

INDEPENDENT AUDITORS' REPORT ON AUDIT OF INTERIM FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF CENTRAL DEPOSITORY SERVICES (INDIA) LIMITED

1. We have audited the accompanying Statement of Consolidated Financial Results of **CENTRAL DEPOSITORY SERVICES (INDIA) LIMITED** ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), for the Quarter and nine months ended December 31, 2017 ("the Statement"), being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

This Statement, which is the responsibility of the Parent's Management and approved by the Board of Directors, has been compiled on the basis of the related interim consolidated financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement based on our audit of such interim consolidated financial information.

2. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Parent's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Parent's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 4 below, is sufficient and appropriate to provide a basis for our audit opinion.

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3. In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of the other auditors referred to in paragraph 4 below, the Statement:
- (i) includes the results of the following entities:
 - 1. CDSL Ventures Limited
 - 2. CDSL Insurance Repository Limited
 - 3. CDSL Commodity Repository Limited
 - (ii) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016; and
 - (iii) gives a true and fair view in conformity with the aforesaid Accounting Standards and other accounting principles generally accepted in India of the net profit and Total comprehensive income and other financial information of the Group for the Quarter and nine months ended December 31, 2017.
4. We did not audit the interim financial information of two subsidiaries included in the consolidated financial results, whose interim financial information reflect total revenues of Rs. 3,244.43 lakh for the nine months ended December 31, 2017, total profit after tax of Rs. 1,903.20 lakh and Total comprehensive income of Rs. 1,901.77 lakh for the nine months ended December 31, 2017, as considered in the consolidated financial results. These interim financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the reports of the other auditors.

Our opinion on the Statement is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

For DELOITTE HASKINS & SELLS
Chartered Accountants
(Firm's Registration No. 117365W)



G. K. Subramaniam
Partner
(Membership No. 109839)

MUMBAI, January 20, 2018

CENTRAL DEPOSITORY SERVICES (INDIA) LIMITED
 Regd Office : A-2501, Marathon Futurex, N. M. Joshi Marg, Lower Parel, Mumbai- 400013
 CIN: L67120MH1997PLC112443

Statement of Consolidated financial results for the quarter and nine months ended December 31, 2017

(₹ in Lakh)

Particulars		Quarter ended			Nine months ended		Year ended
		31.12.2017	30.09.2017	31.12.2016	31.12.2017	31.12.2016	31.03.2017
		Audited (Refer note 6)	Audited	Audited (Refer note 6)	Audited	Audited	Audited
1	Income from operations	5,111.10	4,724.45	3,755.01	13,890.11	10,767.51	14,600.13
2	Other Income	592.11	907.44	960.74	2,477.80	3,118.02	4,084.87
3	Total Income (1+2)	5,703.21	5,631.89	4,715.75	16,367.91	13,885.53	18,685.00
4	Expenses						
	a) Employee benefits expense	710.87	661.37	614.03	2,076.38	1,693.04	2,486.87
	b) Depreciation and amortisation expense	184.46	139.98	93.49	429.20	264.23	370.42
	c) Computer technology related expenses	250.86	243.81	255.79	726.67	640.25	842.36
	d) Other expenses	1,025.19	819.85	884.65	2,668.16	2,403.16	3,328.89
	Total expenses	2,171.38	1,865.01	1,847.96	5,900.41	5,000.68	7,028.54
5	Profit before tax (3-4)	3,531.83	3,766.88	2,867.79	10,467.50	8,884.85	11,656.46
6	Tax expense						
	Current tax	905.47	997.61	789.29	3,011.77	2,489.29	3,421.90
	Deferred tax	86.70	84.59	41.39	(315.32)	89.00	(424.12)
		992.17	1,082.20	830.68	2,696.45	2,578.29	2,997.78
7	Net profit for the period / year (5-6)	2,539.66	2,684.68	2,037.11	7,771.05	6,306.56	8,658.68
	Attributable to:						
	Shareholders of the Company	2,535.76	2,672.00	2,023.60	7,737.69	6,240.84	8,578.26
	Non Controlling interest	3.90	12.68	13.51	33.36	65.72	80.42
8	Other comprehensive income						
	Items that will not be reclassified to profit or loss						
	Other comprehensive (loss) / income (net of tax)	16.63	(34.67)	(27.12)	(17.93)	(30.08)	(33.35)
9	Total comprehensive income (after tax) (7+8)	2,556.29	2,650.01	2,009.99	7,753.12	6,276.48	8,625.33
	Attributable to:						
	Shareholders of the Company	2,552.49	2,637.50	1,996.48	7,720.03	6,210.76	8,545.10
	Non Controlling interest	3.80	12.51	13.51	33.09	65.72	80.23
10	Paid up equity share capital (face value per share ₹10 each)	10,450.00	10,450.00	10,450.00	10,450.00	10,450.00	10,450.00
	Other Equity						42,882.11
11	Earnings per equity share (face value per share ₹10 each)						
	Basic and diluted earnings per equity share (₹) (Not annualised except yearly data)	2.43	2.56	1.94	7.40	5.97	8.21



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Notes:

- 1 Central Depository Services (India) Limited (the "Parent Company") completed an Initial Public Offer ('IPO') through offer for sale by the selling shareholders, ('the offer') during the nine months ended December 31, 2017. The IPO proceeds which were held in an escrow account on behalf of the selling shareholders have been transferred subsequently net of expenses. The equity shares of the Parent Company got listed on the National Stock Exchange of India Limited (NSE) on June 30, 2017.
- 2 The above consolidated results have been reviewed by the Audit Committee and approved by the Board of Directors on January 20, 2018. The statutory auditors of the Company have expressed an unqualified audit opinion. The consolidated financial results have been prepared in accordance with the recognition and measurement principles laid down in IND AS 34 Interim Financial Reporting prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and other accounting principles generally accepted in India.
- 3 Segment Reporting

(₹ in Lakh)

Particulars	For the Quarter ended December 31, 2017	For the Quarter ended September 30, 2017	For the Quarter ended December 31, 2016	For the Nine months ended December 31, 2017	For the Nine months ended December 31, 2016	For the year ended March 31, 2017
Segment Revenue						
Depository Activity	4,540.98	4,509.65	3,973.50	13,002.26	11,594.41	15,522.41
Data Entry and Storage	1,094.40	1,015.78	692.20	3,084.10	2,132.33	2,968.40
Others	102.62	126.53	69.41	355.97	216.88	271.64
Total	5,738.00	5,651.96	4,735.11	16,442.33	13,943.62	18,762.45
Less : Inter Segment Revenue	34.79	20.07	19.36	74.42	58.09	77.45
Total Income	5,703.21	5,631.89	4,715.75	16,367.91	13,885.53	18,685.00
Segment Results						
Depository Activity	2,643.83	2,932.00	2,294.28	7,848.84	7,049.34	9,183.65
Data Entry and Storage	873.59	774.44	530.88	2,452.19	1,695.30	2,349.00
Others	14.41	60.44	42.63	166.47	140.21	123.81
Total	3,531.83	3,766.88	2,867.79	10,467.50	8,884.85	11,656.46
Profit before taxation	3,531.83	3,766.88	2,867.79	10,467.50	8,884.85	11,656.46
Less : Provision for taxation	992.17	1,082.20	830.68	2,696.45	2,578.29	2,997.78
Profit after taxation	2,539.66	2,684.68	2,037.11	7,771.05	6,306.56	8,658.68

Particulars	As at December 31, 2017	As at March 31, 2017
Segment assets		
Depository Activity	45,502.96	43,908.02
Data Entry and Storage	11,207.56	9,309.53
Others	8,533.88	6,517.74
Unallocated	2,957.12	989.18
Total	68,201.52	60,724.47
Segment liabilities		
Depository Activity	7,062.18	5,113.35
Data Entry and Storage	367.39	125.66
Others	21.21	88.54
Unallocated	1,890.31	516.13
Total	9,341.09	5,843.68



P.S.J.

- 4 On January 21, 2016, SEBI issued the Securities and Exchange Board of India (Depositories and Participants) (Amendment) Regulations, 2016 (the "Amended Regulations"). According to these Amended Regulations, every depository shall credit 5% or such percentage as may be specified by the Board, of its profits from depository operations every year to the IPF. These Amended Regulations shall be deemed to have come into force from September 11, 2012.

The profit from depository operations has been determined by reducing the Other income for the period from the Net profit before exceptional items and tax for the period after making such contribution.

For the nine months ended December 31, 2017, the Parent Company has determined the IPF contribution at ₹ 303.52 lakh (₹ 223.84 lakh for the nine months ended December 31, 2016) being 5% of profit from depository operations after making such contribution according to the Amended Regulations and included under the head 'Other expenses'.

For the nine months ended December 31, 2016, the Parent Company had also contributed a sum of ₹ 153.72 lakh being the interest income from investments to be contributed to the IPF pursuant to SEBI Circular SEBI/HO/MRD/DP/CIR/P/2016/58 dated June 07, 2016. Thus, the total contribution during the nine months ended December 31, 2016 amounted to ₹ 377.56 lakh.

For the year ended March 31, 2017, the Parent Company had determined the IPF contribution at ₹ 291.00 lakh being 5% of profit from depository operation after making such contribution according to the Amended Regulations. The Parent Company had also contributed a sum of ₹ 168.75 lakh being the interest income (net of tax) from investments to be contributed to the IPF pursuant to SEBI Circular SEBI/HO/MRD/DP/CIR/P/2016/58 dated June 07, 2016. Thus, the total contribution during the year ended March 31, 2017 included under the head 'Other expenses' amounted to ₹ 459.75 lakh.

- 5 Figures for the previous periods / year have been regrouped / reclassified and rearranged wherever necessary to correspond with the current period's classification / disclosure.
- 6 The figures for the quarter ended December 31, 2017 and quarter ended December 31, 2016 are arrived at as difference between audited figures for the nine months ended and audited figures upto six months of the relevant financial years.

For and on behalf of Board of Directors of
CENTRAL DEPOSITORY SERVICES (INDIA) LIMITED


P. S. Reddy
Managing Director & CEO



Mumbai, January 20, 2018



INDEPENDENT AUDITORS' REPORT ON AUDIT OF INTERIM FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF CENTRAL DEPOSITORY SERVICES (INDIA) LIMITED

1. We have audited the accompanying Statement of Standalone Financial Results of **CENTRAL DEPOSITORY SERVICES (INDIA) LIMITED** ("the Company"), for the Quarter and nine months ended December 31, 2017 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been compiled from the related interim financial information which has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement based on our audit of such interim standalone financial information.

2. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

3. In our opinion and to the best of our information and according to the explanations given to us the Statement:



Deloitte Haskins & Sells

- a. is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016; and
- b. gives a true and fair view in conformity with the aforesaid Indian Accounting Standards ("Ind AS") and other accounting principles generally accepted in India of the net profit and Total comprehensive income and other financial information of the Company for the Quarter and nine months ended December 31, 2017.

For DELOITTE HASKINS & SELLS
Chartered Accountants
(Firm's Registration No. 117365W)



G. K. Subramaniam
Partner
(Membership No. 109839)

MUMBAI, January 20, 2018

CENTRAL DEPOSITORY SERVICES (INDIA) LIMITED
 Regd Office : A-2501, Marathon Futurex, N. M. Joshi Marg, Lower Parel, Mumbai- 400013
 CIN: L67120MH1997PLC112443
 Statement of standalone financial results for the quarter and nine months ended December 31, 2017

(₹ in Lakh)

Particulars	Quarter ended			Nine months ended		Year ended
	31.12.2017	30.09.2017	31.12.2016	31.12.2017	31.12.2016	31.03.2017
	Audited (Refer note 6)	Audited	Audited (Refer note 6)	Audited	Audited	Audited
1 Income from operations	4,096.05	3,879.90	3,193.51	11,223.76	9,040.25	12,161.89
2 Other Income	444.93	629.75	779.99	1,778.50	2,554.16	3,360.52
3 Total Income (1+2)	4,540.98	4,509.65	3,973.50	13,002.26	11,594.41	15,522.41
4 Expenses						
a) Employee benefits expense	627.81	544.23	559.69	1,812.74	1,536.72	2,262.84
b) Depreciation and amortisation expense	172.38	133.27	89.10	403.76	249.77	349.27
c) Computer technology related expenses	226.49	235.56	248.67	683.93	613.71	811.71
d) Other expenses	870.47	664.59	781.76	2,252.99	2,144.87	2,914.94
Total expenses	1,897.15	1,577.65	1,679.22	5,153.42	4,545.07	6,338.76
5 Profit before tax (3-4)	2,643.83	2,932.00	2,294.28	7,848.84	7,049.34	9,183.65
6 Tax expense						
Current tax	740.00	805.00	665.00	2,360.00	2,035.00	2,700.00
Deferred tax	75.87	77.20	8.42	(320.46)	46.38	(301.41)
	815.87	882.20	673.42	2,039.54	2,081.38	2,398.59
7 Net profit for the period / year (5-6)	1,827.96	2,049.80	1,620.86	5,809.30	4,967.96	6,785.06
8 Other comprehensive income						
Other comprehensive (loss) / income (net of tax)	16.43	(33.18)	(24.85)	(16.50)	(27.58)	(31.34)
9 Total comprehensive income (after tax) (7+8)	1,844.39	2,016.62	1,596.01	5,792.80	4,940.38	6,753.72
10 Paid up equity share capital (face value per share ₹10 each)	10,450.00	10,450.00	10,450.00	10,450.00	10,450.00	10,450.00
Other Equity						35,779.49
11 Earnings per equity share face value per share ₹10 each) Basic and diluted earnings per equity share (₹) (Not annualised except yearly data)	1.75	1.96	1.55	5.56	4.75	6.49



P.S. J

Notes:

- 1 Central Depository Services (India) Limited (the "Company") completed an Initial Public Offer ('IPO') through offer for sale by the selling shareholders, ('the offer') during the nine months ended December 31, 2017. The IPO proceeds which were held in an escrow account on behalf of the selling shareholders have been transferred subsequently net of expenses. The equity shares of the Company got listed on the National Stock Exchange of India Limited (NSE) on June 30, 2017.
- 2 The above results have been reviewed by the Audit Committee and approved by the Board of Directors on January 20, 2018. The statutory auditors of the Company have expressed an unqualified audit opinion. The financial results have been prepared in accordance with the recognition and measurement principles laid down in IND AS 34 Interim Financial Reporting prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and other accounting principles generally accepted in India.
- 3 The Company operates only in one Business Segment i.e. "Depository Services", hence does not have any reportable Segments as per Indian Accounting Standard 108 "Operating Segments".
- 4 On January 21, 2016, SEBI issued the Securities and Exchange Board of India (Depositories and Participants) (Amendment) Regulations, 2016 (the "Amended Regulations"). According to these Amended Regulations, every depository shall credit 5% or such percentage as may be specified by the Board, of its profits from depository operations every year to the IPF. These Amended Regulations shall be deemed to have come into force from September 11, 2012.

The profit from depository operations has been determined by reducing the Other income for the period from the Net profit before exceptional items and tax for the period after making such contribution.

For the nine months ended December 31, 2017, the Company has determined the IPF contribution at ₹ 303.52 lakh (₹ 223.84 lakh for the nine months ended December 31, 2016) being 5% of profit from depository operations after making such contribution according to the Amended Regulations and included under the head 'Other expenses'.

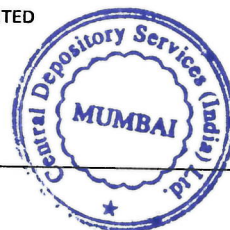
For the nine months ended December 31, 2016, the Company had also contributed a sum of ₹ 153.72 lakh being the interest income from investments to be contributed to the IPF pursuant to SEBI Circular SEBI/HO/MRD/DP/CIR/P/2016/58 dated June 07, 2016. Thus, the total contribution during the nine months ended December 31, 2016 amounted to ₹ 377.56 lakh.

For the year ended March 31, 2017, the Company had determined the IPF contribution at ₹ 291.00 lakh being 5% of profit from depository operation after making such contribution according to the Amended Regulations. The Company had also contributed a sum of ₹ 168.75 lakh being the interest income (net of tax) from investments to be contributed to the IPF pursuant to SEBI Circular SEBI/HO/MRD/DP/CIR/P/2016/58 dated June 07, 2016. Thus, the total contribution during the year ended March 31, 2017 included under the head 'Other expenses' amounted to ₹ 459.75 lakh.

- 5 Figures for the previous periods / year have been regrouped / reclassified and rearranged wherever necessary to correspond with the current period's classification / disclosure.
- 6 The figures for the quarter ended December 31, 2017 and quarter ended December 31, 2016 are arrived at as difference between audited figures for the nine months ended and audited figures upto six months of the relevant financial years.

For and on behalf of Board of Directors of
CENTRAL DEPOSITORY SERVICES (INDIA) LIMITED


P. S. Reddy
Managing Director & CEO



Mumbai, January 20, 2018

