Disclosures – Authority for the Offer” on page 400.

II. Material approvals relating to our Company and its Material Subsidiaries

A. Tax related approvals

(i) Our Company

1. Permanent account number issued by the Income Tax Department, Government of India, under the Income Tax Act, 1961.
2. Tax deduction account number issued by the Income Tax Department, Government of India, under the Income Tax Act, 1961.
3. Goods and services tax registrations in the states of Gujarat, Maharashtra, Tamil Nadu, Kerala, West Bengal, Telangana, Karnataka and Rajasthan, National Capital Territory of Delhi and Gujarat GIFT City issued by the relevant central and state authorities.
4. Professional tax registrations in the states of Maharashtra, Gujarat, Karnataka and West Bengal issued by the relevant state authorities.

(ii) NSDL Database Management Limited

1. Permanent account number issued by the Income Tax Department, Government of India, under the Income Tax Act, 1961.
2. Tax deduction account number issued by the Income Tax Department, Government of India, under the Income Tax Act, 1961.
3. Goods and services tax registration in the states of Maharashtra and Karnataka issued by the central authority.
4. Professional tax registrations in the state of Maharashtra issued by the relevant state authority.

(iii) NSDL Payments Bank Limited

1. Permanent account number issued by the Income Tax Department, Government of India, under the Income Tax Act, 1961.
2. Tax deduction account number issued by the Income Tax Department, Government of India, under the Income Tax Act, 1961.
3. Goods and services tax registration in the state of Maharashtra issued by the central authority.
4. Professional tax registrations in the state of Maharashtra issued by the relevant state authority.

B. Key business and operations related approvals

(i) Our Company

1. Certificate of commencement of business as depository issued by SEBI under the SEBI D&P Regulations.
2. Certificate of registration as depository issued by SEBI under the SEBI D&P Regulations.
3. Approval to operate as a Straight Through Processing (“STP”) service provider issued by SEBI under the Securities and Exchange Board of India (STP Centralized Hub and STP Service Provider) Guidelines, 2004.
4. Approval for operating as an electronic book provider (“EBP”) for issuance of debt securities on private placement basis issued by SEBI under the SEBI operational circular SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 for issue and listing of non-convertible securities, securitised debt instruments, security receipts, municipal debt securities and commercial paper.
5. Shops and establishments registrations in the states of Maharashtra, West Bengal, Telangana, Karnataka, Kerala, Gujarat, Uttar Pradesh, Rajasthan and National Capital Territory of Delhi under the respective state shops and establishment legislations.
6. Website quality certificate from the STQC Website Quality Certification Services, Ministry of Electronics and Information Technology.

(ii) NSDL Database Management Limited

1. Certificate of registration to act as an insurance repository issued by IRDAI under the Revised Guidelines on Insurance repositories and electronic issuance of insurance policies, 2015.
2. In-principle authorisation to operate as a payment aggregator issued by the RBI under the Payment and Settlement Systems Act, 2007.
3. Certificate of registration to act as registrars to an issue and share transfer agent in category-I by SEBI under the SEBI RTA Regulations.
4. Certificate of registration to act as a KYC registration agency issued by the SEBI under the Securities and Exchange Board of India (KYC (Know Your Client) Registration Agency) Regulations, 2011.
5. Recognition as an accreditation agency for accredited investors issued by the SEBI under the SEBI AIF Regulations.
6. Authentication User Agency License issued by UIDAI under the Aadhaar (Targeted Delivery of Financial and Other Subsidies, Benefits and Services) Act, 2016 for acting as (i) Authentication User Agency; and (ii) eKYC User Agency.

7. Shops and establishments registration in the state of Maharashtra under the relevant state shops and establishment legislation.

(iii) NSDL Payments Bank Limited

1. License to carry on business as a payments bank in India issued by the RBI under the Banking Regulation Act, 1949.
2. Approval for issuance of pre-paid payment instruments in India issued by the RBI under the Payments and Settlement Systems Act, 2007.
3. License to act as “Authorised Dealer- Category II” issued by the RBI under FEMA.
4. Approval for operating mobile banking services issued by the RBI in accordance with the Mobile Banking Transactions in India – Operative Guidelines for Banks.
5. Certificate of registration to act as a corporate agent (composite) issued by the IRDAI under the Insurance Regulatory and Development Authority of India (Registration of Corporate Agents) Regulations, 2015.
6. No-objection for distribution of insurance products from the RBI under the Guidelines for Licensing of Payments Bank 2014.
7. No-objection for distribution of mutual funds from the RBI under the Guidelines for Licensing of Payments Bank 2014.
8. Registration with the Association of Mutual Funds in India (“AMFI”) to promote / distribute mutual fund products.
9. Authentication User Agency License issued by UIDAI under the Aadhaar (Targeted Delivery of Financial and Other Subsidies, Benefits and Services) Act, 2016 for acting as (i) Authentication User Agency; and (ii) eKYC User Agency.
10. Certificate of completion for ‘Biller Operating Unit - BOU’ issued by Bharat Bill Payment Central Unit (BBPCU).
11. Shops and establishments registration in the state of Maharashtra under the relevant state shops and establishment legislation.
12. Inclusion of NSDL Payments Bank Limited in the second schedule to the Reserve Bank of India Act, 1934 (2 of 1934) as a scheduled bank.

C. *Employee related approvals*

(i) Our Company

1. Certificate of registration issued by the Employees’ Provident Fund Organisation (“EPFO”) under the Employees’ Provident Funds and Miscellaneous Provisions Act, 1952 (“EPF Act”).
2. Certificate of registration issued by the Employees State Insurance Corporation (“ESIC”) under the Employees’ State Insurance Act, 1948 (“ESI Act”).
3. Certificate of registration issued under the Contract Labour (Regulation & Abolition) Act, 1970 for our Registered Office.

(ii) NSDL Database Management Limited

1. Certificate of registration issued by the EPFO under the EPF Act.
2. Certificate of registration issued by the ESIC under the ESI Act.

3. Certificate of registration issued under the Contract Labour (Regulation & Abolition) Act, 1970.

(iii) NSDL Payments Bank Limited

1. Certificate of registration issued by the EPFO under the EPF Act.

III. Material Approvals which have expired, and renewal applications made, but not yet received

NSDL Payments Bank Limited

Nature of approval	Date of application	Approving authority
Certificate of registration to act as a corporate agent (composite)	March 26, 2025	IRDAI

IV. Material Approvals applied for, but not yet received

Our Company

Nature of approval	Location	Approving authority	Date of application
Shops and establishments registration	Indore	Labour Department, Government of Madhya Pradesh	July 15, 2025

V. Material Approvals required, but applications yet to be made

Our Company

Nature of approval	Location	Approving authority
Shops and establishments registration	Chennai	Labour Department, Government of Tamil Nadu

VI. Intellectual Property Rights

For details with respect to our intellectual property, see “*Our Business – Intellectual Property*” on page 241. Further, for details in relation to the memorandum of understanding, trademarks assignment agreement, trademark license agreement and domain names transfer agreement entered into between Protean eGov Technologies Limited and our Company in relation to transfer of certain intellectual property from Protean eGov Technologies Limited to our Company, see “*History and Certain Corporate Matters*” on page 251.

OUR GROUP COMPANIES

In terms of the SEBI ICDR Regulations, the term “group companies”, includes (i) such companies (other than promoter(s) and subsidiary/subsidiaries) with which there were related party transactions during the period for which financial information is disclosed in the offer documents, as covered under applicable accounting standards, and (ii) other companies considered material by the board of directors of the issuer company.

Accordingly, pursuant to the resolution passed by our Board dated April 9, 2025, all such companies (other than the Subsidiaries) (i) with which our Company had related party transactions during the period covered in the Restated Consolidated Financial Information, under the relevant accounting standard (i.e., Ind AS 24), and (ii) other companies with which there were related party transactions post the period covered in the Restated Consolidated Financial Information, have been considered as Group Companies in terms of the SEBI ICDR Regulations.

Based on the above, our Group Companies are set forth below:

1. IDBI Bank Limited;
2. National Stock Exchange of India Limited;
3. India International Bullion Holding IFSC Limited; and
4. GKM Global Services Private Limited

In accordance with the SEBI ICDR Regulations, certain financial information in relation to our Group Companies for the last three fiscals, extracted from their respective audited financial statements (as applicable) are available on the websites indicated below.

Our Company has provided links to such website solely to comply with the requirements specified under the SEBI ICDR Regulations. Such information should not be considered as part of information that any investor should consider before making any investment decision.

Details of our Group Companies

The details of our Group Companies are set forth below:

1. IDBI Bank Limited (“IDBI Bank”)

Registered office

The registered office of IDBI Bank is situated at IDBI Tower, WTC Complex, Cuffe Parade, Mumbai – 400 005, Maharashtra, India.

Financial information

The financial information with respect to details of reserves (excluding revaluation reserves), sales, profit after tax, earnings per share, diluted earnings per share and net asset value, derived from the audited financial statements of IDBI Bank for the last three financial years, as required by the SEBI ICDR Regulations, are available on its website at <https://www.idbibank.in/pdf/Audited-Financials-IDBI-NSDL.pdf>.

2. National Stock Exchange of India Limited (“NSE”)

Registered office

The registered office of NSE is situated at Exchange Plaza, G – Block, Bandra Kurla Complex, Bandra East, Mumbai – 400 051, Maharashtra, India.

Financial information

The financial information with respect to details of reserves (excluding revaluation reserves), sales, profit after tax, earnings per share, diluted earnings per share and net asset value, derived from the audited consolidated financial statements of NSE for the last three financial years, as required by the SEBI ICDR Regulations, are available on its website at <https://www.nseindia.com/investor-relations/annual-reports>.

3. India International Bullion Holding IFSC Limited (“IIBHIL”)

Registered office

The registered office of IIBHIL is situated at Unit No. 1302B, Brigade International Financial Centre, 13th Floor, Building 14A, Block 14, Zone 1, GIFT SEZ, GIFT City, Gandhinagar – 382 355, Gujarat, India.

Financial information

The financial information with respect to details of reserves (excluding revaluation reserves), sales, profit after tax, earnings per share, diluted earnings per share and net asset value, derived from the audited financial statements of IIBHIL for the last three financial years, as required by the SEBI ICDR Regulations, are available on its website at https://www.indiainx.com/download/Select_Financial_Information_of_IIBH.pdf.

4. GKM Global Services Private Limited (“GGSPL”)

Registered office

The registered office of GGSPL is situated GKM Towers No.141, Alagesan Road, Saibaba Colony, Coimbatore- 641 011, Tamil Nadu, India.

Financial information

The financial information with respect to details of reserves (excluding revaluation reserves), sales, profit after tax, earnings per share, diluted earnings per share and net asset value, derived from the audited financial statements of GGSPL for the last three financial years, as required by the SEBI ICDR Regulations, are available on its website at <https://gkmtax.in/wp-content/uploads/2025/07/Financial-Information-of-GKM.pdf>.

Nature and extent of interest of Group Companies

In the promotion of our Company

None of our Group Companies have any interest in the promotion of our Company.

In the properties acquired by our Company in the past three years before filing this Red Herring Prospectus or proposed to be acquired by our Company

None of our Group Companies are interested in the properties acquired by our Company in the three years preceding the filing of this Red Herring Prospectus or proposed to be acquired by our Company.

In transactions for acquisition of land, construction of building and supply of machinery, etc.

None of our Group Companies are interested in any transactions for acquisition of land, construction of building or supply of machinery, etc.

Common pursuits among the Group Companies and our Company

There are no common pursuits amongst our Group Companies and our Company.

Related business transactions within our Group Companies and significance on the financial performance of our Company

Except as disclosed in “*Restated Consolidated Financial Information –Note 26- Related Party Disclosures*” on page 326 of this Red Herring Prospectus, there are no related business transactions with the Group Companies.

Litigation

For details in relation to the pending regulatory proceedings and other material litigation involving one of our Group Companies, see “*Outstanding Litigation and Other Material Developments - Litigation involving our Group Companies*” on page 390.

Business interest of Group Companies

Except in the ordinary course of business and as stated in “*Restated Consolidated Financial Information – Note 26- Related Party Disclosures*” on page 326, none of our Group Companies have any business interest in our Company.

Confirmations

The following Group Company has its securities listed on Stock Exchanges:

S. No.	Group Company	Listed Securities
1.	IDBI Bank Limited	Equity shares
		Bonds of the categories (i) lower tier II, (ii) senior and (iii) Basel III tier 2

Except for IDBI Bank Limited, none of our Group Companies are listed on any stock exchange. IDBI Bank Limited has not made any public or rights issue of securities in the preceding three years.

There is no conflict of interest between the suppliers of raw materials and third-party service providers (which are crucial for operations of our Company) and our Group Companies and its directors.

There is no conflict of interest between the lessors of the immovable properties (which are crucial for operations of our Company) and our Group Companies and its directors.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Offer

The Offer has been authorised by the Board pursuant to a resolution passed at its meeting held on June 27, 2023.

Further, the IPO Committee has taken on record the approval for the Offer for Sale by the Selling Shareholders pursuant to its resolution dated July 7, 2023 and May 17, 2025.

The Board and IPO Committee have approved the Draft Red Herring Prospectus pursuant to their resolutions dated June 27, 2023 and July 7, 2023, respectively, for filing with SEBI and the BSE.

The Board has approved this Red Herring Prospectus pursuant to its resolution dated July 23, 2025.

The Offer for Sale has been authorised by the Selling Shareholders as follows:

S. No.	Selling Shareholder	Number of Offered Shares	Date of resolution	Date of consent letter
1.	IDBI Bank Limited	Up to 22,220,000 Equity Shares of face value of ₹ 2 each	October 31, 2022 and April 29, 2023	July 6, 2023 and May 17, 2025
2.	National Stock Exchange of India Limited	Up to 18,000,001 Equity Shares of face value of ₹ 2 each	November 5, 2022 and July 7, 2023	July 7, 2023 and May 17, 2025
3.	Union Bank of India	Up to 500,000 Equity Shares of face value of ₹ 2 each	October 31, 2022 and April 15, 2025	June 26, 2023 and May 17, 2025
4.	State Bank of India	Up to 4,000,000 Equity Shares of face value of ₹ 2 each	July 4, 2023	July 5, 2023 and May 17, 2025
5.	HDFC Bank Limited (SS)	Up to 2,010,000 Equity Shares of face value of ₹ 2 each	May 11, 2023 and February 25, 2025	June 27, 2023 and May 17, 2025
6.	Administrator of the Specified Undertaking of the Unit Trust of India	Up to 3,415,000 Equity Shares of face value of ₹ 2 each	December 18, 2020	June 27, 2023 and May 17, 2025

Our Company has received in-principle approval from the SEBI by way of a letter bearing reference number SEBI/HO/MRD/RAC2/OW/2023/14917/1 dated April 13, 2023 for the listing of Equity Shares on a recognized stock exchange.

Our Company has received in-principle approval from BSE for the listing of the Equity Shares pursuant to the letter dated January 16, 2024.

Prohibition by SEBI or other governmental authorities

Our Company, our Subsidiaries, our Directors and each of the Selling Shareholders are not prohibited from accessing the capital markets and have not been debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any jurisdiction or any other authority/court.

Compliance with the Companies (Significant Beneficial Ownership) Rules, 2018

Our Company and each of the Selling Shareholders confirm that it is in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, as amended, to the extent applicable, as on the date of this Red Herring Prospectus.

Directors associated with the securities market

Except our (i) Chairman and Public Interest Director, Parveen Kumar Gupta, who is a director on the board of Utkarsh Small Finance Bank Limited and an independent director on the board of directors of Bank of India

Investment Managers Private Limited, and (ii) our Public Interest Director, Madhu Sudan Sahoo, who is a director on the board of Axis Mutual Fund Trustee Limited, none of our Directors are associated with the securities market in any manner including securities market related business. Further, there are no outstanding action(s) initiated by SEBI against the Directors in the five years preceding the date of this Red Herring Prospectus.

Eligibility for the Offer

Our Company is eligible for the Offer in accordance with Regulation 6(1) of the SEBI ICDR Regulations, and is in compliance with the conditions specified therein in the following manner:

- Our Company has had net tangible assets of at least ₹30 million, calculated on a restated and consolidated basis, in each of the preceding three full years (of 12 months each) of which not more than 50% of the net tangible assets are held as monetary assets;
- Our Company has an average operating profit of at least ₹150 million, calculated on a restated and consolidated basis, during the preceding three years (of 12 months each), with operating profit in each of these preceding three years;
- Our Company has a net worth of at least ₹10 million in each of the preceding three full years (of 12 months each), calculated on a restated and consolidated basis; and
- Our Company has not changed its name in the last one year.

Our Company's net tangible assets, operating profits and net worth, derived from the Restated Consolidated Financial Information included in this Red Herring Prospectus for the last three Fiscals are set forth below:

(in ₹ million, unless otherwise stated)

Particulars	As at and for the Fiscal ended		
	March 31, 2025	March 31, 2024	March 31, 2023
Restated net tangible assets (A)	19,506.60	16,416.08	13,881.34
Operating profit, as restated	3,415.31	2,583.20	2,283.78
Net worth, as restated	20,053.41	16,840.97	14,288.61

Notes:

- ⁽¹⁾ 'Net tangible assets' means the sum of all net assets of the Company excluding intangible assets as defined in Indian Accounting Standard (Ind AS) 38 issued by ICAI.
- ⁽²⁾ 'Operating Profit' has been calculated as profit before tax and exceptional items excluding other income and finance costs, each on a restated basis.
- ⁽³⁾ 'Net worth' means the aggregate value of the paid-up share capital of the Company and all reserves created out of profits and securities premium account, as per Restated Statement of Assets and Liabilities of the Company.

Our Company confirms that it is in compliance with the conditions specified in Regulation 7(1) of the SEBI ICDR Regulations, to the extent applicable.

Further, our Company confirms that it is not ineligible to make the Offer in terms of Regulation 5 of the SEBI ICDR Regulations, to the extent applicable.

The details of our compliance with Regulation 5 and Regulation 7(1) of the SEBI ICDR Regulations are as follows:

- (a) None of our Company, our Directors or any of the Selling Shareholders are debarred from accessing the capital markets by SEBI;
- (b) None of our Directors are promoters or directors of companies which are debarred from accessing the capital markets by SEBI;
- (c) None of our Company, or Directors is a Wilful Defaulter or a Fraudulent Borrower;
- (d) None of our Directors has been declared a Fugitive Economic Offender;
- (e) There are no outstanding convertible securities of our Company or any other right which would entitle any person with any option to receive Equity Shares as on the date of filing of this Red Herring Prospectus;

- (f) Our Company along with the Registrar to the Offer has entered into tripartite agreements dated June 5, 2023 and May 30, 2023 with CDSL and our Company (in its capacity of a depository), respectively for dematerialisation of the Equity Shares;
- (g) The Equity Shares held by the Principal Shareholders are in the dematerialised form;
- (h) There is no requirement for us to make firm arrangements of finance under Regulation 7(1)(e) of the SEBI ICDR Regulations through verifiable means towards 75% of the stated means of finance; and
- (i) All the Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of filing of this Red Herring Prospectus.

Further, in accordance with Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Allottees under the Offer shall be not less than 1,000.

Each of the Selling Shareholders has severally and not jointly confirmed compliance with Regulation 8 of the SEBI ICDR Regulations and approved its participation in the Offer for Sale in relation to its portion of the Offered Shares.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT RED HERRING PROSPECTUS TO SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT RED HERRING PROSPECTUS. THE BRLMs, BEING ICICI SECURITIES LIMITED, AXIS CAPITAL LIMITED, HSBC SECURITIES AND CAPITAL MARKETS (INDIA) PRIVATE LIMITED, IDBI CAPITAL MARKETS & SECURITIES LIMITED, MOTILAL OSWAL INVESTMENT ADVISORS LIMITED AND SBI CAPITAL MARKETS LIMITED HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED OFFER.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING PROSPECTUS, AND EACH OF THE SELLING SHAREHOLDERS WILL BE SEVERALLY AND NOT JOINTLY RESPONSIBLE FOR THE STATEMENTS SPECIFICALLY CONFIRMED OR UNDERTAKEN BY IT IN THE DRAFT RED HERRING PROSPECTUS IN RELATION TO ITSELF AND FOR ITS RESPECTIVE PORTION OF THE OFFERED SHARES, THE BRLMs ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY AND THE SELLING SHAREHOLDERS DISCHARGE THEIR RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BRLMs HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED JULY 8, 2023 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED.

THE FILING OF THE DRAFT RED HERRING PROSPECTUS AND THIS RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE BRLMs, ANY IRREGULARITIES OR LAPSES IN THE DRAFT RED HERRING PROSPECTUS.

All legal requirements pertaining to the Offer have been complied with at the time of filing of this Red Herring Prospectus with the Registrar of Companies in terms of Section 32 of the Companies Act, 2013. All legal requirements pertaining to the Offer will be complied with at the time of filing of the Prospectus with the Registrar of Companies in terms of sections 26, 32, 33(1) and 33(2) of the Companies Act, 2013.

Disclaimer from our Company, our Directors, the BRLMs and M- BRLM

Our Company, the Directors, the BRLMs and M- BRLM accept no responsibility for statements made otherwise than in this Red Herring Prospectus or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website www.nsdl.co.in or website of any affiliate of our Company and its Group Companies, would be doing so at his or her own risk.

The BRLMs and M- BRLM accept no responsibility, save to the limited extent as provided in the Offer Agreement and as will be provided under the Underwriting Agreement.

All information shall be made available by our Company, the BRLMs and M- BRLM to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at Bidding centres or elsewhere.

Bidders will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholders, Underwriters and their respective directors, partners, designated partners, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not issue, sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, Underwriters and their respective directors, partners, designated partners, officers, agents, affiliates, employees and representatives, as applicable, accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

The BRLMs, M- BRLM and their respective associates and affiliates in their capacity as principals or agents may engage in transactions with, and perform services for, our Company and their respective group companies, affiliates or associates or third parties in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with our Company, the Selling Shareholders and their respective group companies, affiliates or associates or third parties, for which they have received, and may in the future receive, compensation.

Disclaimer from the Selling Shareholders

Neither the Selling Shareholders, nor their respective directors, affiliates, associates and officers, accept and/or undertake any responsibility for any statements made or undertakings provided other than those specifically confirmed or undertaken by such Selling Shareholder in relation to itself and/or the Equity Shares offered by it through the Offer for Sale. Each of the Selling Shareholders, its respective directors, partners, affiliates, associates and officers accept or undertake no responsibility for any statements other than those specifically undertaken or confirmed by such Selling Shareholder in relation to itself and its respective portion of the Offered Shares.

None of the Selling Shareholders shall be liable for any failure in (i) uploading the Bids due to faults in any software/ hardware system or otherwise; or (ii) the blocking of Bid Amount in the ASBA Account on receipt of instructions from the Sponsor Bank on account of any errors, omissions or non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

Bidders will be required to confirm and will be deemed to have represented to the Selling Shareholders and their respective directors, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. The Selling Shareholders and their respective directors, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

Disclosure in respect of M- BRLM

On account of the restrictions under Regulation 21A of the SEBI Merchant Bankers Regulations, M- BRLM will be involved only in the marketing of the Offer and will not sign the due diligence certificate. For further details, see “*General Information*” on page 118.

The code of conduct for merchant bankers under the SEBI Merchant Bankers Regulations stipulates, amongst other things, that a merchant banker should avoid any conflicts of interest, and in case of any, actual or perceived, conflicts of interest disclose them adequately and establish mechanisms to resolve them.

Any conflicts of interest resulting from HDFC Bank Limited being involved in the Offer as a Selling Shareholder and as the book running lead manager involved only in the marketing of the Offer would be addressed by the following:

- (i) M- BRLM shall not sign the due diligence certificate(s) to be submitted to SEBI, to remove the risk of any undue influence on the due diligence process or bias in arriving at the conclusions based on the due diligence undertaken;
- (ii) M- BRLM shall not be involved in the decision-making process with respect to the terms of the Offer (including the Price Band, the Bid/ Offer Opening Date, the Bid/ Offer Closing Date, the Anchor Investor Allocation Price, reservation in the offer and the Offer Price, including any discounts, revisions, modifications or amendments thereof);
- (iii) M- BRLM shall not charge any fee on the Equity Shares offered for sale by HDFC Bank Limited (SS) in the Offer;
- (iv) With respect to the agreements to be entered into by the M- BRLM in relation to the Offer, its roles, responsibilities, obligations, rights and liabilities will be limited to the other parties involved in the Offer (excluding HDFC Bank Limited (SS));
- (v) M- BRLM shall not act as an underwriter with respect to the Equity Shares offered for sale by HDFC Bank Limited (SS) in the Offer;
- (vi) M- BRLM shall not be involved in granting approvals for public communications, Offer-related advertisements and other publicity materials related to the Offer; and
- (vii) M- BRLM shall abide by all the laws related to avoidance or management of conflict of laws applicable, in particular, the SEBI Merchant Bankers Regulations.

Disclaimer in respect of Jurisdiction

Any dispute arising out of the Offer will be subject to the jurisdiction of appropriate court(s) in Mumbai only.

This Offer is being made in India to persons resident in India (who are competent to contract under the Indian Contract Act, 1872, including Indian nationals resident in India, HUFs, companies, other corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, domestic Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorised under their constitution to hold and invest in equity shares, multilateral and bilateral development financial institutions, state industrial development corporations, insurance companies registered with IRDAI, provident funds and pension funds fulfilling the minimum corpus requirements under the SEBI ICDR Regulations, National Investment Fund, insurance funds set up and managed by army, navy or air force of Union of India, insurance funds set up and managed by the Department of Posts, GoI, systemically important NBFCs (registered with the RBI) and permitted Non-Residents including FPIs and Eligible NRIs, AIFs, FVCIs (under Schedule I of the FEMA Rules) and other eligible foreign investors, if any, provided that they are eligible under all applicable laws and regulations to purchase the Equity Shares.

The Draft Red Herring Prospectus did not constitute an invitation to subscribe to or purchase the Equity Shares in the Offer in any jurisdiction, including India. Invitations to subscribe to or purchase the Equity Shares in the Offer will be made only pursuant to this Red Herring Prospectus if the recipient is in India or the preliminary offering

memorandum for the Offer, which comprises this Red Herring Prospectus and the preliminary international wrap for the Offer, if the recipient is outside India.

No person outside India is eligible to Bid for Equity Shares in the Offer unless that person has received the preliminary offering memorandum for the Offer, which contains the selling restrictions for the Offer outside India.

Any person into whose possession this Red Herring Prospectus comes is required to inform him or herself about, and to observe, any such restrictions.

No action has been or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that the Draft Red Herring Prospectus has been filed with SEBI for its observations and this Red Herring Prospectus has been filed with the RoC. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction.

Neither the delivery of this Red Herring Prospectus or any offer for sale thereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company from the date thereof or that the information contained herein is correct as of any time subsequent to this date.

Bidders are advised to ensure that any Bid from them does not exceed investment limits or the maximum number of Equity Shares that can be held by them under applicable law.

Eligibility and Transfer Restrictions

The Equity Shares offered in the Offer have not been and will not be registered, listed or otherwise qualified in any jurisdiction except India and may not be offered or sold to persons outside of India except in compliance with the applicable laws of each such jurisdiction. In particular, the Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act or any other applicable law of the United States and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold (i) within the United States solely to persons reasonably believed to be “qualified institutional buyers” (as defined in Rule 144A under the U.S. Securities Act) in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act, and (ii) outside the United States in offshore transactions in compliance with Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales are made.

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

Disclaimer Clause of BSE

As required, a copy of the Draft Red Herring Prospectus has been submitted to BSE. The disclaimer clause as intimated by BSE to our Company, through its in-principle approval dated January 16, 2024, is set forth below:

*“BSE Limited (**“the Exchange”**) has given vide its letter dated January 16, 2024, permission to this Company to use the Exchange's name in this offer document as one of the stock exchanges on which this company's securities are proposed to be listed. The Exchange has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. The Exchange does not in any manner:*

- a) warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or*
- b) warrant that this Company's securities will be listed or will continue to be listed on the Exchange; or*
- c) take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company.*

and it should not for any reason be deemed or construed that this offer document has been cleared or approved by the Exchange. Every person who desires to apply for or otherwise acquires any securities of this Company may

do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/ acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.”

Listing

The Equity Shares issued through this Red Herring Prospectus and the Prospectus are proposed to be listed on BSE. Applications will be made to BSE for obtaining permission for listing and trading of the Equity Shares. BSE will be the Designated Stock Exchange with which the Basis of Allotment will be finalised.

If the permission to deal in and for an official quotation of the Equity Shares is not granted by BSE, our Company shall forthwith repay, without interest, all monies received from the applicants in pursuance of this Red Herring Prospectus in accordance with applicable law.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading of Equity Shares at BSE are taken within three Working Days of the Bid/Offer Closing Date or such other period as may be prescribed by the SEBI. Each of the Selling Shareholders, severally and not jointly, confirms that it shall extend full co-operation, as required or requested by to the Company and/ or the BRLMs and M- BRLM, in accordance with applicable law, to facilitate the process of listing the Equity Shares on BSE.

If our Company does not Allot Equity Shares pursuant to the Offer within three Working Days from the Bid/ Offer Closing Date or within such timeline as prescribed by SEBI, it shall repay, without interest, all monies received from Bidders, failing which interest shall be due to be paid to the Bidders as prescribed under applicable laws. Each of the Selling Shareholders, severally and not jointly, undertake to provide such reasonable assistance as may be required by our Company, to the extent such assistance is required from such Selling Shareholders in relation to its respective portion of the Offered Shares to facilitate the process of listing and commencement of trading of the Equity Shares on BSE within such time prescribed by SEBI.

Consents

Consents in writing of the Selling Shareholders, our Directors, our Company Secretary and Compliance Officer, legal advisor to the Company as to Indian law, Bankers to our Company, the BRLMs, M- BRLM, the Registrar to the Offer, the Statutory Auditors, the independent chartered accountant, and CRISIL MI&A, the Syndicate Members, Sponsor Banks, Escrow Collection Banks, Public Offer Bank and Refund Bank to act in their respective capacities, have been obtained and filed along with a copy of this Red Herring Prospectus with the RoC as required under the Companies Act. Further, such consents have not been withdrawn up to the time of delivery of this Red Herring Prospectus for filing with the RoC.

Experts

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

Our Company has received written consent dated July 23, 2025, from the Statutory Auditors, K C Mehta & Co LLP, Chartered Accountants to include their name as required under section 26(1) and section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Red Herring Prospectus, and as an “expert” as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of their (i) examination report dated May 23, 2025 on our Restated Consolidated Financial Information; and (ii) their report dated July 8, 2025 on the statement of possible special tax benefits available to the Company, its shareholders and its Material Subsidiaries under the applicable tax laws in India and such consent has not been withdrawn as on the date of this Red Herring Prospectus. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.

Further, our Company has received written consent dated July 23, 2025, from the independent chartered accountant, namely, Motilal & Associates LLP, Chartered Accountants, holding a peer review certificate from ICAI, to include their name, as required under section 26 (5) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Red Herring Prospectus, and as an “expert” as defined under section 2(38) of the Companies Act, 2013 in respect of their certificates in connection with the Offer.

Particulars regarding public or rights issues by our Company during the last five years and performance *vis-à-vis* objects

Our Company has not made any public or rights issues (as defined under the SEBI ICDR Regulations) during the five years preceding the date of this Red Herring Prospectus.

Performance *vis-à-vis* objects – last one public/rights issue of the listed subsidiaries

None of our Subsidiaries are listed on any stock exchange.

Commission or brokerage on previous issues in the last five years

Since this is the initial public offering of Equity Shares, no sum has been paid or is payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares in the five years preceding the date of this Red Herring Prospectus.

Capital issue during the previous three years

Our Company has not undertaken a capital issue in the last three years preceding the date of this Red Herring Prospectus. Our Company does not have any listed Subsidiaries or Associates. Our Group Companies have not made any capital issues during the three years immediately preceding the date of this Red Herring Prospectus.

Price information of past issues handled by the BRLMs and M- BRLM

A. ICICI Securities Limited

1. Price information of past issues (during current financial year and two financial years preceding the current financial year) handled by ICICI Securities Limited:

Sr. No.	Issue Name	Issue Size (in ₹ million)	Issue Price (₹)	Listing Date	Opening Price on Listing Date (₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180 th calendar days from listing
1	Suraksha Diagnostic Limited [^]	8,462.49	441.00	December 06, 2024	438.00	-14.32% [-3.04%]	-37.11% [-9.76%]	-23.90% [-1.19%]
2	Vishal Mega Mart Limited ^{^^}	80,000.00	78.00	December 18, 2024	104.00	+39.96% [-3.67%]	+29.95% [-6.98%]	+ 58.58% [+2.15%]
3	Inventurus Knowledge Solutions Limited ^{^^}	24,979.23	1,329.00	December 19, 2024	1,900.00	+40.85% [-3.13%]	+13.77% [-4.67%]	+30.17% [+4.15%]
4	Sanathan Textiles Limited ^{^^}	5,500.00	321.00	December 27, 2024	422.30	+6.32% [-3.03%]	+13.86% [-1.37%]	+39.53% [+5.17%]
5	Ventive Hospitality Limited ^{^^}	16,000.00	643.00 ⁽¹⁾	December 30, 2024	716.00	+ 5.51% [-2.91%]	+ 10.80% [-0.53%]	+7.10% [8.43%]
6	Ajax Engineering Limited ^{^^}	12,688.84	629.00 ⁽²⁾	February 17, 2025	576.00	-2.86% [-0.55%]	+ 6.78% [+8.97%]	NA*
7	Aegis Vopak Terminals Limited [^]	28,000.00	235.00	June 02, 2025	220.00	+3.74% [+2.86%]	NA*	NA*
8	Schloss Bangalore Limited ^{^^}	35,000.00	435.00	June 02, 2025	406.00	-6.86% [+3.34%]	NA*	NA*
9	Kalpataru Limited ^{^^}	15,900.00	414.00 ⁽³⁾	July 01, 2025	414.00	NA*	NA*	NA*
10	Travel Food Services Limited ^{^^}	20,000.00	1,100.00 ⁽⁴⁾	July 14, 2025	1,125	NA*	NA*	NA*

*Data not available

[^]BSE as designated stock exchange

^{^^}NSE as designated stock exchange

(1) Discount of Rs. 30 per equity share offered to eligible employees. All calculations are based on issue price of Rs. 643.00 per equity share

(2) Discount of Rs. 59 per equity share offered to eligible employees. All calculations are based on issue price of Rs. 629.00 per equity share

(3) Discount of Rs. 38 per equity share offered to eligible employees. All calculations are based on issue price of Rs. 414.00 per equity share

2. Summary statement of price information of past issues handled by ICICI Securities Limited:

Financial Year	Total no. of IPOs	Total funds raised (in ₹ million)	Nos. of IPOs trading at discount on as on 30th calendar days from listing date			Nos. of IPOs trading at premium on as on 30th calendar days from listing date			Nos. of IPOs trading at discount as on 180th calendar days from listing date			Nos. of IPOs trading at premium as on 180th calendar days from listing date		
			Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2025-26*	4	98,900.00	-	-	1	-	-	1	-	-	-	-	-	-
2024-25	23	6,47,643.15	-	-	5	4	8	6	-	3	5	6	4	4
2023-24	28	2,70,174.98	-	-	8	5	8	7	-	1	4	10	5	8

* This data covers issues up to YTD

Notes:

1. Data is sourced either from www.nseindia.com or www.bseindia.com, as per the designated stock exchange disclosed by the respective issuer company.
2. Similarly, benchmark index considered is “NIFTY 50” where NSE is the designated stock exchange and “S&P BSE SENSEX” where BSE is the designated stock exchange, as disclosed by the respective issuer company.
3. 30th, 90th, 180th calendar day from listed day have been taken as listing day plus 29, 89 and 179 calendar days, except wherever 30th, 90th, 180th calendar day is a holiday, in which case we have considered the closing data of the previous trading day

B. Axis Capital Limited

1. Price information of past issues (during current financial year and two financial years preceding the current financial year) handled by Axis Capital Limited:

Sr. No.	Issue name	Issue size (in ₹ million)	Issue price (₹)	Listing date	Opening price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1	Oswal Pumps Limited ⁽²⁾	13,873.40	614.00	June 20, 2025	634.00	+17.96% [-0.57%]	-	-
2	Schloss Bangalore Limited ⁽²⁾	35,000.00	435.00	June 2, 2025	406.00	-6.86% [+3.34%]	-	-
3	Belrise Industries Limited ⁽²⁾	21,500.00	90.00	May 28, 2025	100.00	+14.08% [+3.02%]	-	-
4	Ather Energy Limited ^{S(2)}	29,808.00	321.00	May 6, 2025	328.00	-4.30% [+0.99%]	-	-
5	Carraro India Limited ⁽²⁾	12,500.00	704.00	December 30, 2024	651.00	-27.73% [-2.91%]	-56.10% [-0.53%]	-38.17% [+8.43%]
6	Ventive Hospitality Limited ^{H(2)}	16,000.00	643.00	December 30, 2024	716.00	+5.51% [-2.91%]	+10.80% [-0.53%]	+7.10% [+8.43%]
7	Transrail Lighting Limited ⁽¹⁾	8,389.12	432.00	December 27, 2024	585.15	+24.45% [-3.19%]	+14.25% [-1.79%]	+48.37% [+4.26%]

8	International Gemmological Institute (India) Limited ^{^(2)}	42,250.00	417.00	December 20, 2024	510.00	+24.24% [-1.63%]	-21.39% [-2.88%]	-11.45% [+5.37%]
9	Zinka Logistics Solutions Limited ^{% (1)}	11,147.22	273.00	November 22, 2024	280.90	+84.47% [-1.36%]	+54.41% [-4.02%]	+78.50% [+2.62%]
10	Niva Bupa Health Insurance Company Limited ⁽²⁾	22,000.00	74.00	November 14, 2024	78.14	+12.97% [+5.25%]	+8.09% [-1.96%]	+14.96% [+5.92%]

Source: www.nseindia.com and www.bseindia.com

1)BSE as designated stock exchange

2)NSE as designated stock exchange

\$ Offer price was ₹ 291.00 per equity share to eligible employees

Offer price was ₹ 613.00 per equity share to eligible employees

^ Offer price was ₹ 378.00 per equity share to eligible employees

% Offer price was ₹ 248.00 per equity share to eligible employees

Notes:

a. Issue Size derived from Prospectus/final post issue reports, as available.

b. The CNX NIFTY or S&P BSE SENSEX is considered as the Benchmark Index as per the designated stock exchange disclosed by the respective issuer at the time of the issue, as applicable.

c. Price on NSE or BSE is considered for all of the above calculations as per the designated stock exchange disclosed by the respective issuer at the time of the issue, as applicable.

d. In case 30th/90th/180th day is not a trading day, closing price of the previous trading day has been considered.

e. Since 30 calendar days, 90 calendar days and 180 calendar days, as applicable, from listing date has not elapsed for few of the above issues, data for same is not available.

2. Summary statement of price information of past issues handled by Axis Capital Limited:

Financial Year	Total no. of IPOs	Total funds raised (in ₹ million)	Nos. of IPOs trading at discount on as on 30th calendar days from listing date			Nos. of IPOs trading at premium on as on 30th calendar days from listing date			Nos. of IPOs trading at discount as on 180th calendar days from listing date			Nos. of IPOs trading at premium as on 180th calendar days from listing date		
			Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2025-2026*	4	100,181.40	-	-	2	-	-	2	-	-	-	-	-	-
2024-2025	20	445,928.65	-	1	2	7	6	4	-	3	3	9	1	4
2023-2024	18	218,638.22	-	-	4	2	6	6	-	-	3	7	4	4

* The information is as on the date of the document

The information for each of the financial years is based on issues listed during such financial year.

Note: Since 30 calendar days and 180 calendar days, as applicable, from listing date has not elapsed for few of the above issues, data for same is not available.

C. HDFC Bank Limited (M- BRLM)

1. Price information of past issues (during current financial year and two financial years preceding the current financial year) handled by M- BRLM:

Sr. No.	Issue name	Issue size (in ₹ million)	Issue price (₹)	Listing date	Opening price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1.	Aegis Vopak Terminals Limited	28,000.00	235	June 02, 2025	220.00	3.74% [2.86%]	NA*	NA*
2.	Transrail Lighting Limited	8,389.12	432	December 27, 2024	585.15	22.45% [-3.19%]	14.25% [-1.79%]	48.37% [4.26%]
3.	NTPC Green Energy Limited	1,00,000.00	108	November 27, 2024	111.50	16.69% [-2.16%]	-8.89% [-7.09%]	3.00% [2.38%]
4.	Niva Bupa Health Insurance Company Limited	22,000.00	74	November 14, 2024	78.14	12.97% [5.25%]	8.09% [-1.96%]	14.96% [5.92%]
5.	Go Digit General Insurance Limited	26,146.46	272	May 23, 2024	286.00	22.83% [2.32%]	30.79% [7.54%]	16.25% [2.12%]
6.	IRM Energy Limited	5,443.63	505	October 26, 2023	477.25	-7.20% [4.49%]	-0.25% [12.63%]	19.69% [18.45%]
7.	Sai Silks (Kalamandir) Limited	12,009.98	222	September 27, 2023	230.10	8.09% [-4.49%]	25.09% [7.54%]	-12.30% [10.15%]

#As per Prospectus

*NA – Not Applicable

Source: www.nseindia.com and www.bseindia.com for price information and prospectus for offer details

Notes:

1. Designated stock exchange of the respective issuer has been considered for the pricing information
2. 30th calendar day has been taken as listing date plus 29 calendar days; 90th calendar day has been taken as listing date plus 89 calendar days; 180th calendar day has been taken as listing date plus 179 calendar days
3. In case of reporting dates falling on a trading holiday, values for immediately previous trading day have been considered
4. In IRM Energy Limited, the issue price to eligible employees was ₹457 after a discount of ₹48 per equity share
5. In NTPC Green Energy Limited, the issue price to eligible employees was ₹103 after a discount of ₹5 per equity share

2. Summary statement of price information of past issues handled by M- BRLM:

Financial Year	Total no. of IPOs	Total funds raised (in ₹ million)	Nos. of IPOs trading at discount on as on 30th calendar days from listing date			Nos. of IPOs trading at premium on as on 30th calendar days from listing date			Nos. of IPOs trading at discount as on 180th calendar days from listing date			Nos. of IPOs trading at premium as on 180th calendar days from listing date		
			Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2025-26*	1	28,000.00	-	-	-	-	-	1	-	-	-	-	-	-
2024-25	4	1,56,535.58	-	-	-	-	-	4	-	-	-	-	1	3
2023-24	2	17,453.61	-	-	1	-	-	1	-	-	1	-	-	1

Notes:

- The information is as on the date of this Red Herring Prospectus.
- The information for each of the financial years is based on offers listed during such financial year.

D. HSBC Securities and Capital Markets (India) Private Limited

1. Price information of past issues (during current financial year and two financial years preceding the current financial year) handled by HSBC Securities and Capital Markets (India) Private Limited:

Sr. No.	Issue Name	Issue size (in ₹ million)	Issue price (₹)	Listing date	Opening price on listing date	+/- % change in closing price*, [+/- % change in closing benchmark]- 30 th calendar days from listing	+/- % change in closing price*, [+/- % change in closing benchmark]- 90 th calendar days from listing	+/- % change in closing price*, [+/- % change in closing benchmark]- 180 th calendar days from listing
1.	Travel Food Services Limited ^{*5}	20,000.00	1,100.00	July 14, 2025	1,125.00	Not applicable	Not applicable	Not applicable
2.	HDB Financial Services Limited [*]	125,000.00	740.00	July 2, 2025	835.00	Not applicable	Not applicable	Not applicable
3.	Belrise Industries Limited [*]	21,500.00	90.00	May 28, 2025	100.00	+14.08%, [+3.22%]	Not applicable	Not applicable
4.	Ather Energy Limited ^{*6}	29,807.61	321.00	May 6, 2025	328.00	-4.30%, [+0.99%]	Not applicable	Not applicable
5.	Hexaware Technologies Limited ^{*7}	87,500.00	708.00	February 19, 2025	745.50	+3.45%, [+1.12%]	+5.16%, [+8.78%]	Not applicable
6.	Ventive Hospitality Limited ^{*8}	16,000.00	643.00	December 30, 2024	716.00	+5.51%, [-2.91%]	+10.80%, [-0.53%]	+7.10%, [+8.43%]
7.	Hyundai Motor India Limited ^{*9}	278,556.83	1,960.00	October 22, 2024	1,934.00	-6.64%, [-3.90%]	-8.72%, [-5.19%]	-15.22%, [-2.54%]
8.	JSW Infrastructure Limited [#]	28,000.00	119.00	October 3, 2023	143.00	+41.34%, [-2.93%]	+75.04%, [+10.27%]	+106.30%, [+12.42%]

Sr. No.	Issue Name	Issue size (in ₹ million)	Issue price (₹)	Listing date	Opening price on listing date	+/- % change in closing price*, [+/- % change in closing benchmark]- 30 th calendar days from listing	+/- % change in closing price*, [+/- % change in closing benchmark]- 90 th calendar days from listing	+/- % change in closing price*, [+/- % change in closing benchmark]- 180 th calendar days from listing
9.	R R Kabel Limited ^{#10}	19,640.10	1,035.00	September 20, 2023	1,179.00	+34.45%, [-1.75%]	+64.44%, [+6.76%]	+36.24%, [+8.75%]

Source: www.nseindia.com and www.bseindia.com

[#] BSE as designated stock exchange

* NSE as designated stock exchange

Notes:

1. Issue Size derived from Prospectus/final post issue reports, as available.
2. Nifty 50 Index and Sensex is considered as the Benchmark Index as per the designated stock exchange (NSE or BSE)
3. Not Applicable – Period not completed.
4. In case 30th/90th/180th day is not a trading day, closing price on designated stock exchange (NSE or BSE) of the previous trading day has been considered.
5. Discount of ₹ 104 per equity share was offered to eligible employees bidding in the employee reservation portion.
6. Discount of ₹ 30 per equity share was offered to eligible employees bidding in the employee reservation portion.
7. Discount of ₹ 67 per equity share was offered to eligible employees bidding in the employee reservation portion.
8. Discount of ₹ 30 per equity share was offered to eligible employees bidding in the employee reservation portion.
9. Discount of ₹ 186 per equity share was offered to eligible employees bidding in the employee reservation portion.
10. Discount of ₹ 98 per equity share was offered to eligible employees bidding in the employee reservation portion.

2. Summary statement of price information of past issues handled by HSBC Securities and Capital Markets (India) Private Limited:

Financial Year	Total No. of IPO's	Total Funds Raised (in ₹ million)	No. of IPOs trading at discount – 30 th calendar days from listing			No. of IPOs trading at premium – 30 th calendar days from listing			No. of IPOs trading at discount – 180 th calendar days from listing			No. of IPOs trading at premium – 180 th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2025-26*	4	196,307.61	-	-	1	-	-	1	-	-	-	-	-	-
2024-25	3	382,056.83	-	-	2	-	-	1	-	-	1	-	-	1
2023-24	2	47,640.10	-	-	-	-	2	-	-	-	-	1	1	-

*This data covers issues up to YTD

Notes:

1. The information is as on the date of this Red Herring Prospectus.
2. The information for each of the financial years is based on issues listed during such financial year.
3. Since 30 calendar days and 180 calendar days, as applicable, from listing date has not elapsed for few of the above issues, data for same is not available.

E. IDBI Capital Markets & Securities Limited

1. Price information of past issues (during current financial year and two financial years preceding the current financial year) handled by IDBI Capital Markets & Securities Limited:

Sr. No.	Issue Name	Issue size (in ₹ million)	Issue price (₹)	Listing date	Opening price on listing date	+/- % change in closing price*, [+/- % change in closing benchmark]- 30 th calendar days from listing	+/- % change in closing price*, [+/- % change in closing benchmark]- 90 th calendar days from listing	+/- % change in closing price*, [+/- % change in closing benchmark]- 180 th calendar days from listing
1.	Transrail Lighting Limited^^	8,389.12	432.00	December 27, 2024	585.15	+22.45% [-3.19%]	+14.25% [-1.79%]	+48.37 [+4.26%]
2.	NTPC Green Energy Limited^s	1,00,000.00	108.00	November 27, 2024	111.50	+16.69% [-2.16%]	-8.89% [-7.09%]	3.00% [+2.38%]
3.	Indian Renewable Energy Development Agency Limited^	21,502.12	32.00	November 29, 2023	50.00	+204.06% [+8.37%]	+373.44% [+10.08%]	+479.84 [+14.23%]

Source: www.nseindia.com and www.bseindia.com, as applicable

^NSE as Designated Stock Exchange

^^BSE as Designated Stock Exchange

^sDiscount of Rs.5.00 per equity Share offered to eligible employees. All calculations are based on the Issue Price of ₹108.00 per equity share

Notes:

- Wherever 30th/ 90th/ 180th calendar day from listing day is a holiday, the closing data of the previous trading day has been considered.
- Similarly, benchmark index considered is "NIFTY 50" where NSE is the designated stock exchange and "S&P BSE SENSEX" where BSE is the designated stock exchange, as disclosed by the respective issuer company at the time of the Issue has been considered for all of the above calculations.
- NA means Not Applicable

2. Summary statement of price information of past issues handled by IDBI Capital Markets & Securities Limited:

Financial Year	Total No. of IPO's	Total Funds Raised (in ₹ million)	No. of IPOs trading at discount – 30 th calendar days from listing			No. of IPOs trading at premium – 30 th calendar days from listing			No. of IPOs trading at discount – 180 th calendar days from listing			No. of IPOs trading at premium – 180 th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2025-26	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2024-25	2	1,08,389.12	-	-	-	-	-	2	-	-	-	-	1	1
2023-24	1	21,502.12	-	-	-	1	-	-	-	-	-	1	-	-

* The information is as on the date of this Red Herring Prospectus.

The information for each of the financial years is based on issues listed during such financial year.

F. Motilal Oswal Investment Advisors Limited

- Price information of past issues (during current financial year and two financial years preceding the current financial year) handled by Motilal Oswal Investment Advisors Limited:

Sr. No.	Issue name	Designated Stock Exchange	Issue Size (₹ million)	Issue price (₹)	Listing Date	Opening price on Listing Date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark] - 30 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] - 90 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] - 180 th calendar days from listing
1.	HDB Financial Services Limited	NSE	125,000.00	740.00	July 2, 2025	835.00	Not applicable	Not applicable	Not applicable
2.	Sambhv Steel Tubes Limited	NSE	5400.00	82.00	July 2, 2025	110.00	Not applicable	Not applicable	Not applicable
3.	Ellenbarrie Industrial Gases Limited	NSE	8,525.25	400.00	July 1, 2025	486.00	Not applicable	Not applicable	Not applicable
4.	Schloss Bangalore Limited	NSE	35,000.00	435.00	June 2, 2025	406.00	-6.86% [3.34%]	Not applicable	Not applicable
5.	Dr. Agarwals Health Care Limited	BSE	30,272.60	402.00	February 4, 2025	396.90	+3.82% [-6.18%]	-12.44% [+2.44%]	Not applicable
6.	Laxmi Dental Limited	BSE	6980.60	428.00	January 20, 2025	528.00	+0.37% [-1.17%]	-4.98% [+1.92%]	12.24% [6.41%]
7.	Standard Glass Lining Technology Limited	NSE	4,100.51	140.00	January 13, 2025	172.00	+14.49% [-0.06%]	+5.50% [-2.38%]	+29.06% [8.94%]
8.	Concord Enviro Systems Limited	BSE	5,003.26	701.00	December 27, 2024	832.00	-8.00% [-3.03%]	-28.01% [-1.37%]	-18.59% [5.17%]
9.	Niva Bupa Health Insurance Company Limited	NSE	22,000.00	74.00	November 14, 2024	78.14	+12.97% [+5.25%]	+8.09% [-1.96%]	14.96% [5.92%]
10.	Acme Solar Holdings Limited ⁽⁵⁾	NSE	29,000.00	289.00	November 13, 2024	251.00	+8.21% [4.20%]	-25.62% [-0.75%]	-26.51% [1.91%]

Source: www.nseindia.com and www.bseindia.com

Notes:

1. The S&P CNX NIFTY or S&P BSE SENSEX is considered as the Benchmark Index, depending upon the designated stock exchange.
2. Price is taken from NSE or BSE, depending upon designated stock exchange for the above calculations.
3. The 30th, 90th and 180th calendar day computation includes the listing day. If either of the 30th, 90th or 180th calendar days is a trading holiday, the previous trading day is considered for the computation. We have taken the issue price to calculate the % change in closing price as on 30th, 90th and 180th day. We have taken the closing price of the applicable benchmark index as on the listing day to calculate the % change in closing price of the benchmark as on 30th, 90th and 180th day.
4. Not applicable – Period not completed.
5. A discount of ₹ 27 per Equity Share was offered to eligible employees bidding in the employee reservation portion.

2. Summary statement of price information of past issues handled by Motilal Oswal Investment Advisors Limited:

Financial Year	Total no. of IPOs [#]	Total amount of funds raised (₹ in million)	No. of IPOs trading at discount as on 30 th calendar day from listing date			No. of IPOs trading at premium as on 30 th calendar day from listing date			No. of IPOs trading at discount as on 180 th calendar day from listing date			No. of IPOs trading at premium as on 180 th calendar day from listing date		
			Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2025-2026	4	1,73,925.25	-	-	1	-	-	-	-	-	-	-	-	-
2024-2025	7	1,08,356.97	-	-	1	1	-	5	-	-	-	-	1	4
2023-2024	7	62,704.34	-	-	2	-	1	4	-	-	2	-	2	4

The information for each of the financial years is based on issues listed during such financial year.

Notes: Since 30 calendar days and 180 calendar days, as applicable, from listing date has not elapsed for few of the above issues, data for same is not available.

Data for number of IPOs trading at premium/discount taken at closing price on NSE or BSE on the respective date, depending upon the designated stock exchange.

G. SBI Capital Markets Limited

1. Price information of past issues (during current financial year and two financial years preceding the current financial year) handled by SBI Capital Markets Limited:

Sr. No.	Issue name**	Issue size (₹ Mn.)	Issue price (₹)	Listing date	Opening price on listing date	+/- % change in closing price, [+/- % change in closing benchmark]- 30 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180 th calendar days from listing
1	Schloss Bangalore Limited [#]	35,000.00	435.00	June 2, 2025	406.00	-6.86% [3.34%]	-	-
2	Belrise Industries Limited [#]	21,500.00	90.00	May 28, 2025	100.00	14.08% [3.22%]	-	-
3	Ajax Engineering Limited ^{#(3)}	1,269.35	629.00	February 17, 2025	576.00	-2.86% [-0.55%]	+6.78% [+8.97%]	-
4	Laxmi Dental Limited [@]	6980.58	428.00	January 20, 2025	528.00	-18.04% [-1.44%]	-4.98% [+1.92%]	9.80% [6.08%]
5	Ventive Hospitality Limited ^{#(1)}	16,000.00	643.00	December 30, 2024	716.00	+5.51% [-2.91%]	+10.80% [-0.53%]	7.10% [8.43%]
6	International Gemmological Institute (India) Limited ^{#(2)}	42,250.00	417.00	December 20, 2024	510.00	+24.24% [-1.63%]	-21.39% [-2.88%]	-11.45% [5.37%]
7	One Mobikwik Systems Limited [#]	5,720.00	279.00	December 18, 2024	440.00	+69.50% [-3.67%]	+17.49% [-6.98%]	-4.34% [2.15%]
8	Suraksha Diagnostic Limited [@]	8,462.49	441.00	December 6, 2024	437.00	-14.32% [-2.81%]	-37.11% [-9.54%]	-24.04% [-1.15%]
9	Afcons Infrastructure Limited [#]	54,300.00	463.00	November 4, 2024	430.05	+6.56% [+1.92%]	+2.18% [-2.14%]	-9.29% [+1.46%]
10	Godavari Biorefineries Limited [@]	5,547.50	352.00	October 30, 2024	310.55	-0.16% [-1.12%]	-35.24% [-5.72%]	-49.47% [-0.91%]

Source: www.nseindia.com and www.bseindia.com

Notes:

* The 30th, 90th and 180th calendar day computation includes the listing day. If either of the 30th, 90th or 180th calendar days is a trading holiday, the previous trading day is considered for the computation. We have taken the issue price to calculate the % change in closing price as on 30th, 90th and 180th day. We have taken the closing price of the applicable benchmark index as on the listing day to calculate the % change in closing price of the benchmark as on 30th, 90th and 180th day.

** The information is as on the date of this document.

* The information for each of the financial years is based on issues listed during such financial year.

@ The S&P BSE SENSEX index is considered as the Benchmark Index, BSE being the designated stock exchange

The Nifty 50 index is considered as the Benchmark Index, NSE being the designated stock exchange

1. Price for eligible employee was ₹ 613.00 per equity share
2. Price for eligible employee was ₹ 378 per equity share
3. Price for eligible employee was ₹ 570.00 per equity share

2. Summary statement of price information of past issues handled by SBI Capital Markets Limited:

Financial Year	Total no. of IPOs [#]	Total funds raised (₹ Millions)	Nos. of IPOs trading at discount on as on 30 th calendar days from listing date			Nos. of IPOs trading at premium on as on 30 th calendar days from listing date			Nos. of IPOs trading at discount as on 180 th calendar days from listing date			Nos. of IPOs trading at premium as on 180 th calendar days from listing date		
			Over 50%	Between 25% - 50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2025-26*	2	56,500	-	-	1	-	-	1	-	-	-	-	-	-
2024-25	16	4,00,550.30	-	-	6	6	3	1	-	1	5	5	1	3
2023-24	12	1,32,353.46	-	-	6	2	3	1	-	-	3	5	2	2

* The information is as on date of this offer document

[#] The information for each of the financial years is based on issues listed during such financial year.

Track record of the Book Running Lead Managers and the M- BRLM

For details regarding the track record of the Book Running Lead Managers and M- BRLM, as specified in circular (reference CIR/MIRSD/1/2012) dated January 10, 2012 issued by SEBI, please see the websites of the Book Running Lead Managers and M- BRLM, as set forth below:

Name	Website
ICICI Securities Limited	www.icicisecurities.com
Axis Capital Limited	www.axiscapital.co.in
HDFC Bank Limited	www.hdfcbank.com
HSBC Securities and Capital Markets (India) Private Limited	www.business.hsbc.co.in
IDBI Capital Markets & Securities Limited	www.idbicapital.com
Motilal Oswal Investment Advisors Limited	www.motilaloswalgroup.com
SBI Capital Markets Limited	www.sbicaps.com

Stock market data of Equity Shares

This being an initial public issue of the Equity Shares of our Company, the Equity Shares are not listed on any stock exchange as on the date of this Red Herring Prospectus and accordingly, no stock market data is available for the Equity Shares.

Mechanism for redressal of investor grievances

In terms of the SEBI ICDR Master Circular and subject to applicable law, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days. Further, the Bidders shall be compensated by the SCSBs in accordance with SEBI ICDR Master Circular in the events of delayed unblock for cancelled/withdrawn/deleted applications, blocking of multiple amounts for the same UPI application, blocking of more amount than the application amount, delayed unblocking of amounts for non-allotted/partially-allotted applications, for the stipulated period. Further, in terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the Book Running Lead Managers and M- BRLM, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB.

In accordance with the SEBI ICDR Master Circular, following compensation mechanism shall be applicable for investor grievances in relation to Bids made through the UPI Mechanism for which the relevant SCSBs shall be liable to compensate the investor:

Scenario	Compensation amount	Compensation period
Delayed unblock for cancelled / withdrawn / deleted applications	₹100 per day or 15% per annum of the Bid Amount, whichever is higher	From the date on which the request for cancellation / withdrawal / deletion is placed on the bidding platform of the Stock Exchanges till the date of actual unblock
Blocking of multiple amounts for the same Bid made through the UPI Mechanism	1. Instantly revoke the blocked funds other than the original application amount; and 2. ₹100 per day or 15% per annum of the total cumulative blocked amount except the original Bid Amount, whichever is higher	From the date on which multiple amounts were blocked till the date of actual unblock
Blocking more amount than the Bid Amount	1. Instantly revoke the difference amount, i.e., the blocked amount less the Bid Amount; and 2. ₹100 per day or 15% per annum of the difference amount, whichever is higher	From the date on which the funds to the excess of the Bid Amount were blocked till the date of actual unblock
Delayed unblock for non – Allotted/ partially Allotted applications	₹100 per day or 15% per annum of the Bid Amount, whichever is higher	From the Working Day subsequent to the finalisation of the Basis of Allotment till the date of actual unblock

Further, in the event there are any delays in resolving the investor grievance beyond the date of receipt of the complaint from the investor, for each day delayed, the BRLMs and M- BRLM shall be liable to compensate the investor ₹100 per day or 15% per annum of the Bid Amount, whichever is higher. The compensation shall be payable for the period ranging from the day on which the investor grievance is received till the date of actual unblock.

The processing fees for applications made by UPI Bidders may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with the SEBI ICDR Master Circular.

The Registrar Agreement provides for retention of records with the Registrar to the Offer for a period of at least eight years from the last date of dispatch of the letters of allotment and demat credit to enable the investors to approach the Registrar to the Offer for redressal of their grievances.

Bidders can contact the Company Secretary and Compliance Officer and/or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc. For all Offer related queries and for redressal of complaints, Bidders may also write to the BRLMs and M- BRLM, in the manner provided below.

All grievances in relation to the Bidding process may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary to whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or First Bidder, Bid cum Application Form number, Bidder DP ID, Client ID, UPI ID, PAN, date of the submission of Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder.

All grievances relating to Bids submitted with Registered Brokers, may be addressed to the Stock Exchanges, with a copy to the Registrar to the Offer. Further, Bidders shall also enclose a copy of the Acknowledgment Slip received from the Designated Intermediaries in addition to the information mentioned hereinabove.

All grievances of the Anchor Investors may be addressed to the Registrar to the Offer, giving full details such as the name of the sole or First Bidder, Bid cum Application Form number, Bidders' DP ID, Client ID, PAN, date of the Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Bid cum Application Form and the name and address of the BRLMs and M- BRLM with whom the Bid cum Application Form was submitted by the Anchor Investor. The BRLMs and M- BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

Further, the Bidder shall also enclose a copy of the Acknowledgment Slip duly received from the concerned Designated Intermediary in addition to the information mentioned hereinabove.

The Registrar to the Offer shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders. Our Company, the Selling Shareholders, the BRLMs, M- BRLM and the Registrar to the Offer accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with its obligations under applicable SEBI ICDR Regulations. Investors can contact the Company Secretary and Compliance Officer, the BRLMs, M-BRLM or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems such as non-receipt of letters of Allotment, non-credit of allotted Equity Shares in the respective beneficiary account, non-receipt of refund intimations and non-receipt of funds by electronic mode.

Disposal of investor grievances by our Company

Our Company has obtained authentication on the SEBI SCORES in terms of the SEBI circular bearing number SEBI/HO/OIAE/IGRD/CIR/P/2023/156 dated September 20, 2023 in relation to redressal of investor grievances through SCORES.

Our Company has also constituted a Stakeholders Relationship Committee to review and redress the shareholders and investor grievances such as transfer of Equity Shares, non-recovery of balance payments, declared dividends, approve subdivision, consolidation, transfer and issue of duplicate shares. For details of our Stakeholders' Relationship Committee, please see "*Our Management*" on page 262.

Our Company has also appointed Alen Wilfred Ferns, Company Secretary of our Company, as the Compliance Officer for the Offer. For details see, "*General Information- Company Secretary and Compliance Officer*" on page 119.

Each of the Selling Shareholders, severally and not jointly, have authorised Alen Wilfred Ferns, the Company Secretary and Compliance Officer of our Company and the Registrar to the Offer to redress any complaints received from Bidders solely to the extent of the statements specifically made, confirmed or undertaken by Selling Shareholders in the Offer Documents in respect of themselves and their respective Offered Shares and shall provide all assistance required by the Company and the BRLMs and M- BRLM in the redressal of such complaints; provided that in any such case requiring a written response in respect of any complaint, the prior approval of the relevant Selling Shareholder on such response shall be obtained by the Company.

Our Company has not received any investor complaint during the three years preceding the date of this Red Herring Prospectus.

Our listed Group Company, IDBI Bank Limited has one complaint pending which pertains to bonds and is under review with SEBI, as on the date of filing of this Red Herring Prospectus. IDBI Bank Limited estimates that the average time required by them or their registrar and transfer agent or the relevant Designated Intermediary, for the redressal of routine investor grievances is 21 Working Days from the date of receipt of the complaint.

Further, no investor complaint in relation to our Company is pending as on the date of filing of this Red Herring Prospectus. Our Company estimates that the average time required by our Company or the Registrar to the Offer or the relevant Designated Intermediary, for the redressal of routine investor grievances shall be 10 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Other confirmations

No person connected with the Offer, including, but not limited to, the Book Running Lead Managers, M- BRLM, the Syndicate Members, our Company, Directors, Selling Shareholders, shall offer any incentive, whether direct or indirect, in the nature of discount, commission and allowance, except for fees or commission for services rendered in relation to the Offer, in any manner, whether in cash or kind or services or otherwise to any Bidder for making a Bid.

Exemption under securities laws

1. Our Company, by its letter dated February 23, 2023, had sought clarification from SEBI about the applicability of Regulation 24(1) of the SEBI Listing Regulations to our Company in relation to the appointment of an independent director (i.e., public interest director, in this case) from our Board on the board of directors of our Material Subsidiary (i.e., NPBL, in accordance with Regulation 24(1) of the SEBI Listing Regulations), due to the restriction under Regulation 25(4) of the SEBI D&P Regulations which provides that a public interest director on the board of a depository shall not act simultaneously as director on the board of its subsidiary or on the board of any other depository or recognized stock exchange or recognized clearing corporation or on the board of subsidiary of such other depository or recognized stock exchange or recognized clearing corporation. SEBI by way of its letter dated April 27, 2023 clarified that prior to listing of our Company, the provisions of Regulation 31(1) of the SEBI D&P Regulations shall apply, and post listing of our Company, the provisions of SEBI Listing Regulations shall apply as well. Subsequently, our Company, by way of its letter dated June 6, 2023, has sought further clarification on the applicability of Regulation 24(1) of the SEBI Listing Regulations post listing of our Company.

Further to the above, our Company has filed an application dated July 7, 2023, with SEBI seeking an exemption under Regulations 102(1)(a) and 102(1)(e) of the SEBI Listing Regulations from compliance with Regulation 24(1) of the SEBI Listing Regulations in relation to appointment of an independent director (i.e., public interest director, in this case) from our Board on the board of directors of our Material Subsidiary (i.e., NPBL, in accordance with Regulation 24(1) of the SEBI Listing Regulations), and permission for our Company to continue complying with Regulation 25 of the SEBI D&P Regulations. SEBI, pursuant to its letter dated September 6, 2023, granted an exemption as sought above.

2. Our Company filed an application dated November 18, 2024 with SEBI, seeking an exemption from compliance with Regulation 25(6) of the SEBI ICDR Regulations, read with Schedule XVI(1)(b) of the SEBI ICDR Regulations, in relation to changes in more than half of the board of directors of our Company, post filings of the Draft Red Herring Prospectus with SEBI and BSE, in order to comply with the requirements of SEBI D&P Regulations. SEBI, pursuant to its letter dated December 24, 2024, granted our Company the exemption as sought above.

SECTION VIII – OFFER RELATED INFORMATION

TERMS OF THE OFFER

The Equity Shares being offered and Allotted pursuant to this Offer are subject to the provisions of the Companies Act, the SCRA, SCRR, SEBI ICDR Regulations, SEBI Listing Regulations, SEBI D&P Regulations, our Memorandum of Association and Articles of Association, this Red Herring Prospectus, the Prospectus, the Abridged Prospectus, the Bid cum Application Form, the Revision Form, CAN and other terms and conditions as may be incorporated in the Allotment Advice and other documents or certificates that may be executed in respect of this Offer. The Equity Shares shall also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities, issued from time to time by the SEBI, the GoI, the BSE, the RoC, the RBI, and/or other authorities, as in force on the date of this Offer and to the extent applicable or such other conditions as may be prescribed by such governmental, regulatory or statutory authority while granting its approval for the Offer.

Ranking of the Equity Shares

The Equity Shares bearing face value ₹2 each being offered and Allotted in the Offer shall be subject to the provisions of the Companies Act, the SEBI ICDR Regulations, SCRA, SCRR, our Memorandum of Association and Articles of Association and shall rank *pari passu* in all respects with the existing Equity Shares including rights in respect of dividend and other corporate benefits if any, declared by our Company after the date of Allotment. For further details, see “*Main Provisions of the Articles of Association*” on page 458.

Mode of Payment of Dividend

Our Company shall pay dividends, if declared, to shareholders of our Company as per the provisions of the Companies Act, 2013, our Memorandum of Association and Articles of Association, the SEBI Listing Regulations and other applicable law, including guidelines or directives that may be issued by the GoI in this respect. Dividends, if any, declared by our Company after the date of Allotment (including pursuant to the transfer of Equity Shares in the Offer for Sale), will be payable to the Allottees, who have been Allotted Equity Shares in the Offer, for the entire year in accordance with applicable law. For further details in relation to dividends, see “*Dividend Policy*” and “*Main Provisions of the Articles of Association*” on pages 285 and 458, respectively.

Face Value, Offer Price and Price Band

The face value of the Equity Shares is ₹ 2 each. The Floor Price of Equity Shares is ₹ [●] per Equity Share and the Cap Price is ₹ [●] per Equity Share. The Anchor Investor Offer Price is ₹ [●] per Equity Share. The Offer Price, Price Band, Employee Discount and minimum Bid Lot will be decided by our Company in consultation with the BRLMs, and advertised in all editions of Financial Express (a widely circulated English national daily newspaper), all editions of Jansatta (a widely circulated Hindi national daily newspaper) and Mumbai edition of Navshakti (a widely circulated Marathi daily newspaper, Marathi being the regional language of Maharashtra, where our Registered Office is located), at least two Working Days prior to the Bid/ Offer Opening Date and shall be made available to BSE for the purpose of uploading on the website. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre-filled in the Bid cum Application Forms available at the website of BSE. The Cap Price shall be at least 105% of the Floor Price. The Offer Price shall be determined by our Company, in consultation with the BRLMs, after the Bid/Offer Closing Date, on the basis of assessment of market demand for the Equity Shares offered by way of Book Building Process.

At any given point of time there shall be only one denomination for the Equity Shares.

Compliance with disclosure and accounting norms

Our Company shall comply with all applicable disclosure and accounting norms as specified by SEBI from time to time.

Fit and Proper Person

In terms of SEBI D&P Regulations, no person shall, directly or indirectly, acquire or hold more than two percent paid-up Equity Share capital or voting rights of a depository unless the person is a fit and proper person. Further, for the purpose of determining a fit and proper person under the SEBI D&P Regulations, the SEBI may take into

consideration the criteria specified under regulation 20 of Securities Contracts (Regulations) (Stock Exchanges and Clearing Corporations) Regulations, 2018.

Compliance with the SEBI D&P Regulations

Shareholding in a depository

The SEBI D&P Regulations provide certain restrictions regarding shareholding in a depository. No person whether resident in India or not, shall at any time, directly or indirectly, either individually or together with persons acting in concert, may acquire or hold more than five percent of the paid-up equity share capital in a depository. However, a stock exchange, depository, banking company, insurance company and a public financial institution may acquire or hold, directly or indirectly, either individually or together with persons acting in concert, up to 15% of the paid-up equity share capital of a depository. Further, the combined holding of all persons resident outside India in the paid-up equity share capital of the depository shall not exceed, at any time, 49% of its total paid-up equity share capital. Furthermore, any person holding two percent or more of the paid-up equity share capital of in a depository shall file a declaration within 15 days from the end of every financial year to the depository that he/she complies with the fit and proper criteria.

Acquisition of more than five percent of paid-up equity share capital in a depository

Any person eligible to acquire or hold more than five percent of the paid-up equity share capital under sub-regulation (1) and sub-regulation (2) of regulation 21 may acquire or hold more than five percent of the paid-up equity share capital of a depository only if the person has obtained prior approval of the SEBI.

For further details see “*Key Regulations and Policies in India*” on page 242.

Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and the provisions of our Articles, our Shareholders shall have the following rights:

- The right to receive dividend, if declared;
- The right to attend general meetings and exercise voting powers, unless prohibited by law;
- The right to vote on a poll either in person or by proxy or e-voting, in accordance with the provision of the Companies Act, 2013;
- The right to receive offers for rights shares and be allotted bonus shares, if announced;
- The right to receive any surplus on liquidation subject to any statutory and other preferential claims being satisfied;
- The right to freely transfer their Equity Shares, subject to applicable foreign exchange regulations and other applicable laws; and
- Such other rights, as may be available to a shareholder of a listed public company under applicable law, including the Companies Act, 2013, the terms of the SEBI Listing Regulations, and our Memorandum of Association and Articles of Association and other applicable laws.

For a detailed description of the main provisions of our Articles relating to voting rights, dividend, forfeiture and lien, transfer and transmission, and/or consolidation / splitting, see “*Main Provisions of the Articles of Association*” on page 458.

Allotment in dematerialised form

Pursuant to Section 29 of the Companies Act, 2013, and the SEBI ICDR Regulations, the Equity Shares shall be Allotted only in dematerialised form. As per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form.

In this context, tripartite agreements had been signed among our Company, the respective Depositories and the Registrar to the Offer:

- Tripartite Agreement dated May 30, 2023, among our Company (in its capacity of a depository), our Company (in its capacity of the Issuer) and the Registrar to the Offer.
- Tripartite Agreement dated June 5, 2023, among CDSL, our Company and Registrar to the Offer.

Market Lot and Trading Lot

The trading of our Equity Shares on the BSE shall only be in dematerialised form, consequent to which, the tradable lot is one Equity Share. Allotment will be only in dematerialised form in multiples of [●] Equity Shares, subject to a minimum Allotment of [●] Equity Shares to QIBs and RIBs. For Non-Institutional Buyers, allotment shall not be less than the minimum Non-Institutional application size. For the method of Basis of Allotment, see “Offer Procedure” on page 432.

Joint Holders

Subject to provisions contained in our Articles, where two or more persons are registered as the holders of any Equity Share, they shall be deemed to hold such Equity Share as joint tenants with benefits of survivorship.

Jurisdiction

The courts of Mumbai, Maharashtra, India will have exclusive jurisdiction in relation to this Offer.

Nomination facility to investors

In accordance with Section 72 of the Companies Act, 2013 read with the Companies (Share Capital and Debentures) Rules, 2014, as amended, the sole or First Bidder, along with other joint Bidders, may nominate any one person in whom, in the event of the death of the sole Bidder or in case of joint Bidders, the death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner. A person, being a nominee, entitled to the Equity Shares by reason of death of the original holder(s), shall be entitled to the same advantages to which such person would be entitled if such person were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to the Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale, transfer of Equity Share(s) by the person nominating. A nomination may be cancelled or varied by nominating any other person in place of the present nominee by the holder of the Equity Shares who has made the nomination by giving a notice of such cancellation. A buyer will be entitled to make a fresh nomination in the manner prescribed. A fresh nomination can be made only on the prescribed form, which is available on request at our Registered Office or with the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013 as mentioned above, shall, upon the production of such evidence as may be required by the Board, elect either:

- to register himself or herself as the holder of the Equity Shares; or
- to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment will be made only in dematerialised form, there shall be no requirement for a separate nomination with our Company. Nominations registered with the respective Depository Participant of the applicant will prevail. If Bidders wish to change their nomination, they are requested to inform their respective Depository Participant.

Bid/Offer Programme

ANCHOR INVESTOR BIDDING DATE*	Tuesday, July 29, 2025*
BID/ OFFER OPENS ON*	Wednesday, July 30, 2025
BID/ OFFER CLOSES ON**	Friday, August 1, 2025*

*Our Company shall, in consultation with the BRLMs, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis, in accordance with the SEBI ICDR Regulations.

^UPI mandate end time shall be at 5:00 PM on Bid/Offer Closing Date, i.e., on Friday, August 1, 2025.

An indicative timetable in respect of the Offer is set forth below:

Event	Indicative Date
Bid/Offer Closing Date	Friday, August 1, 2025
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or before Monday, August 4, 2025
Initiation of refunds (if any, for Anchor Investors) / unblocking of funds from ASBA Account***	On or before Tuesday, August 5, 2025
Credit of the Equity Shares to depository accounts of Allottees	On or before Tuesday, August 5, 2025
Commencement of trading of the Equity Shares on the BSE	On or before Wednesday, August 6, 2025

*** In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/Offer Closing Date for cancelled / withdrawn / deleted ASBA Forms, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher from the date on which the request for cancellation/ withdrawal/ deletion is placed in the Stock Exchanges bidding platform until the date on which the amounts are unblocked (ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Bidder shall be compensated at a uniform rate ₹ 100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more than the Bid Amount, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; (iv) any delay in unblocking of non-allotted/partially allotted Bids, exceeding two Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher for the entire duration of delay exceeding two Working Days from the Bid/Offer Closing Date by the SCSB responsible for causing such delay in unblocking. The BRLMs and M-BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. The Bidder shall be compensated in the manner specified in the SEBI ICDR Master Circular and SEBI RTA Master Circular, which for the avoidance of doubt, shall be deemed to be incorporated in the deemed agreement of our Company with the SCSBs, to the extent applicable.

The processing fees for applications made by UPI Bidders may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI RTA Master Circular and the SEBI ICDR Master Circular.

The above timetable, other than the Bid/Offer Closing Date, is indicative and does not constitute any obligation on our Company, the Selling Shareholders, the BRLMs or M- BRLM. While our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the BSE is taken within three Working Days of the Bid/Offer Closing Date or such period as may be prescribed, with reasonable support and co-operation of the Selling Shareholders, as may be required in respect of the Offered Shares, the timetable may change due to various factors, such as extension of the Bid/Offer Period by our Company, revision of the Price Band or any delays in receiving the final listing and trading approval from the BSE. The commencement of trading of the Equity Shares will be entirely at the discretion of the BSE and in accordance with the applicable laws. Each of the Selling Shareholders confirm that they shall extend all co-operation required by our Company and the BRLMs and M- BRLM or mandated by law for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the BSE within three Working Days from the Bid/Offer Closing Date, or within such other period as may be prescribed.

In terms of the UPI Circulars, in relation to the Offer, the Book Running Lead Managers will be required to submit reports of compliance with timelines and activities prescribed by SEBI in connection with the allotment and listing procedure within three Working Days from the Bid/Offer Closing Date, identifying nonadherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

The Registrar to the Offer shall submit the details of cancelled/withdrawn/deleted applications to the SCSB's on daily basis within 60 minutes of the Bid closure time from the Bid/ Offer Opening Date till the Bid/Offer Closing Date by obtaining the same from the Stock Exchanges. The SCSB's shall unblock such applications by the closing hours of the Working Day and submit the confirmation to the Book Running Lead Managers and the RTA on a daily basis, as per the format prescribed in SEBI ICDR Master Circular. To avoid duplication, the facility of re-initiation provided to Syndicate Members shall preferably be allowed only once per bid/batch and as deemed fit by the Stock Exchanges, after closure of the time for uploading Bids. It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full

Bid Amount is not blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected.

Any circulars or notifications from SEBI after the date of this Red Herring Prospectus may result in changes to the listing timelines. Further, the Offer procedure is subject to change to any revised SEBI circulars to this effect.

Submission of Bids (other than Bids from Anchor Investors):

Bid/Offer Period (except the Bid/Offer Closing Date)	
Submission and Revision in Bids	Only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time ("IST"))
Bid/Offer Closing Date*	
Submission of Electronic Applications (Online ASBA through 3-in-1 accounts) – For Retail Individual Bidders and Eligible Employees Bidding in the Employee Reservation Portion	Only between 10.00 a.m. and up to 5.00 p.m. IST
Submission of Electronic Applications (Bank ASBA through Online channels like Internet Banking, Mobile Banking and Syndicate UPI ASBA applications where Bid Amount is up to ₹500,000)	Only between 10.00 a.m. and up to 4.00 p.m. IST
Submission of Electronic Applications (Syndicate Non-Retail, Non-Individual Applications)	Only between 10.00 a.m. and up to 3.00 p.m. IST
Submission of Physical Applications (Bank ASBA)	Only between 10.00 a.m. and up to 1.00 p.m. IST
Submission of Physical Applications (Syndicate Non-Retail, Non-Individual Applications of QIBs and NIIs where Bid Amount is more than ₹500,000)	Only between 10.00 a.m. and up to 12.00 p.m. IST
Modification/ Revision/cancellation of Bids	
Upward revision of Bids by QIBs and Non-Institutional Bidders categories [#]	Only between 10.00 a.m. and up to 4.00 p.m. IST on Bid/ Offer Closing Date
Upward or downward revision of Bids or cancellation of Bids by RIBs and Eligible Employees Bidding in the Employee Reservation Portion	Only between 10.00 a.m. and up to 5.00 p.m. IST

* UPI mandate end time and date shall be at 5.00 p.m. on the Bid / Offer Closing Date.

[#] QIBs and Non-Institutional Bidders can neither revise their bids downwards nor cancel/withdraw their Bids.

On the Bid/Offer Closing Date, the Bids shall be uploaded until:

- (i) Until 4:00 p.m. IST in case of Bids by QIBs and Non-Institutional Investors and the upward revisions in Bids shall be accepted, and
- (ii) until 5:00 p.m. IST or such extended time as permitted by the Stock Exchanges, in case of Bids by RIBs and Eligible Employees Bidding in the Employee Reservation Portion.

On Bid/Offer Closing Date, extension of time may be granted by the Stock Exchanges only for uploading Bids received by Retail Individual Investors and Eligible Employees Bidding in the Employee Reservation Portion after taking into account the total number of Bids received up to closure of timings for acceptance of Bid cum Application Form as stated herein and as reported by the BRLMs and M- BRLM to the Stock Exchanges.

The Registrar to the Offer shall submit the details of cancelled/withdrawn/deleted applications to the SCSBs on a daily basis within 60 minutes of the Bid closure time from the Bid/ Offer Opening Date till the Bid/Offer Closing Date by obtaining such information from the Stock Exchanges. The SCSBs shall unblock such applications by the closing hours of the Working Day and submit the confirmation to the BRLMs and M-BRLM and the registrar and share transfer agents on a daily basis, as per the format prescribed in the SEBI ICDR Master Circular.

For the avoidance of doubt, it is clarified that Bids not uploaded on the electronic bidding system or in respect of which full Bid Amount is not blocked by SCSBs, or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, will be rejected.

Due to limitation of the time available for uploading the Bids on the Bid/Offer Closing Date, the Bidders are advised to submit their Bids one day prior to the Bid/Offer Closing Date and, in any case, no later than 1.00 p.m. (Indian Standard Time) on the Bid/ Offer Closing Date. Bidders are cautioned that, in the event a large number of Bids are received on the Bid/ Offer Closing Date, as is typically experienced in public offerings in India, it may lead to some Bids not being uploaded due to lack of sufficient time to upload. Such Bids that cannot be uploaded on the electronic bidding system will not be considered for allocation under this Offer. It is clarified that Bids not

uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by the SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected. Bids will be accepted only on Working Days. Bids by ASBA Bidders shall be uploaded by the relevant Designated Intermediary in the electronic system to be provided by the relevant stock exchange.

Investors may please note that as per letter no. List/SMD/SM/2006 dated July 3, 2006 and letter no. NSE/IPO/25101-6 dated July 6, 2006 issued by BSE and NSE respectively, Bids and any revision in Bids shall not be accepted on Saturdays, Sundays and public holidays as declared by the Stock Exchanges. Bids by ASBA Bidders shall be uploaded by the relevant Designated Intermediary in the electronic system to be provided by the Stock Exchanges. None among our Company, the Selling Shareholders and/or any member of the Syndicate is liable for any failure in (i) uploading the Bids due to faults in any software/ hardware system or otherwise; and (ii) the blocking of Bid Amount in the ASBA Account on receipt of instructions from the Sponsor Banks on account of any errors, omissions or non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

The Designated Intermediaries shall modify select fields uploaded in the Stock Exchange Platform during the Bid/Offer Period till 5.00 pm on the Bid/Offer Closing Date after which the Stock Exchange(s) send the bid information to the Registrar to the Offer for further processing.

Our Company in consultation with the BRLMs, reserve the right to revise the Price Band during the Bid/Offer Period, in accordance with the SEBI ICDR Regulations, provided that (i) the Cap Price will be less than or equal to 120% of the Floor Price, (ii) the Cap Price will be at least 105% of the Floor Price, and (iii) the Floor Price will not be less than the face value of the Equity Shares. Subject to compliance with the foregoing, the Floor Price may move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly.

In case of any revision in the Price Band, the Bid/ Offer Period shall be extended for at least three additional Working Days after such revision of the Price Band, subject to the total Bid/ Offer Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar unforeseen circumstances, our Company, in consultation with the Book Running Lead Managers, may for reasons to be recorded in writing, extend the Bid/ Offer Period for a minimum of one Working Day, subject to the Bid/ Offer Period not exceeding 10 Working Days Any revision in the Price Band, and the revised Bid/ Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchange(s) by issuing a public notice and also by indicating the change on the websites of the BRLMs and M- BRLM and at the terminals of the members of the Syndicate and by intimation to the SCSBs, other Designated Intermediaries and the Sponsor Bank(s), as applicable. In case of revision of Price Band, the Bid lot shall remain the same.

In case of discrepancy in the data entered in the electronic book *vis-à-vis* the data contained in the physical Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchange(s) may be taken as the final data for the purpose of Allotment.

Employee Discount

Employee Discount, will be offered to Eligible Employees bidding in the Employee Reservation Portion, and, at the time of making a Bid. Eligible Employees bidding in the Employee Reservation Portion at a price within the Price Band can make payment based on Bid Amount net of Employee Discount, at the time of making a Bid. Eligible Employees bidding in the Employee Reservation Portion at the Cut-Off Price have to ensure payment at the Cap Price, less Employee Discount, at the time of making a Bid.

Minimum Subscription

As this is an offer for sale by the Selling Shareholders, the requirement of minimum subscription of 90% of the Offer under the SEBI ICDR Regulations is not applicable to this Offer. However, if our Company does not make the Allotment as specified under the terms of Rule 19(2)(b) of the SCRR, as applicable, including devolvement of Underwriters, if any; within sixty (60) days from the date of Bid/ Offer Closing Date, or if the subscription level falls below the thresholds mentioned above after the Bid/Offer Closing Date, on account of withdrawal of applications or after technical rejections or any other reason, or if the listing or trading permission are not obtained from the BSE for the Equity Shares, our Company, to the extent applicable, shall forthwith refund the entire subscription amount received. If there is a delay beyond four days, our Company, to the extent applicable, shall pay interest at the rate of 15% per annum as per the SEBI ICDR Master Circular.

It is clarified that, refunds made, interest borne, and expenses incurred (with regard to delayed payment of refunds), by the Company on behalf of any of the Selling Shareholders (if any) to the extent of the Equity Shares offered by such Selling Shareholder in the Offer, will be reimbursed by such Selling Shareholder (severally and not jointly) to the Company, in accordance with Applicable Law. Provided that no liability to reimburse any payment of interest shall accrue to the Selling Shareholders unless such delay in making any of the payments hereunder or such delay in obtaining listing or trading approvals or any other approvals in relation to the Offer is solely attributable to the relevant Selling Shareholder.

Further, our Company shall ensure that the number of prospective Allottees to whom the Equity Shares will be Allotted shall not be less than 1,000 in compliance with Regulation 49(1) of SEBI ICDR Regulations failing which the entire application money shall be unblocked in the respective ASBA Accounts of the Bidders. In case of delay, if any, in unblocking the ASBA Accounts (including amounts blocked through the UPI Mechanism) within such timeline as prescribed under applicable laws, our Company shall be liable to pay interest on the application money in accordance with applicable laws.

Arrangements for disposal of odd lots

Since our Equity Shares will be traded in dematerialised form only and the market lot for our Equity Shares will be one Equity Share, no arrangements for disposal of odd lots are required.

New Financial Instruments

Our Company is not issuing any new financial instruments through this Offer.

Restriction on transfer and transmission of shares and on their consolidation or splitting

Except for the lock-in of the pre-Offer Equity Share Capital and the Equity Shares that will be allotted to Anchor Investors pursuant to the Offer, as detailed in “*Capital Structure*” on page 129 and except as provided in our Articles, there are no restrictions on transfers and transmission of Equity Shares or on their consolidation or splitting. See, “*Main Provisions of the Articles of Association*” on page 458.

Option to receive Equity Shares in dematerialised form

Allotment of Equity Shares to successful Bidders will only be in the dematerialised form. Bidders will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only in the dematerialised segment of the BSE.

Withdrawal of the Offer

Our Company and/or the Selling Shareholders in consultation with the BRLMs, reserve the right not to proceed with the Offer for any reason at any time after the Bid/Offer Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the same newspapers, in which the pre-Offer advertisements were published, within two days of the Bid/Offer Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer. Further, the BSE shall be informed promptly in this regard by our Company. The BRLMs and M- BRLM, through the Registrar to the Offer, shall notify the SCSBs and the Sponsor Bank, in case of UPI Bidders using the UPI Mechanism, to unblock the bank accounts of the ASBA Bidders and shall notify the Escrow Collection Banks to release the Bid Amounts to the Anchor Investors, within one Working Day from the date of receipt of such notification. Our Company shall also inform the same to the BSE on which Equity Shares are proposed to be listed.

Notwithstanding the foregoing, the Offer is also subject to obtaining (i) filing of the Prospectus with the RoC; and (ii) obtaining the final listing and trading approvals of the BSE, which our Company shall apply for after Allotment. If our Company and/or the Selling Shareholders in consultation with the Book Running Lead Managers, withdraw the Offer after the Bid/Offer Closing Date and thereafter determine that they will proceed with a public offering of the Equity Shares, our Company shall file a fresh draft red herring prospectus with SEBI and BSE. The notice of withdrawal will be issued in the same newspapers where the pre-Offer and Price Band advertisements have appeared, and the BSE will also be informed promptly.

OFFER STRUCTURE

The Offer is being made through the Book Building Process. The Offer is of up to 50,145,001 Equity Shares of face value of ₹ 2 each, for cash at a price of ₹ [●] per Equity Share (including a premium of ₹ [●] per Equity Share) comprising an Offer of Sale of up to 50,145,001 Equity Shares aggregating to ₹ [●] million by the Selling Shareholders. The Offer will constitute [●]% of the post-Offer paid-up equity share capital of our Company.

The Offer comprises a Net Offer of up to 50,060,001 Equity Shares and Employee Reservation Portion of up to 85,000* Equity Shares. The Employee Reservation Portion shall not exceed 5% of our post-Offer paid-up Equity Share capital. The Offer and the Net Offer shall constitute [●]% and [●]%, respectively of the post-Offer paid-up Equity Share capital of our Company. The face value of each Equity Share is ₹ 2 each.

**A discount of up to [●]% to the Offer Price (equivalent of ₹[●] per Equity Share) may be offered to Eligible Employees bidding in the Employee Reservation Portion in accordance with the SEBI ICDR Regulations and details of which will be announced at least two Working Days prior to the Bid / Offer Opening Date.*

Particulars	Eligible Employees [#]	QIBs ⁽¹⁾	Non-Institutional Investors	Retail Individual Investors
Number of Equity Shares available for Allotment/ allocation* ⁽²⁾	Not more than [●] Equity Shares of face value of ₹ 2 each	Not more than [●] Equity Shares of face value of ₹ 2 each	Not less than [●] Equity Shares of face value of ₹ 2 each available for allocation or Offer less allocation to QIBs and Retail Individual Investors.	Not less than [●] Equity Shares of face value of ₹ 2 each available for allocation or Offer less allocation to QIBs and Non-Institutional Investors.
Percentage of Offer Size available for Allotment/ allocation	The Employee Reservation Portion shall constitute up to [●]% of the Offer size	Not more than 50% of the Net Offer shall be available for allocation to QIBs. However, up to 5% of the Net QIB Portion will be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining Net QIB Portion. The unsubscribed portion in the Mutual Fund Portion will be available for allocation to the other QIBs.	Not less than 15% of the Net Offer or the Offer less allocation to QIBs and Retail Individual Investors will be available for allocation. One-third of the Non-Institutional Portion will be available for allocation to Bidders with an application size of more than ₹ 0.20 million and up to ₹ 1.00 million and two-thirds of the Non-Institutional Portion will be available for allocation to Bidders with an application size of more than ₹ 1.00 million. ⁽⁶⁾ Under-subscription in either of these two subcategories of the Non-Institutional Portion may be allocated to Bidders in the other subcategory of the Non-Institutional Portion in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price.	Not less than 35% of the Net Offer or the Net Offer less allocation to QIBs and Non-Institutional Investors will be available for allocation
Basis of Allotment/ allocation if respective category is oversubscribed*	Proportionate [#] ; unless the Employee Reservation Portion is undersubscribed, the value of allocation to an Eligible Employee shall not exceed ₹	Proportionate as follows (excluding the Anchor Investor Portion): (a) Up to [●] Equity Shares shall be	The Equity Shares available for allocation to Bidders in the Non-Institutional Portion shall be subject to the following: (a) One-third of the Non-Institutional Portion	Allotment to each Retail Individual Investor shall not be less than the minimum Bid lot, subject to availability of Equity Shares in the Retail Portion and the

Particulars	Eligible Employees [#]	QIBs ⁽¹⁾	Non-Institutional Investors	Retail Individual Investors
	0.20 million (net of Employee Discount). In the event of undersubscription in the Employee Reservation Portion, the unsubscribed portion may be Allocated, on a proportionate basis, to Eligible Employees for a value exceeding ₹ 0.20 million (net of Employee Discount), subject to total Allotment to an Eligible Employee not exceeding ₹0.50 million (net of Employee Discount).	available for allocation on a proportionate basis to Mutual Funds only; and (b) Up to [●] Equity Shares shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above; and (c) Up to [●] Equity Shares may be allocated on a discretionary basis to Anchor Investors of which one-third shall be available for allocation to domestic Mutual Funds only, subject to valid Bid received from domestic Mutual Funds at or above the Anchor Investor Allocation Price.	shall be available for allocation to Bidders with an application size more than ₹200,000 upto ₹ 1,000,000; and (b) Two-thirds of the Non-Institutional Portion shall be available for allocation to Bidders with an application size of more than ₹ 1,000,000. Provided that the unsubscribed portion in either of these two sub-categories of Non-Institutional Portion may be allocated to the Bidders in the other sub-category of Non-Institutional Portion in accordance with SEBI ICDR Regulations. The allotment to each Non-Institutional Bidder shall not be less than the Minimum NIB Bid Size, subject to availability of Equity Shares in the Non-Institutional Portion and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis, in accordance with SEBI ICDR Regulations.	remaining available Equity Shares, if any, shall be Allotted on a proportionate basis. See “Offer Procedure” on page 432
Minimum Bid	[●] Equity Shares in multiples of [●] Equity Shares thereafter	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount exceeds ₹ 0.20 million	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount exceeds ₹ 0.20 million	[●] Equity Shares in multiples of [●] Equity Shares thereafter
Maximum Bid	Such number of Equity Shares in multiples of [●] Equity Shares, so that the maximum Bid Amount by each Eligible Employee in Eligible Employee Portion does not exceed ₹ 0.50 million (net of Employee Discount)	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid does not exceed the net Offer size (excluding the Anchor Portion), subject to applicable limits	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid does not exceed the net Offer size (excluding the QIB Portion), subject to applicable limits	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹ 0.20 million
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter.			
Mode of Allotment	Compulsorily in dematerialised form.			
Allotment Lot	[●] Equity Shares and in multiples of one Equity Share thereafter for QIBs and RIBs. For NIBs allotment shall not be less than the minimum non-institutional application size.			
Trading Lot	One Equity Share			
Who can apply ⁽³⁾⁽⁵⁾	Eligible Employees (such that the Bid Amount does not exceed ₹ 0.50 million) (net of Employee Discount, if any)	Public financial institutions (as specified in Section 2(72) of the Companies Act), scheduled commercial	Resident Indian individuals, Eligible NRIs, HUFs (in the name of the karta), companies, corporate bodies, scientific institutions societies and	Resident Indian individuals, Eligible NRIs and HUFs (in the name of the karta) applying for Equity Shares such that the Bid

Particulars	Eligible Employees [#]	QIBs ⁽¹⁾	Non-Institutional Investors	Retail Individual Investors
		banks, Mutual Funds, eligible FPIs, VCFs, AIFs, FVCIs registered with SEBI, multilateral and bilateral development financial institutions, state industrial development corporation, insurance companies registered with IRDAI, provident funds (subject to applicable law) with minimum corpus of ₹250 million, pension funds with minimum corpus of ₹250 million and registered with the Pension Fund Regulatory and Development Authority established under Section 3(1) of the Pension Fund Regulatory and Development Authority Act, 2013, National Investment Fund set up by the Government of India, the insurance funds set up and managed by army, navy or air force of the Union of India, insurance funds set up and managed by the Department of Posts, India and Systemically Important Non-Banking Financial Companies, in accordance with applicable laws including FEMA Rules.	trusts and any individuals, corporate bodies and family offices which are recategorized as category II FPIs and registered with SEBI.	amount does not exceed ₹0.20 million in value.
Terms of Payment	In case of Anchor Investors: Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids⁽⁴⁾ In case of all other Bidders: Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder or by the Sponsor Bank through the UPI Mechanism, where made available, that is specified in the ASBA Form at the time of submission of the ASBA Form.			
Mode of Bidding [^]	Through ASBA process only (including the UPI Mechanism)	Through ASBA process only (except Anchor Investors) (excluding the UPI Mechanism)	Through ASBA process only (including the UPI Mechanism for Bids up to ₹ 0.50 million)	Through ASBA process only (including the UPI Mechanism)

^{*}Assuming full subscription in the Offer

[#]Eligible Employees Bidding in the Employee Reservation Portion can Bid up to a Bid Amount of ₹ 0.20 million (net of Employee Discount). However, a Bid by an Eligible Employee in the Employee Reservation Portion will be considered for allocation, in the first instance, for a Bid Amount of up to ₹ 0.20 million. In the event of under-subscription in the Employee Reservation Portion the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹ 0.20 million (net of Employee

Discount), subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹ 0.50 million (net of Employee Discount). Further, an Eligible Employee Bidding in the Employee Reservation Portion can also Bid in the Net Offer and such Bids will not be treated as multiple Bids subject to applicable limits. Eligible Employee can also apply under Retail Portion. However, Bids by Eligible Employees in the Employee Reservation Portion and in the Non-Institutional Portion shall be treated as multiple Bids, only if Eligible Employee has made an application of more than ₹0.2 million (net of Employee Discount) in the Employee reservation portion. Furthermore, an Eligible Employee Bidding in the Employee Reservation Portion shall be added back to the Net Offer. In case of under-subscription in the Net Offer, spill-over to the extent of such under-subscription shall be permitted from the Employee Reservation Portion.

[^] SEBI vide its circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, has mandated that ASBA applications in Public Issues shall be processed only after the application monies are blocked in the bank accounts of the investors. Accordingly, Stock Exchanges shall, for all categories of investors viz. QIBs, NIIs and RIIs and also for all modes through which the applications are processed, accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked.

- (1) Our Company may, in consultation with the BRLMs, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription or non-Allotment in the Anchor Investor Portion, the balance Equity Shares in the Anchor Investor Portion shall be added to the QIB Portion. For further details, see “Offer Procedure” on page 432.
- (2) Subject to valid Bids being received at or above the Offer Price. The Offer is being made in terms of Rule 19(2)(b) of the SCRR read with Regulation 6(1) of the SEBI ICDR Regulations.
- (3) In the event that a Bid is submitted in joint names, the relevant Bidders should ensure that the depository account is also held in the same joint names and the names are in the same sequence in which they appear in the Bid cum Application Form. The Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such First Bidder would be required in the Bid cum Application Form and such First Bidder would be deemed to have signed on behalf of the joint holders. Our Company reserves the right to reject, in its absolute discretion, all or any multiple Bids in any or all categories.
- (4) Anchor Investors shall pay the entire Bid Amount at the time of submission of the Anchor Investor Bid, provided that any positive difference between the Anchor Investor Allocation Price and the Offer Price, shall be payable by the Anchor Investor Pay-in Date as mentioned in the CAN.
- (5) Bids by FPIs with certain structures as described under “Offer Procedure - Bids by FPIs” on page 441 and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares Allocated and Allotted to such successful Bidders (with same PAN) may be proportionately distributed.
- (6) Any unsubscribed portion under the Non-Institutional Investors category reserved for (i) Bidders with Bids between ₹ 0.20 million up to ₹ 1.00 million; and (ii) Bidders with Bids exceeding ₹ 1.00 million, may be allocated to Bidders in either sub-category of Non-Institutional Investors.

Note: Bidders will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholders, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.

Eligible Employees bidding in the Employee Reservation Portion at a price within the Price Band can make payment based on Bid Amount net of Employee Discount, at the time of making a Bid. Eligible Employees bidding in the Employee Reservation Portion at the Cut-Off Price have to ensure payment at the Cap Price, less Employee Discount, if any, at the time of making a Bid.

Subject to valid Bids being received at or above the Offer Price, undersubscription, if any, in any category except the QIB Portion, would be met with spill-over from the other categories or a combination of categories as applicable, on a proportionate basis at the discretion of our Company in consultation with the BRLMs, and the Designated Stock Exchange, subject to applicable law. For further details, see “Terms of the Offer” on page 421.

OFFER PROCEDURE

*All Bidders should read the General Information Document for Investing in Public Offers prepared and issued in accordance with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars (the “**General Information Document**”) which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations which is part of the Abridged Prospectus accompanying the Bid cum Application Form. The General Information Document is available on the website of BSE, the BRLMs and M-BRLM. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer, especially in relation to the process for Bids by UPI Bidders through the UPI Mechanism. The investors should note that the details and process provided in the General Information Document should be read along with this section.*

*Bidders may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Offer; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders; (v) issuance of Confirmation of Allocation Note (“**CAN**”) and Allotment in the Offer; (vi) general instructions (limited to instructions for completing the Bid cum Application Form); (vii) designated date; (viii) disposal of applications and electronic registration of bids; (ix) submission of Bid cum Application Form; (x) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (xi) applicable provisions of Companies Act relating to punishment for fictitious applications; (xii) mode of making refunds; and (xiii) interest in case of delay in Allotment or refund.*

*SEBI vide its circular no. SEBI/HO/CFD/CFD-TPD-1/P/CIR/2024/5 dated May 24, 2024 (“**AV Circular**”) has introduced the disclosure of audiovisual presentation of disclosures made in Offer Documents. Pursuant to the AV Circular, investors are advised not to rely on any other document, content or information provided in respect to the public issue on the internet/online websites/social media platforms/micro-blogging platforms by influencers.*

*SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, introduced an alternate payment mechanism using Unified Payments Interface (“**UPI**”) and the consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for UPI Bidders applying through Designated Intermediaries was made effective along with the timeline of T+6 days. (“**UPI Phase I**”). The UPI Phase I was effective till June 30, 2019.*

*With effect from July 1, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Bids by RIBs through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Bids with the existing timeline of T+6 days was mandated for a period of three months or launch of five main board public issues, whichever is later (“**UPI Phase II**”). Subsequently, however, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II till further notice. Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual bidders in initial public offerings whose application size are up to ₹0.50 million shall use the UPI Mechanism. Individual investors bidding under the Non-Institutional Portion bidding for more than ₹0.20 million and up to ₹0.50 million, using the UPI Mechanism, shall provide their UPI ID in the Bid cum-Application Form for Bidding through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.*

*The final reduced timeline of T+3 days for the UPI Mechanism for applications by UPI Bidders (“**UPI Phase III**”) and modalities of the implementation of UPI Phase III was notified by SEBI vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 and made effective on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023. The Offer will be undertaken pursuant to the processes and procedures under UPI Phase III on a mandatory basis, subject to any circulars, clarification or notification issued by the SEBI from time to time.*

SEBI vide the SEBI ICDR Master Circular has prescribed certain additional measures for streamlining the process of initial public issues and redressing investor grievances. The SEBI RTA Master Circular has

consolidated the aforementioned circulars (excluding SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023) and rescinded these circulars to the extent relevant for the RTAs. Pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, applications made using the ASBA facility in initial public offerings shall be processed only after application monies are blocked in the bank accounts of investors (all categories). In terms of Regulation 23(5) and Regulation 52 of SEBI ICDR Regulations, the timelines and processes mentioned in the SEBI ICDR Master Circular and the SEBI RTA Master Circular shall continue to form part of the agreements being signed between the intermediaries involved in the public issuance process and lead managers shall continue to coordinate with intermediaries involved in the said process. Further, Bidders shall be entitled to compensation in the manner specified in the SEBI ICDR Master Circular, in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated in accordance with applicable law. The BRLMs and M-BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

In terms of Regulation 23(5) and Regulation 52 of SEBI ICDR Regulations, the timelines and processes mentioned in the SEBI ICDR Master Circular shall continue to form part of the agreements being signed between the intermediaries involved in the public issuance process and lead managers shall continue to coordinate with intermediaries involved in the said process.

Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in this Red Herring Prospectus and the Prospectus.

The BRLMs and M-BRLM shall be the nodal entity for any issues arising out of public issuance process.

Pursuant to circular no. NSDL/CIR/II/28/2023 dated August 8, 2023 issued by NSDL and circular no. CDSL/OPS/RTA/POLCY/2023/161 dated August 8, 2023 issued by CDSL, our Company may request the Depositories to suspend/ freeze the ISIN in depository system till listing/ trading effective date. Pursuant to the aforementioned circulars, our Company has request the Depositories to suspend/ freeze the ISIN in depository system from or around the date of this Red Herring Prospectus till the listing and commencement of trading of our Equity Shares. The shareholders who intend to transfer the pre-Offer shares may request our Company and/ or the Registrar for facilitating transfer of shares under suspended/ frozen ISIN by submitting requisite documents to our Company and/ or the Registrar. Our Company and/ or the Registrar would then send the requisite documents along with applicable stamp duty and corporate action charges to the respective depository to execute the transfer of shares under suspended ISIN through corporate action. The transfer request shall be accepted by the Depositories from our Company till one day prior to Bid/ Offer Opening Date.

Book Building Process

The Offer is being made in terms of Rule 19(2)(b) of the SCRR read with Regulation 31 of the SEBI ICDR Regulations, through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations wherein not more than 50% of the Net Offer shall be available for allocation to QIBs on a proportionate basis, provided that our Company in consultation with the BRLMs may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from them at or above the Anchor Investor Allocation Price. Further, in the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion. 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Investors in accordance with the SEBI ICDR Regulations, out of which (a) one third of such portion shall be reserved for applicants with application size of more than ₹200,000 and up to ₹1,000,000; and (b) two-third of such portion shall be reserved for applicants with application size of more than ₹1,000,000, provided that the unsubscribed portion in either of such sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Bidders; and not less than 35% of the Net Offer shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. Further, one third of the portion available to Non-Institutional Investors shall be reserved for applicants with application size of more than

₹ 0.20 million up to ₹ 1.00 million, and two third of the portion available to Non-Institutional Investors shall be reserved for applicants with application size of more than ₹ 1.00 million rupees, in accordance with the SEBI ICDR Regulations.

Furthermore, up to 85,000 Equity Shares of face value of ₹ 2 each, aggregating to ₹ [●] million shall be made available for allocation on a proportionate basis only to Eligible Employees Bidding in the Employee Reservation Portion, subject to valid Bids being received at or above the Offer Price, if any. The Employee Reservation Portion shall not exceed 5% of our post - Offer paid-up equity share capital subject to valid Bids being received at or above the Offer Price, net of Employee Discount.

Under-subscription, if any, in any category including Employee Reservation Portion, except in the QIB Portion, would be allowed to be met with spill over from any other category or combination of categories, at the discretion of our Company in consultation with the BRLMs, and the BSE subject to applicable laws and receipt of valid Bids at or above the Offer Price. Under-subscription, if any, in the QIB Portion, would not be allowed to be met with spill-over from any other category or a combination of categories. Further, in the event of an under-subscription in the Employee Reservation Portion, such unsubscribed portion may be Allotted on a proportionate basis to Eligible Employees Bidding in the Employee Reservation Portion, for a value in excess of ₹ 0.20 million (net of Employee Discount) subject to the total Allotment to an Eligible Employee not exceeding ₹ 0.50 million (net of Employee Discount). The unsubscribed portion, if any, in the Employee Reservation Portion shall be added to the Net Offer.

The Equity Shares, on Allotment, shall be traded only in the dematerialised segment of the BSE.

Bidders should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms, which do not have the details of the Bidders' depository account, including DP ID, Client ID, UPI ID (in case of UPI Bidders using the UPI Mechanism, where made available) and PAN, shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form.

However, they may get the Equity Shares rematerialized subsequent to Allotment of the Equity Shares in the Offer, subject to applicable laws.

Phased implementation of UPI as per the UPI Circulars

SEBI has issued the UPI Circulars in relation to streamlining the process of public issue of *inter alia* equity shares and convertibles by introducing an alternate payment mechanism using UPI. Pursuant to the relevant UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by UPI Bidder through Designated Intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circulars have introduced and implemented the UPI Mechanism in three phases in the following manner:

Phase I: This phase was applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever was later. Subsequently, the timeline for implementation of Phase I was extended until June 30, 2019. Under this phase, an RIB had the option to submit the ASBA Form with any of the Designated Intermediary and use his/her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.

Phase II: This phase was applicable from July 1, 2019 and was to initially continue for a period of three months or floating of five main board public issues, whichever is later. SEBI pursuant to its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, had decided to extend the timeline for implementation of UPI Phase II until March 31, 2020. Subsequently, SEBI pursuant to its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II till further notice. Under this phase, submission of the ASBA Form by RIBs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds was discontinued and replaced by the UPI Mechanism. However, the time duration from public issue closure to listing continued to be six Working Days during this phase.

Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual bidders in initial public offerings whose application size are up to ₹0.50 million shall use the UPI

Mechanism. Individual investors bidding under the Non-Institutional Portion bidding for more than ₹0.20 million and up to ₹0.50 million, using the UPI Mechanism, shall provide their UPI ID in the Bid cum-Application Form for Bidding through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers

Phase III: This phase became applicable on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023, vide SEBI circular bearing number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 (“**T+3 Notification**”). In this phase, the time duration from public issue closure to listing has been reduced to three Working Days. The SEBI ICDR Master Circular, has consolidated and rescinded the aforementioned circulars, including the T+3 Notification, to the extent they relate to the SEBI ICDR Regulations. The Offer shall be undertaken pursuant to the processes and procedures as notified in the SEBI ICDR Master Circular as applicable, subject to any circulars, clarification or notification issued by the SEBI from time to time, including any circular, clarification or notification which may be issued by the SEBI.

Pursuant to the UPI Circulars, SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Circulars include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked no later than one Working Day from the date on which the Basis of Allotment is finalised. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law. Additionally, if there is any delay in the redressal of investors’ complaints, the relevant SCSB as well as the post – Offer BRLM will be required to compensate the concerned investor.

Our Company will be required to appoint one or more of the SCSBs as a Sponsor Bank(s) to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the UPI Bidders.

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the SCSBs only after such banks provide a written confirmation, in compliance with the SEBI RTA Master Circular and SEBI ICDR Master Circular, in a format as prescribed by SEBI, from time to time, and such payment of processing fees to the SCSBs shall be made in compliance with circulars prescribed by SEBI and applicable law.

For further details, refer to the General Information Document available on the websites of BSE, the BRLMs and M- BRLM.

NPCI through its circular (NPCI/UPI/OC No. 127/ 2021-22) dated December 9, 2021, *inter alia*, has enhanced the per transaction limit from ₹ 0.20 million to ₹ 0.50 million for applications using UPI in initial public offerings.

Bid cum Application Form

Copies of the Bid cum Application Form (other than for Anchor Investors) and the Abridged Prospectus will be available with the Designated Intermediaries at relevant Bidding Centres and at our Registered Office. An electronic copy of the ASBA Form will also be available for download on the websites of National Stock Exchange of India Limited (www.nseindia.com) and BSE (www.bseindia.com) at least one day prior to the Bid/Offer Opening Date.

For Anchor Investors, the Bid cum Application Forms will be available at the offices of the BRLMs and M-BRLM.

Bidders (other than Anchor Investors) must compulsorily use the ASBA process to participate in the Offer. UPI Bidders are mandatorily required to use the UPI Mechanism for submitted their bids to Designated Intermediaries and are allowed to use ASBA process by way of ASBA Forms to submit their bids directly to SCSBs. Anchor Investors are not permitted to participate in this Offer through the ASBA process.

Bidders (other than Anchor Investors and UPI Bidders) must provide bank account details and authorisation by the ASBA account holder to block funds in their respective ASBA Accounts in the relevant space provided in the Bid cum Application Form and the Bid cum Application Form that does not contain such details are liable to be rejected.

Investors must ensure that their PAN is linked with Aadhaar and are in compliance with Central Board of Direct Taxes notification dated February 13, 2020, and press releases dated June 25, 2021, and September 17, 2021, CBDT circular no.7 of 2022, dated March 30, 2022 and March 28, 2023, and any subsequent press releases in this regard

Further, ASBA Bidders shall ensure that the Bids are submitted at the Bidding Centres only on ASBA Forms bearing the stamp of a Designated Intermediary (except in case of electronic Bid cum Application Forms) and ASBA Forms not bearing such specified stamp maybe liable for rejection. Bidders using the ASBA process to participate in the Offer must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked therein. In order to ensure timely information to investors SCSBs are required to send SMS alerts to investors intimating them about the Bid Amounts blocked / unblocked.

Since the Offer is made under Phase III (on a mandatory basis), ASBA Bidders may submit the ASBA Form in the manner below:

- (i) RIBs (other than RIBs using UPI Mechanism) may submit their ASBA Forms with SCSBs (physically or online, as applicable), or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.
- (ii) UPI Bidders may submit their ASBA Forms with the Syndicate, Sub-Syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts) provided by certain brokers.
- (iii) QIBs and NIBs not using the UPI Mechanism may submit their ASBA Forms with SCSBs, Syndicate, Sub-Syndicate members, Registered Brokers, RTAs or CDPs.

ASBA Bidders are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid Amount which can be blocked by the SCSB or the Sponsor Bank(s), as applicable, at the time of submitting the Bid. In order to ensure timely information to investors, SCSBs are required to send SMS alerts to investors intimating them about Bid Amounts blocked / unblocked, including details as prescribed in Annexure XVII of the SEBI ICDR Master Circular.

All the ASBA applications in Public Issues shall be processed only after the application monies are blocked in the investor's bank accounts. Stock Exchanges shall accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked. The circular is applicable for all categories of investors viz. Retail Individual Bidders, QIB and NIB and also for all modes through which the applications are processed.

UPI Bidders must provide the UPI ID in the relevant space provided in the Bid cum Application Form.

The prescribed colour of the Bid cum Application Forms for various categories is as follows:

Category	Colour of Bid cum Application Form*
Resident Indians including resident QIBs, Non-Institutional Investors, Retail Individual Investors and Eligible NRIs applying on a non-repatriation basis	White
Non-Residents including FPIs, Eligible NRIs applying on a repatriation basis, FVCIs and registered bilateral and multilateral institutions	Blue
Anchor Investors	White
Eligible Employees Bidding in the Employee Reservation Portion	Pink

* Excluding electronic Bid cum Application Forms

Notes:

(1) Electronic Bid cum Application forms will also be available for download on the website of NSE (www.nseindia.com) and BSE (www.bseindia.com).

(2) Bid cum Application Forms for Anchor Investors will be made available at the offices of the BRLMs and M- BRLM.

In case of ASBA Forms, the relevant Designated Intermediaries shall upload the relevant Bid details in the electronic bidding system of the Stock Exchanges. Designated Intermediaries (other than SCSBs) shall submit / deliver the ASBA Forms (except Bid cum Application Forms submitted by UPI Bidders) to the respective SCSB, where the Bidder has a bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Banks. For UPI Bidders, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank(s) on a continuous basis to enable the Sponsor Bank(s) to initiate a UPI Mandate Request to such UPI

Bidders for blocking of funds. The Sponsor Bank(s) shall initiate request for blocking of funds through NPCI to UPI Bidders, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. The NPCI shall maintain an audit trail for every Bid entered in the Stock Exchanges bidding platform, and the liability to compensate UPI Bidders in case of failed transactions shall be with the concerned entity (i.e., the Sponsor Bank(s), NPCI or the issuer bank) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions / investor complaints to the Sponsor Bank(s) and the issuer bank. The Sponsor Bank(s) and the Bankers to the Offer shall provide the audit trail to the BRLMs for analysing the same and fixing liability. For ensuring timely information to investors, SCSBs shall send SMS alerts as specified in SEBI ICDR Master Circular.

For all pending UPI Mandate Requests, the Sponsor Bank shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 5:00 pm on the Bid/Issue Closing Date (“**Cut-Off Time**”). Accordingly, UPI Bidders should accept UPI Mandate Requests for blocking of funds prior to the Cut-Off Time and all pending UPI Mandate Requests at the Cut-Off Time shall lapse.

The Sponsor Bank(s) will undertake a reconciliation of Bid responses received from Stock Exchanges and sent to NPCI and will also ensure that all the responses received from NPCI are sent to the Stock Exchanges platform with detailed error code and description, if any. Further, the Sponsor Bank(s) will undertake reconciliation of all Bid requests and responses throughout their lifecycle on daily basis and share reports with the BRLMs in the format and within the timelines as specified under the UPI Circulars. Sponsor Bank(s) and issuer banks shall download UPI settlement files and raw data files from the NPCI portal after every settlement cycle and do a three way reconciliation with Banks UPI switch data, CBS data and UPI raw data. NPCI is to coordinate with issuer banks and Sponsor Bank(s) on a continuous basis.

The Sponsor Bank(s) shall host a web portal for intermediaries (closed user group) from the date of Bid / Offer Opening Date till the date of listing of the Equity Shares with details of statistics of mandate blocks / unblocks, performance of apps and UPI handles, down-time / network latency (if any) across intermediaries and any such processes having an impact / bearing on the Offer Bidding process.

Pursuant to NSE circular dated August 3, 2022 with reference no. 25/2022, the following is applicable to all initial public offers opening on or after September 1, 2022:

- (a) Cut-off time for acceptance of UPI mandate shall be up to 5:00 p.m. on the initial public offer closure date and existing process of UPI bid entry by syndicate members, registrars to the offer and Depository Participants shall continue till further notice;
- (b) There shall be no T+1 mismatch modification session for PAN-DP mismatch and bank/ location code on T+1 day for already uploaded bids. The dedicated window provided for mismatch modification on T+1 day shall be discontinued;
- (c) Bid entry and modification/ cancellation (if any) shall be allowed in parallel to the regular bidding period up to 4.00 p.m. for QIBs and Non-Institutional Bidders categories and up to 5.00 p.m. for Retail Individual categories on the initial public offer closure day; and
- (d) QIBs and Non-Institutional Bidders can neither revise their bids downwards nor cancel/withdraw their bids;
- (e) The Stock Exchanges shall display Offer demand details on its website and for UPI bids the demand shall include/consider UPI bids only with latest status as RC 100—black request accepted by Investor/ client, based on responses/status received from the Sponsor Bank(s).

Electronic registration of Bids

- (a) The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the issue.
- (b) On the Bid/Offer Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchanges and as disclosed in this Red Herring Prospectus.

- (c) Only Bids that are uploaded on the Stock Exchanges platform are considered for allocation/Allotment. The Designated Intermediaries are given till 5:00 pm on the Bid/Offer Closing Date to modify select fields uploaded on the Stock Exchange Platform during the Bid/Offer Period after which the Stock Exchange(s) send the bid information to the Registrar to the Issue for further processing.
- (d) QIBs and Non-Institutional Bidders can neither revise their Bids downwards nor cancel/withdraw their Bids.

Compliance with the SEBI D&P Regulations

For more details, see “*Terms of the Offer-Compliance with the SEBI D&P Regulations*” on page 422.

Participation by the associates and affiliates of the BRLMs, M- BRLM, and the Syndicate Members and the persons related to BRLMs, M- BRLM and the Syndicate Members.

The BRLMs, M- BRLM and the Syndicate Members shall not be allowed to purchase the Equity Shares in any manner, except towards fulfilling their underwriting obligations. However, the respective associates and affiliates of the BRLMs, M- BRLM and the Syndicate Members may purchase Equity Shares in the Offer, either in the QIB Portion or in the Non-Institutional Portion as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients. All categories of investors, including respective associates or affiliates of the BRLMs, M- BRLM and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Except as stated below, neither the BRLMs and M-BRLM nor any associate of the BRLMs and M-BRLM can apply in the Offer under the Anchor Investor Portion:

- (i) mutual funds sponsored by entities which are associates of the BRLMs and M-BRLM;
- (ii) insurance companies promoted by entities which are associates of the BRLMs and M-BRLM;
- (iii) AIFs sponsored by the entities which are associates of the BRLMs and M-BRLM;
- (iv) FPIs other than individuals, corporate bodies and family offices which are associates of the BRLMs and M-BRLM; or
- (v) Pension funds, with minimum corpus of ₹250 million and registered with the Pension Fund Regulatory and Development Authority established under Section 3(1) of the Pension Fund Regulatory and Development Authority Act, 2013, and sponsored by entities which are associates of the BRLMs and M-BRLM.

Further, an Anchor Investor shall be deemed to be an “associate of the BRLM” or an “associate of M- BRLM” if: (i) either of them controls, directly or indirectly through its subsidiary or holding company, not less than 15% of the voting rights in the other; or (ii) either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other; or (iii) there is a common director, excluding nominee director, amongst the Anchor Investors, the BRLMs and M- BRLM.

Bids by Mutual Funds

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, the Company in consultation with BRLMs, reserve the right to reject any Bid without assigning any reason thereof. Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid may be made in respect of each scheme of a Mutual Fund registered with the SEBI and such Bids in respect of more than one scheme of a Mutual Fund will not be treated as multiple Bids, provided that such Bids clearly indicate the scheme for which the Bid is submitted.

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case

of index funds or sector or industry specific scheme. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

Bids by Anchor Investors

In accordance with the SEBI ICDR Regulations, in addition to details and conditions mentioned in this section the key terms for participation by Anchor Investors are provided below.

- (i) Anchor Investor Application Forms will be made available for the Anchor Investor Portion at the offices of the BRLMs and M- BRLM.
- (ii) The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount exceeds ₹100 million. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of ₹100 million.
- (iii) One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.
- (iv) Bidding for Anchor Investors will open one Working Day before the Bid/Offer Opening Date, i.e., the Anchor Investor Bidding Date and will be completed on the same day.
- (v) Our Company in consultation with the BRLMs may finalise allocation to the Anchor Investors on a discretionary basis, provided that the minimum number of Allottees in the Anchor Investor Portion will not be less than:
 - (a) maximum of two Anchor Investors, where allocation under the Anchor Investor Portion is up to ₹100 million;
 - (b) minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹100 million but up to ₹2,500 million, subject to a minimum Allotment of ₹50 million per Anchor Investor; and
 - (c) in case of allocation above ₹2,500 million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹2,500 million, and an additional 10 Anchor Investors for every additional ₹2,500 million, subject to minimum Allotment of ₹50 million per Anchor Investor.
- (vi) Allocation to Anchor Investors will be completed on the Anchor Investor Bidding Date. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made will be made available in the public domain by the BRLMs and M- BRLM before the Bid/Offer Opening Date, through intimation to the Stock Exchange.
- (vii) Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.
- (viii) If the Offer Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Offer Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors on the Anchor Investor Pay-in Date specified in the CAN. If the Offer Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Allocation Price shall still be the Anchor Investor Offer Price.
- (ix) 50% Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked-in for a period of 90 days from the date of Allotment and the remaining 50% shall be locked-in for a period of 30 days from the date of Allotment.
- (x) Neither the BRLMs and M-BRLM nor any associate of the BRLMs or M-BRLM (except Mutual Funds sponsored by entities which are associates of the BRLMs or M-BRLM or insurance companies promoted by entities which are associate of BRLMs or M-BRLM or AIFs sponsored by the entities which are associate of the BRLMs or M-BRLM or FPIs, other than individuals, corporate bodies and family offices which are associate of the BRLMs or M-BRLM or pension funds with minimum corpus of ₹250 million and registered with the Pension Fund Regulatory and Development Authority established under Section 3(1) of the Pension Fund Regulatory and Development Authority Act, 2013, and sponsored by entities which are associates of

the BRLM or M-BRLM) can apply in the Offer under the Anchor Investor Portion. For details, see “*Offer Procedure - Participation by the associates and affiliates of the BRLMs, M- BRLM, and the Syndicate Members and the persons related to BRLMs and M- BRLM and the Syndicate Members-*” on page 438.

- (xi) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.
- (xii) For more information, see the General Information Document.

Bids by Eligible Employees

The Bid must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter so as to ensure that the Bid Amount payable by the Eligible Employee does not exceed ₹ 0.50 million (net of Employee Discount). However, the initial allocation to an Eligible Employee in the Employee Reservation Portion shall not exceed ₹ 0.20 million (net of Employee Discount). Allotment in the Employee Reservation Portion will be as detailed in the section “*Offer Structure*” on page 428.

However, Allotments to Eligible Employees in excess of ₹ 0.20 million (net of Employee Discount) shall be considered on a proportionate basis, in the event of undersubscription in the Employee Reservation Portion, subject to the total Allotment to an Eligible Employee not exceeding ₹ 0.50 million (net of Employee Discount). Subsequent undersubscription, if any, in the Employee Reservation Portion shall be added back to the Net Offer. Eligible Employees Bidding in the Employee Reservation Portion may Bid at the Cut-off Price.

Bids under the Employee Reservation Portion by Eligible Employees shall be:

- Made only in the prescribed Bid cum Application Form or Revision Form (i.e. Pink form).
- Only Eligible Employees (excluding such other persons not eligible under applicable laws, rules, regulations and guidelines) would be eligible to apply in this Offer under the Employee Reservation Portion.
- In case of joint bids, the sole/ First Bidder shall be the Eligible Employee.
- Bids by Eligible Employees may be made at Cut-off Price.
- Only those Bids, which are received at or above the Offer Price would be considered for allocation under this portion.
- The Bids must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter so as to ensure that the Bid Amount payable by the Eligible Employee subject to a maximum Bid Amount of ₹ 0.50 million (net of Employee Discount) on a net basis.
- Eligible Employees Bidding in the Employee Reservation Portion can Bid through the UPI mechanism.
- If the aggregate demand in this portion is less than or equal to [●] Equity Shares at or above the Offer Price, full allocation shall be made to the Eligible Employees to the extent of their demand.
- An Eligible Employee Bidding in the Employee Reservation Portion can also Bid in the Net Offer and such Bids will not be treated as multiple Bids subject to applicable limits. Eligible Employee can also apply under Retail Portion. However, Bids by Eligible Employees in the Employee Reservation Portion and in the Non-Institutional Portion shall be treated as multiple Bids, only if Eligible Employee has made an application of more than ₹0.2 million (net of Employee Discount) in the Employee Reservation Portion. Our Company reserves the right to reject, in its absolute discretion, all or any multiple Bids in any or all categories.
- Eligible Employees should mention their employee number at the relevant place in the Bid cum Application Form or Revision Form. In the event of under-subscription in the Employee Reservation Portion, the unsubscribed portion will be available for allocation and Allotment, proportionately, to all Eligible Employees who have Bid in excess of ₹0.2 million (net of Employee Discount) subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹0.5 million (net of Employee Discount).

In the event of under-subscription in the Employee Reservation Portion, the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹ 0.20 million (net of Employee Discount), subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹ 0.50 million (net of Employee Discount).

If the aggregate demand in this portion is greater than [●] Equity Shares at or above the Offer Price, the allocation shall be made on a proportionate basis. For the method of proportionate basis of Allotment, see “*Offer Procedure*” on page 432.

Bids by Eligible NRIs

Eligible NRIs may obtain copies of Bid cum Application Form from the offices of the Designated Intermediaries. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRIs Bidding on a repatriation basis should authorise their SCSBs or confirm or accept the UPI Mandate Request (in case of UPI Bidders Bidding through the UPI Mechanism) to block their Non-Resident External Accounts (“**NRE Account**”), or Foreign Currency Non-Resident Accounts (“**FCNR Account**”), and Eligible NRIs bidding on a non-repatriation basis should authorise their SCSBs or confirm or accept the UPI Mandate Request (in case of UPI Bidders Bidding through the UPI Mechanism) to block their Non-Resident Ordinary (“**NRO**”) accounts for the full Bid amount, at the time of submission of the Bid cum Application Form. Participation of Eligible NRIs in the Offer shall be subject to the FEMA regulations. NRIs applying in the Offer through the UPI Mechanism are advised to enquire with the relevant bank, whether their account is UPI linked, prior to submitting a Bid cum Application Form.

In accordance with the FEMA Non-debt Instrument Rules, the total holding by any individual NRI, on a repatriation basis, shall not exceed 5% of the total paid-up equity capital on a fully diluted basis of an Indian company listed on a recognised stock exchange or shall not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company listed on a recognised stock exchange and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis by an Indian company listed on a recognised stock exchange or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrant of an Indian company listed on a recognised stock exchange. Provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company. By way of Press Note 1 (2021 Series) dated March 19, 2021, issued by the DPIIT, it has been clarified that an investment made by an Indian entity which is owned and controlled by NRIs on a non-repatriation basis, shall not be considered for calculation of indirect foreign investment.

Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents (White in colour). Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents (Blue in colour).

Participation of Eligible NRI(s) in the Offer shall be subject to the FEMA Rules.

Eligible NRI will be permitted to apply in the Offer through Channel I or Channel II (as specified in the SEBI UPI Circulars). Further, subject to applicable law, Eligible NRIs may use Channel IV (as specified in the SEBI UPI Circulars) to apply in the Offer, provided the UPI facility is enabled for their NRE/NRO accounts.

For details of restrictions on investment by NRIs, see “*Restrictions on Foreign Ownership of Indian Securities*” on page 456.

Bids by HUFs

Bids by Hindu Undivided Families or HUFs should be made in the individual name of the karta. The Bidder should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: “Name of sole or First Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the karta”. Bids by HUFs will be considered at par with Bids from individuals.

Bids by FPIs

In terms of applicable FEMA Rules and the SEBI FPI Regulations, investments by FPIs in the Equity Shares is subject to certain limits, *i.e.*, the individual holding of an FPI or an investor group (which means multiple entities registered as foreign portfolio investors and directly or indirectly, having common ownership of more than 50% or common control) must be below 10% of our post-Offer equity share capital on a fully diluted basis and the total holdings of all FPIs put together should not exceed 24% of paid-up equity capital on a fully diluted basis or paid up value of each series of debentures or preference shares or warrants. In case the total holding of an FPI or

investor group increases beyond 10% of the total paid-up equity share capital of our Company, on a fully diluted basis, the total investment made by the FPI or investor group will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements. Further, the total holdings of all FPIs put together, with effect from April 1, 2020, can be up to the sectoral cap applicable to the sector in which our Company operates (*i.e.*, up to 100%). In terms of the FEMA Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company in consultation with BRLMs, reserve the right to reject any Bid without assigning any reason, subject to applicable laws. FPIs who wish to participate in the Offer are advised to use the Bid cum Application Form for Non-Residents (blue in colour).

To ensure compliance with the above requirement, SEBI, pursuant to its circular dated July 13, 2018, has directed that at the time of finalisation of the Basis of Allotment, the Registrar shall (i) use the PAN issued by the Income Tax Department of India for checking compliance for a single FPI; and (ii) obtain validation from Depositories for the FPIs who have invested in the Offer to ensure there is no breach of the investment limit, within the timelines for issue procedure, as prescribed by SEBI from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI is permitted to issue, subscribe to, or otherwise deal in offshore derivative instruments, directly or indirectly, only if it complies with the following conditions:

- (a) such offshore derivative instruments are issued only by persons registered as Category I FPIs;
- (b) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs;
- (c) such offshore derivative instruments are issued after compliance with the 'know your client' norms as specified by SEBI; and
- (d) such other conditions as may be specified by SEBI from time to time.

An FPI is required to ensure that the transfer of an offshore derivative instruments issued by or on behalf of it, is subject to (a) the transfer being made to persons which fulfil the criteria provided under Regulation 21(1) of the SEBI FPI Regulations (as mentioned above from points (a) to (d)); and (b) prior consent of the FPI is obtained for such transfer, except in cases, where the persons to whom the offshore derivative instruments are to be transferred, are pre-approved by the FPI.

Bids by following FPIs, submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs shall not be treated as multiple Bids:

- FPIs which utilise the multi-investment manager structure;
- Offshore derivative instruments which have obtained separate FPI registration for ODI and proprietary derivative investments;
- Sub funds or separate class of investors with segregated portfolio who obtain separate FPI registration;
- FPI registrations granted at investment strategy level/sub fund level where a collective investment scheme or fund has multiple investment strategies/sub-funds with identifiable differences and managed by a single investment manager.
- Multiple branches in different jurisdictions of foreign bank registered as FPIs;
- Government and Government related investors registered as Category 1 FPIs; and
- Entities registered as collective investment scheme having multiple share classes.

The Bids belonging to any of the above mentioned seven structures and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares allotted in the Bid may be proportionately distributed to the applicant FPIs (with same PAN).

In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, are required to provide a confirmation along with each of their Bid cum Application Forms that the relevant FPIs making multiple Bids utilize any of the above-mentioned structures and indicate the name of their respective investment managers in such confirmation. In the absence of such compliance from the relevant FPIs with the operational guidelines for FPIs and designated Depository Participants issued to facilitate implementation of SEBI FPI Regulations, such multiple Bids shall be rejected.

Participation of FPIs in the Offer shall be subject to the FEMA Rules.

The FPIs who wish to participate in the Offer are advised to use the Bid cum Application Form for Non-Resident Indians.

Please note that in terms of the General Information Document, the maximum Bid by any Bidder including QIB Bidder should not exceed the investment limits prescribed for them under applicable laws. Further, Multiple Investment Manager (“MIM”) Bids by an FPI Bidder utilising the MIM Structure shall be aggregated for determining the permissible maximum Bid. Further, please note that as disclosed in this Red Herring Prospectus read with the General Information Document, Bid Cum Application Forms are liable to be rejected in the event that the Bid in the Bid cum Application Form “exceeds the Offer size and/or investment limit or maximum number of the Equity Shares that can be held under applicable laws or regulations or maximum amount permissible under applicable laws or regulations, or under the terms of this Red Herring Prospectus.”

Bids by SEBI registered Alternative Investment Funds, Venture Capital Funds and Foreign Venture Capital Investors

The Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended (the “**SEBI AIF Regulations**”) prescribe, amongst others, the investment restrictions on AIFs. Post the repeal of the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, venture capital funds which have not re-registered as AIFs under the SEBI AIF Regulations shall continue to be regulated by the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 until the existing fund or scheme managed by the fund is wound up and such fund shall not launch any new scheme after the notification of the SEBI AIF Regulations. The SEBI FVCI Regulations prescribe the investment restrictions on FVCIs.

The category I and II AIFs cannot invest more than 25% of their investible funds in one investee company. A category III AIF cannot invest more than 10% of its investible funds in one investee company. A VCF registered as a category I AIF, cannot invest more than one-third of its investible funds, in the aggregate, in certain specified instruments, including by way of subscription to an initial public offering of a venture capital undertaking. An FVCI and VCF can invest only up to 33.33% of its investible funds, in the aggregate, in certain specified instruments, which includes subscription to an initial public offering of a venture capital undertaking or an investee company (as defined under the SEBI AIF Regulations) whose shares are proposed to be listed.

Participation of AIFs, VCFs and FVCIs shall be subject to the FEMA Rules.

Further, the shareholding of VCFs, category I AIFs or category II AIFs and FVCIs holding equity shares of a company prior to an initial public offering being undertaken by such company, shall be exempt from lock-in requirements, provided that such equity shares shall be locked in for a period of at least six months from the date of purchase by the venture capital fund or alternative investment fund or foreign venture capital investor.

There is no reservation for Eligible NRI Bidders, AIFs, FPIs and FVCIs. All Bidders will be treated on the same basis with other categories for the purpose of allocation.

All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

Our Company, the Selling Shareholders, the BRLMs or M- BRLM will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

Bids by limited liability partnerships

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company in consultation with BRLMs, reserve the right to reject any Bid without assigning any reason thereof, subject to applicable laws.

Bids by banking companies

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee is required to be attached to the Bid cum Application Form, failing which our Company in consultation with BRLMs, reserve the right to reject any Bid without assigning any reason thereof, subject to applicable law.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949 (the "**Banking Regulation Act**"), and Master Direction – Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended, is 10% of the paid-up share capital of the investee company or 10% of the bank's own paid-up share capital and reserves, as per the last audited balance sheet or a subsequent balance sheet, whichever is less. Further, the aggregate investment in subsidiaries and other entities engaged in financial and non-financial services company cannot exceed 20% of the banking company's paid-up share capital and reserves. A banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid-up share capital of such investee company if: (a) the investee company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act or the additional acquisition is through restructuring of debt/corporate debt restructuring/strategic debt restructuring, or to protect the bank's interest on loans/investments made to a company, provided that the bank is required to submit a time-bound action plan for disposal of such shares (in this sub-clause (b)) within a specified period to the RBI. A banking company would require a prior approval of the RBI to make investment in excess of 30% of the paid-up share capital of the investee company, investment in a subsidiary and a financial services company that is not a subsidiary (with certain exceptions prescribed), and investment in a non-financial services company in excess of 10% of such investee company's paid-up share capital as stated in the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended.

Bids by SCSBs

SCSBs participating in the Offer are required to comply with the terms of the circulars bearing numbers CIR/CFD/DIL/12/2012 and CIR/CFD/DIL/1/2013 dated September 13, 2012 and January 2, 2013 issued by SEBI. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such Bids.

Bids by insurance companies

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, the Company in consultation with BRLMs, reserve the right to reject any Bid without assigning any reason thereof. The exposure norms for insurers are prescribed under Regulation 9 of the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016 ("**IRDAI Investment Regulations**"), and are based on investments in the equity shares of a company, the entire group of the investee company and the industry sector in which the investee company operates. Bidders are advised to refer to the IRDAI Investment Regulations for specific investment limits applicable to them and shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016, as amended, are broadly set forth below:

- equity shares of a company: the lower of 10%* of the outstanding equity shares (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer or health insurer;

- the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or health insurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- the industry sector in which the investee company operates: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or health insurer or 15% of the investment asset, whichever is lower.

**The above limit of 10% shall stand substituted as 15% of outstanding equity shares (face value) for insurance companies with investment assets of ₹ 2,500,000 million or more and 12% of outstanding equity shares (face value) for insurers with investment assets of ₹ 500,000 million or more but less than ₹2,500,000 million.*

Insurance companies participating in this Offer shall comply with all applicable regulations, guidelines and circulars issued by IRDAI, from time to time, including the IRDAI Investment Regulations for specific investment limits applicable to them.

Bids by Systemically Important Non-Banking Financial Companies

In case of Bids made by NBFC-SI, a certified copy of the certificate of registration issued by the RBI, a certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor(s), must be attached to the Bid-cum Application Form. Failing this, our Company in consultation with BRLMs, reserve the right to reject any Bid, without assigning any reason thereof. NBFC-SI participating in the Offer shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time. In accordance with existing regulations issued by RBI, OCBs cannot participate in this Offer.

Bids under Power of Attorney

In case of Bids made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, eligible FPIs, AIFs, Mutual Funds, insurance companies, NBFC-SI, insurance funds set up by the army, navy or air force of the India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹250 million registered with the Pension Fund Regulatory and Development Authority established under Section 3(1) of the Pension Fund Regulatory and Development Authority Act, 2013 (subject to applicable laws) and pension funds with a minimum corpus of ₹250 million registered with the Pension Fund Regulatory and Development Authority established under Section 3(1) of the Pension Fund Regulatory and Development Authority Act, 2013, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company in consultation with the BRLMs, reserve the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

Our Company in consultation with the BRLMs, in their absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form, subject to such terms and conditions that our Company in consultation with the BRLMs, may deem fit.

Bids by provident funds/pension funds

In case of Bids made by provident funds/pension funds registered with the Pension Fund Regulatory and Development Authority established under Section 3(1) of the Pension Fund Regulatory and Development Authority Act, 2013, subject to applicable laws, with minimum corpus of ₹250 million, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be attached to the Bid cum Application Form. Failing this, our Company in consultation with BRLMs, reserve the right to reject any Bid, without assigning any reason therefor.

The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholders and the Book Running Lead Managers and M- BRLM are not liable for any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held

by them under applicable laws or regulation and as specified in this Red Herring Prospectus, or as will be specified in the Prospectus, when filed.

In accordance with RBI regulations, OCBs cannot participate in the Offer.

Information for Bidders

The relevant Designated Intermediary will enter a maximum of three Bids at different price levels opted in the Bid cum Application Form and such options are not considered as multiple Bids. It is the Bidder's responsibility to obtain the acknowledgment slip from the relevant Designated Intermediary. The registration of the Bid by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated/Allotted. Such Acknowledgement Slip will be non-negotiable and by itself will not create any obligation of any kind. When a Bidder revises his or her Bid, he /she shall surrender the earlier Acknowledgement Slip and may request for a revised acknowledgment slip from the relevant Designated Intermediary as proof of his or her having revised the previous Bid.

In relation to electronic registration of Bids, the permission given by the Stock Exchange(s) to use their network and software of the electronic bidding system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the BRLMs and/or M- BRLM are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of compliance with the statutory and other requirements, nor does it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of the Draft Red Herring Prospectus or this Red Herring Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the BSE.

In the event of an upward revision in the Price Band, RIIs and Eligible Employees Bidding in the Employee Reservation Portion who had Bid at Cut-off Price could either (i) revise their Bid or (ii) shall make additional payment based on the cap of the revised Price Band (such that the total amount i.e., original Bid Amount plus additional payment does not exceed ₹ 0.20 million with respect to RIIs and Eligible Employees if the Bidder wants to continue to Bid at Cut-off Price). The revised Bids must be submitted to the same Designated Intermediary to whom the original Bid was submitted. If the total amount (i.e., the original Bid Amount plus additional payment) exceeds ₹ 0.20 million with respect to RIIs and Eligible Employees, the Bid will be considered for allocation under the Non-Institutional Portion. If, however, the RII and Eligible Employees do not either revise the Bid or make additional payment and the Offer Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for shall be adjusted downwards for the purpose of allocation, such that no additional payment would be required from the RII and Eligible Employee and the RII and Eligible Employee is deemed to have approved such revised bid at Cut-off Price.

In the event of a downward revision in the Price Band, RIIs who have bid at Cut-off Price may revise their Bid; otherwise, the excess amount paid at the time of Bidding would be unblocked after Allotment is finalised.

Any revision of the Bid shall be accompanied by instructions to block the incremental amount, if any, to be paid on account of the upward revision of the Bid.

Pre-Offer Advertisement

Subject to Section 30 of the Companies Act 2013, our Company will, after filing this Red Herring Prospectus with the RoC, publish a pre-Offer advertisement, in the form prescribed by the SEBI ICDR Regulations, in all editions of Financial Express (a widely circulated English national daily newspaper), all editions of Jansatta (a widely circulated Hindi national daily newspaper) and Mumbai edition of Navshakti (a widely circulated Marathi daily newspaper, Marathi being the regional language of Maharashtra, where our Registered Office is located). Our Company shall, in the pre-Offer advertisement state the Bid/Offer Opening Date, the Bid/Offer Closing Date and the QIB Bid/Offer Closing Date, if any. This advertisement, subject to the provisions of Section 30 of the Companies Act 2013, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

Allotment Advertisement

Our Company, the BRLMs, M- BRLM and the Registrar shall publish an allotment advertisement before commencement of trading, disclosing the date of commencement of trading in all editions of Financial Express (a

widely circulated English national daily newspaper), all editions of Jansatta (a widely circulated Hindi national daily newspaper) and Mumbai edition of Navshakti (a widely circulated Marathi daily newspaper, Marathi being the regional language of Maharashtra, where our Registered Office is located).

The allotment advertisement shall be uploaded on the websites of our Company, the BRLMs, M-BRLM and the Registrar to the Offer, before 9:00 p.m. IST, on the date of receipt of the final listing and trading approval from BSE where the Equity Shares are proposed to be listed, provided such final listing and trading approval from BSE is received prior to 9:00 p.m. IST on that day. In an event, if final listing and trading approval from BSE is received post 9:00 p.m. IST on the date of receipt of the final listing and trading approval from BSE where the Equity Shares are proposed to be listed, then the allotment advertisement shall be uploaded on the websites of our Company, the BRLMs, M-BRLM and the Registrar to the Offer, following the receipt of final listing and trading approval from BSE.

The information is given for the benefit of the Bidders/applicants. Bidders/applicants are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the prescribed limits under applicable laws or regulations.

Signing of Underwriting Agreement and filing of Prospectus with the RoC

Our Company and the Selling Shareholders intend to enter into an Underwriting Agreement with the Underwriters on or after the determination of the Offer Price but prior to the filing of Prospectus. After signing the Underwriting Agreement, the Company will file the Prospectus with the RoC in accordance with applicable law. The Prospectus would have details of the Offer Price, Anchor Investor Offer Price, Offer Size and underwriting arrangements and would be complete in all material respects.

General Instructions

Please note that QIBs and Non-Institutional Investors are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Investors Bidding in the Retail Portion and Eligible Employees Bidding in the Employee Reservation Portion can revise or withdraw their Bid(s) until the Bid/ Offer Closing Date. Anchor Investors are not allowed to withdraw or lower the size of their Bids after the Anchor Investor Bidding Date.

Do's:

1. Check if you are eligible to apply as per the terms of this Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;
2. Ensure that you have Bid within the Price Band;
3. Ensure that you have mentioned the correct ASBA Account number (for all Bidders other than UPI Bidders using the UPI Mechanism) in the Bid cum Application Form and such ASBA account belongs to you and no one else. UPI Bidders using the UPI Mechanism must mention their correct UPI ID and shall use only his/her own bank account which is linked to such UPI ID;
4. UPI Bidders using the UPI Mechanism shall ensure that the bank, with which they have their bank account, where the funds equivalent to the application amount are available for blocking is UPI 2.0 certified by NPCI before submitting the ASBA Form to any of the Designated Intermediaries;
5. UPI Bidders shall make Bids only through the SCSBs, mobile applications and UPI handles whose name appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. UPI Bidders shall ensure that the name of the app and the UPI handle which is used for making the application appears in Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/COR/P/2019/85 dated July 26, 2019. An application made using incorrect UPI handle or using a bank account of an SCSB or bank which is not mentioned on the SEBI website is liable to be rejected;
6. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;

7. Ensure that the details about the PAN, DP ID, Client ID and UPI ID (where applicable) are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in dematerialised form only;
8. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre within the prescribed time. UPI Bidders using UPI Mechanism, may submit their ASBA Forms with Syndicate, sub-Syndicate Members, Registered Brokers, RTA or CDP;
9. In case of joint Bids, ensure that First Bidder is the ASBA Account holder (or the UPI-linked bank account holder, as the case may be) and the signature of the First Bidder is included in the Bid cum Application Form;
10. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;
11. The ASBA Bidders (other than 3-in-1 Bids) shall ensure that Bids above ₹ 0.50 million are uploaded only by the SCSBs;
12. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;
13. Bidders should ensure that they receive the Acknowledgment slip or the acknowledgement number duly signed and stamped by a Designated Intermediary, as applicable, for submission of the Bid cum Application Form;
14. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the Bid cum Application Form under the ASBA process to any of the Designated Intermediaries;
15. Ensure that you submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
16. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, and (iii) any other category of Bidders, including without limitation, multilateral/ bilateral institutions, which may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
17. Ensure that the Demographic Details are updated, true and correct in all respects;
18. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
19. Ensure that the category and the investor status is indicated in the Bid cum Application Form to ensure proper upload of your Bid in the electronic Bidding system of the Stock Exchanges;
20. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust etc., relevant documents are submitted;

21. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
22. Bidders (except UPI Bidders using the UPI Mechanism) should instruct their respective banks to release the funds blocked in the ASBA Account under the ASBA process. UPI Bidders using the UPI Mechanism, should ensure that they approve the UPI Mandate Request generated by the Sponsor Bank to authorise blocking of funds equivalent to application amount and subsequent debit of funds in case of Allotment, in a timely manner;
23. Note that in case the DP ID, UPI ID (where applicable), Client ID and the PAN mentioned in their Bid cum Application Form and entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, UPI ID (where applicable), Client ID and PAN available in the Depository database, then such Bids are liable to be rejected;
24. However, Bids received from FPIs bearing the same PAN shall not be treated as multiple Bids in the event such FPIs utilise the MIM Structure and such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs;
25. FPIs making MIM Bids using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected;
26. In case of QIBs and NIIs, ensure that while Bidding through a Designated Intermediary, the ASBA Form is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at <http://www.sebi.gov.in>);
27. Ensure that you have correctly signed the authorization /undertaking box in the Bid cum Application Form, or have otherwise provided an authorization to the SCSB or the Sponsor Bank, as applicable via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid;
28. UPI Bidders using the UPI Mechanism shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorise the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, the UPI Bidders shall be deemed to have verified the attachment containing the application details of the UPI Bidders Bidding using the UPI Mechanism in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Bank to issue a request to block the Bid Amount mentioned in the Bid Cum Application Form in his/her ASBA Account;
29. UPI Bidders using the UPI Mechanism should mention valid UPI ID of only the Bidder (in case of single account) and of the First Bidder (in case of joint account) in the Bid cum Application Form;
30. UPI Bidders using the UPI Mechanism, who have revised their Bids subsequent to making the initial Bid, should also approve the revised UPI Mandate Request generated by the Sponsor Bank to authorise blocking of funds equivalent to the revised Bid Amount in his/her account and subsequent debit of funds in case of allotment in a timely manner;
31. Bids by Eligible NRIs, HUFs and any individuals, corporate bodies and family offices, which are re-categorised as category II FPI and registered with SEBI, for a Bid Amount of less than ₹0.20 million would be considered under the Retail Portion for the purposes of allocation and Bids for a Bid Amount exceeding ₹0.20 million would be considered under the Non-Institutional Portion for allocation in the Offer;
32. Ensure that Anchor Investors submit their Bid cum Application Forms only to the BRLMs and M- BRLM;
33. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank prior to 5:00 p.m. on the Bid/ Offer Closing Date; and

34. Ensure that the Bid cum Application Forms are delivered by the Bidders within the time prescribed as per the Bid cum Application Form and this Red Herring Prospectus. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned on the website of the SEBI, is liable to be rejected.
35. Investors must ensure that their PAN is linked with Aadhaar and are in compliance with Central Board of Direct Taxes notification dated February 13, 2020, and press releases dated June 25, 2021, and September 17, 2021, CBDT circular no.7 of 2022, dated March 30, 2022 and March 28, 2023, and any subsequent press releases in this regard.

Don'ts:

1. Do not Bid for lower than the minimum Bid size;
2. Do not Bid/revise Bid Amount to less than the Floor Price or higher than the Cap Price;
3. Do not Bid for a Bid Amount exceeding ₹ 0.20 million (for Bids by RIIs) and ₹ 0.5 million (net of Employee Discount, if any) for Bids by Eligible Employees Bidding in the Employee Reservation Portion;
4. Do not Bid on another Bid cum Application Form after you have submitted a Bid to a Designated Intermediary;
5. Do not pay the Bid Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;
6. Do not send Bid cum Application Forms by post, instead submit the same to the Designated Intermediary only;
7. Anchor Investors should not Bid through the ASBA process;
8. Do not submit the ASBA Forms to any non-SCSB bank or to our Company or at a location other than the Bidding Centres;
9. Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms;
10. Do not Bid on a physical Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
11. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Investors);
12. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Offer/Offer size and/ or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of this Red Herring Prospectus;
13. Do not submit your Bid after 3.00 pm on the Bid/Offer Closing Date;
14. If you are a QIB, do not submit your Bid after 3.00 p.m. on the QIB Bid/Offer Closing Date;
15. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
16. If you are a UPI Bidder using UPI mechanism, do not submit more than one Bid cum Application Form for each UPI ID;
17. Do not submit the General Index Register (GIR) number instead of the PAN;

18. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID (where applicable) or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Offer;
19. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are available for blocking in the relevant ASBA Account or in the case of UPI Bidders using the UPI Mechanism, in the UPI-linked bank account where funds for making the Bid are available;
20. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Investor. Retail Individual Investors and Eligible Employees Bidding in the Retail Category can revise or withdraw their Bids until the Bid/Offer Closing Date;
21. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Bidder;
22. Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Bids submitted by UPI Bidders using the UPI Mechanism;
23. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
24. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
25. Do not submit more than one Bid cum Application Form per ASBA Account. If you are a UPI Bidder using the UPI Mechanism, do not submit Bids through an SCSB and/or mobile application and/or UPI handle that is not listed on the website of SEBI;
26. Do not submit a Bid using UPI ID, if you are not a UPI Bidder;
27. In case of ASBA Bidders (other than three in one Bids) Syndicate Members shall ensure that they do not upload any bids above ₹0.50 million;
28. Do not Bid for Equity Shares more than specified by respective Stock Exchanges for each category;
29. Do not submit a Bid cum Application Form with third party UPI ID or using a third party bank account (in case of Bids submitted by UPI Bidders using the UPI Mechanism); and
30. Do not Bid if you are an OCB.

For helpline details of the Book Running Lead Managers pursuant to the SEBI ICDR Master Circular, see “*General Information – Book Running Lead Managers and M- BRLM*” on page 119.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

In case of any pre-Offer or post Offer related issues regarding demat credit/refund orders/unblocking etc., investors shall reach out to the Company Secretary and Compliance Officer, and the Registrar. For details of the Company Secretary and Compliance Officer and the Registrar, see “*General Information*” on page 118.

Grounds for technical rejection

In addition to the grounds for rejection of Bids on technical grounds as provided in the GID, Bidders are requested to note that Bids may be rejected on the following additional technical grounds:

1. Bids submitted without instruction to the SCSBs to block the entire Bid Amount;
2. Bids which do not contain details of the Bid Amount and the bank account details in the ASBA Form;
3. Bids submitted on a plain paper;

4. Bids submitted by UPI Bidders using the UPI Mechanism through an SCSBs and/or using a mobile application or UPI handle, not listed on the website of SEBI;
5. Bids under the UPI Mechanism submitted by UPI Bidders using third party bank accounts or using a third party linked bank account UPI ID (subject to availability of information regarding third party account from Sponsor Bank);
6. ASBA Form by the UPI Bidders using third party bank accounts or using third party linked bank account UPI IDs;
7. ASBA Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;
8. Bids submitted without the signature of the First Bidder or sole Bidder;
9. The ASBA Form not being signed by the account holders, if the account holder is different from the Bidder;
10. Bids by persons for whom PAN details have not been verified and whose beneficiary accounts are “suspended for credit” in terms of SEBI circular CIR/MRD/DP/ 22 /2010 dated July 29, 2010;
11. GIR number furnished instead of PAN;
12. Bids by RIIs with Bid Amount of a value of more than ₹0.20 million;
13. Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;
14. Bids accompanied by stock invest, money order, postal order or cash; and
15. Bids uploaded by QIBs after 4.00 pm on the QIB Bid/ Offer Closing Date and by Non-Institutional Investors uploaded after 4.00 p.m. on the Bid/ Offer Closing Date, and Bids by RIIs uploaded after 5.00 p.m. on the Bid/ Offer Closing Date, unless extended by the Stock Exchanges. On the Bid/Offer Closing Date, extension of time may be granted by the Stock Exchanges only for uploading Bids received from Retail Individual Investors, after taking into account the total number of Bids received up to closure of timings for acceptance of Bid-cum-Application Forms as stated herein and as informed to the Stock Exchanges.

Further, in case of any pre-issue or post issue related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out the Company Secretary and Compliance Officer. For details of the Company Secretary and Compliance Officer, see “*General Information*” on page 118.

Names of entities responsible for finalising the Basis of Allotment in a fair and proper manner

The authorised employees of the Designated Stock Exchange, along with the BRLMs and the Registrar, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

Method of allotment as may be prescribed by SEBI from time to time

Our Company will not make any Allotment in excess of the Offer Shares except in case of oversubscription for the purpose of rounding off to make Allotment, in consultation with the Designated Stock Exchange. Further, upon oversubscription, an Allotment of not more than 1% of the offer to public may be made for the purpose of making Allotment in minimum lots.

The Allotment of Equity Shares to Bidders other than to the Retail Individual Investors, Non-Institutional Investors and Anchor Investors shall be on a proportionate basis within the respective investor categories and the number of securities Allotted shall be rounded off to the nearest integer, subject to minimum Allotment being equal to the minimum application size as determined and disclosed. The Allotment of Equity Shares to each Non-Institutional Investor shall not be less than the minimum application size, subject to availability in the Non-

Institutional Portion, and the remainder, if any, shall be allotted on a proportionate basis in accordance with the conditions specified in the SEBI ICDR Regulations.

The Allotment of Equity Shares to each Retail Individual Investor shall not be less than the minimum bid lot, subject to the availability of shares in Retail Individual Investor category, and the remaining available shares, if any, shall be allotted on a proportionate basis.

Payment into Escrow Account(s) for Anchor Investors

Our Company in consultation with the BRLMs, in their absolute discretion, will decide the list of Anchor Investors to whom the Allotment Advice will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. Anchor Investors are not permitted to Bid in the Offer through the ASBA process. Instead, Anchor Investors should transfer the Bid Amount (through direct credit, RTGS, NACH or NEFT) to the Escrow Accounts. The payment instruments for payment into the Escrow Accounts should be drawn in favour of:

- (i) In case of resident Anchor Investors: “National Securities Depository Limited - Anchor R Account”
- (ii) In case of non-resident Anchor Investors: “National Securities Depository Limited - Anchor NR Account”

Anchor Investors should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Selling Shareholders, the Syndicate, the Bankers to the Offer and the Registrar to the Offer to facilitate collections from Anchor Investors.

Depository arrangements

The Allotment of the Equity Shares in the Offer shall be only in a dematerialised form, (*i.e.*, not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode). In this context, tripartite agreements had been signed among our Company, the respective Depositories and the Registrar to the Offer:

- Tripartite Agreement dated May 30, 2023, among our Company (in its capacity of a depository), our Company (in its capacity of the Issuer) and the Registrar to the Offer.
- Tripartite Agreement dated June 5, 2023, among CDSL, our Company and Registrar to the Offer.

Undertakings by our Company

Our Company undertakes the following:

- (i) our Company shall ensure compliance with all disclosure and accounting norms as may be specified by SEBI from time to time;
- (ii) that the complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactorily;
- (iii) that if the Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable law, failing which interest will be due to be paid to the Bidders at the rate prescribed under applicable law for the delayed period;
- (iv) that all steps will be taken for completion of the necessary formalities for listing and commencement of trading at the BSE where the Equity Shares are proposed to be listed within six Working Days of the Bid/Offer Closing Date or such other time as may be prescribed;
- (v) that funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Offer by our Company;
- (vi) where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within the time prescribed under applicable law, giving details

of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;

- (vii) that if our Company does not proceed with the Offer after the Bid/Offer Closing Date but prior to Allotment, the reason thereof shall be given as a public notice within two days of the Bid/Offer Closing Date. The public notice shall be issued in the same newspapers where the pre-Offer advertisements were published. BSE, on which the Equity Shares are proposed to be listed, shall also be informed promptly;
- (viii) that if our Company and/or the Selling Shareholders, in consultation with the BRLMs, withdraw the Offer after the Bid/Offer Closing Date, our Company shall be required to file a fresh draft offer document with SEBI, in the event our Company subsequently decides to proceed with the Offer thereafter;
- (ix) that adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders and Anchor Investor Application Form from Anchor Investors; and
- (x) no further issue of Equity Shares shall be made until the Equity Shares issued or offered through this Red Herring Prospectus are listed or until the Bid monies are refunded/unblocked in the ASBA Accounts on account of non-listing, under-subscription etc.

Undertakings by the Selling Shareholders

Each Selling Shareholder undertakes the following in respect of itself and its respective portion of the Offered Shares:

- (i) that its portion of the Offered Shares are eligible for being offered in the Offer for Sale in terms of Regulation 8 of the SEBI ICDR Regulations and are in dematerialised form;
- (ii) that it is the legal and beneficial owner of, and has clear and marketable title to, its portion of the Offered Shares;
- (iii) it shall extend full co-operation, as required or requested by to the Company and/ or the BRLMs and M-BRLM, in accordance with applicable law, to facilitate the process of listing the Equity Shares on BSE;
- (iv) that it shall not have recourse to the proceeds of the Offer for Sale of its portion of the Offered Shares which shall be held in escrow in its favour, until final listing and trading approvals have been received from BSE;
- (v) that it will provide all assistance required by the Company and the BRLMs and M- BRLM in the redressal of any Offer-related grievances; provided that in any such case requiring a written response in respect of any investor grievance, the prior approval of the relevant Selling Shareholder on such response shall be obtained by the Company; and
- (vi) they shall deposit its respective portion of Offered Shares in an escrow demat account in accordance with the Share Escrow Agreement.

Utilisation of Offer Proceeds

All monies received out of the Offer shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act.

Impersonation

Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

“Any person who:

- (a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or***

- (b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or**
- (c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.”**

The liability prescribed under Section 447 of the Companies Act, 2013 for fraud involving an amount of at least ₹1.00 million or one per cent of the turnover of the company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹1.00 million or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹ 5.00 million or with both.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. The responsibility of granting approval for foreign investment under the Consolidated FDI Policy (defined herein below) and FEMA has been entrusted to the concerned ministries/departments.

Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The RBI and the concerned ministries/departments are responsible for granting approval for foreign investment. The Government has from time to time made policy pronouncements on foreign direct investment (“FDI”) through press notes and press releases. The DPIIT, issued the Consolidated FDI Policy Circular of 2020 (“**FDI Policy**”), which, with effect from October 15, 2020, subsumes and supersedes all press notes, press releases, clarifications, circulars issued by the DPIIT, which were in force as on October 15, 2020. The FDI Policy will be valid until the DPIIT issues an updated circular. As on date, under the FDI Policy, up to 49% foreign investment under the automatic route is currently permitted for our Company.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that: (i) the activities of the investee company are under the automatic route under the foreign direct investment policy and transfer does not attract the provisions of the SEBI Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

On October 17, 2019, Ministry of Finance, Department of Economic Affairs, had notified the FEMA Rules, which had replaced the Foreign Exchange Management (Transfer and Issue of Security by a Person Resident Outside India) Regulations 2017. Foreign investment in this Offer shall be on the basis of the FEMA Rules. Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, will require prior approval of the Government, as prescribed in the Consolidated FDI Policy and the FEMA Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020 issued on December 8, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank or fund in India.

As per the existing policy of the Government of India, OCBs cannot participate in this Offer. For further details, see “*Offer Procedure*” on page 432. Each Bidder should seek independent legal advice about its ability to participate in the Offer. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Bidder shall intimate our Company and the Registrar in writing about such approval along with a copy thereof within the Bid/Offer Period.

The Equity Shares offered in the Offer have not been and will not be registered, listed or otherwise qualified in any jurisdiction except India and may not be offered or sold to persons outside of India except in compliance with the applicable laws of each such jurisdiction. In particular, the Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act or any other applicable law of the United States and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold (i) within the United States solely to persons reasonably believed to be “qualified institutional buyers” (as defined in Rule 144A under the U.S. Securities Act) in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act, and (ii) outside the United States in offshore transactions in compliance with Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales are made.

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

The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholders, the BRLMs and M- BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations, seek independent legal advice about its ability to participate in the Offer and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

SECTION IX - MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

The Articles of Association were adopted by the Board pursuant to a resolution dated February 27, 2023 and by the shareholders at their extra-ordinary general meeting held on March 10, 2023 in substitution for, and to the entire exclusion of, the earlier articles of association of our Company.

Capitalized terms used in this section have the meanings that have been given to such terms in the Articles of Association of the Company. Pursuant to the SEBI ICDR Regulations, the main provisions of the Articles of Association of our Company are detailed below:

Applicability of Table F

Subject to the provisions herein and in so far as the Articles do not modify or exclude them, the regulations contained in Table 'F' of Schedule I of the Companies Act, 2013 shall apply to the Company only so far as they are not inconsistent with any of the provisions contained in the Articles or modification thereof or are not expressly or by implication excluded from the Articles.

Authorised Share Capital

The Authorised Share Capital of the Company shall be of such amount, divided into such class(es), denomination(s) and number of shares in the Company as is stated for the time being in Clause V of Memorandum of Association. The Company shall have the power to increase or reduce the same from time to time in accordance with the Articles and subject to the provisions of the Companies Act and to divide the shares in the capital of the Company for the time being whether original or increased or reduced, into classes with any preferential, deferred, qualified or other rights, privileges, conditions or restrictions attached thereto whether in regard to dividend, voting, return of capital or otherwise in accordance to the Articles for the time being and to vary, modify or abrogate any such rights, privileges, conditions or restrictions in such manner as may be provided by the Companies Act, or as provided by the Articles.

The Board shall observe the restriction as to allotment contained in Sections 39 and 40 and other applicable provisions, if any, of the Companies Act and shall cause to be made the returns as to allotment provided for in Section 39 of the Companies Act.

Restriction on allotment

Subject to the provisions of Section 62 of the Companies Act and the Articles, the shares in the capital of the Company for the time being (including any shares forming part of any increased capital of the Company) shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons in such proportions and on such terms and conditions and either at a premium or at par or at a discount (subject to compliance with the provisions of Sections 52 and 53 of the Companies Act) and at such times as they may from time to time think fit and proper. Provided that option or right to call shares shall not be given to any person except with the sanction of the Company in General Meeting, to give to any person or persons the option or right to call for any shares, either at par or premium during such time and for such consideration as the Board deems fit, and may issue and allot shares on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business. Any shares so allotted may be issued as fully paid-up shares and if so issued, shall be deemed to be fully paid-up shares. As regards all allotments, from time to time made, the Board shall duly comply with Sections 23, 39 and/or 42 of the Companies Act, as the case may be.

Directors may allot shares as fully paid-up or partly paid-up

Subject to the provisions of the Companies Act and the Articles, the Directors may allot and issue shares in the capital of the Company as payment or part payment for any property sold or goods transferred or for any services rendered to the Company in the conduct of its business and any shares which may be so allotted may be issued as fully paid-up or partly paid-up and if so issued, shall be deemed to be fully paid-up shares or partly paid-up shares.

Issue of certificates

Every member shall be entitled without payment to one certificate for all the shares of each class or denomination registered in his name or, if the Directors so approve (upon paying such fee or fees or at the discretion of the

Directors without payment of fees as the Directors may from time to time determine) to several certificates, each for one or more shares of each class. The Company shall complete and have ready for delivery such certificates within such period as prescribed under the Companies Act from time to time after the allotment and the application for the registration of the transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be unless the conditions of issue of the shares otherwise provide. Every certificate of shares shall specify the number and distinctive numbers of shares in respect of which it is issued and the amount paid thereon and shall be in such form as the Directors shall prescribe or approve, in respect of a share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate and delivery of a certificate of shares to one or several joint holders shall be a sufficient delivery to all such holder.

Notwithstanding anything contained herein above, the Board may, in its absolute discretion, refuse applications for sub-division or consolidation of share certificates, Debenture or bond certificates, into denomination of less than marketable lot except when such sub-division or consolidation is required to be made to comply with a statutory provision or on order of a competent court of law.

A certificate may be renewed or a duplicate of a certificate may be issued if such certificate (i) is proved to have been lost or destroyed, or (ii) having been defaced or mutilated or torn, is surrendered to the Company or (iii) has no further space on the back thereof for endorsement of transfer. The manner of issue or renewal of a certificate or issue of a duplicate thereof, the form of a certificate (original or renewed) or of a duplicate thereof, the particulars to be entered in the register of members or in the register of renewed or duplicate certificates, the form of such registers, the fee on payment of which the terms and conditions on which a certificate may be renewed or a duplicate thereof may be issued, shall be such as prescribed by the Companies (Share Capital and Debentures) Rules, 2014 or any other rules in substitution or modification thereof. Every certificate under this Article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding ₹ 20/- for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.

Further issue of capital

The new Shares (resulting from an increase of capital) may, subject to the provisions of the Companies Act and the Articles, be issued or disposed of by the Company in the General Meeting or by the Directors under their powers in accordance with the Articles.

In default of payment shares to be forfeited

If the requisitions of any notice for call or instalment are not complied with, any of the shares in respect of which such notice has been given may at any time thereafter before payment of all calls or instalments, interest and expenses or the money due in respect thereof, be forfeited by resolution of the Directors to that effect. Such forfeiture shall, subject to the provisions of the Companies Act, include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.

Forfeited shares to be property of the Company and may be sold etc

Any share so forfeited shall be deemed to be the property of the Company and may be sold, reallocated or otherwise disposed of either to the original holder thereof or to any other person upon such terms and in such manner as the Directors shall think fit.

Company's lien on shares/ debentures

The Company shall have a first and paramount lien upon all the shares/debentures (other than fully paid-up shares/debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares/debentures and no equitable interest in any share be created except upon the footing and condition that this Article will have full effect and such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures. Unless otherwise agreed the registration of a transfer of shares/debentures shall operate as a waiver of the Company's lien if any, on such shares/debentures.

Transfer and transmission of shares

The Company shall not register a transfer of shares in, or debentures of the Company, unless, in accordance with the provisions of Section 56 of the Companies Act, a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and or on behalf of the transferee and specifying the name, address and occupation, if any, of the transferee has been delivered to the Company along with the certificate relating to the shares or debentures, or if no such certificate is in existence, along with the letter of allotment of the shares or debentures; Provided that where, on an application in writing made to the Company by the transferee and bearing the stamp required for an instrument of transfer, it is proved to the satisfaction of the Board of Directors that the instrument of transfer signed by or on behalf of the transferor and by such terms as to indemnify as the Board may think fit.

The instrument of transfer of any shares shall be in writing in the prescribed form and in accordance with Section 56 of the Companies Act and statutory modification thereof for the time being shall be duly complied with in respect of all transfer of shares and registration thereof.

The transferor shall be deemed to remain the holder of any shares until the name of the transferee is entered into the register of members in respect thereof.

No transfer shall be made to a person who is a minor or of unsound mind. However, subject to the provisions of the Companies Act, the Directors may at their absolute discretion, approve a minor becoming a Member of the Company on such terms as the Directors may stipulate.

The executors or administrators or nominees of a deceased member or holder of a succession certificate or other legal representation in respect of shares of a deceased member where he was a sole or only surviving holder shall be the only person whom the Company may recognise as having any title to the shares registered in the name of such members and the Company shall not be bound to recognise such executors or administrators shall have first obtained probate or letters of administration or such holder is the holder of a succession certificate or other legal representation as the case may be from a court of competent jurisdiction in India. Provided that, in any case where the Directors in their absolute discretion think fit, the Directors may dispense with production of probate or letters of administration or succession certificate upon such terms as to indemnify or otherwise as the Directors in their absolute discretion think necessary and register the name of any person who claims to be absolutely entitled to the share standing in the name of a deceased member as a member.

Any person becoming entitled to any shares in consequence of the death, lunacy, bankruptcy or insolvency of any member or by any lawful means, other than by a transfer in accordance with the Articles, may, with the consent of the Directors (which they shall not be under any obligation to give) upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of his title, as the Directors shall require either be registered as a member in respect of such shares or may, subject to the regulations as to transfer in the Articles contained transfer such shares to some other persons.

No fees shall be payable to the Company in respect of registration of transfer, transmission of any Shares in the Company, or for registration of probate, succession certificate and letters of administration, certificate of death or marriage, or similar other document.

A Member shall be at liberty to transfer a share.

Borrowing powers

Subject to the provisions of Sections 73, 179 and 180 of the Companies Act and the regulations made thereunder, the Board may, from time to time, by a resolution passed at a meeting of the Board accept deposits or borrow moneys from members or from public and may raise and secure the payment of such sum or sums in such manner and upon such terms and conditions in all respects as it thinks fit.

Consolidation, division, sub-division and cancellation of shares

Subject to the provisions of Section 61 of the Companies Act, the Company may alter the conditions of its Memorandum of Association so as to:

- (a) Consolidate and divide all or any of its shares into shares of larger amount than its existing shares.

- (b) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination.
- (c) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum.
- (d) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

General Meetings

The Company shall in each year, in addition to any other meetings, hold a general meeting as its “Annual General Meeting” at the intervals and in accordance with the provisions specified in the Articles. Not more than fifteen Months shall elapse between the date of one Annual General Meeting and that of the next. Every member of the Company shall be entitled to attend the general meeting either in person or by proxy and the auditor of the Company shall have the right to attend and to be heard at any general meeting which he attends or any part of the business which concerns him as an auditor.

All general meetings other than Annual General Meetings shall be called Extra-ordinary General Meetings.

The Board may, whenever they think fit, and shall, on the requisition of such number of members of the Company as is specified in the Articles, forthwith proceed to call an Extra-ordinary General Meeting of the Company. The number of members entitled to requisition a meeting in regard to any matter shall be such number of them as hold at the date of deposit of the requisition, not less than one-tenth of such of the paid-up capital of the Company as at the date carries the right of voting in regard to that matter.

The quorum for a General Meeting shall be as prescribed under Section 103 of the Companies Act and no business shall be transacted at any general meeting unless the requisite quorum be present at the commencement of the business.

The Chairman of the Directors shall be entitled to take the chair at every General Meeting. If there be no Chairman or if at any meeting he shall not be present within fifteen minutes after the time appointed for holding such meeting, or is unwilling to act, the Directors present may choose one of their numbers to act as Chairman of the meeting and in default of their doing so, the members present shall elect on show of hands one of the Directors to take the chair and if no Directors present be willing to take the chair, the members present shall elect on show of hands one of their number to be the Chairman of the Meeting.

At any General Meeting a resolution put to vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded in the manner hereinafter mentioned, and unless a poll is so demanded, a declaration by the Chairman that a resolution has, on a show of hands, been carried or carried unanimously or by a particular majority, or lost and an entry to that effect in the book of the proceedings of the Company shall be conclusive evidence thereof without proof of the number or proportion of the votes recorded in favour of or against the resolution.

Votes of members

(i) Upon a show of hands every Member of the Company entitled to vote and present in person or by attorney or proxy shall have one vote. (ii) upon a poll every member of the Company who being an individual is present in person or by attorney or by proxy or being a corporation is present by a representative or proxy shall have a voting right in proportion to his Share of the paid-up capital of the Company.

Votes may be given either personally or by attorney or by proxy or in case of a corporation/institution/company/organization/society also by a representative duly authorised as aforesaid.

A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death of the principal or revocation of the proxy or of any power of attorney under which such proxy was signed or the transfer of the shares in respect of which the vote is given provided that no intimation in writing of the death, revocation or transfer shall have been received at the office before the meeting.

Directors

The number of Directors shall not be less than three or more than fifteen and the number of Directors may be increased beyond fifteen with the approval of Members by way of special resolution.

No Director shall be required to hold any share or qualification shares of the Company.

Rotation of Directors

At every Annual General Meeting of the Company other than the first Annual General Meeting, one-third of such of the Directors for the time being as are liable to retire by rotation or, if their number is not three or a multiple of three, then the number nearest to one-third shall retire from office.

The Directors to retire by rotation at every Annual General Meeting shall be those who are liable to retire and who have been longest in office since their last appointment, but as between persons, who become Directors on the same day, those who are to retire shall (unless they otherwise agree among themselves), be determined by lot.

A retiring Director shall be eligible for re-election.

Proceedings of Directors

The Directors may meet together for the conduct of business, adjourn and otherwise regulate their meetings and proceedings as they think fit; provided, however, that a meeting of the Board of Directors shall be held at least once in every three Months, and at least four such meetings shall be held in every Year.

The Chairman may at any time and the Managing Director or the Secretary or such other Officer of the Company as may be authorised by the Directors shall upon the request of a Director convene a meeting of the Directors.

The Directors shall elect their Chairman and may determine the period for which he is to hold office. All meetings of the Directors shall be presided over by such Chairman, if present, but if, at any meeting of Directors, the Chairman be not present at the time appointed for holding the same, then and in that case the Directors shall choose one of the Directors then present to preside at the meeting.

The quorum for meeting of the Board of Directors of the Company shall be one-third of its total strength (any fraction contained in that one-third being rounded off as one) or two Directors whichever is higher; Provided that where at any meeting, the number of interested Directors exceeds or is equal to two-thirds of the total strength, the number of the remaining Directors, that is to say, the number of the Directors who are not interested, present at the meeting being not less than two, shall be the quorum during such time.

Dividends

The profit of the Company, subject to any special rights relating thereto created or authorised to be created by the Memorandum of Association or the Articles and subject to the provisions of the Companies Act, and the Articles shall be divisible among the Members in proportion to the amount of capital paid up in the shares held by them respectively.

The Company may pay dividends in proportion to the amount paid up or credited as paid up on each Share, where a large amount is paid up or credited as paid up on some shares than on others.

Indemnity and Responsibility

Subject to the provisions of Section 197 of the Companies Act, every Director of the Company, the Chairman, Managing Director, Wholtime Director, Manager, Secretary and other Officer or other employees for the time being of the Company, if any, for the time being acting in relation to any of the affairs of the Company and every one of them shall be indemnified by the Company against and it will be the duty of the Directors to pay, out of the funds of the Company, all bonafide costs, losses and expenses (including travelling expenses) which any such Director, Chairman, Manager, Secretary, Officer or employee may incur or become unable to, by reason of any contract entered into or act or deed done by him as such Director, Chairman, Manager, Secretary, Officer or employee or in any way in the discharge of his duties.

Subject as aforesaid, every Director or the Chairman, Manager, Secretary, Officer or employee of the Company shall be indemnified against any liability incurred by him in defending any proceedings, whether civil or criminal instituted against him as such Director, Chairman, Manager, Secretary or Officer of the Company in which judgement in his favour or in which he is acquitted or in connection with any application under Section 463 of the Companies Act in which relief given to him by the court.

Subject to the provisions of Sections 197 of the Companies Act, no Director or other Officer of the Company shall be liable for the acts, receipts, neglect or default of any other Director or Officer of the Company or for joining in any receipt or other act for conformity for any loss or expenses happening to the Company through the insufficiency or deficiency to title to any property acquired by the order of the Director for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested or for any loss or damage arising from the bankruptcy, insolvency or tortuous act or any person with whom any moneys, securities or effects shall be deposited or for any loss occasioned by any error judgement or oversight on his part, or for any other loss, or damage whatsoever, which shall happen in the execution of the duties of his office or in relation thereto unless the same happens through his own negligence or dishonesty.

Winding up

Distribution of assets on the winding up

If the Company shall be wound up and assets available for distribution among the members as such shall be insufficient to repay the whole of the paid up capital, such assets shall be distributed so that, as nearly may be, the losses shall be borne by the members in proportion to the capital paid-up, or which ought to have been paid up at the commencement of the winding up, on the shares held by them respectively and if in a winding up the assets available for distribution among the members shall be more than sufficient to repay the whole of the capital paid-up at the commencement of the winding up, the excess shall be distributed amongst the members in proportion to the capital, at the commencement of the winding up, paid up or which ought to have been paid up on the shares held by them respectively. Provided, however, nothing contained in this Article shall prejudice the rights of the holders of shares issued upon special terms and conditions.

Distribution in specie or kind

(i) If the Company shall be wound up, whether voluntarily or otherwise, the liquidator may with the sanction of special resolution or any other sanction required by the Companies Act, may/shall divide among the contributories, in specie or in kind, the whole or any part of the assets of the Company and may, with like sanction, vest the whole or any part of the assets of the Company in trustees upon such trusts for the benefit of the contributories or any of them, as the liquidator, with the like sanction think fit. (ii) if thought expedient, and any such division may, subject to the provisions of the Companies Act, be otherwise than in accordance with the legal rights of the contributories (except where unalterably fixed by the Memorandum of Association) and in particular, any class may be given preference or special rights or may be excluded altogether or in part, but, in case any division otherwise than in accordance with the legal rights of the contributories shall be determined, any contributory, who would be prejudiced thereby, shall have a right to dissent and ancillary rights pursuant to the Companies Act.

SECTION X - OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following documents and contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company), which are, or may be deemed material, are attached to the copy of this Red Herring Prospectus filed with the RoC and will be attached to the copy of the Prospectus which will be filed with the RoC, may be inspected at our Registered Office, from 10.00 a.m. to 5.00 p.m. IST on Working Days and will also be available for inspection on our website at <https://nsdl.co.in/DRHP.php> from the date of this Red Herring Prospectus until the Bid/Offer Closing Date (except for such documents or agreements executed after the Bid/Offer Closing Date).

Any of the contracts or documents mentioned in this Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without notice to the Shareholders, subject to compliance with provisions contained in the Companies Act and other relevant laws.

A. Material Contracts for the Offer

1. Offer agreement dated July 7, 2023 entered into between our Company, the Selling Shareholders, the BRLMs and M- BRLM, as amended pursuant to the amendment agreement dated July 8, 2025.
2. Registrar agreement dated July 7, 2023 entered into between our Company, the Selling Shareholders and the Registrar to the Offer, as amended pursuant to the amendment agreement dated July 8, 2025.
3. Cash escrow and sponsor bank(s) agreement dated July 22, 2025 entered into between our Company, the Selling Shareholders, the Registrar to the Offer, the BRLMs, M- BRLM, Syndicate Members and the Bankers to the Offer.
4. Share escrow agreement dated July 17, 2025 entered into between the Selling Shareholders, our Company and the Share Escrow Agent.
5. Syndicate agreement dated July 22, 2025 entered into between our Company, the Selling Shareholders, the BRLMs, M- BRLM, the Registrar to the Offer and the Syndicate Members.
6. Underwriting agreement dated [●] entered into between our Company, the Selling Shareholders, the Underwriters and the Registrar to the Offer.

B. Material Documents

1. Certified copies of the Memorandum of Association and Articles of Association as amended from time to time.
2. Certificate of incorporation dated April 27, 2012, issued by the RoC.
3. Fresh certificate of incorporation dated January 3, 2013 issued by the RoC, subsequent to the Scheme of Arrangement, resulting in change in name of our Company.
4. Certificate of commencement of business dated May 16, 2012, issued by the RoC.
5. Scheme of arrangement between Protean eGov Technologies Limited and our Company, as sanctioned by the High Court of Bombay by its order dated November 2, 2012.
6. Resolution of the Board of Directors dated June 27, 2023 authorising the Offer and other related matters.
7. Resolution of the Board of Directors dated June 27, 2023 and of the IPO Committee dated July 7, 2023 approving the Draft Red Herring Prospectus.
8. Resolution of the Board of Directors dated July 23, 2025 approving this Red Herring Prospectus.
9. Consent letters from each of the Selling Shareholders, as applicable, consenting to participate in the Offer.
10. Consent letter dated July 8, 2025 issued by CRISIL Intelligence with respect to the report titled "*Assessment of the Depository System, Database Management and Payments Banks in India*".
11. Industry report titled "*Assessment of the Depository System, Database Management and Payments Banks in India*" dated July 2025, prepared by CRISIL Intelligence.

12. Resolution dated July 18, 2025, of our Audit Committee approving the KPIs.
13. Memorandum of understanding dated August 26, 2022 between Protean eGov Technologies Limited and our Company.
14. Trademarks assignment agreement dated October 12, 2022 between Protean eGov Technologies Limited and our Company.
15. Trademark license agreement dated October 12, 2022 between Protean eGov Technologies Limited and our Company.
16. Domain names transfer agreement dated October 12, 2022 between Protean eGov Technologies Limited and our Company.
17. Shareholders agreement dated December 10, 2021 amongst our Company, National Stock Exchange of India Limited, Multi Commodity Exchange of India Limited, Indian International Exchange (IFSC) Limited along with India International Clearing Corporation (IFSC) Limited, Central Depository Services (India) Limited and India International Bullion Holding IFSC Limited.
18. Share subscription agreement dated December 10, 2021, entered into between our Company, National Stock Exchange of India Limited, Multi Commodity Exchange of India Limited, Indian International Exchange (IFSC) Limited along with India International Clearing Corporation (IFSC) Limited, Central Depository Services (India) Limited and India International Bullion Holding IFSC Limited.
19. Written consent dated July 23, 2025 from K C Mehta & Co LLP, Chartered Accountants, to include their name as required under section 26(1) and section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Red Herring Prospectus, and as an “expert” as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of (i) Restated Consolidated Financial Information and their examination report dated May 23, 2025 on the Restated Consolidated Financial Information; and (ii) their report dated July 8, 2025 on the statement of possible special tax benefits available to the Company, its shareholders and its Material Subsidiaries under the applicable tax laws in India, in this Red Herring Prospectus and such consent has not been withdrawn as on the date of this Red Herring Prospectus.
20. Written consent dated July 23, 2025, from the independent chartered accountant, namely, Motilal & Associates LLP, Chartered Accountants, holding a peer review certificate from ICAI, to include their name, as required under section 26 (5) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this RHP, and as an “expert” as defined under section 2(38) of the Companies Act, 2013 in respect of their certificates and reports in connection with the Offer.
21. Copies of the annual reports of our Company for the Fiscals 2024, 2023 and 2022.
22. Report dated July 18, 2025 issued by Motilal & Associates LLP, Chartered Accountants, certifying the KPIs of the Company.
23. Certificate dated July 23, 2025 issued by Motilal & Associates LLP, Chartered Accountants, with respect to weighted average price, average cost of acquisition, price at which specified securities were acquired and details of qualifying transactions in specified securities.
24. Consents of the Directors, BRLMs, M- BRLM, Syndicate Members, the legal advisor to the Company as to Indian law, Registrar to the Offer, Bankers to the Offer, Bankers to our Company, and Company Secretary and Compliance Officer, as referred to in their respective capacities.
25. Tripartite agreement dated May 30, 2023 among our Company (in its capacity of the Issuer), our Company (in its capacity of a depository) and the Registrar to the Offer.
26. Tripartite agreement dated June 5, 2023 among our Company, CDSL and the Registrar to the Offer.
27. Due diligence certificate dated July 8, 2023 addressed to SEBI from the BRLMs.
28. In-principle approval granted to our Company by SEBI by way of a letter bearing reference number SEBI/HO/MRD/RAC2/OW/2023/14917/1 dated April 13, 2023 read with letter SEBI/HO/MRD/RAC2/OW/2024/30288/1 dated September 24, 2024, letter SEBI/HO/MRD/RAC2/OW/2025/9739/1 dated March 28, 2025, and letter SEBI/HO/MRD/RAC2/P/OW/2025/19437/1 dated July 21, 2025 for listing of Equity Shares on a recognized stock exchange.

29. In-principle listing approval dated January 16, 2024 issued by BSE.
30. SEBI Observation Letter bearing reference number SEBI/CFD/RAC-DIL1/2024/30803, dated September 30, 2024.

DECLARATION

I hereby declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with, and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules made, or regulations or guidelines issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Vijay Chandok

Managing Director and Chief Executive Officer

Place: Mumbai

Date: July 23, 2025

DECLARATION

I hereby declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with, and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules made, or regulations or guidelines issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Parveen Kumar Gupta

Chairman and Public Interest Director

Place: Mumbai

Date: July 23, 2025

DECLARATION

I hereby declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with, and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules made, or regulations or guidelines issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Madhu Sudan Sahoo

Public Interest Director

Place: Bhubaneswar

Date: July 23, 2025

DECLARATION

I hereby declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with, and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules made, or regulations or guidelines issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Rajat Moona

Public Interest Director

Place: Gandhinagar

Date: July 23, 2025

DECLARATION

I hereby declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with, and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules made, or regulations or guidelines issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Sripriya Kumar

Public Interest Director

Place: Delhi

Date: July 23, 2025

DECLARATION

I hereby declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with, and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules made, or regulations or guidelines issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Sanjay Panicker

Non-Independent Director

Place: Mumbai

Date: July 23, 2025

DECLARATION

I hereby declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with, and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules made, or regulations or guidelines issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Sriram Krishnan

Non-Independent Director

Place: Mumbai

Date: July 23, 2025

DECLARATION

I hereby declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with, and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules made, or regulations or guidelines issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Red Herring Prospectus are true and correct.

SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY

Jigar Harshad Shah

Chief Financial Officer

Place: Mumbai

Date: July 23, 2025

DECLARATION

IDBI Bank Limited, hereby confirms that all statements, disclosures and undertakings specifically made or confirmed by it in this Red Herring Prospectus only in relation to itself as a Selling Shareholder and its respective portion of the Offered Shares, are true and correct. IDBI Bank Limited assumes no responsibility for any other statements, disclosures and undertakings including, any of the statements, disclosures or undertakings made or confirmed by or relating to the Company, any other Selling Shareholder or any other person(s) in this Red Herring Prospectus.

FOR AND ON BEHALF OF IDBI BANK LIMITED

Authorised Signatory: R. Srinivasa Sadagopan

Designation: Chief General Manager - FAD

Place: Mumbai

Date: July 23, 2025

DECLARATION

National Stock Exchange of India Limited, hereby confirms that all statements, disclosures, and undertakings specifically made or confirmed by it in this Red Herring Prospectus only in relation to itself as a Selling Shareholder and its respective portion of the Offered Shares, are true and correct. National Stock Exchange of India Limited assumes no responsibility for any other statements, disclosures and undertakings including, any of the statements, disclosures or undertakings made or confirmed by or relating to the Company, any other Selling Shareholder or any other person(s) in this Red Herring Prospectus.

FOR AND ON BEHALF OF NATIONAL STOCK EXCHANGE OF INDIA LIMITED

Authorised Signatory: Ms. Prajakta Powle

Designation: Company Secretary

Place: Mumbai

Date: July 23, 2025

DECLARATION

Union Bank of India, hereby confirms that all statements, disclosures, and undertakings specifically made or confirmed by it in this Red Herring Prospectus only in relation to itself as a Selling Shareholder and its respective portion of the Offered Shares, are true and correct. Union Bank of India assumes no responsibility for any other statements, disclosures and undertakings including, any of the statements, disclosures or undertakings made or confirmed by or relating to the Company, any other Selling Shareholder or any other person(s) in this Red Herring Prospectus.

FOR AND ON BEHALF OF UNION BANK OF INDIA

Authorised Signatory: Prince D

Designation: Deputy General Manager

Place: Mumbai

Date: July 23, 2025

DECLARATION

State Bank of India, hereby confirms that all statements, disclosures, and undertakings specifically made or confirmed by it in this Red Herring Prospectus only in relation to itself as a Selling Shareholder and its respective portion of the Offered Shares, are true and correct. State Bank of India assumes no responsibility for any other statements, disclosures and undertakings including, any of the statements, disclosures or undertakings made or confirmed by or relating to the Company, any other Selling Shareholder or any other person(s) in this Red Herring Prospectus.

FOR AND ON BEHALF OF STATE BANK OF INDIA

Authorised Signatory: Satish Chandra Gupta

Designation: Deputy General Manager (Private Equity)

Place: Mumbai

Date: July 23, 2025

DECLARATION

HDFC Bank Limited (SS), hereby confirms that all statements, disclosures, and undertakings specifically made or confirmed by it in this Red Herring Prospectus only in relation to itself as a Selling Shareholder and its respective portion of the Offered Shares, are true and correct. HDFC Bank Limited (SS) assumes no responsibility for any other statements, disclosures and undertakings including, any of the statements, disclosures or undertakings made or confirmed by or relating to the Company, any other Selling Shareholder or any other person(s) in this Red Herring Prospectus.

FOR AND ON BEHALF OF HDFC BANK LIMITED (SS)

Authorised Signatory: Aspi Makuna

Designation: Vice President – Treasury Operations

Place: Mumbai

Date: July 23, 2025

Authorised Signatory: Anil Kumar Sharma

Designation: Senior Vice President – Treasury Operations

Place: Mumbai

Date: July 23, 2025

DECLARATION

Administrator of the Specified Undertaking of the Unit Trust of India, hereby confirms that all statements, disclosures, and undertakings specifically made or confirmed by it in this Red Herring Prospectus only in relation to itself as a Selling Shareholder and its respective portion of the Offered Shares, are true and correct. Administrator of the Specified Undertaking of the Unit Trust of India assumes no responsibility for any other statements, disclosures and undertakings including, any of the statements, disclosures or undertakings made or confirmed by or relating to the Company, any other Selling Shareholder or any other person(s) in this Red Herring Prospectus.

FOR AND ON BEHALF OF ADMINISTRATOR OF THE SPECIFIED UNDERTAKING OF THE UNIT TRUST OF INDIA

Authorised Signatory: Ashwini Rohan Deshmukh

Designation: Authorized Signatory to BoP / Administrator of SUUTI

Place: Mumbai

Date: July 23, 2025