



Pragati ka Solid Exchange

National Commodity & Derivatives Exchange Limited
1st Floor, Ackruti Corporate Park, LBS Road, Kanjurmarg (West), Mumbai - 400 078, India
CIN : U51909MH2003PLC140116; Website : www.ncdex.com

Statement of Standalone Unaudited Financial Results for the Quarter and Nine Months ended December 31, 2024

(₹ in Lakh)

Sr. No.	Particulars	Quarter ended			Nine Months ended		Year ended
		December 31, 2024 (Unaudited)	September 30, 2024 (Unaudited)	December 31, 2023 (Unaudited)	December 31, 2024 (Unaudited)	December 31, 2023 (Unaudited)	March 31, 2024 (Audited)
1	Income						
	Revenue from operations	584	681	750	1,911	2,607	3,157
	Other Income (Refer note 11)	441	681	460	1,538	1,526	2,126
	Total Income	1,025	1,362	1,210	3,449	4,133	5,283
2	Expenses						
(a)	Employee benefits expense	1,125	1,117	1,067	3,321	3,171	4,171
(b)	Finance expense	18	20	26	59	68	92
(c)	Depreciation and Amortisation expenses	316	315	344	950	1,024	1,357
(d)	Technology expenses	830	843	930	2,485	2,465	3,285
(e)	Other expenses	393	366	281	1,044	1,024	1,286
	Total Expenses	2,682	2,661	2,648	7,859	7,752	10,191
3	Profit / (Loss) before tax before exceptional item (1-2)	(1,657)	(1,299)	(1,438)	(4,410)	(3,619)	(4,908)
4	Exceptional income / (expense) (Refer note 3)	-	135	2,706	5,255	3,296	3,913
5	Profit / (Loss) before tax after exceptional item (3-4)	(1,657)	(1,164)	1,268	845	(323)	(995)
6	Tax expense						
	Current tax	-	-	-	-	-	-
	Income Tax / (refund) for earlier years	-	-	1	-	1	9
	Deferred tax expense/ (credit) (Refer note 9 & 10)	(420)	(312)	(221)	(16)	(645)	(639)
	Total Tax expense	(420)	(312)	(220)	(16)	(644)	(630)
7	Profit / (Loss) after tax (5-6)	(1,237)	(852)	1,488	861	321	(365)
	Other Comprehensive Income (OCI) (net of tax)						
	<u>Items that will not be reclassified to profit or loss</u>						
	Remeasurement of post-employment benefit obligations (net of tax)	(7)	(14)	(3)	(27)	(10)	(9)
	<u>Items that will be reclassified to profit or loss</u>						
	Debt instruments through Other Comprehensive Income (net of tax)	5	13	36	(1)	46	(21)
8	Total Other Comprehensive Income (OCI)	(2)	(1)	33	(28)	36	(30)
9	Total Comprehensive Income (7+8)	(1,239)	(853)	1,521	833	357	(395)
10	Paid-up equity share capital (Face value ₹ 10 per share)	5,068	5,068	5,068	5,068	5,068	5,068
11	Reserves (excluding Revaluation Reserve)						30,329
12	Earnings per share (of ₹ 10/- each) (not annualised for quarter and nine month period) :						
	Basic (in Rs.)	(2.44)	(1.68)	2.94	1.70	0.63	(0.72)
	Diluted (in Rs.)	(2.44)	(1.68)	2.94	1.70	0.63	(0.72)



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Notes:

- 1 The above standalone unaudited financial results have been reviewed by the Audit committee in its meeting held on February 11, 2025 and approved by the Board of Directors in their meeting held on February 12, 2025. The standalone unaudited financial results for the quarter and nine months ended December 31, 2024 has been reviewed by the Statutory Auditors.
- 2 Based on complaints of presence of "Mineral Oil" in some of the stocks, warehouses having pepper stock of approximately 6853 MT were sealed by Food Safety and Standard Authority of India, Kerala (FSSAI) and deliveries were stopped from the warehouses, till further notice. In the meantime, the Commissioner of Food Safety, Kerala passed Orders for release of pepper stocks free of mineral oil of approximately 463 MT. The presence of mineral oil was not a part of the National Commodity & Derivatives Exchange Limited ("Exchange") specifications and therefore any liability arising on account of the same cannot be under the settlement process of the Exchange. However, in order to retain market integrity, the Exchange had offered to facilitate improvement of pepper stock, subject to recovering the costs of improvement and accordingly prayed before the Hon'ble High Court of Kerala to allow the same. Based on this, the Hon'ble High Court of Kerala vide its order dated August 28, 2014, allowed the Exchange to clean the pepper stock lying in the warehouse with a right to recover the costs associated with the same. Subsequently, some of the holders of the stocks had requested Food Safety Authorities, Kerala to permit the reference of a second sample to the referral laboratory viz. The Central Food Laboratory, Kolkata. Further, Hon'ble High Court of Kerala, vide its order dated May 12, 2015 had directed the release of such quantity of pepper which is found free from impurities and contamination. Based on this, approximately 4,376 MT of pepper stock which was found free of mineral oil on testing by Central Food Laboratory, Kolkata, has been released to the holders & approximately 1,015 MT was further released after cleaning. In the earlier years, the Exchange had paid the total amount including taxes towards cleaning and other related costs of ₹ 1,696 lakhs (net of recovery of Rs. 9 lakhs till December 31, 2024). These payments are considered as receivable and shown under "other financial assets". As on December 31, 2024, the balance stock of Pepper pending at various stages of release under the custody of Food Safety Authority, Kerala is approximately 998 MT. Further, the Hon'ble High Court of Kerala, in a Writ Petition filed by the holders, passed an interim order dated 13th April, 2018, restricting the Exchange from taking any coercive actions against the holders and the said order is currently in force. In terms of the legal opinion obtained, the management is of the view that it has a fair chance of recovery of the costs incurred by it, since the same is backed by orders of the Hon'ble Court which provide a constructive lien on the goods lying with the Exchange approved warehouses. Accordingly, the Exchange has considered, the said receivable as good and recoverable and is of the opinion that there is no requirement to make further provision with respect to these cost in Exchange's account apart from a provision of Rs. 260 lakh which was made in earlier years towards the cleaning of pepper stocks. The said provision is shown under the head "current provisions".

3 Note on Exceptional Items:-**(₹ in Lakh)**

Particulars	Quarter ended			Nine Months ended		Year Ended
	December 31, 2024 (Unaudited)	September 30, 2024 (Unaudited)	December 31, 2023 (Unaudited)	December 31, 2024 (Unaudited)	December 31, 2023 (Unaudited)	March 31, 2024 (Audited)
Refund of excess contribution from core SGF - NCCL (Refer Note 3(a))	-	135	15	135	605	605
Profit on stake sale in associate (net) [Refer Note 3 (b) & 3(c)]	-	-	-	5,120	-	618
Profit on stake sale in subsidiary (net) (Refer Note 3 (d))	-	-	2,690	-	2,690	2,690
Total	-	135	2,706	5,255	3,296	3,913

- 3 (a) As per SEBI circular SEBI/HO/MRD/MRD-POD-1/P/CIR /2023/78 dated May 23, 2023 relating to revision in computation of Core Settlement Guarantee Fund in Commodity Derivatives Segment, Clearing Corporations in Commodity Derivatives Segment may now align their core SGF in terms of SEBI circulars dated August 27, 2014 as well as July 11, 2018 and excess contribution, if any, may be returned to the contributing stakeholders on a pro-rata basis, after taking due approval from SEBI. Accordingly, subsidiary company, National Commodity Clearing Limited (NCCL) vide its letters dated June 01, 2023 and June 14, 2023, had requested for permission to withdraw excess contribution from Core SGF. In response to the said letters, SEBI has approved withdrawal of excess SGF contribution of Rs. 6,185 lakh and Rs. 842 lakh by NCCL & NCDEX respectively, from core SGF vide its letter SEBI/HO/MRD/RAC-1/P/OW/2023/28875/1 dated 18th July 2023. Based on the said approval, the Exchange has received excess contribution from core SGF (post tax liability of Core SGF) of Rs. 15 lakh for the quarter ended December 31, 2023 and Rs. 605 lakh for the nine months ended December 31, 2023 and for the year ended March 31, 2024. The same is credited to the statement of profit and loss and shown as an Exceptional item.

Further, NCCL received approval from SEBI vide letter dated SEBI/HO/MRD/RAC-1/P/OW/2024/0025143/1 dated August 6, 2024 for withdrawal of excess contribution of Rs. 640 lakh and Rs. 188 lakh by the NCCL & NCDEX respectively from Core SGF. Based on said approval, the Exchange has received excess contribution from core SGF of Rs. 135 lakh (post tax liability of Core SGF) for the quarter ended September 30, 2024 and nine months ended December 31, 2024. The same is credited to the statement of profit and loss and shown as an Exceptional item.



- 3 (b) During the quarter ended June 30, 2024, the Company has sold 8.87% (51,86,877 equity shares) of its stake in PXIL (associate company) to certain buyers for a consideration of Rs. 5,656 lakh. The net profit of Rs. 5,120 lakh (net of expenses of Rs. 17 lakh), earned during nine months ended December 31, 2024 on the said stake sale of Rs. 5,656 lakh, has been credited to the statement of profit and loss and shown as an exceptional item.
- 3 (c) During the year ended March 31, 2024, the Company has sold 1.13% (6,60,128 equity shares) of its stake in PXIL (associate company) to a buyer for a consideration of Rs. 700 lakh. The net profit of Rs. 618 lakh (net of expenses Rs. 16 lakh), for the year ended March 31, 2024 on the said stake sale of Rs. 700 lakh, has been credited to the statement of profit and loss and shown as an exceptional item.
- 3 (d) During the nine months ended December 31, 2023, the Company had sold 8.71% (31 lakh equity share) of its stake in its subsidiary, NCDEX e-Markets Limited (NeML), to its wholly owned subsidiary, National Commodity Clearing Limited (NCCL), for a consideration of Rs. 3,000.80 lakh, based on independent valuation report. The said stake sale was approved by its Board on August 11, 2023. Further, the said stake sale was carried by the Company after obtaining SEBI's approval vide its letter dated December 6, 2023 under regulation 38 (2) of SECC Regulations, 2018. The profit earned on the said stake sale of Rs. 2,690 lakh for the quarter and nine months ended December 31, 2023 and year ended March 31, 2024 had been credited to the statement of profit and loss and shown as an exceptional item.
- 4 Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Company. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Managing Director of the Company. The Company operates only in one Business Segment i.e. trading in commodities and the activities incidental thereto within India, hence does not have any reportable Segments as per Indian Accounting Standard 108 "Operating Segments".
- 5 The Code on Social Security, 2020 (Code) relating to employee benefits during employment and post-employment benefits has received Presidential assent on 28th September 2020 and the said Code has been published in the Gazette of India. However, the date on which the Code comes into effect has not been notified. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The final rules are yet to be notified. The Exchange will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.
- 6 As per SEBI directives, the Exchange has issued circulars informing the market participants that no fresh positions and launch of new contracts are allowed in Chana and Rapeseed-Mustard with effect from August 17, 2021 and October 8, 2021 respectively. In addition to this, the Exchange has issued a circular: NCDEX/SURVEILLANCE & INVESTIGATION-124/2021 dated December 20, 2021 wherein no fresh positions and launch of new contracts are allowed for a period of one year in respect of certain commodities prescribed in the said circular including major commodities like Soyabean and Refined Soy Oil as well as earlier suspended commodities viz. Chana and Rapeseed-Mustard. The suspension of these commodities was extended for a period of one year i.e. till December 20, 2023. Subsequently the extension was further extended for a period of one more year i.e. till December 20, 2024. Subsequently, the suspension is further extended till March 31, 2025. The Exchange has issued a circular: NCDEX/SURVEILLANCE & INVESTIGATION-005/2025 dated January 31, 2025 to that effect. Accordingly, the revenue of the Exchange from transaction charges of these commodities has been impacted. The management, based on its assessment, is of the view that there is no impact on the carrying value of its assets. Therefore, no adjustments are made in these financial results for the quarter and nine months ended December 31, 2024.

Despite the suspension of commodities, resultant losses, reduction in the net worth and negative operating cash flows of the Company, the net worth of the Company is maintained as per the regulatory guidelines and the Company is capable of meeting its liabilities existing at the balance sheet date as and when they fall due within a period of one year from the balance sheet date. Also, the Exchange is putting efforts to grow its business in the existing commodities and diversify its business by exploring new products. Further, the company is in process of raising funds through preferential issue of equity shares to identified institutional shareholders (refer note 12) and diluting its excess holdings (as per regulatory requirements) in NERL (subsidiary company) (refer note 7). During the nine months ended, the Company has divested its 8.87% stake in PXIL (associate company) for a consideration of Rs. 5,656 lakh (refer note 3 (b)). In view of the above and the business plan of the Company, the management is of the view that no material uncertainty exists and the financial results have been prepared based on the going concern assumption.



- 7 The Exchange was permitted to hold up to 74% of the paid up share capital of NERL and to reduce it to 51% or below by December 21, 2018 as per letter 16/5-15/A&F-1959 dated December 8, 2016 and letter of intent dated December 23, 2016 of Warehousing Development and Regulatory Authority (WDRA). Since the shareholding of the Exchange (67.22%) was not in line with the above guidelines, the Exchange has sought and received permission from WDRA to continue to hold 67.22% in NERL. As per latest WDRA letter no. D-24015/2/2018-O/o US (A and F)/2728 dated February 1, 2024, WDRA has granted an extension of time to the Exchange for a period of six months from December 22, 2023 to reduce its shareholding in NERL to 51% or below. Further, the exchange has filed an application with WDRA on May 23, 2024 requesting for an extension of 18 months from June 22, 2024. The response from WDRA on the same is awaited.

During the year ended March 31, 2023, the Board had accorded its in-principle approval for sale of investment in subsidiary namely NERL, in excess of regulatory requirement and the same was classified as 'Asset held for sale'. As at December 31, 2024, the management continues to classify the investment of 16.22% in NERL, being in excess of regulatory requirement, as 'Asset held for sale'. Subsequently in January 2025, the management has sold the said excess holding of 16.22% of its stake in NERL for a consideration of Rs. 2,760 lakh.

- 8 During the quarter ended December 31, 2024, the Board has accorded its in principle approval for the sale of investment in associate namely PXIL, to the extent of 7.14% (41,76,410 equity shares) and accordingly the management has classified carrying value of the investment to the extent of Rs. 418 lakh as 'Asset held for sale'.
- 9 Considering the unabsorbed business losses and unabsorbed depreciation and future taxable profits, the Company expects that it will opt for lower tax rate under section 115BAA and hence MAT credit will not be available for setoff. Accordingly, during the year ended March 31, 2024, the Company had derecognized MAT credit of Rs. 206 lakh.
- 10 As at December 31, 2024, the Company continues to recognize and carries net deferred tax assets of Rs. 4,775 lakh on account of business losses and unabsorbed depreciation on a reasonable certainty based on future taxable profits. Management expects that business losses and unabsorbed depreciation will be adjusted against the future taxable profits based on the approved business plan and projections by the Company.
- 11 (a) Other Income for the quarter ended September 30, 2024 and nine months ended December 31, 2024 includes Rs. 212 lakh received from Power Exchange India Limited (PXIL) as equity dividend. Other Income for the nine months ended December 31, 2023 includes Rs. 353 lakh received from PXIL as dividend for the Financial Year 2012-13 to FY 2019-20 on erstwhile 10% Optionally Convertible Cumulative Preference shares (later converted to Equity shares in FY 2019-20).
- 11 (b) Other Income includes Interest on Income Tax refund of Rs. 9 lakh for the quarter and nine months ended December 31, 2024 (Rs. 95 lakh for the quarter and nine months ended December 31, 2023 and Rs. 235 lakh for the year ended March 31, 2024).
- 12 During the half year ended September 30, 2024, the Board and shareholders have approved the offer of 1,89,76,358 equity shares of the Exchange having face value of ₹10/- (Rupees Ten only) each at a price of Rs. 160.60 per equity share on a preferential basis / private placement for cash to identified institutional shareholders of the Exchange. The Company in its "Private Placement Offer Cum Application Letter" offered the said equity shares to identified institutional shareholders of the Exchange and the issue opened on July 8, 2024 and was to close on November 4, 2024. However, based on the requests received from few of the identified institutional shareholders, the Board vide its circular resolution dated October 26, 2024 extended the said Preferential Offer closing date by three months, i.e. from the original date of November 4, 2024 to February 4, 2025 and further the Board vide its circular resolution dated February 3, 2025 extended the said Preferential Offer to March 3, 2025.
- 13 Figures for the previous period/year have been regrouped, rearranged and reclassified wherever necessary.

Place : Mumbai
Date : February 12, 2025

For and on behalf of the Board of Directors
National Commodity & Derivatives Exchange Limited


Arun Raste
Managing Director & Chief Executive Officer
DIN - 08561128



Independent Auditor's Review Report on Standalone Unaudited Financial Results pursuant to the requirement of Regulation 33(1) of Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018 read with Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To
The Board of Directors,
National Commodity & Derivatives Exchange Limited

1. Introduction

We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **National Commodity & Derivatives Exchange Limited** (the "Company") for the quarter and nine months ended December 31, 2024 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33(1) of Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018 (the "SECC Regulations") read with Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (the "Listing Regulations, 2015") as amended from time to time and SEBI circulars.

This Statement, which is the responsibility of the Company's management and approved by the Company's Board of Directors, 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 and other recognized accounting practices and policies, and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.

2. Scope of review

We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement.

A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

3. Conclusion

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement of Standalone Unaudited Financial Results prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SECC Regulations read with Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and relevant circulars issued thereunder including the manner in which it is to be disclosed, or that it contains any material misstatement.



4. Emphasis of Matter

- i) We draw attention to Note 2 of the Standalone Unaudited Financial Results as follows:

In respect of the matters relating to the future contracts of pepper, the Company had paid in earlier years total amount including taxes towards cleaning of the pepper stock in warehouses and other related costs of Rs. 1,696 lakhs (net of recovery of Rs. 9 lakhs till December 31, 2024) and these payments are considered as receivable and shown under "other financial assets". The Order of Hon'ble High Court of Kerala dated August 28, 2014, has allowed the Company to clean the pepper stock in warehouses with a right to recover the aforesaid estimated pepper-cleaning costs and applicable taxes, associated with the same. However, the Hon'ble High Court of Kerala in a Writ Petition filed by the holders, passed an interim order dated April 13, 2018, restricting the Exchange from taking any coercive actions against the holder and the said Order is currently in force.

In terms of the legal opinion obtained, the management is of the view that it has a fair chance of recovery of the costs incurred by it since the same is backed by Orders of the Court which provides a constructive lien on the goods lying with the Exchange approved warehouses. The Management has considered the receivables, as good and recoverable, and is of the opinion that there is no requirement to make a further provision with respect to these costs in Exchange's account apart from a provision of Rs. 260 lakhs which was made in earlier years towards such pepper-cleaning costs.

Our conclusion is not modified in respect of this matter.

- ii) We draw attention to Note 3(b) of the Standalone Unaudited Financial Results regarding sale of 8.87% (51,86,877 equity shares) of Company's stake in its associate, Power Exchange India Limited (PXIL), to certain buyers, for consideration of Rs. 5,656 lakhs and the profit earned on the said stake sale of Rs. 5,120 lakhs has been credited to the statement of profit and loss and shown as an exceptional item.

Our conclusion is not modified in respect of this matter.

- iii) We draw attention to Note 6 to the Standalone Unaudited Financial Results regarding suspension on launch of new contracts and no fresh positions of major commodities for the period from August 17, 2021 to March 31, 2025, resultant losses, reduction in the net worth and negative operating cash flows of the Company. However, the fact that net worth of the company as at December 31, 2024 is maintained as per the regulatory guidelines, the Company is capable of meeting its liabilities existing at the balance sheet date as and when they fall due within a period of one year from the balance sheet date and other reasons mentioned in Note 6 to the standalone unaudited financial results, the management is of the view that there is no impact on the carrying value of its assets & no adjustments are made in the standalone unaudited financial results for the quarter and nine months ended December 31, 2024 and no material uncertainty exists and the financial results have been prepared based on the going concern assumption.

Our conclusion is not modified in respect of this matter.



iv) We draw attention to Note 7 of the Standalone Unaudited Financial Results regarding the Company continues to hold 67.22% of paid-up share capital of National E-Repository Limited (NERL) as at December 31, 2024 instead of 51% or less of paid-up share capital of NERL, which is not being in conformity with guidelines issued by Warehousing Development and Regulatory Authority (WDRA), investment of Rs. 1,314 lakhs in excess of regulatory requirement.

Our conclusion is not modified in respect of this matter.

v) We draw attention to Note 10 of the Standalone Unaudited Financial Results regarding the Company continues to recognize and carries net deferred tax assets of Rs. 4,775 lakhs as at December 31, 2024 on account of business losses and unabsorbed depreciation on a reasonable certainty based on future taxable profits and the management expects that business losses and unabsorbed depreciation will be adjusted against the future taxable profits based on the approved business plan and projections by the Company.

Our conclusion is not modified in respect of this matter.

Place: Mumbai
Date: February 12, 2025



For **Khandelwal Jain & Co.**
Chartered Accountants
Firm Registration No. 105049W
NARENDRAKUMAR RAJKUMAR JAIN
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NARENDRAKUMAR RAJKUMAR JAIN
Date: 2025.02.12 14:17:46 +05'30'
Narendra Jain
Partner
Membership No. 048725
UDIN: 25048725BMNWHJ5230



National Commodity & Derivatives Exchange Limited
1st Floor, Ackruti Corporate Park, LBS Road, Kanjurmarg (West), Mumbai - 400 078, India
CIN : U51909MH2003PLC140116; Website : www.ncdex.com

Statement of Consolidated Unaudited Financial Results for the quarter and nine months ended December 31, 2024

(₹ in Lakh)

Sr. No.	Particulars	Quarter ended			Nine months ended		Year ended
		December 31, 2024 (Unaudited)	September 30, 2024 (Unaudited)	December 31, 2023 (Unaudited)	December 31, 2024 (Unaudited)	December 31, 2023 (Unaudited)	March 31, 2024 (Audited)
1	Income						
	Revenue from operations	2,159	1,952	2,271	5,842	7,151	9,573
	Other income (Refer Note 12)	888	829	1,042	2,453	3,058	4,027
	Total Income	3,047	2,781	3,313	8,295	10,209	13,600
2	Expenses						
(a)	Employee benefits expense	2,410	2,483	2,258	7,280	6,857	9,100
(b)	Finance expense	24	27	36	79	103	136
(c)	Depreciation and amortization expense	621	714	633	1,884	1,821	2,462
(d)	Technology expenses	1,101	1,114	1,195	3,323	3,294	4,380
(e)	Other expenses	744	712	652	2,054	1,974	2,638
	Total Expenses	4,900	5,050	4,774	14,620	14,049	18,716
3	Profit / (Loss) before share of net profit from Joint Ventures and associate, exceptional item & income tax	(1,853)	(2,269)	(1,461)	(6,325)	(3,840)	(5,116)
4	Exceptional Income/ (Expense) (Refer Note 4)	-	-	-	4,766	44	989
5	Profit / (Loss) before share of net profit from Joint Ventures and Associate & income tax (3-4)	(1,853)	(2,269)	(1,461)	(1,559)	(3,796)	(4,127)
6	Share of net profit from Joint Venture and Associate accounted for using equity method	143	208	150	662	565	807
7	Profit / (Loss) before tax (5+6)	(1,710)	(2,061)	(1,311)	(897)	(3,231)	(3,320)
8	Tax expense						
	Current tax	2	-	(7)	2	-	133
	Current tax for earlier periods	(27)	-	1	(27)	1	9
	Deferred tax	(497)	(502)	(179)	(388)	(735)	(692)
	Total tax expense	(522)	(502)	(185)	(413)	(734)	(550)
9	Profit / (Loss) after tax (7-8)	(1,188)	(1,559)	(1,126)	(484)	(2,497)	(2,770)
	Other Comprehensive Income (OCI) (net of tax)						
	Items that will not be reclassified to profit or loss						
	Remeasurement of post-employment benefit obligations (net of tax)	(33)	(54)	(17)	(103)	(50)	(44)
	Items that will be reclassified to profit or loss						
	Debt instruments through Other Comprehensive Income (net of tax)	5	13	36	(1)	46	(21)
	Share of OCI from Joint Ventures and Associate accounted for using equity method (net of tax)	0.3	(0.4)	0.2	(2)	(4)	(4)
10	Total Other Comprehensive Income (OCI)	(28)	(41)	19	(106)	(8)	(69)
11	Total Comprehensive Income (9+10)	(1,216)	(1,600)	(1,107)	(590)	(2,505)	(2,839)
12	Profit / (Loss) attributable to:						
	- Owners of the Company	(1,161)	(1,504)	(1,091)	(378)	(2,379)	(2,606)
	- Non-controlling interest	(27)	(55)	(35)	(106)	(118)	(164)
	Total Profit / (Loss)	(1,188)	(1,559)	(1,126)	(484)	(2,497)	(2,770)
	Other Comprehensive Income attributable to:						
	- Owners of the Company	(27)	(40)	20	(102)	(4)	(66)
	- Non-controlling interest	(1)	(1)	(1)	(4)	(4)	(3)
	Total Other Comprehensive Income	(28)	(41)	19	(106)	(8)	(69)
	Total Comprehensive Income attributable to:						
	- Owners of the Company	(1,188)	(1,544)	(1,071)	(480)	(2,383)	(2,672)
	- Non-controlling interest	(28)	(56)	(36)	(110)	(122)	(167)
	Total Comprehensive Income	(1,216)	(1,600)	(1,107)	(590)	(2,505)	(2,839)
13	Paid-up equity share capital (Face value ₹ 10 per share)	5,068	5,068	5,068	5,068	5,068	5,068
14	Reserves (excluding Revaluation Reserve)						40,871
15	Earnings per share (of ₹ 10/- each) (not annualised for quarter) :						
	Basic (Rs.)	(2.29)	(2.97)	(2.15)	(0.75)	(4.69)	(5.14)
	Diluted (Rs.)	(2.29)	(2.97)	(2.15)	(0.75)	(4.69)	(5.14)



Notes:

- 1 The above consolidated unaudited financial results have been reviewed by the Audit committee in its meeting held on February 11, 2025 and approved by the Board of Directors in their meeting held on February 12, 2025. The consolidated unaudited financial results for the quarter and nine months ended December 31, 2024 has been reviewed by the Statutory Auditors.
- 2 The consolidated financial results represent the results of Business operations of the National Commodity & Derivatives Exchange Limited (Exchange or Company or NCDEX) and its subsidiary companies, National Commodity Clearing Limited (NCCL) (100%), National E-Repository Limited (NERL) (67.22%), NCDEX Institute of Commodity Markets and Research (NICR) (100%), NCDEX E Markets Limited (NEML) and its jointly controlled entity Rashtriya e Market Services Private Limited (ReMS) and Meta Materials Circular Markets Private Limited (Joint venture with subsidiary NeML) (99.73%) (as at March 31, 2024 99.73%) and the Exchange's Associate company Power Exchange India Limited (PXIL) (31.63% from April 19, 2024 to June 05, 2024 and 24.21% w.e.f June 06, 2024 (34.21% upto March 26, 2024 and 33.08% w.e.f. March 27, 2024).
- 3 Based on complaints of presence of "Mineral Oil" in some of the stocks, warehouses having pepper stock of Based on complaints of presence of "Mineral Oil" in some of the stocks, warehouses having pepper stock of approximately 6853 MT were sealed by Food Safety and Standard Authority of India, Kerala (FSSAI) and deliveries were stopped from the warehouses, till further notice. In the meantime, the Commissioner of Food Safety, Kerala passed Orders for release of pepper stocks free of mineral oil of approximately 463 MT. The presence of mineral oil was not a part of the National Commodity & Derivatives Exchange Limited ("Exchange") specifications and therefore any liability arising on account of the same cannot be under the settlement process of the Exchange. However, in order to retain market integrity, the Exchange had offered to facilitate improvement of pepper stock, subject to recovering the costs of improvement and accordingly prayed before the Hon'ble High Court of Kerala to allow the same. Based on this, the Hon'ble High Court of Kerala vide its order dated August 28, 2014, allowed the Exchange to clean the pepper stock lying in the warehouse with a right to recover the costs associated with the same. Subsequently, some of the holders of the stocks had requested Food Safety Authorities, Kerala to permit the reference of a second sample to the referral laboratory viz. The Central Food Laboratory, Kolkata. Further, Hon'ble High Court of Kerala, vide its order dated May 12, 2015 had directed the release of such quantity of pepper which is found free from impurities and contamination. Based on this, approximately 4,376 MT of pepper stock which was found free of mineral oil on testing by Central Food Laboratory, Kolkata, has been released to the holders & approximately 1,015 MT was further released after cleaning. In the earlier years, the Exchange had paid the total amount including taxes towards cleaning and other related costs of ₹ 1,696 lakhs (net of recovery of Rs. 9 lakhs till December 31, 2024). These payments are considered as receivable and shown under "other financial assets". As on December 31, 2024, the balance stock of Pepper pending at various stages of release under the custody of Food Safety Authority, Kerala is approximately 998 MT. Further, the Hon'ble High Court of Kerala, in a Writ Petition filed by the holders, passed an interim order dated 13th April, 2018, restricting the Exchange from taking any coercive actions against the holders and the said order is currently in force. In terms of the legal opinion obtained, the management is of the view that it has a fair chance of recovery of the costs incurred by it, since the same is backed by orders of the Hon'ble Court which provide a constructive lien on the goods lying with the Exchange approved warehouses. Accordingly, the Exchange has considered, the said receivable as good and recoverable and is of the opinion that there is no requirement to make further provision with respect to these cost in Exchange's account apart from a provision of Rs. 260 lakh which was made in earlier years towards the cleaning of pepper stocks. The said provision is shown under the head "current provisions".

4 Note on exceptional item

Particulars	Quarter Ended			Nine Months ended		Year Ended
	December 31, 2024 (Unaudited)	September 30, 2024 (Unaudited)	December 31, 2023 (Unaudited)	December 31, 2024 (Unaudited)	December 31, 2023 (Unaudited)	March 31, 2024 (Audited)
Recovery of pre-incorporation expense of JV (Refer Note 4 (a))	-	-	-	-	44	44
Insurance Claim (Refer note 4 (b))	-	-	-	-	-	365
Profit on stake sale in associate (net) (Refer Note 4 (c) (i) and (ii))	-	-	-	4,766	-	579
Total	-	-	-	4,766	44	989

- (a) In case of subsidiary NCDEX e Markets Ltd (NeML), NeML and another Joint Venturer outside the group (parent, subsidiary and associate of NCDEX) have incorporated a Joint Venture Company Meta Materials Circular Markets Private Limited (MMCPL) during FY 2022-2023 and both Joint Venturers have 50% share. The Exceptional Income of Rs. 44 lakh for the nine months ended December 31, 2023 and for the year ended March 31, 2024 is on account of income booked for recovery of Preincorporation and other expenses incurred on behalf of MMCPL prior to receipt of approval from Regulatory authorities.
- (b) In case of subsidiary NCCL, in the financial year 2019-20, NCCL had filed summary suits against the defaulting members for recovery of dues, which are pending before Hon. High Court, Bombay. The Company had also filed an insurance claim for the loss on account of non-recovery of these dues. During the year ended March 31, 2024, NCCL has received insurance claim proceeds of Rs. 1,889 lakh (including interest of Rs 698 lakh) in settlement of the claim filed. Out of the insurance proceeds received, NCCL has replenished Rs. 1,201 lakh (includes Rs. 10 lakh replenished from the aforesaid interest) for the amount earlier funded to Core Settlement Guarantee Fund (Core SGF). Out of the balance insurance proceeds, NCCL has transferred Rs. 322 lakh to Core SGF and has retained the net balance of Rs. 365 lakh based on SEBI letter SEBI/HO/MRD/RAC-1/P/OW/2024/13296/1 dated April 04, 2024, and the same has been credited to the statement of profit & loss and shown as an exceptional income.



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- (c) (i) During the quarter ended June 30, 2024, the Exchange has sold 8.87% (51,86,877 equity shares) of its stake in PXIL (associate company) to certain buyers for a consideration of Rs. 5,656 lakh. The net profit of Rs. 4,766 lakh (net of expenses of Rs. 17 lakh), earned during the nine months ended December 31, 2024 on the said stake sale of Rs. 5,656 lakh, has been credited to the statement of profit and loss and shown as an exceptional item.
- (c) (ii) During the year ended March 31, 2024, the Exchange has sold 1.13% (6,60,128 equity shares) of its stake in PXIL (associate company) to a buyer for a consideration of Rs. 700 lakh. The net profit of Rs. 579 lakh (net of expenses Rs. 16 lakh), for the year ended March 31, 2024 on the said stake sale of Rs. 700 lakh, has been credited to the statement of profit and loss and shown as an exceptional item.
- 5 In case of subsidiary NCCL, Securities and Exchange Board of India, vide circular CIR/MRD/DRMNP/25/2014 dated August 27, 2014, inter alia, has issued norms related to the computation and Minimum Required Contribution (MRC) to the Core Settlement Guarantee Fund by the Clearing Corporation (minimum 50%) from its own fund, Stock Exchange (minimum 25%) and members (maximum 25%). Based on this the Company has created the Core Settlement Guarantee Fund.

The details of Core SGF as on December 31, 2024 are as under.

(Rs. In lakh)					
Particulars	Settlement penalties	NCCL Contribution	NCDEX Contribution	Member Contribution	Total
As on April 01, 2024	6,675	9,968	3,297	-	19,941
Penalties levied & collected during the period	165	-	-	-	165
Interest on replenished amount	1	-	-	-	1
Interest on Income Tax refund	1	4	1	-	6
Income on investment of SGF	383	542	176	-	1,101
Contribution returned to contributing stakeholders (refer note 6 below)	-	(460)	(135)	-	(595)
Income tax paid/provision	(2)	(178)	(52)	-	(232)
As on December 31, 2024	7,223	9,876	3,287	-	20,386

The above Core SGF amounting to Rs. 20,386 lakh has been considered by the management as a part of equity and is included under "Other Equity".

Details of earmarking of funds towards Core SGF are as under:

(Rs. In lakh)					
Particulars	Settlement penalties	NCCL Contribution	NCDEX Contribution	Member Contribution	Total
Fixed deposits included under 'Cash and cash equivalent'	-	-	-	-	-
Fixed deposits included under 'Bank balances other than cash and cash equivalents'	5,861	8,599	2,279	-	16,739
Fixed deposits included under 'Non-current bank balances'	985	874	871	-	2,729
Accrued Interest on Fixed Deposits	373	481	160	-	1,014
TDS on Interest/Income (net)	5	11	4.5	-	21
Balance with Bank	0.1	0.3	0	-	0.4
Sub-total	7,224	9,965	3,315	-	20,504
Less : Provision for Tax	(1)	(89)	(28)	-	(118)
Total	7,223	9,876	3,287	-	20,386

National Commodity Clearing Limited (NCCL's) own contribution to Core SGF for the quarter ended December 31, 2024, September 30, 2024 and December 31, 2023 is Rs. NIL, Rs. NIL and Rs. NIL respectively, for the nine months ended December 31, 2024 and December 31, 2023 is Rs. NIL and Rs. NIL respectively and for the year ended March 31, 2024 is Rs. NIL.

- 6 As per SEBI circular SEBI/HO/MRD/MRD-POD-1/P/CIR /2023/78 dated May 23, 2023 relating to revision in computation of Core Settlement Guarantee Fund in Commodity Derivatives Segment, Clearing Corporations in Commodity Derivatives Segment may align their core SGF in terms of SEBI circulars dated August 27, 2014 as well as July 11, 2018 and excess contribution, if any, may be returned to the contributing stakeholders on a pro-rata basis, after taking due approval from SEBI. Accordingly, NCCL has received approval from SEBI vide letter dated SEBI/HO/MRD/RAC-1/P/OW/2024/0025143/1 dated August 6, 2024 for withdrawal of excess contribution of Rs. 640 lakh and Rs. 188 lakh by the NCCL and NCDEX respectively from Core SGF. Based on this approval, NCCL has withdrawn Rs. 460 lakh (net of tax of Rs. 176 lakh) up to December 31, 2024 from the NCCL's own contribution and NCCL has returned to the Company Rs. 135 lakh (net of tax of Rs. 52 lakh) up to December 31, 2024 from the company's own contributions. The above withdrawals by the company and NCCL (net of income tax) has been credited to Retained Earnings.



- 7 The Exchange was permitted to hold up to 74% of the paid up share capital of NERL and to reduce it to 51% or below by December 21, 2018 as per letter 16/5-15/A&F-1959 dated December 8, 2016 and letter of intent dated December 23, 2016 of Warehousing Development and Regulatory Authority (WDRA). Since the shareholding of the Exchange (67.22%) was not in line with the above guidelines, the Exchange has sought and received permission from WDRA to continue to hold 67.22% in NERL. As per latest WDRA letter no. D-24015/2/2018-O/o US (A and F)/2728 dated February 1, 2024, WDRA has granted an extension of time to the Exchange for a period of six months from December 22, 2023 to reduce its shareholding in NERL to 51% or below. Further, the exchange has filed an application with WDRA on May 23, 2024 requesting for an extension of 18 months from June 22, 2024. The response from WDRA on the same is awaited. Subsequently in January 2025, the management has sold the said excess holding of 16.22% of its stake in NERL for a consideration of Rs. 2,760 lakh.
- 8 During the quarter ended December 31, 2024, the Board has accorded its in principle approval for the sale of investment in associate namely PXIL, to the extent of 7.14% (41,76,410 equity shares) and accordingly the management has classified carrying value of the investment to the extent of Rs. 757 lakh as 'Asset held for sale'.
- 9 As per SEBI directives, the Exchange has issued circulars informing the market participants that no fresh positions and launch of new contracts are allowed in Chana and Rapeseed-Mustard with effect from August 17, 2021 and October 8, 2021 respectively. In addition to this, the Exchange has issued a circular: NCDEX/SURVEILLANCE & INVESTIGATION-124/2021 dated December 20, 2021 wherein no fresh positions and launch of new contracts are allowed for a period of one year in respect of certain commodities prescribed in the said circular including major commodities like Soyabean and Refined Soy Oil as well as earlier suspended commodities viz. Chana and Rapeseed-Mustard. The suspension of these commodities was extended for a period of one year i.e. till December 20, 2023. Subsequently, the suspension was further extended for a period of one more year i.e. till December 20, 2024. Subsequently, the suspension is further extended till March 31, 2025. The Exchange has issued a circular: NCDEX/SURVEILLANCE & INVESTIGATION-005/2025 dated January 31, 2025 to that effect. Accordingly, the revenue of the Exchange from transaction charges of these commodities has been impacted. The management, based on its assessment, is of the view that there is no impact on the carrying value of its assets. Therefore, no adjustments are made in the financial results for the quarter and nine months ended December 31, 2024.
- Despite the suspension of commodities, resultant losses, reduction in the net worth and negative operating cash flows of the Company, the net worth of the Company is maintained as per the regulatory guidelines and the Company is capable of meeting its liabilities existing at the balance sheet date as and when they fall due within a period of one year from the balance sheet date. Also, the Exchange is putting efforts to grow its business in the existing commodities and diversify its business by exploring new products. Further, the company is in process of raising funds through preferential issue of equity shares to identified institutional shareholders (refer note 14) and diluting its excess holdings (as per regulatory requirements) in NERL (subsidiary company) (refer note 7). During the nine months ended, the Company has divested its 8.87% stake in PXIL (associate company) for a consideration of Rs. 5,656 lakh (refer note 4 (c) (ii)). In view of the above and the business plan of the Company, the management is of the view that no material uncertainty exists and the financial results have been prepared based on the going concern assumption.
- 10 Considering the unabsorbed business losses and unabsorbed depreciation and future taxable profits, the Exchange expects that it will opt for lower tax rate under section 115BAA and hence MAT credit will not be available for setoff. Accordingly, during the year ended March 31, 2024, the Exchange had derecognized MAT credit of Rs. 206 lakh.
- 11 As at December 31, 2024, the Group continues to recognize and carries net deferred tax assets of Rs. 5,411 lakh on account of business losses and unabsorbed depreciation on a reasonable certainty based on future taxable profits. Management expects that business losses and unabsorbed depreciation will be adjusted against the future taxable profits based on the approved business plan and projections by the Group.
- 12 (i) Other Income includes Interest on Income Tax refund of Rs. 17 lakh for the quarter and nine months ended December 31, 2024, Rs. 97 lakh and Rs. 100 lakh for the quarter and nine months ended December 31, 2023 respectively and Rs. 249 lakh for the year ended March 31, 2024.
- 12 (ii) Other Income for the nine months ended December 31, 2023 includes Rs. 353 lakh received from Power Exchange India Limited (PXIL) as dividend for the Financial Year 2012-13 to FY 2019-20 on erstwhile 10% Optionally Convertible Cumulative Preference shares (later converted to Equity shares in FY 2019-20).



National Commodity & Derivatives Exchange Limited

Segment information for consolidated financials for the quarter and nine months ended December 31, 2024

13 The MD & CEO of the Parent Company has been identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108, Operating Segments. The CODM evaluates the Group's performance and allocates resources. The disclosure in respect of Segment information as per INDAS 108 "Operating Segments" for the quarter ended and nine months ended December 31, 2024 is given as follows:

Particulars	Quarter ended												Nine months ended								Year ended			
	December 31, 2024 (Unaudited)				September 30, 2024 (Unaudited)				December 31, 2023 (Unaudited)				December 31, 2024 (Unaudited)				December 31, 2023 (Unaudited)				March 31, 2024 (Audited)			
	Total Income	Inter-segment Income	External Income	Segment Result	Total Income	Inter-segment Income	External Income	Segment Result	Total Income	Inter-segment Income	External Income	Segment Result	Total Income	Inter-segment Income	External Income	Segment Result	Total Income	Inter-segment Income	External Income	Segment Result	Total Income	Inter-segment Income	External Income	Segment Result
Commodity Exchange Services	1,026	(189)	836	(1,811)	1,362	(406)	956	(1,873)	1,210	(189)	1,021	(1,585)	3,449	(784)	2,665	(5,091)	4,133	(563)	3,570	(4,055)	5,282	(753)	4,529	(5,498)
Commodity Clearing Services	553	-	553	(84)	545	-	545	(72)	748	-	748	199	1,600	-	1,600	(331)	2,064	-	2,064	392	2,547	-	2,547	330
Repository Services	277	(9)	269	(98)	275	(9)	266	(115)	286	(9)	277	(35)	881	(26)	855	(204)	804	(26)	778	(155)	1,085	(35)	1,050	(240)
Research and Education Services	17	(14)	3	1	60	(14)	46	(2)	21	(12)	9	7	97	(43)	55	3	67	(49)	18	13	85	(62)	23	7
E-Market Service	1,104	(3)	1,102	266	730	0	730	(100)	748	(2)	746	(164)	2,372	(4)	2,369	(170)	2,474	(10)	2,464	(144)	3,303	(12)	3,291	(31)
Software Service	114	-	114	(191)	112	-	112	(297)	306	-	306	111	337	-	337	(566)	691	-	691	88	1,373	-	1,373	317
Corporate Buying/Trade Finance	18	-	18	6	4	-	4	(6)	85	-	85	51	26	-	26	(5)	235	-	235	138	260	-	260	130
Unallocable	154	-	154	-	122	-	122	-	121	-	121	-	391	-	391	-	388	-	388	-	527	-	527	-
Total	3,263	(215)	3,048	(1,911)	3,210	(428)	2,782	(2,365)	3,525	(212)	3,313	(1,416)	9,153	(857)	8,297	(6,364)	10,857	(649)	10,209	(3,724)	14,462	(862)	13,600	(4,985)
Unallocable (net off expenses)				82				23									119							5
Less: Finance Charge				24				27									79				103			136
Add / (Less): Share of profit (net) of associate(s)				143				208					150				662				565			807
Profit before exceptional items				(1,710)				(2,061)				(1,311)				(5,663)				(3,275)				(4,309)
Add / (Less): Exceptional items				-				-				-				4,766				44				989
Profit before tax				(1,710)				(2,061)				(1,311)				(897)				(3,231)				(3,320)
Tax Expenses				2				-				(7)				2				-				133
Add / (Less): Provision for current tax								-				1				(27)				1				9
Add / (Less): Current tax for earlier years				(27)				-				1				(388)				(735)				(692)
Add / (Less): Provision for Deferred tax				(497)				(502)				(179)				(388)				(735)				(692)
Profit after tax and before non-controlling interest				(1,188)				(1,559)				(1,126)				(484)				(2,497)				(2,770)
Add / (Less): Non-controlling interests				(27)				(55)				(35)				(106)				(118)				(164)
Profit after tax (owners)				(1,161)				(1,504)				(1,091)				(378)				(2,379)				(2,606)

Particulars	As at				As at				As at			
	December 31, 2024 (Unaudited)		September 30, 2024 (Unaudited)		December 31, 2023 (Unaudited)		December 31, 2024 (Unaudited)		December 31, 2023 (Unaudited)		March 31, 2024 (Audited)	
	Segment Assets	Segment Liabilities	Segment Assets	Segment Liabilities	Segment Assets	Segment Liabilities	Segment Assets	Segment Liabilities	Segment Assets	Segment Liabilities	Segment Assets	Segment Liabilities
Commodity Exchange Services	24,330	9,579	24,798	8,826	23,813	8,879	24,330	9,579	23,813	8,879	22,867	8,666
Commodity Clearing Services	42,576	18,877	45,403	22,001	40,110	19,054	42,576	18,877	40,110	19,054	39,299	16,198
Repository Services	4,932	1,125	5,020	1,132	5,100	1,122	4,932	1,125	5,100	1,122	5,123	1,153
Research and Education Services	51	4	60	18	50	2	51	4	50	2	40	8
E-Market Service	4,918	10,208	5,368	11,182	4,974	10,192	4,918	10,208	4,974	10,192	4,173	8,065
Software Service	488	2	764	2	681	-	488	2	681	-	1,328	10
Corporate Buying/Trade Finance	611	-	152	-	1,038	-	611	-	1,038	-	104	-
Unallocable	11,365	1,431	12,933	2,503	11,615	1,997	11,365	1,431	11,615	1,997	11,153	2,391
Total	89,272	41,225	94,497	45,663	87,381	41,246	89,272	41,225	87,381	41,246	84,087	36,490

In case of subsidiary NEML, the company has identified and disclosed "E-market service", "Software Services" and "Corporate Buying/Trade Finance" as reportable segments. The operating segment has been identified and reported taking into account its internal financial reporting and performance evaluation of its operations. Operating Segment is reported in the manner evaluated by Board under Ind AS 108 "Operating Segment". Revenue and expenses directly attributable to segments are reported under each reportable segment. Revenues and expenses have been identified to a segment on the basis of relationship to operating activities of the segment. The revenues and expenses, relating to the enterprise as a whole and not allocable to a particular segment on reasonable basis have been disclosed as "Unallocable".

Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as "Unallocable". Property, plant and equipment that are used interchangeably among segments are not allocated to reportable segments.



- 14 During the half year ended September 30, 2024, the Board and shareholders have approved the offer of 1,89,76,358 equity shares of the Exchange having face value of ₹10/- (Rupees Ten only) each at a price of Rs. 160.60 per equity share on a preferential basis / private placement for cash to identified institutional shareholders of the Exchange. The Holding company in its "Private Placement Offer Cum Application Letter" offered the said equity shares to identified institutional shareholders of the Exchange and the issue opened on July 8, 2024 and was to close on November 4, 2024. However, based on the requests received from few of the identified institutional shareholders, the Board vide its circular resolution dated October 26, 2024 extended the said Preferential Offer closing date by three months, i.e. from the original date of November 4, 2024 to February 4, 2025 and further the Board vide its circular resolution dated February 3, 2025 extended the said Preferential Offer to March 3, 2025.
- 15 The Code on Social Security, 2020 (Code) relating to employee benefits during employment and post-employment benefits has received Presidential assent on 28th September 2020 and the said Code has been published in the Gazette of India. However, the date on which the Code comes into effect has not been notified. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The final rules are yet to be notified. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.
- 16 In case of subsidiary NCCL, Securities and Exchange Board of India (SEBI) vide letter no. SEBI/HO/CDMRD/DEA/OW/P/2018/025765/1 dated September 12, 2018 granted recognition to NCCL as a 'Clearing Corporation' under Regulation 4 of Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2012 for one year. Subsequently, NCCL has made an application for grant of renewal of recognition as a clearing corporation and SEBI vide letter no. SEBI/HO/CDMRD/DRMP/OW/P/2019/22794/1 dated September 05, 2019 granted renewal of recognition to NCCL as a "Clearing Corporation" for a period of three years commencing from September 10, 2019. Further, NCCL has made an application for grant of renewal of recognition as a clearing corporation and SEBI vide letter no. SEBI/HO/MRD/RAC-1/P/OW/2022/47300/1 dated September 09, 2022 granted renewal of recognition to NCCL as a "Clearing Corporation" for a period of three years commencing from September 10, 2022.
- 17 NeML, subsidiary company had received an Adjudication Order dated 30th April 2024 from Director General of GST Investigation (DGGSTI) CGST Delhi North in respect of the SCN issued for the alleged TCS on GST liability to be collected by NeML as an e-commerce operator on taxable and exempt agricultural commodities thereby confirming the demand of Rs. 37,633 Lakh plus penalty @ 10% i.e. approximately Rs.3,700 Lakh aggregating to a total demand of Rs.41,333 lakh and interest under section 50 read with section 52 of the CGST Act, is also payable on Rs.37,633 Lakh for the period October 2018 to March 2022 under the above order. In response to the same, subsidiary company NeML has filed Writ Petition with Bombay High court against the said Final Order on June 12, 2024 passed by the Adjudicating Authority. Without prejudice, NeML, based on legal assessment is of the view that all the above notice and the tax demand are arbitrary in nature and contrary to the provisions of law. NeML will pursue all the legal remedies available to them to challenge such tax demand and the related proceedings. The NeML's management is confident of a favourable outcome in the aforesaid matter.
- 18 As at March 31, 2024 claims against the Jointly Controlled company not acknowledged as debts in respect of Service Tax Matters amounted to Rs. 780 lakh (As at 31st March 2023 Rs. 780 lakh). These matters were pending before the appellate authorities. On conclusion of the personal hearing, the Adjudicating authority revised the demand amount from Rs. 1,314 lakh to Rs. 780 lakh. The department has contested the revision of the demand before the Appellate Tribunal. On receipt of the orders of the Adjudicating authority, the Jointly Controlled Company filed an appeal before the Customs Excise and Service Tax Appellate Tribunal (CESTAT) against the Orders, by depositing a sum of Rs. 59 lakh being 7.5% of the tax demanded. The management of the entity expects that ultimate resolution on appeal will be in favour of the entity and will not have a material adverse effect on the Group's financial position and results of operations. NeML share will be 50% in case liability is crystallised.
- 19 In case of subsidiary NeML, the quarter-on-quarter financial performance figures are not directly comparable due to the inherent seasonality of the agricultural business.
- 20 In case of associate PXIL, Regulation 15 of the Central Electricity Regulatory Commission (Power Market) Regulations, 2021 ('PMR'), governs ownership structure of Power Exchanges. PXIL submitted Petition No 285/MP/2021 dated 17.12.2021 to CERC seeking a grant of additional time to comply with the prescribed ownership structure. Later, CERC vide Order dated 26.04.2022 provided additional time till 31.03.2023 to comply with the shareholding pattern as prescribed in PMR 2021. Accordingly, a petition was filed in the month of March 2023 seeking grant of additional time to comply with the prescribed ownership structure as prescribed in PMR 2021 and CERC Vide Order dated 20.11.2023 had granted time till 30.09.2024 to comply with the shareholding pattern as prescribed in PMR 2021. Accordingly, PXIL had filed petition on 13.09.2024 seeking additional time of 2 years to meet shareholding norms prescribed under Regulation 15 of the CERC (Power Market) Regulations, 2021. The said matter was heard on 21.01.2025 wherein the Hon'ble Commission has allowed a period of 3 months to align the shareholding norms as prescribed under Power Market Regulations, 2021 with a levy of penalty of Rs. 1 lakh, which shall be deposited within two weeks. The penalty was paid on 23.01.2025. Hon'ble Commission also directed to submit Compliance within a week after expiry of extended timelines. Next hearing in the matter is scheduled on 24.04.2025.
- 21 Figures for the previous period / year's have been regrouped, rearranged and reclassified wherever necessary.

**For and on behalf of the Board of Directors
National Commodity & Derivatives Exchange Limited**


Arun Raste
Managing Director & Chief Executive Officer
DIN - 08561128

Place : Mumbai
Date : February 12, 2025





Independent Auditor's Review Report on Consolidated Unaudited Financial Results pursuant to the requirement of Regulation 33(1) of Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018 read with Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To
The Board of Directors,
National Commodity & Derivatives Exchange Limited

Introduction

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of **National Commodity & Derivatives Exchange Limited** ("the Parent" or "the Holding Company") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group") and its share of the net profit after tax and total comprehensive income of its Associate and Joint Ventures for the quarter and nine months ended December 31, 2024 ("the Statement"), being submitted by the Parent pursuant to the requirement of Regulation 33(1) of Securities Contract (Regulations) (Stock Exchanges and Clearing Corporations) Regulations, 2018 (the "SECC Regulations") read with Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and SEBI circulars.
2. This Statement which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, 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 and other recognized accounting practices and policies, and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.

Scope of review

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. The standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.



4. The Statement includes the unaudited standalone / consolidated financial results of the following entities:

Sr. No.	Name of the Entity	Relationship
1	National Commodity & Derivatives Exchange Limited (NCDEX)	Parent
2	National Commodity Clearing Limited (NCCL)	Subsidiary
3	National e-Repository Limited (NERL)	Subsidiary
4	NCDEX Institute of Commodity Markets and Research (NICR)	Subsidiary
5	NCDEX e-Markets Limited (NEML)	Subsidiary
6	Rashtriya e-Market Services Private Limited (ReMS)	Joint Venture of NEML
7	Meta Materials Circular Markets Private Limited (MMCMPL)	Joint Venture of NEML
8	Power Exchange India Limited (PXIL)	Associate

Conclusion

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the other auditors referred to in paragraph 13 & 16 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SECC Regulations read with Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and relevant circulars issued thereunder including the manner in which it is to be disclosed, or that it contains any material misstatement.

Emphasis of Matter

6. We draw attention to Note 3 of the Consolidated Unaudited Financial Results as follows:

In respect of the matters relating to the future contracts of pepper, the Holding Company had paid in earlier years total amount including taxes towards cleaning of the pepper stock in warehouses and other related costs of Rs. 1,696 lakhs (net of recovery of Rs. 9 lakhs till December 31, 2024) and these payments are considered as receivable and shown under "other financial assets". The Order of Hon'ble High Court of Kerala dated August 28, 2014, has allowed the Holding Company to clean the pepper stock in warehouses with a right to recover the aforesaid estimated pepper-cleaning costs and applicable taxes, associated with the same. However, the Hon'ble High Court of Kerala in a Writ Petition filed by the holders, passed an interim order dated April 13, 2018, restricting the Exchange from taking any coercive actions against the holder and the said Order is currently in force.

In terms of the legal opinion obtained, the management is of the view that it has a fair chance of recovery of the costs incurred by it since the same is backed by Orders of the Court which provides a constructive lien on the goods lying with the Holding Company's approved warehouses. The Management has considered the receivable as good and recoverable, and is of the opinion that there is no requirement to make a further provision with respect to these costs in Exchange's account apart from a provision of Rs. 260 lakhs which was made in earlier years towards such pepper-cleaning costs.

Our conclusion is not modified in respect of this matter.



7. We draw attention to Note 4(c)(i) of the Consolidated Unaudited Financial Results regarding sale of 8.87% (51,86,877 equity shares) of Company's stake in its associate, Power Exchange India Limited (PXIL), to certain buyers, for consideration of Rs. 5,656 lakhs and the profit earned on the said stake sale of Rs. 4,766 lakhs has been credited to the statement of profit and loss and shown as an exceptional item.

Our conclusion is not modified in respect of this matter.

8. We draw attention to Note 7 of the Consolidated Unaudited Financial Results regarding the Company continues to hold 67.22% of paid-up share capital of National E-Repository Limited (NERL) as at December 31, 2024 instead of 51% or less of paid-up share capital of NERL, which is not being in conformity with guidelines issued by Warehousing Development and Regulatory Authority (WDRA).

Our conclusion is not modified in respect of this matter.

9. We draw attention to Note 9 of the Consolidated Unaudited Financial Results regarding suspension on launch of new contracts and no fresh positions of major commodities for the period from August 17, 2021 to March 31, 2025, resultant losses, reduction in the net worth and negative operating cash flows of the Holding Company. However, the fact that net worth of the holding company as at December 31, 2024 is maintained as per the regulatory guidelines, the holding company is capable of meeting its liabilities existing at the balance sheet date as and when they fall due within a period of one year from the balance sheet date and other reasons mentioned in Note 9 to the consolidated unaudited financial results, the management is of the view that there is no impact on the carrying value of its assets & no adjustments are made in the financial results for the quarter and nine months ended December 31, 2024 and no material uncertainty exists and the financial results have been prepared based on the going concern assumption.

Our conclusion is not modified in respect of this matter.

10. We draw attention to Note 11 of the Consolidated Financial Results regarding the Group continues to recognize and carries net deferred tax assets of Rs. 5,411 lakhs as at December 31, 2024 on account of business losses and unabsorbed depreciation on a reasonable certainty based on future taxable profits and the management expects that business losses and unabsorbed depreciation will be adjusted against the future taxable profits based on the approved business plan and projections by the respective companies.

Our conclusion is not modified in respect of this matter.

11. We draw your attention to Note 17 to the Consolidated Unaudited Financial Results relating to an Emphasis of Matter paragraph included in the Independent Auditor's Review Report on the consolidated unaudited financial results of NCDEX e Markets Limited (NEML), a Subsidiary of the Holding Company, issued by an independent firm of chartered accountants vide their report dated February 08, 2025, and is reproduced by us as under:

"We draw attention to Note 6 to the consolidated financial results regarding the order received from Director General of GST Investigation (DGGSTI) Delhi North for alleged non-payment /short payment of Tax Collected at Source (TCS) on Goods and Service tax (GST) liability to be collected by the Company as an e-commerce operator. Based on legal assessment, the management is confident of favourable outcome of the aforesaid matter and accordingly no adjustments have been made to the accompanying standalone financial statements. Our review conclusion is not modified in respect of this matter."



12. We draw your attention to Note 20 to the Consolidated Unaudited Financial Results relating to an Emphasis of Matter paragraph included in the Independent Auditor's Review Report on the unaudited financial results of Power Exchange India Limited (PXIL), an associate of the Holding Company, issued by an independent firm of chartered accountants vide their report dated February 06, 2025, and is reproduced by us as under:

"We draw attention to Note 2 to the Financial Results regarding the Shareholding pattern of the Company not being in conformity with Regulation 15 of the Central Electricity Regulatory Commission (Power Market) Regulations, 2021. Our review conclusion is not modified in respect of this matter."

Other Matters

13. We did not review the Consolidated Unaudited Financial Results of one subsidiary included in the Consolidated Unaudited Financial Results of the Group, whose financial results reflect total income of Rs. 1,389.82 lakhs and Rs. 3,125.61 lakhs, profit / (loss) after tax of Rs. 223.80 lakhs and Rs. (541.50) lakhs, total comprehensive income / (loss) of Rs. 210.76 lakhs and Rs. (580.60) lakhs for the quarter and nine months ended December 31, 2024 respectively, as considered in the Consolidated Unaudited Financial Results of the Group. These Consolidated Unaudited Financial Results have been reviewed by other auditors whose reports have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on the report of the other auditors and the procedures performed by us as stated in paragraph 3 above.

The above Consolidated Unaudited Financial Results include the share of profit of Rs. 43.72 lakhs and Rs. 44.31 lakhs, total comprehensive income of Rs. 43.72 lakhs and Rs. 44.31 lakhs for the quarter and nine months ended December 31, 2024 respectively, in respect of two Joint Venture Companies of the above subsidiary company, whose interim unaudited financial results have not been reviewed by its auditors and have been furnished to its auditors of the above subsidiary company's management. The conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these Joint Venture Companies, is based solely on such interim unaudited financial results. According to the information and explanations given to us by the management and other auditors, these interim financial results are not material to the Consolidated Unaudited Financial Results of the Group.

Our conclusion is not modified in respect of this matter.

14. The Consolidated Unaudited Financial Results also include the unaudited financial results of one subsidiary whose financial results reflect total income of Rs. 17.20 lakhs and Rs. 97.31 lakhs, loss after tax of Rs. 1.74 lakhs and Rs. 5.98 lakhs, total comprehensive loss of Rs. 1.74 lakhs and Rs. 5.98 lakhs for the quarter and nine months ended December 31, 2024 respectively, in respect of the said subsidiary company, whose interim financial results have not been reviewed by its auditors and have been furnished to us by the Holding Company's management. The conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of this subsidiary company, is based solely on such unreviewed financial results. According to the information and explanations given to us by the management, these unaudited interim financial results are not material to the Consolidated Unaudited Financial Results of the Group.

Our conclusion is not modified in respect of this matter.



15. In respect of Rashtriya e-Market Services Private Limited (ReMS), a jointly controlled entity, in the opinion of the ReMS, goods and services tax ('GST') is not applicable on the transaction charges billed by ReMS. Hence, the provision for GST has not been made in the ReMS books of accounts for the same. The financial impact, if any, due to applicability of GST on profit for the quarter and nine months ended December 31, 2024, of jointly controlled entity is Rs. 29.17 lakhs and Rs. 69.68 lakhs respectively. Therefore, the financial impact on the Consolidated Unaudited Financial Results for the quarter and nine months ended December 31, 2024, is Rs. 14.59 lakhs and Rs. 34.84 lakhs (50% of Rs. 29.17 lakhs / Rs. 69.68 lakhs) respectively exclusive of interest and other imposition, if any. The cumulative financial impact as on December 31, 2024, if any, due to applicability of GST on the Consolidated Unaudited Financial Results is Rs. 991.63 lakhs (50% of Rs 1,983.25 lakhs) exclusive of interest and other impositions, if any.

Our conclusion is not modified in respect of this matter.

16. The Consolidated Unaudited Financial Results also include the Group's share of net profit after tax of Rs. 98 lakhs and Rs. 613 lakhs, total comprehensive income of Rs. 99 lakhs and Rs. 612 lakhs for the quarter and nine months ended December 31, 2024 respectively, as considered in the Consolidated Unaudited Financial Results, in respect of one Associate Company, whose unaudited interim financial results have been reviewed by its auditors. These unaudited financial results have been reviewed by other auditors whose reports have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of this Associate Company, is based solely on the report of the other auditors and the procedures performed by us as stated in paragraph 3 above.

Our conclusion is not modified in respect of this matter.



Place: Mumbai
Date: February 12, 2025

For **Khandelwal Jain & Co.**

Chartered Accountants

Firm Registration No. 105049W

NARENDRAKUMAR

RAJKUMAR JAIN

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Narendra Jain

Partner

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