

Independent Auditor's Report on the proposed buy back of equity shares pursuant to the requirements of Section 68 and Section 70 of the Companies Act, 2013 and Clause (xi) of Schedule I of the Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018 as amended

The Board of Directors
BSE Limited
25th Floor, P.J. Towers,
Dalal Street,
Mumbai - 400001, Maharashtra

1. This Report is issued vide request email from BSE Limited (hereinafter the "Company") dated June 27, 2023 and in accordance with the terms of our master engagement agreement dated September 29, 2022.
2. The proposal of the Company to buy back its equity shares in pursuance of the provisions of Section 68 and 70 of the Companies Act, 2013 ("the Act") and Clause (xi) of Schedule I of Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018, as amended ("the SEBI Buyback Regulations") has been approved by the Board of Directors of the Company in their meeting held on July 06, 2023 (hereinafter referred to as the "Board Meeting"). The proposal for buyback is subject to the approval of the shareholders of the Company. The Company has prepared the attached "Statement of determination of the amount of permissible capital payment for proposed buyback of equity shares" (the "Statement") which we have initialed for identification purposes only. The Statement contains the computation of amount of permissible capital payment towards the buyback of equity shares in accordance with the requirements of section 68(2)(c) of the Act and regulation 4(i) of the SEBI Buyback Regulations, based on the latest audited standalone and consolidated financial statements of the Company for the year ended March 31, 2023.

Board of Directors Responsibility

3. The preparation of the Statement is the responsibility of the Board of Directors of the Company, including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
4. The Board of Directors are responsible to make a full inquiry into the affairs and prospects of the Company and to form an opinion as specified in clause (x) of Schedule I to the SEBI Buyback Regulations on reasonable grounds and that the Company will not, having regard to its state of affairs, be rendered insolvent within a period of one year from the date of the shareholders' resolution in the annual general meeting to be held on August 31, 2023 (hereinafter referred to as "the date of Approval") with regards to the proposed buyback. The Board of Directors are also responsible for ensuring that the Company complies with the requirements Act and SEBI Buyback Regulations.

Auditor's Responsibility

5. Pursuant to the requirements of the Act and SEBI Buyback Regulations, it is our responsibility to provide reasonable assurance on the following reporting criteria:
 - (i) Whether we have inquired into the state of affairs of the Company in relation to its audited standalone and consolidated financial statements for year ended March 31, 2023.
 - (ii) Whether the amount of permissible capital payment for the proposed buyback of the equity shares as included in the Statement has been properly determined in accordance with the provisions of Section 68(2)(c) of the Act and Regulation 4(i) of the SEBI Buyback Regulations;
 - (iii) Whether the Board of Directors have formed the opinion as specified in clause (x) of Schedule I to the SEBI Buyback Regulations on reasonable grounds and that the Company will not, having

- regard to its state of affairs, be rendered insolvent within a period of one year from the date of Approval.
6. The audited standalone and consolidated financial statements, referred to in paragraph 5(i) above, have been audited by us on which we issued unmodified audit opinions vide our reports dated May 11, 2023. Our audits of these financial statements were conducted in accordance with the Standards on Auditing, as specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.
 7. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
 8. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
 9. Our scope of work did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial results of the Company taken as a whole. We have not performed an audit, the objective of which would be the expression of an opinion on the financial results, specified elements, accounts or items thereof, for the purpose of this report. Accordingly, we do not express such opinion.
 10. A reasonable assurance engagement involves performing procedures to obtain sufficient appropriate evidence on the applicable criteria mentioned in paragraph 5 above. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated with the applicable criteria. Our procedures included the following in relation to the Statement:
 - i) We have inquired into the state of affairs of the Company in relation to its audited standalone and consolidated financial statements for the year ended March 31, 2023. We have obtained and read the audited standalone and consolidated financial statements for the year ended March 31, 2023 including the unmodified audit opinions dated May 11, 2023;
 - ii) Read the Articles of Association of the Company to verify the permissibility of buy back;
 - iii) Traced the amounts of paid-up share capital, general reserves and retained earnings as mentioned in Statement from the audited standalone and consolidated financial statements for the year ended March 31, 2023.
 - iv) Obtained the minutes of the meeting of the Board of Directors in which the proposed buy back was approved and compared the buy-back amount with the permissible limit computed in accordance with section 68(2)(c) of the Act and Regulation 4(i) of the SEBI Buyback Regulations detailed in the Statement;
 - v) Examined that all equity shares of the Company are fully paid-up;
 - vi) Examined that the ratio of debt outstanding, if any, of the Company will not be more than twice the paid-up capital and its free reserve after such buy-back;
 - vii) Obtained the minutes of the meeting of the Board of Directors in which the proposed buy back was approved and read the Board had formed the opinion as specified in SEBI Buyback Regulations on reasonable grounds that the Company will not, having regard to the state of affairs, be rendered insolvent within a period of one year from that date.
 - viii) Examined Directors' declarations dated July 06, 2023 in respect of the buyback and solvency of the Company; and

- (ix) Obtained necessary representations from the management of the Company.

Opinion

11. Based on our examination as above, and the information and explanations given to us, we report that:
- (i) we have inquired into the state of affairs of the Company in relation to its audited standalone and consolidated financial statements for year ended March 31, 2023.
 - (ii) the amount of permissible capital payment for proposed buyback of the equity shares as included in the Statement has been properly determined in accordance with the provisions of Section 68(2)(c) of the Act and Regulation 4(i) of the SEBI Buyback Regulations;
 - (iii) the Board of Directors, in their meeting held on July 06, 2023, have formed the opinion as specified in clause (x) of Schedule I of the SEBI Buyback Regulations on reasonable grounds and that the Company will not, having regard to its state of affairs, be rendered insolvent within a period of one year from the date of Approval.

Restriction on Use

12. The Report is addressed to and provided to the Board of Directors of the Company pursuant to the requirements of Section 68 and Section 70 of the Act read with Clause (xi) of Schedule I of SEBI Buyback Regulations solely to enable them to include it (a) in the explanatory statement to be included in the postal ballot notice to be circulated to the shareholders, (b) in the public announcement to be made to the Shareholders of the Company, (c) in the letter of offer to be filed with the Securities and Exchange Board of India, the stock exchanges, the Registrar of Companies the National Securities Depository Limited and the Central Depository Securities (India) Limited, and (d) for onward submission to the manager to the buyback, in connection with the buyback, and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

For **S.R. Batliboi & CO. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005



per **Jayesh Gandhi**
Partner
Membership Number: 037924
UDIN: 23037924BGXUAI7904
Place of Signature: Mumbai
Date: July 06, 2023

Statement of permissible capital payment ("the Statement") for the proposed buy back of equity shares.

Statement of computation of the amount of permissible capital payment ("the Statement") towards buy back of equity shares of BSE Limited in accordance with Regulation 4(i) of the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018 and Section 68(2)(c) of the Companies Act, 2013, as amended based on both the audited standalone financial statements and the audited consolidated financial statements as at March 31, 2023:

Computation of permissible capital payment:

Particulars	Amount (INR in lakhs)	
	Standalone	Consolidated
A. Paid-up Equity Share Capital[#] (13,54,62,891 equity shares of INR 2/- each fully paid-up)	2,709.26	2,709.26
B. Free reserves^{*#^}		
- General reserve	42,824.47	43,879.00
- Retained earnings	104,400.75	144,231.00
Total free reserves	1,47,225.22	1,88,110.00
Total of paid-up Equity Share Capital and Free Reserves (A+B)	1,49,934.48	1,90,819.26
Maximum permissible capital payment in accordance with Section 68(2)(c) of the Companies Act, 2013, as amended and Regulation 4(i) of the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018 (25% of the total paid-up Equity Share Capital and free reserves)	37,483.62	47,704.82
Amount approved by the Board of Directors in the meeting held on July 6, 2023 approving buyback, subject to approval of shareholders		37,480.00
Buy back size as a percentage of total paid-up Equity Share Capital and free reserves	25.00%	19.64%

*Free reserves as defined in Section 2(43) of the Companies Act, 2013 read along with Explanation II provided in Section 68 of the Companies Act, 2013, as amended.

[#]The above calculation of the total paid-up Equity Share Capital and free reserves as at March 31, 2023 for buy back of equity shares is based on the amounts appearing in the audited standalone financial statements and the audited consolidated financial statements of the Company for the year ended March 31, 2023. These financial statements are prepared in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with Rules made thereunder, each as amended from time to time.

[^] Capital Reserve being reserves retained pursuant to the BSE (Corporatisation & Demutualisation) Scheme, 2005, (the Scheme) have not been considered for computation of permissible capital payment towards buyback of equity shares of BSE Limited in the above Statement.

For and on behalf of **BSE Limited**



Sundararaman Ramamurthy
Managing Director & CEO
DIN: 00898469
Date: July 6, 2023



Nayan Mehta
Chief Financial Officer
Date: July 6, 2023

