

15th
Annual Report
2020-21



CDSL Ventures Limited

... exploring new horizons

CDSL VENTURES LIMITED

Board of Directors

Dr. R.K. Kakkar	Chairman
Shri Girish S. Amesara	Director
Shri K. V. Subramanian	Director
Shri Nayan Mehta	Director
Shri Amit Mahajan	Director

Management

Shri Sunil Alvares	Managing Director & Chief Executive Officer
Ms. Mohini Kharpude	Company Secretary

Auditors

M/s Lodha & Co.
Chartered Accountants
6, Karim Chambers,
40 A.D. Marg (Hamam Street),
Mumbai - 400 001.

Bankers

Bank of India
Stock Exchange Branch,
Ground Floor, P. J. Towers,
Dalal Street
Mumbai - 400 001.

ICICI Bank
Free Press House,
215 Nariman Point,
Mumbai -400 021

Registered Office

A-Wing, Marathon Futurex, 25th Floor,
Mafatlal Mills Compound, N.M. Joshi Marg,
Lower Parel (E),
Mumbai - 400 013

Corporate Identification Number: U93090MH2006PLC164885

Directors' Report

Your Directors are pleased to present the Fifteenth Annual Report along with Audited Financial Statements of Accounts of your Company for the year ended 31st March, 2021.

Financial Highlights

Particulars	For the Year ended March 31, 2021 (₹ in lakhs)	For the Year ended March 31, 2020 (₹ in lakhs)
Income	8,365.79	6,681.35
Expenditure	3,084.03	2,776.63
Profit/ (Loss) before Depreciation and Tax	5,281.76	3,904.72
Depreciation	181.50	262.05
Profit /(Loss) before Tax	5,100.26	3,642.67
Deferred Tax/Current Tax	1,172.43	824.84
Profit/ (Loss) after Tax	3,927.83	2,817.83
Other comprehensive income (Net of Tax)	(5.19)	(5.61)
Total comprehensive income	3,922.64	2,812.22

Note: Previous year's figures have been regrouped wherever necessary

During the financial year, the total income of the company has substantially increased compared to the previous year. Your company has achieved an all-time high operational income of ₹7,190.30 lakhs (Previous year ₹5,576.99 lakhs) with a profit after tax of ₹3,927.83 lakhs (Previous year ₹2,817.83 lakhs) in the previous year.

Business of CVL:

The KYC Project is the first venture of the company and it relates to Centralized Record Keeping of KYC documents of Capital Market investors. The Company had registered **2767** intermediaries. The total no. of KYC records held as on 31st March, 2021 is **2.81** crores. The Ministry of Finance had launched the Central KYC (CKYC) project for the financial sector. All regulators have made the CKYC mandatory.

We are optimistic that both KRA and CKYC will coexist to give value added services such as in-person verification and verifying documents with originals. Meanwhile, your Company has, taken up various new projects which are expected to generate additional revenue. The new projects undertaken are:

i. C KYC Processing

CKYC has been made mandatory by SEBI for the clients on-boarded from August 2016. However, some intermediaries do not have systems for the processing. Further, the requirements of the CKYC system pertaining to preparation of file for upload is not user friendly and requires technical support. Your Company has introduced a system which enables intermediaries to submit records in KYC as per the format prescribed by CERSAI.

ii. Pradhan Mantri Jeevan Jyoti Beema Yojana (PMJJBY)

The insurance scheme launched under the PMJJBY provides that citizen is eligible for claim only once, even if citizen has multiple policies. In order to eliminate multiple claims by the same entity we have provided a system for registering all claims made under this scheme to life Insurance Companies.

iii. RTA Activity

Your Company has commenced providing RTA services from November 2018. As of March 31, 2021, 665 unlisted companies comprising 1141 ISIN have been on boarded of which 3 have opted for single point connectivity and 662 have opted for only electronic connectivity.

iv. OnLine Account Opening (OLAO)

Due to the prevailing lockdown situation and work from home requirements, opening of accounts is increasingly moving from physical mode to digital mode. Hence CVL has developed an online account opening platform to enable its registered intermediaries open demat and trading accounts online and perform KRA KYC and CKYC through this facility. Currently 17 intermediaries have shown interest in availing of this service and 9 of them have been onboarded on the UAT environment.

v. GST Suvidha Provider Services

Your Company is providing GST Suvidha Provider services to tax payers and Application Service Providers (ASPs). During FY 20-21, amongst other clients, our GSP services contract for two large insurance companies was renewed on the same terms. Further, 5 new third party ASPs were on-boarded during FY2021. E-Invoicing was implemented during this period.

vi. Certifying Authority for eSign

Your Company has obtained the license from the Controller of Certifying Authorities (CCA) to operate as a Certifying Authority for Aadhaar based eSign. The data center migration of both Primary and DR location was completed during this period. Operations are expected to commence once the preoperations audit for online eKYC based esign which is currently underway is completed.

vii. PACL

Your Company was appointed by Justice R.M. Lodha (Retd.) Committee (in the matter of PACL Ltd.) as an agency for assisting it in calling for claim applications from all the investors who have outstanding claims with PACL Ltd and creating a repository for mapping out the outstanding claim of each investor of PACL Ltd to enable refund. Refund activity was completed for claim amount upto ₹10,000/- During FY2021, Refund amount of ₹ 407.23 Crores was paid to investors across 6.74 lakh applications.

Since many applications submitted for claim amount upto ₹10,000/- were found to be defective, the web Portal was opened once again to enable re- submission of the applications after correction of deficiencies. This was done in multiple tranches during the year.

viii. Aadhaar based eKYC:

CVL is registered as an AUA/KUA with UIDAI to offer Aadhaar based eKYC. Investors can thus be facilitated to perform eKYC using Aadhaar by OTP or using their biometrics, which is likely to increase the convenience to investors for KYC and account opening.

Audit and Finance Committee:

Audit Committee of the Company has dissolved and has been reconstituted as Audit and Finance Committee and it consists of four members.

Dividend:

Looking into the performance of the Company for the year under review and taking note of the increased economic and industrial activity in the present, your directors have recommended a dividend of ₹ 47 per share (470%) for the year ended 31st March, 2021.

Fixed Deposits:

Your Company has not accepted any deposits within the meaning of Section 73(1) of the Companies Act, 2013 and the Rules made thereunder.

Directors:

Shri K. V. Subramanian, retires by rotation at the Fifteenth Annual General Meeting and offers himself for reappointment.

During the year under review the Company has appointed Shri Sunil Alvares as Managing Director & Chief Executive Officer (MD & CEO) on the Board of the Company with effect from November 01, 2020 to October 31, 2025 subject to approval of Shareholders of the Company.

Brief profile of the directors is given in **Annexure A**.

Auditors:

M/s Lodha & Co., Statutory Auditors of your Company, has been appointed as Statutory Auditors for a period of five years till the conclusion of 19th Annual General Meeting.

Conservation of Energy, Technology Absorption:

Considering the nature of operations of your Company, the provisions of Section 134(3) (m) of the Companies Act, 2013 relating to information to be furnished on conservation of energy and technology absorption are not applicable. The Company has, however, used information technology for implementation of the KYC & e-sign Project referred to earlier in this report. The said projects involves submission of KYC documents only once to the KRA and electronically signing account opening documents thereby replacing paper record with electronic record. This would result in saving of paper and reducing carbon footprint.

Details of foreign exchange earnings and outgo:

Your Company did not earn any foreign exchange, nor was there any outgo in foreign exchange during the year under review.

Material changes affecting the financial position which have occurred between the end of the financial year and the date of the report

No material changes affecting the financial position have occurred between the end of the financial year and the date of the report.

Annual Return

In accordance with provisions of section 134(3) (a) of the Companies Act, 2013, the Annual Return referred to in subsection (3) of section 92 is placed on the website of the Company www.cvlindia.com link is as under: https://www.cvlindia.com/pdf/AnnualReturn/Annual_Return_MGT7.pdf

Secretarial Standards

The Company has complied with the Secretarial Standards 1 and 2 issued by the 'Institute of Company Secretaries of India'.

Company has not proposed to carry any amount to any reserve**Corporate Social Responsibility:**

Your company is in compliance with the requirements of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014. In accordance with its CSR philosophy and the specified activities under the Act, the CSR activities of the Company has thrust areas including eradicating extreme hunger and poverty; promotion of education; promoting gender equality and empowering women; reducing child mortality and improving maternal health; combating human immunodeficiency virus, acquired immune deficiency syndrome, malaria and other diseases; ensuring environmental sustainability; employment enhancing vocational skills; social business projects; contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government or the State Governments for socio-economic development and relief and funds for the welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women.

The Companies (Corporate Social Responsibility Policy) Rules, 2014 further elaborates in detail the formulation of the policy, the roles and responsibilities of the same and such other relevant matters including CSR Expenditures and CSR Reporting.

The report on CSR activities as required under Companies (Corporate Social Responsibility Policy) Rules, 2014 is given in **Annexure B**.

Directors' Responsibility Statement:

Pursuant to Section 134(3) (c) and 134(5) of the Companies Act, 2013, the Board of Directors report that:

- i. in the preparation of the annual accounts, the applicable accounting standards have been followed and proper explanations relating to material departure, if any, have been provided;
- ii. accounting policies have been selected and applied consistently and the judgements and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- iii. proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. the annual accounts have been prepared on a going-concern basis;
- v. proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.
- vi. the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively

Particulars of Employees:

Personnel who are drawing remuneration as prescribed under Rule (5) (2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is enclosed to this report as **Annexure C**.

Report by Internal Complaints Committee

As per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (the Act) it is mandatory for every employer to constitute a committee to be known as the 'Internal Complaints Committee'. As per Section 22 of the Act, an employer is required to include in its report the number of cases filed, if any, and their disposal under the Act in the Annual Report of the employer.

Accordingly, an Internal Complaints Committee was constituted by the Board and the said Committee did not receive any complaint during the year under review.

Extract of Annual Return

Pursuant to section 92 (3) of the Companies Act, 2013 the extract of the annual return to be in Form MGT-9 is enclosed to this report as **Annexure D**.

Meetings and Attendance:

The Board meets at least once in a quarter to review the quarterly financial results and operations of the company. In addition, the Board also meets as and when necessary to address specific issues relating to the business. During the year under review, the Board met four times i.e. on 13th May, 2020, 22nd July, 2020, 20th October, 2020, and 27th January, 2021, Details of attendance of the Directors at the Board meetings and the last Annual General Meeting are given hereunder:

Attendance of the Directors at the Board meetings and AGM:

Meeting Venue Via Video Conference	CDSL Board Room, A-Wing, Marathon Futurex, 25 th Floor, Mafatlal Mills Compound, N.M. Joshi Marg, Lower Parel (E), Mumbai - 400 013				
	Meeting date and time				
	May 13, 2020 04:30 p.m.	July 22, 2020 03.30 p.m.	October 20, 2020 04:15 p.m.	January 27, 2021 05.00 p.m.	AGM July 22, 2020 04.30 p.m.
Name of the Directors					
Dr. R.K. Kakkar	✓	✓	✓	✓	✓
Shri Nayan Mehta	✓	✓	✓	✓	✓
Shri. Amit Mahajan	✓	✓	✓	✓	✓
Shri. K. V. Subramanian	✓	✓	✓	✓	✓
Shri Girish Mahajan	✓	✓	✓	✓	✓
Shri Sunil Alvares	-	-	-	✓ As MD & CEO	✓

Human Resources:

Your Company has, as on 31st March, 2021, 40 employees who are on its payroll to manage the operations. They are well versed in their respective areas and Industrial relations during the year remained cordial.

Related Party Transactions:

Your company has entered into transactions with related party to the tune of ₹ 467.06 Lakhs. All such transactions were in the ordinary course of business and on an arm's length basis which is attached as **Annexure E**.

General Shareholder Information:

Fifteenth Annual General Meeting

Day & Date	Wednesday, 30th June, 2021
Time	4.30 p.m.
Venue	A-Wing, Marathon Futurex, 25 th Floor, Mafatlal Mills Compound, N.M. Joshi Marg, Lower Parel (E), Mumbai - 400 013.
Payment of Dividend	470%

Financial Year:

The company's Financial Year commences from 1st April and ends on 31st March of the following year.

Listing on Stock Exchange:

The shares of the company are not listed on any Stock Exchange.

Acknowledgement:

Your Directors place on record their sincere gratitude for the assistance, guidance and co-operation the Company has received from investors, Securities and Exchange Board of India (SEBI), Market Intermediaries, Mutual Funds, Ministry of Human Resources Department and other stakeholder. The Board further places on record its appreciation for the dedicated services rendered by the employees of the Company.

For and on behalf of the Board

Place : Mumbai
Date : 26th April, 2021

Sd/-
Chairman



Annexure to Directors' Report

Profile of additional Directors and Director who is liable to retire by rotation and seek reappointment.

Shri K. V. Subramanian

Shri K.V. Subramanian is Head – Strategy, Process & Governance for Standard Chartered Bank, India. He has over 30 years of banking experience having joined ANZ Grindlays Bank in 1989 as a Management Trainee in the Capital Markets division.

In 1992 he moved to TAIB Bank, Bahrain to set up the India Investment desk for the Bank and was also responsible for their proprietary equity and debt business.

In 1996 he moved back to ANZ Grindlays Bank, India to run the Debt Capital Markets Sales business.

Post the merger of SCB and ANZ Grindlays, he ran the Institutional Sales business for South Asia and from 2006 to 2011 was MD & Regional Head Capital Markets for South Asia. He has been responsible for leading some of the large Capital Market transactions for SCB from India.

From 2011 till recent he was Managing Director Head Financial Markets and a Member of the Country Management Group at Standard Chartered Bank, Indonesia.

He has a Masters Degree in Management and a Bachelors Degree in Mechanical Engineering.

Shri Sunil Alvares

Shri Sunil Alvares is the Managing Director & Chief Executive Officer at CDSL Ventures Limited Since November 2020. He was earlier deputed to CVL as Chief Operating Officer in April 2017. Shri Alvares holds dual Masters degrees in Physics/Electronics and Marketing and has been associated with the Capital markets for over 30 years, of which 22 years have been with CDSL and 8 years with leading Registrar & Share Transfer Agents which include Datamatics, PCS and Karvy.

At CVL, he heads the KRA, Aadhar based eKYC & eSign, Academic Depository, RTA, PACL refunds processing, RTA and GSTN Service Provider initiatives.

He joined CDSL in 1998 as Manager-Business development and has handled various portfolios which include business development, Admission cell, New Projects and investor grievances over the past 22 years at CDSL. Prior to being appointed as COO at CVL, he was EVP-Business Development at CDSL. He has played a key role in CDSL crossing the milestone of 2 crore accounts and achieving leadership position in terms of demat accounts, eVoting services and CVL's KRA services.

He has also been instrumental in conceptualizing, designing and implementation of various innovative products like KYC registration Agency, Aadhar based eKYC, National Academic Depository, GSTN Service Provider, eVoting etc. at CDSL and CVL.

Annual Report on CSR activities.

1. Brief outline on CSR Policy of the Company: Refer Section: Corporate Social Responsibility (CSR) in the Board's Report
2. Composition of CSR committee

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Dr. R. K. Kakkar	Nominee Director	1	1
2.	Shri K. V. Subramanian	Nominee Director	1	1
3.	Shri Nayan Mehta	Nominee Director	1	1
4.	Shri Amit Mahajan	Nominee Director	1	1
5.	Shri Sunil Alvares	Managing Director & CEO	-	-

3. Provide the weblink where Composition of CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company
 Composition of CSR Committee <https://www.cvlindia.com/Compliance.html>
 CSR Policy
 CSR projects approved by the Board
4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report)
 Not Applicable for the financial year under review
5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any



CVL

((₹ in Lakhs))

S I . No.	Financial Year	Amount available for set-off from preceding financial years (₹ in Lakhs)	Amount required to be set-off for the financial year, if any (₹ in Lakhs)
	Not Applicable		
6.	Average net profit of the company as per Section 135 (5)		3,022.94
7.	(a). Two percent of average net profit of the company as per section 135 (5)		60.46
	(b). Surplus arising out of the CSR Projects or programmes or activities of the previous financial years		2.00
	(c). Amount required to be set off for the financial year, if any		-
	(d). Total CSR obligation for the financial year (7a+7b-7c)		62.46

1. (a). CSR amount spent or unspent for the financial year:

Total Amount spent for the financial year	Amount Unspent (₹ in Lakhs)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
₹ 62.46				Not Applicable	

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in Schedule VII to the Act	(4) Local area (Yes/No)	(5) Location of the project State District		(6) Project duration	(7) Amount allocated for the project (₹ in Lakhs) **	(8) Amount spent in the current financial year (₹ in Lakhs)	(9) Amount transferred to Unspent CSR Account for the project as per Section 135(6) (₹ in Lakhs)	(10) Mode of Implementation - Direct (Yes/No)	(11) Mode of Implementation - Through Implementing Agency Name CSR Registration number
Not Applicable											

* Project duration is from the year of commencement of the project.

** Represents budget for the financial year 2020-21

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in Schedule VII to the Act	(4) Local area (Yes/No)	(5) Location of the project		(6) Amount spent for the project (in ₹)	(7) Mode of Implementation - Direct (Yes/No)	(8) Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration number
	PM CARES Fund	Clause (viii) of providing relief or assistance in emergency	No	India	-	62.46	Yes	Not Applicable	Not Applicable
Total						62.46			

8. (d). Amount spent on Administrative Overheads (₹ in Lakhs) -
- (e). Amount spent on Impact Assessment, if applicable (₹ in Lakhs) -
- (f). Total amount spent for the Financial Year (8b+8c+8d+8e) (₹ in Lakhs) 62.46
- (g). Excess amount for set off, if any -

Sl. No.	Particular	Amount (in Lakhs)
i.	Two percent of average net profit of the company as per section 135(5)	Nil
ii.	Total amount spent for the Financial Year	0.78
iii.	Excess amount spent for the financial year [(ii)-(i)]	-
iv.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
v.	Amount available for set off in succeeding financial years [(iii)-(iv)]	-

9. (a) Details of Unspent CSR amount for the preceding three financial years:

(1) Sl. No.	(2) Preceding Financial Year	(3) Amount transferred to Unspent CSR Account under section 135 (6) (₹ in Lakhs)	(4) Amount spent in the reporting Financial Year (₹ in Lakhs)	(5) Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			(6) Amount remaining to be spent in succeeding financial years (₹ in Lakhs)
				Name of the Fund	Amount (₹ in Lakhs)	Date of transfer	
Not Applicable							

9. (b). Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s)

1	2	3	4	5	6	7	8	9
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year. (in ₹)	Status of the project - Completed / Ongoing
Not Applicable								

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year

(a)	Date of creation or acquisition of the capital asset (s)	Not Applicable
(b)	Amount of CSR spent for creation or acquisition of capital asset	Not Applicable
(c)	Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	Not Applicable
(d)	Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).	Not Applicable

11. Specify the reasons(s), if the company has failed to spend two percent of the average net profit as per

Details of CSR Committee meeting held

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Attended
1.	Dr. R. K. Kakkar	Nominee Director	27/01/2021	Yes
2.	Shri K. V. Subramanian	Nominee Director	27/01/2021	Yes
3.	Shri Nayan Mehta	Nominee Director	27/01/2021	Yes
4.	Shri Amit Mahajan	Nominee Director	27/01/2021	Yes

**Statement under Section 134(3) of the Companies Act 2013 read with the
Rule (5)(2) of the Companies (Appointment and Remuneration of Managerial
Personnel) Rules, 2014**

Name & Qualification	Age in years	Designation	Remuneration received (₹)	Experience (No. of years)	Date of commencement of employment	Last employment & designation
Shri. Sunil Alvares	55	Managing Director & CEO	1,81,55,808	32	23 rd July, 1998	Karvy Consultants Ltd. Manager - Marketing

Notes:

1. Remuneration includes basic salary, performance linked incentive, other allowances, company's contribution to provident fund and taxable value of perquisites.
2. The said executives are not relatives of any Directors of the company.

Extract of Annual Return MGT-9

I. REGISTRATION AND OTHER DETAILS

i)	CIN	U93090MH2006PLC164885
ii)	Registration Date –	25-09-2006
iii)	Name of the Company -	CDSL Ventures Limited
iv)	Category / Sub-Category of the Company – Company having Share capital	Public Company
v)	Address of the Registered office and contact details	A-Wing, Marathon Futurex, 25 th Floor, Mafatlal Mills Compound, N.M. Joshi Marg, Lower Parel (E), Mumbai - 400 013 Contact Numner: 022-23023333
vi)	Whether listed company	No
vii)	Name , Address and Contact details of Registrar and Transfer Agent, if any	NA

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the compnay
1	Record Keeping of KYC documents of Capital Market investors	66190	73%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	Central Depository Services (India) Limited A-Wing, Marathon Futurex, 25 th Floor, Mafatlal Mills Compound, N.M. Joshi Marg, Lower Parel (E), Mumbai - 400 013	L67120MH1997PLC112443	Holding	Wholly Owned Subsidiary 100%	2(46) of the Companies Act, 2013

Add associate companies, if any.

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Share holders	No. of Shares held at the beginning of the year 1 st April, 2020				No. of Shares held at the end of the year 31 st March, 2021				% Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A. Promoters									
(1) Indian									
a) Individual/HUF		6	6	0.0001		6	6	0.0001	0
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt (s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	49,99,993	1	49,99,994	99.9999	49,99,993	1	49,99,994	99.9999	0
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):-	49,99,993	7	50,00,000	100	49,99,993	7	50,00,000	100	0
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
a) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	49,99,993	7	50,00,000	100	49,99,993	7	50,00,000	100	0
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	0	0	0	0	0	0	0	0	0

Category of Share holders	No. of Shares held at the beginning of the year 1 st April, 2020				No. of Shares held at the end of the year 31 st March, 2021				% Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
2. Non-Institutions									
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	0	0	0	0	0	0	0	0	0
Total Public Shareholding (B)=(B)(1)+(B)(2)	0	0	0	0	0	0	0	0	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	49,99,993	7	50,00,000	100	49,99,993	7	50,00,000	100	0

(ii) Shareholding of Promoters

Sr. No.	Shareholders Name	Shareholding at the beginning of the year 1 st April, 2020			Share holding at the end of the year 31 st March, 2021			
		No. of Shares	% of total shares of company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total shares of company	% of Shares Pledged / encumbered to total shares	% change in share holding during the year
1	Central Depository Services (India) Limited	50,00,000	100	0	50,00,000	100	0	0
	Total	50,00,000	100	0	50,00,000	100	0	0

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sr. No.	Name and type of transaction	Shareholding at the beginning of the year 1 st April, 2020		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	50,00,000	100	50,00,000	100
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
	At the End of the year	50,00,000	100	50,00,000	100

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year 1 st April, 2020		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	At the beginning of the year	0	0	0	0
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0	0	0	0
	At the End of the year (or on the date of separation, if separated during the year)	0	0	0	0

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year 1 st April, 2020		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	2	Negligible		
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0	0		
	At the End of the year	2*	Negligible		

Note * Two Directors hold 1 share each jointly with CDSL and the Beneficial Ownership has been transferred to CDSL.

V. INDEBTEDNESS

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	0	0	0	0
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	0	0	0	0
Change in Indebtedness during the financial year				
Addition	0	0	0	0
Reduction	0	0	0	0
Net Change	0	0	0	0
Indebtedness at the end of the financial year				
i) Principal Amount	0	0	0	0
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sr. No.	Particulars of Remuneration	Name of Managing Director /Manager	Total Amount (₹)
		Shri Sunil Alvares Managing Director and CEO	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	17601252	
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	32,400	
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	- as % of profit	-	-
	- others, specify...	-	-
5	Others, please specify	522156	
	Total (A)	1,81,55,808	

B. Remuneration to other directors:

Sr. No.	Particulars of Remuneration	Name of Directors		Total Amount (₹)
		Dr. R.K. Kakkar	Shri Nayan Mehta	
1	3. Independent Directors -Fee for attending board / committee meetings -Commission -Others, please specify			Nil
	Total (1)			Nil
2	4. Other Non-Executive Directors • Fee for attending board / committee meetings • Commission • Others, please specify	5,00,000	2,50,000	7,50,000
	Total (2)	5,00,000	2,50,000	7,50,000
	Total (B)=(1+2)	5,00,000	2,50,000	7,50,000
	Total Managerial Remuneration			

C. Remuneration To Key Managerial Personnel Other Than MD/ MANAGER/ WTD

(Amount in ₹)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel	
		CEO	Company Secretary
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	12,26,368
2	Stock Option	0	
3	Sweat Equity	0	
4	Commission - as % of Profit - others, specify...	0	
5	Others, please specify	0	47,148
	Total	0	12,74,530

VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding/ fees imposed	Authority [RD/ NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty			NIL		
Punishment					
Compounding					
B. DIRECTORS					
Penalty			NIL		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty			NIL		
Punishment					
Compounding					

FORM NO. AOC.2

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

1. Details of contracts or arrangements or transactions not at arm's length basis

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	date(s) of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in general meeting as required under first proviso to section 188
NIL							

2. Details of material contracts or arrangement or transactions at arm's length basis
Amount in ₹

(a)	(b)	(c)	(d)	(e)	(f)
Name(s) of the related party	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any
BSE Limited Associate	Administrative and Other Expenses	On actual basis	2,50,000		
BSE Limited Associate	Operational Income	On actual basis	40,530		

(a)	(b)	(c)	(d)	(e)	(f)
Name(s) of the related party	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any
Central Depository Services (India) Limited Holding Company	Operational Income	On actual basis	8,92,500		
Central Depository Services (India) Limited Holding Company	Administrative and Other Recovery	As per board approval.	1,00,000	Evoting fees as per Board approval 01.06.11.	
Central Depository Services (India) Limited Holding Company	Transfer of Employee Gratuity	On actual basis	68,13,947		
Central Depository Services (India) Limited Holding Company	Administrative and Other Expenses	As per board approval.	2,65,72,315	MOU dt.16.07.11 /15.02.12 /10.04.13/ Board approval dt. 28.10.17/20.08.18 for rent.	
Central Depository Services (India) Limited Holding Company	Shared Service Recovery	On actual basis	98,31,638		
Central Depository Services (India) Limited Holding Company	Transfer of Employee Loan	On actual basis	64,818		
Central Depository Services (India) Limited Holding Company	Transfer of Employee Loan	On actual basis	50,439		
CDSL Insurance Repository Limited Fellow subsidiary	Shared Service Recovery	On actual basis	20,84,873	Salary on actual basis	
CDSL Insurance Repository Limited Fellow subsidiary	Operational Income	On actual basis	5,000		

INDEPENDENT AUDITORS' REPORT

**TO,
THE MEMBERS OF
CDSL VENTURES LIMITED**

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of CDSL Ventures Limited, which comprise the Balance Sheet as at 31st March, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2021 and its profit, total comprehensive income, change in equity and cash flows for the year ended on that date.

Basis of opinion

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report but does not include the Ind AS financial statements and our auditor's report thereon. The Annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and describe the actions applicable in the applicable law and regulations.

Management’s Responsibility for the Ind AS Financial Statements

The Company’s Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (“the Act”) with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, change in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company’s financial reporting process.

Auditor’s Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Our objectives are to obtain reasonable assurance about whether the financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial control system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associate entities to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the financial statements that individually or in aggregate makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standard) Rules, 2015, as amended.
 - e) On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g) With respect to the other matters to be included in Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- a. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements--(Refer Note 28.1).
 - b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For LODHA & COMPANY
Chartered Accountants
Firm Registration No. 301051E

R. P. Baradiya
Partner
Membership No: 44101 UDIN:
21044101AAAAFU6325

Place: Mumbai
Date : 26th April, 2021

ANNEXURE REFERRED TO IN PROVISION OF PARAGRAPH 1 UNDER THE HEADING “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF THE CDSL VENTURES LIMITED.

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we state that:

- i.
 - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b) The Company has carried out physical verification of all its fixed assets during the year. In our opinion, the frequency of verification is reasonable considering the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
 - c) The Company does not own any immovable property. Therefore, Para 3(i) (c) of the Order is not applicable to the Company.
- ii. The Company does not have any inventory. Therefore, the Para 3(ii) of the Order is not applicable to the Company.
- iii. During the year the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act.
- iv. The Company has neither given any loans nor provided any guarantee or security during the year. In respect of investments, the provisions of section 185 and 186 of the Act have been complied with.
- v. No deposits within the meaning of directives issued by RBI (Reserve Bank of India) and Sections 73 to 76 or any other relevant provisions of the Act and rules framed thereunder have been accepted by the Company.
- vi. According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, in respect of the services rendered by the Company. Therefore, the Para 3(vi) of the Order is not applicable to the Company.
- vii.
 - a) The Company is regular in depositing undisputed statutory dues including provident fund, employees’ state insurance, income tax, sales-tax, service tax, Goods & Service tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues applicable to the Company with the appropriate authorities. No undisputed amounts payable in respect of the aforesaid statutory dues were outstanding as at the last day of the financial year for a period of more than six months from the date they became payable.
 - b) According to the records of the Company, there are dues of income tax or sales tax or service tax or Goods & Service tax or duty of customs or duty of excise or value added tax which have not been deposited on account of any dispute are as follows:

Name of the Statute	Nature of dues	Amount (₹ in lakhs)	Period to which the amount relates (Financial Year)	Forum where dispute is pending
Finance Act, 1994	Service tax	69.60	2013-14 to 2017-18	Commissioner (Appeal-I), CGST & CX, Mumbai (As explained, appeal will be filed within due date).

- viii. The Company has not taken any loan or borrowing from a financial institution, bank, government or debenture holders. Therefore, Para 3 (viii) of the Order is not applicable to the Company.
- ix. The Company has not raised any money by way of initial public offer or further public offer during the year or in the recent past and has not taken any term loan. Therefore, Para 3 (ix) of the Order is not applicable to the Company.
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of fraud by or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of such case by the management.
- xi. The Company has paid/ provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
- xii. The Company is not Nidhi Company. Therefore, Para 3 (xii) of the Order is not applicable to the Company.
- xiii. All transactions with the related parties are in compliance with section 177 and 188 of Act where applicable and the details have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- xiv. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause 3(xiv) of the order is not applicable to the Company.
- xv. The Company has not entered into any non-cash transactions with directors or persons connected with him under section 192 of the Act.
- xvi. The Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934. Para 3 (xvi) of the Order is not applicable to the Company.

For LODHA & COMPANY
Chartered Accountants
Firm Registration No. 301051E

R. P. Baradiya
Partner Membership No: 44101
UDIN: 21044101AAAFU6325

Place: Mumbai
Date : 26th April, 2021

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls over financial reporting of CDSL Ventures Limited (“the Company”) as of March 31, 2021 in conjunction with our audit of Ind AS financial statements of the Company for the year ended March 31, 2021

Management’s Responsibility for Internal Financial Controls

2. The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors’ Responsibility

3. Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

6. A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial

reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements (4) also provide reasonable assurance by the internal auditors through their internal audit reports given to the company from time to time.

Inherent Limitations of Internal Financial Controls over Financial Reporting

7. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

For LODHA & COMPANY
Chartered Accountants
Firm Registration No. 301051E

R. P. Baradiya
Partner Membership No: 44101
UDIN: 21044101AAAUFU6325

Place: Mumbai
Date : 26th April, 2021

CDSL VENTURES LIMITED

CIN: U93090MH2006PLC164885

Balance Sheet as at March 31, 2021

(₹ in Lakh)

Particulars	Note No.	As at 31.03.2021	As at 31.03.2020
ASSETS			
1 Non-current assets			
a. Property, Plant and Equipment	3	72.28	57.65
b. Intangible assets	3	162.70	150.54
c. Financial assets			
i. Investments			
a. Investment in subsidiaries	4	97.50	97.50
b. Other investments	5	1,300.35	2,745.89
ii. Other financial assets	8	108.34	1,639.17
d. Other non current assets	10	60.87	42.89
Total Non-Current Assets		1,802.04	4,733.64
2 Current assets			
a. Financial assets			
i. Investments	5	12,659.95	11,417.44
ii. Trade receivables	6	1,295.00	1,354.68
iii. Cash and cash equivalents	7	45.77	156.92
iv. Bank balances other than (iii) above	7	5,865.83	174.08
v. Others financial assets	8	88.68	80.69
b. Current tax assets (Net)	9	132.60	53.24
c. Other current assets	10	254.79	219.91
Total Current Assets		20,342.62	13,456.96
Total Assets (1+2)		22,144.66	18,190.60
EQUITY AND LIABILITIES			
1 Equity			
a. Equity share capital	11	500.00	500.00
b. Other equity	12	20,410.77	16,488.13
Total Equity		20,910.77	16,988.13
LIABILITIES			
2 Non-current liabilities			
Deffered tax Liabilities (Net)	13	85.70	152.01
Total Non-Current Liabilities		85.70	152.01
3 Current liabilities			
a. Financial liabilities			
i. Trade payables			
a) Total outstanding dues of micro enterprises and small enterprises	14	-	55.38
b) Total outstanding dues of creditors other than micro enterprises and small enterprises		589.94	635.76
ii. Others financial liabilities	15	37.76	102.29
b. Other current liabilities	16	401.86	184.78
c. Provisions	17	118.63	72.25
Total Current Liabilities		1,148.19	1,050.46
Total Equity and Liabilities (1+2+3)		22,144.66	18,190.60
Significant accounting policies	2		
See accompanying notes forming part of the financial statements	1-35		

As per our attached report of even date

For Lodha & Company
Chartered Accountants

R.P. Baradiya
Partner
Membership No. 44101
Place : Mumbai
Date : April 26, 2021

For and on behalf of the Board of Directors

Sunil Alvares
Managing Director & CEO
DIN : 08943476

Mohini Kharpude
Company Secretary
M No. A31814

Amit Mahajan
Director
DIN:06984769

CDSL VENTURES LIMITED

CIN: U93090MH2006PLC164885

Statement of Profit and Loss for the year ended March 31, 2021

(₹ in Lakh)

Particulars	Note No.	For the year ended 31.03.2021	For the year ended 31.03.2020
1 Revenue from operations	18	7,190.30	5,576.99
2 Other income	19	1,175.49	1,104.36
3 Total income (1+2)		8,365.79	6,681.35
4 Expenses			
Employee benefits expense	20	440.21	453.55
Depreciation and amortisation expense	3	181.50	262.05
Administration and Other expenses	21	2,643.82	2,323.08
Total expenses		3,265.53	3,038.68
5 Profit before tax (3 -4)		5,100.26	3,642.67
6 Tax expense:	23		
Current tax		1,237.00	776.00
Deferred tax		(64.57)	48.84
Total tax expenses		1,172.43	824.84
7 Profit for the year (5-6)		3,927.83	2,817.83
8 Other comprehensive income			
Items that will not be reclassified to profit or loss			
i. Remeasurements of the defined benefit plans;		(6.93)	(7.50)
ii. Income tax relating to items that will not be reclassified to profit or loss		1.74	1.89
Other comprehensive (loss) / income (net of tax)		(5.19)	(5.61)
9 Total comprehensive Income for the period/ year (7+8)		3,922.64	2,812.22
10 Earnings per equity share(EPS) :			
Basic and Diluted EPS (₹) (not annualised except yearly data)		78.56	56.36
Face value of share (₹)		10.00	10.00
Weighted average number of shares		50,00,000	50,00,000
Significant accounting policies	2		
See accompanying notes forming part of the financial statements	1-35		

As per our attached report of even date

For Lodha & Company
Chartered Accountants

R.P. Baradiya
Partner
Membership No. 44101
Place : Mumbai
Date : April 26, 2021

For and on behalf of the Board of Directors

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Managing Director & CEO
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Company Secretary
M No. A31814



CDSL VENTURES LIMITED

CIN: U93090MH2006PLC164885

Statement of Changes in Equity as at March 31, 2021

	₹ in Lakh Amount
A. Equity Share Capital	
Balance as at April 1, 2019	500.00
Changes in equity share capital during the year	-
Balance as at March 31, 2020	<u>500.00</u>
Changes in equity share capital during the year	-
Balance as at March 31, 2021	<u><u>500.00</u></u>

B. Other Equity

(₹ in Lakh)

Particulars	Note No.	Reserve and surplus		Total
		Securities Premium	Retained Earnings	
Balance as at April 1, 2019		1,600.00	12,075.91	13,675.91
Profit for the year		-	2,817.83	2,817.83
Other comprehensive income for the year		-	(5.61)	(5.61)
Balance as at March 31, 2020		1,600.00	14,888.13	16,488.13
Profit for the year		-	3,927.83	3,927.83
Other comprehensive income for the period		-	(5.19)	(5.19)
Balance as at March 31, 2021		1,600.00	18,810.77	20,410.77
Significant accounting policies	2			
See accompanying notes forming part of the financial statements	1-35			

As per our attached report of even date
For Lodha & Company
 Chartered Accountants

R.P. Baradiya
 Partner
 Membership No. 44101
 Place : Mumbai
 Date : April 26, 2021

For and on behalf of the Board of Directors
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Mohini Kharpude
 Company Secretary
 M No. A31814

CDSL VENTURES LIMITED

CIN: U93090MH2006PLC164885

Cash Flow Statement for year ended March 31, 2021

(₹ in Lakh)

PARTICULARS	For the year ended 31.03.2021	For the year ended 31.03.2020
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit for the period	3,927.83	2,817.83
Adjustments for		
Income tax expenses recognised in profit and loss account	1,172.43	824.84
Depreciation and Amortisation Expenses	181.50	262.05
Provision for Gratuity and compensated absences	45.17	65.43
Net gain arising on financial assets measured at FVTPL	(746.16)	(852.37)
Interest Income	(417.36)	(248.36)
Remeasurements of the defined benefit plans	(6.93)	(7.50)
Allowance for expected credit loss	3.47	5.09
Operating profit before working capital changes	4,159.95	2,867.01
Movements in Working Capital		
(Increase) / Decrease in Trade Receivables	56.21	(400.54)
(Increase) / Decrease in Other Assets and Other financial Assets	(61.66)	(97.84)
Increase / (Decrease) in Trade Payables	(101.20)	567.20
Increase / (Decrease) in Other Liabilities	153.76	48.26
Cash Generated from / (used in) Operations	4,207.06	2,984.09
Direct taxes paid (net of refunds)	(1,316.36)	(822.15)
Net Cash from / (used in) Operating Activities	2,890.70	2,161.94
B. CASH FLOW FROM INVESTING ACTIVITIES		
Fixed Assets		
Purchase of PPE, including intangible assets, capital work in progress and capital advances	(207.54)	(117.88)
Purchase of investments	(7,310.26)	(2,759.00)
Sale of investments	8,259.44	941.75
Investments in fixed deposits with banks	(4,073.01)	(1,762.65)
Proceeds from maturity of fixed deposits with banks	169.12	1,307.56
Interest Received	160.40	245.85
Net Cash generated from / (used in) Investing Activities	(3,001.85)	(2,144.37)

PARTICULARS	For the year ended 31.03.2021	For the year ended 31.03.2020
C. CASH FLOW FROM FINANCING ACTIVITIES		
Net Cash from / (used in) Financing Activities	-	-
Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)	(111.15)	17.57
Cash and Cash Equivalents at the beginning of the period	156.92	139.35
Cash and cash equivalents at the end of the year	45.77	156.92
Cash and cash equivalents at the end of the period comprises		
i) Cash on hand	-	0.07
ii) Balances with Banks - Current Account	45.77	156.85
Significant accounting policies	2	
See accompanying notes forming part of the financial statements	1-35	

- The Cash Flow Statement has been prepared under the “Indirect Method” as set out in Ind As - 7 “Cash Flow Statement”.
- Previous period audited figures have been regrouped/rearranged/reclassified wherever necessary.

As per our attached report of even date

For Lodha & Company
Chartered Accountants

R.P. Baradiya
Partner
Membership No. 44101
Place : Mumbai
Date : April 26, 2021

For and on behalf of the Board of Directors

Sunil Alvares
Managing Director & CEO
DIN : 08943476

Amit Mahajan
Director
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Mohini Kharpude
Company Secretary
M No. A31814

CDSL VENTURES LIMITED

CIN: U93090MH2006PLC164885

Notes forming part of the Financial Statements for the year ended March 31, 2020

1. Corporate Information

1.1. CDSL Ventures Limited (“CVL” or “the Company”) is a wholly owned subsidiary of Central Depository Services (India) Limited, incorporated on 25th September, 2006. CVL is the first KRA appointed by SEBI to do common KYC for investor in the Capital Market, Accordingly CVL receives clients electronic KYC records of KYC document from SEBI registered intermediaries and makes it available to any other intermediaries when the said client opens an account or transacts with the said intermediaries and for allied data collection and verification services. Further updates of KYC details received by any intermediary is collected or downloaded to other intermediaries who have accessed the KYC record.

2. Significant Accounting Policies:

2.1. Statement of compliance

- a) The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standard) Rules, 2015 and amendments thereon.
- b) The financial statements for the year ended March 31, 2021 were approved by the Board of Directors and authorised for issue on April 26, 2021

2.2. Basis of preparation

These financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

2.3. Functional and presentation currency

The financial statements are presented in Indian rupees, which are the functional currency of the Company and the currency of the primary economic environment in which the Company operates. All financial information presented in Indian rupees has been rounded to the nearest Lakh except share and per share data.

2.4. Use of Estimates:

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the years presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimates are revised and future years are affected.

2.5. Property, plant and equipment

Plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Capital work-in-progress, plant and equipment are stated at cost net of accumulated depreciation and accumulated impairment losses, if any. Cost includes borrowing costs for long term construction projects if the recognition criteria are met.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to Statement of Profit and Loss during the reporting period in which they are incurred.

2.6. Intangible assets

Intangible assets purchased are measured at cost as of the date of acquisition less accumulated amortization and accumulated impairment, if any.

Intangible assets are amortised on a straight line basis over economic useful life of asset and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization expense on intangible assets is recognized in the Statement of Profit and Loss

Intangible assets consist of computer software.

2.7. Depreciation/Amortization/Impairment Loss

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.:

Description of asset	Useful life as per Company's Act 2013 (Years)	Useful Life as per Company Policy (Years) (Till Dec 31, 2020)	Useful Life as per Company Policy (Years) (W.e.f. Jan 1, 2021)
Computer Hardware	6	2	6
Computer software – Perpetual	3	2	3
Computer software – Subscription License	3	3-5	3-5
Office Equipment	5	5	5
Furniture and Fixtures	10	5	5

Mobiles/tablets provided to employees as per Service Rules of the company is charged to Statement of Profit and Loss. The carrying amounts of assets are reviewed at each Balance Sheet date if there is an indication of impairment based on internal and external factors. The asset is treated as impaired when its carrying cost exceeds the recoverable amount. Impairment loss, if any, is charged to the Statement of Profit and Loss for the year in which the asset is identified as impaired. Reversal of impairment loss recognized in the prior years is recorded when there is an indication that impairment losses recognized for the asset no longer exist or have decreased.

2.8. Fair Value Measurement

The Company measures financial instruments, such as derivatives, at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- a) In the principal market for the asset or liability, or
- b) In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of Unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Inputs are quoted market prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level of input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair value for measurement and / or disclosure purposes in this financial information is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

2.9. Financials Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognized when a Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in Statement of Profit and Loss.

a) Classification of financial assets

Company has classified and measured Financial Assets into following:

- i) **Amortized cost** if both of the following conditions are met:
 1. The financial asset is held within a business model whose objective is to hold Financial assets in order to collect contractual cash flows and
 2. The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
- ii) **Fair value through other comprehensive income** if both of the following conditions are met:
 1. the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
 2. The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Assets under this category are measured at fair value and gains and losses arising out of such measurement are carried through other comprehensive income
- iii) **Fair value through profit or loss** if asset is not classified at amortized cost or fair value through other comprehensive income

b) Classification of Financial Liabilities

Company has classified financial liabilities as subsequently measured at amortized cost. For trade and other payable maturing within one year from the date of Balance Sheet the carrying amount approximate fair value due to short maturity of these instruments.

2.10. Employee Benefits

Short term Employee Benefits are estimated and provided for.

Performance linked bonus is provided as and when the same is approved by the management.

Post-Employment Benefits and Other Long term Employee Benefits are treated as follows

a) Defined Contribution Plans:

Provident Fund: The Provident fund plan is operated by Regional Provident Fund Commissioner (RPFC) and the contribution thereof are paid/provided for.

Contributions to the defined contribution plans are charged to Statement of Profit and Loss for the respective financial year as and when services are rendered by the employees.

b) Defined Benefits Plans:

i) Gratuity:

Gratuity for employees is covered by Gratuity Scheme with Life Insurance Corporation of India and the contribution thereof is paid/provided for. The Company's liabilities under Payment of Gratuity Act are determined on the basis of actuarial valuation made at the end of each financial year using the projected unit credit method. Obligation is measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to market yields at the Balance Sheet date on Government bonds where the terms of the Government bonds are consistent with the estimated terms of the defined benefit obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss. Re-measurement gains or losses arising from experience adjustments changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the Statement of changes in Equity and in the Balance Sheet. Re-measurements are not reclassified to Statement of Profit and Loss in subsequent periods.

ii) Compensated absences:

Accumulated compensated absences, which are expected to be availed or encased within 12 months from the end of the year, are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end. Accumulated compensated absences, which are expected to be availed or encased beyond 12 months from the end of the year, are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year.

Actuarial gains/losses at the end of the year accrued to the defined benefit plans are taken to Other Comprehensive Income for the respective financial year.

2.11. Current tax and deferred tax

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws. Deferred tax is recognised using balance sheet approach. The deferred tax for timing differences between the book and tax profits for the year is accrued for, using the tax rates and laws those have been substantively enacted as of the balance sheet date. Deferred tax assets arising from differences are recognised to the extent that there is reasonable certainty that these would be realized in future.

Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

2.12. Foreign Currency Translation

The functional currency of CDSL Ventures Limited is Indian rupees

All foreign currency transactions are recorded at exchange rate prevailing on the date of the transaction. All foreign currency current assets/liabilities are translated at the rates prevailing on the date of the Balance Sheet. Foreign exchange rate difference arising on settlement/ conversion is recognized in the Statement of Profit and Loss.

2.13. Revenue Recognition

In contracts involving the rendering of services, revenue is measured using the proportionate completion method and are recognised net of service tax provided that at the time of performance it is not unreasonable to expect ultimate collection. If at the time of rising of any claim it is

unreasonable to expect ultimate collection, revenue recognition is postponed till the time the ultimate collection is made.

Interest is recognized on a time proportionate basis taking into account the amount outstanding and the rate applicable.

Dividend is recognized when the unconditional right to receive payment is established.

2.14. Provisions and Contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are neither recognized nor disclosed in the financial statements.

2.15. Cash and cash equivalents (for the purpose of Cash Flow Statement)

Cash and cash equivalents in the Balance Sheet and for the purpose of Statement of Cash Flows comprise cash in hand and cash at bank including fixed deposit with original maturity period of three months and short term highly liquid investments with an original maturity of three months or less net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

2.16. Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

2.17. Earnings per share

Basic earnings per share are computed by dividing the profit for the year by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

2.18. Impairment

Financial assets carried at amortised cost and FVTOCI

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12 month ECL. Lifetime ECLs are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12 month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date. ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- a) All contractual terms of the financial instrument (including prepayment, extension etc.) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.
- b) Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivable based on a detailed analysis of trade receivable on individual basis.

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income / expense in the Statement of Profit and Loss.

Financial assets measured at amortised cost, contractual revenue receivable: ECL is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

2.19. Leases –

As a Lessee:

The Company's lease asset classes primarily consist of leases for space provided by holding company. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- a) the contract involves the use of an identified asset;
- b) the Company has substantially all of the economic benefits from use of the asset through the period of the lease; and
- c) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

For short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

As a Lessor:

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

2.20. Current / Non-current classification

The company presents assets and liabilities to be classified as either Current or Non-current.

- a) **Assets:** An asset is classified as current when it satisfies any of the following criteria:
- i) it is expected to be realized in, or is intended for sale or consumption in, the entity's normal operating cycle;
 - ii) it is held primarily for the purpose of being traded;
 - iii) it is expected to be realized within twelve months after the balance sheet date; or
 - iv) it is cash or a cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the balance sheet date
 - v) All other assets are classified as non-current.
- b) **Liabilities:** A liability is classified as current when it satisfies any of the following criteria:
- i) it is expected to be settled in, the entity's normal operating cycle;
 - ii) it is held primarily for the purpose of being traded; it is due to be settled within twelve months after the balance sheet date; or
 - iii) The Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the balance sheet date.
 - iv) All other liabilities are classified as non-current.

2.21. Operating Cycle

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

2.22. Recent accounting pronouncements

- a) Ministry of Corporate Affairs (“MCA”) notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2021.
- b) Amendments to Ind AS 116: Covid-19-Related Rent Concessions.
 - i) The amendments to Ind AS 116 provides a practical expedient to lessees in accounting for rent concessions that are a direct consequence of the Covid-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a covid-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the covid-19 related rent concession the same way it would account for the change under IFRS 16, if the change were not a lease modification. The practical expedient applies only to rent concessions occurring as a direct consequence of the covid-19 pandemic and only if all of the following conditions are met:
 - ii) The change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change.
 - iii) Any reduction in lease payments affects only payments originally due on or before 30 June 2021 (for example, a rent concession would meet this condition if it results in reduced lease payments before 30 June 2021 and increased lease payments that extend beyond 30 June 2021).
 - iv) There is no substantive change to other terms and conditions of the lease.

No practical expedient is available for lessors.

The lessees will apply the practical expedient retrospectively, recognising the cumulative effect of initially applying the amendment as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the beginning of the annual reporting period in which the lessee first applies the amendment.

The amendments are applicable for annual reporting periods beginning on or after the April 1st, 2020. In case, a lessee has not yet approved the financial statements for issue before the issuance of this amendment, then the same may be applied for annual reporting periods beginning on or after the April 1st, 2019. The Company will not be affected by these amendments on the date of transition as there are no rent concessions provided for from the lessor.

c) Appendix C to Ind AS 12 Uncertainty over Income Tax Treatment

- i) The appendix addresses the accounting for income taxes when tax treatments involve uncertainty that affects the application of Ind AS 12 Income Taxes. It does not apply to taxes or levies outside the scope of Ind AS 12, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments. The Appendix specifically addresses the following:
 - 1. Whether an entity considers uncertain tax treatments separately
 - 2. The assumptions an entity makes about the examination of tax treatments by taxation authorities
 - 3. How an entity determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates
 - 4. How an entity considers changes in facts and circumstances
- ii) The Company determines whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments and uses the approach that better predicts the resolution of the uncertainty.
- iii) The Company applies significant judgement in identifying uncertainties over income tax treatments. Since the Company operates in a complex multinational environment, it assessed whether the Appendix had an impact on its consolidated financial statements.
- iv) Upon adoption of the Appendix C to Ind AS 12, the Company considered whether it has any uncertain tax positions, particularly those relating to transfer pricing. The Company's and the subsidiaries' tax filings in different jurisdictions include deductions related to transfer pricing and the taxation authorities may challenge those tax treatments. The Company determined, based on its tax compliance and transfer pricing study, that it is probable that its tax treatments (including those for the subsidiaries) will be accepted by the taxation authorities. The Appendix did not have an impact on the consolidated financial statements of the Company

2.23. Segment Reporting

The Company is engaged in the business of providing common KYC for investors in the Capital Market and the operations are carried out within India and hence there is no separate reportable segment as per Indian Accounting Standard 108 on “Operating Segment” prescribed in Companies (Accounting Standards) Rules, 2015.

2.24. Rounding off Amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest Lakh as per the requirement of Schedule III, unless otherwise stated.

3. Property, Plant and Equipment, Other Intangible Assets

(₹ in Lakh)

Gross Block/Deemed Cost	Property, Plant and Equipment					Other Intangible Assets
	Computer Hardware	Furniture and fixtures	Office equipments	Motor vehicles	Total	Software
Gross Block/Deemed Cost						
Balance as at April 1, 2019	344.97	0.07	12.37	-	357.41	51.76
Additions during the year ended March 31, 2020	30.38	0.63	0.13	-	31.14	229.81
Deductions / adjustments	116.90	-	0.04	-	116.94	-
Balance as at March 31, 2020	258.45	0.70	12.46	-	271.61	281.57
Balance as at April 1, 2020	258.45	0.70	12.46	-	271.61	281.57
Additions during the year ended March 31, 2021	68.04	-	16.25	0.50	84.79	123.50
Deductions / adjustments	-	-	-	-	-	-
Balance as at March 31, 2021	326.49	0.70	28.71	0.50	356.40	405.07



CVL

(₹ in Lakhs)

Accumulated depreciation, amortisation and impairment	Property, Plant and Equipment					Other Intangible Assets
	Computer Hardware	Furniture and fixtures	Office equipments	Motor vehicles	Total	Software
Accumulated depreciation, amortisation and impairment						
Balance as at April 1, 2019	131.75	0.07	4.68	-	136.50	15.56
Depreciation/amortisation for the year ended March 31, 2020	140.60	0.06	5.92	-	146.58	115.47
Deductions / Adjustments	69.08	-	0.04	-	69.12	-
Balance as at March 31, 2020	203.27	0.13	10.56	-	213.96	131.03
Balance as at April 1, 2020	203.27	0.13	10.56	-	213.96	131.03
Depreciation/amortisation for the year ended March 31, 2021	62.30	0.13	7.23	0.50	70.16	111.34
Deductions / Adjustments	-	-	-	-	-	-
Balance as at March 31, 2021	265.57	0.26	17.79	0.50	284.12	242.37

Net Book Value	Property, Plant and Equipment					Other Intangible Assets
	Computer Hardware	Furniture and fixtures	Office equipments	Motor vehicles	Total	Software
Net Book Value						
As at March 31, 2021	60.92	0.44	10.92	-	72.28	162.70
As at March 31, 2020	55.18	0.57	1.90	-	57.65	150.54

4. Investment in Subsidiaries

(₹ in Lakh)

Particulars	As at 31.03.2021		As at 31.03.2020	
	Units	Amount	Units	Amount
Un-quoted Trade Investments				
Investment in Equity Instruments				
- CDSL Insurance Repository Limited (Fully paid up)	9,75,001	97.50	9,75,001	97.50
Total aggregate un-quoted Investments		97.50		97.50
Aggregate carrying value of un-quoted investments		97.50		97.50

5. Other Investments

(₹ in Lakh)

Particulars	As at 31.03.2021	As at 31.03.2020
Non-current Investments (refer note 6A)		
Quoted Non Trade Investments		
Investments in Debentures and Bonds measured at amortised cost		
- Bonds and Non-Convertible Debentures	1,300.35	1,800.45
	1,300.35	1,800.45
Investments in Mutual Funds measured at FVTPL		
- Units of Growth Oriented Debt Schemes of Mutual Funds	-	945.44
	-	945.44
Total Non-current Investments	1,300.35	2,745.89

(₹ in Lakh)

Particulars	As at 31.03.2021	As at 31.03.2020
Current Investments (refer note 6A)		
Unquoted Investments		
Investment in units of Mutual Fund at FVTPL		
	11,152.25	5,427.72
	11,152.25	5,427.72
Quoted Investments		
Quoted Non Trade Investments		
Investments in Debentures and Bonds measured at amortised cost		
- Bonds and Non-Convertible Debentures	500.00	-
	500.00	-
Investments in Mutual Funds measured at FVTPL		
- Units of Growth Oriented Debt Schemes of Mutual Funds (Quoted)	1,007.70	5,989.72
	1,007.70	5,989.72
Total Current Investments	12,659.95	11,417.44

(₹ in Lakh)

Particulars	As at 31.03.2021	As at 31.03.2020
Aggregate market value of quoted investments	2,808.05	8,735.61
Aggregate market value of unquoted investments	11,152.25	5,427.72

5A. Details of Investments

Name of the Body Corporate / Mutual Fund	No. of Shares / Units		(₹) In Lakh	
	As at 31.03.2021	As at 31.03.2020	As at 31.03.2021	As at 31.03.2020
Non current investments				
a. Investment in Debentures				
TATA Capital NCD 8.70% 27.09.2021	-	50,000.00	-	500.00
			-	500.00
b. Investment in bonds				
(Non Trade, Quoted and fully paid up)				
7.11% NHAI Tax Free Bonds 18.09.2025	30.00	30.00	300.01	300.02
7.16% PFC Tax Free Bonds 17.07.2025	50.00	50.00	500.15	500.19
7.17% REC Tax Free Bonds 23.07.2025	50.00	50.00	500.19	500.24
			1,300.35	1,300.45
c. Investment in units of mutual funds				
(Non Trade, Quoted and fully paid up)				
Kotak Fixed Term Plan Series 212 - Direct - Growth	-	35,00,000.00	-	417.31
Nippon India FHF-XXXVIII-Sr-3-Direct - Growth	-	45,11,069.77	-	528.13
			-	945.44
Total of non current investments (a+b+c)			1,300.35	2,745.89
Current investments				
c. Investment in units of mutual funds				
(Non Trade, Quoted and fully paid up)				
Aditya Birla Sunlife Fixed Term Plan - Series OD - Direct - Growth	-	50,00,000.00	-	620.30
Aditya Birla Sunlife Fixed Term Plan - Series OE - Direct - Growth	-	80,00,000.00	-	994.14
Aditya Birla Sunlife Fixed Term Plan - Series OI - Direct - Growth	-	99,95,095.00	-	1,243.15
Aditya Birla Sunlife Fixed Term Plan - Series OK - Direct - Growth	-	55,00,000.00	-	682.83
Aditya Birla Sunlife Fixed Term Plan - Series OT - Direct - Growth	-	47,15,264.00	-	567.31
Kotak Fixed Term Plan Series 202 - Direct - Growth	-	1,00,00,000.00	-	1,237.49

Name of the Body Corporate / Mutual Fund	No. of Shares / Units		(₹) In Lakh	
	As at 31.03.2021	As at 31.03.2020	As at 31.03.2021	As at 31.03.2020
Kotak Fixed Term Plan Series 212 - Direct - Growth	35,00,000.00	-	442.53	-
Nippon India FHF-XXXVIII-Sr-3-Direct - Growth	45,11,069.77	-	565.17	-
Nippon India FHF XXXIII-SR 10 Direct Growth	-	52,04,160.00	-	644.50
			1,007.70	5,989.72
d. Investment in units of mutual funds	50,000.00	-	500.00	-
TATA Capital NCD 8.70% 27.09.2021			500.00	-
e. Investment in units of mutual funds				
(Non Trade, Unquoted & Fully Paid up)				
Aditya Birla Sunlife Savings Fund - Direct - Growth	2,11,998.43	3,36,753.25	904.89	1,349.80
Aditya Birla Sunlife Floating Rate Fund - Direct - Growth	10,87,063.54	4,03,919.27	2,942.50	1,019.07
DSP Banking & PSU Debt Fund - Direct - Growth	50,08,486.60	-	960.82	-
DSP Floater Fund - Direct - Growth	39,99,800.01	-	402.10	-
Kotak Liquid Fund - Direct - Growth	-	4,701.17	-	188.75
Kotak Banking & PSU Debt Fund - Direct -Growth	4,86,540.64	-	250.68	-
L & T Triple Ace Bond Fund - Direct - Growth	22,61,404.31	-	1,348.68	-
Nippon India Short Term Plan - Direct - Growth	-	13,96,487.30	-	552.15
Nippon India Floating Rate Fund - Direct Growth	70,49,332.63	70,49,332.63	2,536.91	2,317.95
Nippon India Banking and PSU Debt Fund - Direct Growth	28,77,515.58	-	472.52	-
SBI Banking & PSU Debt Fund - Direct -Growth	28,058.03	-	716.61	-
SBI Corporate BOND Fund - Direct -Growth	50,47,703.19	-	616.54	-
			11,152.25	5,427.72
Total of current investments (c+d)			12,659.95	11,417.44
Total investments			13,960.30	14,163.33

6. Trade Receivables

(₹ in Lakh)

Particulars	As at 31.03.2021	As at 31.03.2020
-Secured, considered good	-	-
-Unsecured, considered good (Receivable from Related Party Rs.0.08 Lakh (P.Y. Nil))"	1,295.00	1,354.68
- Trade receivable - credit impaired	1.84	0.50
Less: Allowance for doubtful debts	(1.84)	(0.50)
Total (A+B)		
	1,295.00	1,354.68

1. Trade receivables are dues in respect of services rendered in the normal course of business.
2. The Normal credit period allowed by the company ranges from 0 to 25 days.
3. The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a detailed analysis of trade receivables by individual departments.
4. There are no dues by directors or other officers of the company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member.

Movement in the expected credit loss allowance

Particulars	As at 31.03.2021	As at 31.03.2020
Balance at beginning of the year	0.50	3.13
Add/(Less) - Trade receivable - credit impaired/recovered	1.34	(2.63)
Total (A+B)	1.84	0.50

7. Cash and cash equivalents

For the purpose of statement of cashflows, cash and cash equivalents includes cash on hand, and in banks, cash and cash equivalents at the end of the reporting period as shown in the statement of cashflow have been reconciled to the related items on the balance sheet as follows:

(₹ in Lakh)

Particulars	As at 31.03.2021	As at 31.03.2020
Current		
Cash on hand	-	0.07
Balance with Banks		
Owned fund		
- In Current Accounts	45.77	156.85
Total	45.77	156.92
Bank Balance other than above		
Balance with Banks		
Owned fund		
- In Deposit Accounts (Earmarked against bank guarantee of ₹47.29 lakh, Previous year ₹7.29 lakh)	5,591.55	169.12
Accrued Interest - On Bank Deposits	274.28	4.96
Total	5,865.83	174.08

8. Other Financial assets

(₹ in Lakh)

Particulars	As at 31.03.2021	As at 31.03.2020
Non-current		
Sundry deposits	2.60	2.60
Bank Deposits (Earmarked against bank guarantee of ₹100.00 lakh, Previous year ₹75.00 lakh)	100.00	1,618.53
Accrued Interest - On Bank Deposits	5.74	18.04
Total	108.34	1,639.17
current		
Accrued Interest - On Bonds	80.63	80.69
Unbilled Revenue	8.05	-
Total	88.68	80.69

9. Income tax asset and liabilities

(₹ in Lakh)

Particulars	As at 31.03.2021	As at 31.03.2020
Current tax assets		
Advance Income Tax (net of provision ₹ 5,983.02 Lakh and Previous Year ₹ 4,624.83 lakh)	132.60	53.24
Total	132.60	53.24

10. Other assets

(₹ in Lakh)

Particulars	As at 31.03.2021	As at 31.03.2020
Non Current		
Prepaid Expenses	60.87	42.89
Total	60.87	42.89
Current		
Capital advances	-	0.75
Prepaid Expenses	92.51	144.23
GST Credit Receivable	90.12	73.02
Advance to Creditors	71.79	1.78
Staff Advance	0.37	0.13
Total	254.79	219.91

11. Equity Share Capital

(₹ in Lakh)

Particulars	As at 31.03.2021	As at 31.03.2020
Equity Share Capital		
Authorised share capital:		
Equity Shares of ₹10/- each with voting rights (5000000 equity shares as at March 31, 2021) equity shares of ₹10/- each fully paid-up.	500.00	500.00
Issued share capital:		
Equity Shares of ₹10/- each with voting rights (5000000 equity shares as at March 31, 2021) equity shares of ₹10/- each fully paid-up.	500.00	500.00
Subscribed and Paid-up share capital (5000000 equity shares as at March 31, 2021) equity shares of ₹10/- each fully paid-up.	500.00	500.00
Total	500.00	500.00

Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year

Particulars	Opening Balance	Bonus Shares issued during the year	Closing Balance
Equity shares with voting rights			
As at March 31, 2020			
- Number of shares	50,00,000	-	50,00,000
- Amount (₹) In lakh	500.00	-	500.00
As at March 31, 2021			
- Number of shares	50,00,000	-	50,00,000
- Amount (₹) In lakh	500.00	-	500.00

Terms/rights attached to equity shares

- a) The Company had allotted 500000 Equity shares as bonus in ratio of (1:9), one share for every nine share held of face value Rs. 10/- per share on May 22,2018

Name of the Shareholders	As at 31.03.2021		As at 31.03.2020	
	No. of Shares	(₹) In Lakh	No. of Shares	(₹) In Lakh
Bonus Shares issued within a period of 5 years immediately preceeding the balance sheet date	20,00,000	200.00	20,00,000	200.00
Aggregate number of equity shares of Rs.10 each allotted at par as fully paid up by way of bonus shares during the year	-	-	-	-

- a) The Company has only one class of equity shares having face value of ₹10 each. Each holder of equity shares is entitled to one vote per share. The Company declares and pay dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting.
- b) In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.
- c) As per records of the Company, including its register of shareholders/members and other declaration received from shareholders regarding beneficial.

Shares held by Holding Company and its subsidiaries

Name of the Shareholders	As at 31.03.2021		As at 31.03.2020	
	No. of Shares	(₹) In Lakh	No. of Shares	(₹) In Lakh
Central Depository Services (India) Limited, Holding Company and its nominees	50,00,000	500.00	50,00,000	500.00

12. Other equity

(₹ in Lakh)

Particulars	As at 31.03.2021	As at 31.03.2020
Securities premium	1,600.00	1,600.00
Retained earnings	18,810.77	14,888.13
Total	20,410.77	16,488.13

12.1 Securities premium

(₹ in Lakh)

Particulars	As at 31.03.2020	As at 31.03.2019
Opening Balance	1,600.00	1,600.00
Less: bonus shares issued during the year	-	-
Closing balance	1,600.00	1,600.00

12.2 Retained earnings

(₹ in Lakh)

Particulars	As at 31.03.2021	As at 31.03.2020
Opening Balance	14,888.13	12,075.91
Profit for the year	3,927.83	2,817.83
Other comprehensive income / (loss) arising from remeasurement of defined benefit obligation (net of income tax)	(5.19)	(5.61)
Amount available for appropriation	18810.77	14,888.13

13 Deferred tax balances

(₹ in Lakh)

Particulars	As at 31.03.2021	As at 31.03.2020
Deferred tax assets	61.41	62.40
Deferred tax liabilities	147.11	214.41
TOTAL	(85.70)	(152.01)

Deferred tax (liabilities) / assets in relation to:

(₹ in Lakh)

Particulars	Opening balance as at 01.04.2019	Recognised in Profit and loss for year ended March 31, 2020	Recognised in Other Comprehensive Income for year ended March 31, 2020	Closing balance as at March 31, 2020	Recognised in Profit and loss for year ended March 31, 2021	Recognised in Other Comprehensive Income for year ended March 31, 2021	Closing balance as at March 31, 2021
1. Deferred tax Assets							
Provision for compensated absences, gratuity and other employee benefits	21.24	20.17	1.89	43.30	(5.97)	1.74	39.07
On difference between book balance and tax balance of fixed assets	(0.85)	19.95	-	19.10	3.24	-	22.34
Total	20.39	40.12	1.89	62.40	(2.73)	1.74	61.41
2. Deferred Tax Liabilities							
On Changes in Fair Value of Investment	125.45	88.96	-	214.41	(67.30)	-	147.11
Total Liabilities	125.45	88.96	-	214.41	(67.30)	-	147.11
Net Asset/ (Liabilities)	(105.06)	(48.84)	1.89	(152.01)	64.57	1.74	(85.70)

14. Trade Payables

(₹ in Lakh)

Particulars	As at 31.03.2021	As at 31.03.2020
Current		
a) Total outstanding dues of micro enterprises and small enterprises	-	55.38
b) Total outstanding dues of creditors other than micro enterprises and small enterprises		
Other trade payables	589.94	581.97
Payable to Holding Company	-	53.79
Total	589.94	691.14

15. Other financial liabilities

(₹ in Lakh)

Particulars	As at 31.03.2021	As at 31.03.2020
Current		
Deposits	3.00	3.00
Accrued Employee Benefits expense	34.76	99.29
Total	37.76	102.29

16. Other Current Liabilities

(₹ in Lakh)

Particulars	As at 31.03.2021	As at 31.03.2020
Advance from Customers	35.27	41.20
Statutory Dues	366.59	143.58
TOTAL	401.86	184.78

17. Provisions

(₹ in Lakh)

Particulars	As at 31.03.2021	As at 31.03.2020
Provision for Compensated absences	31.52	64.49
Provision for Gratuity	87.11	7.76
TOTAL	118.63	72.25

18. Revenue from operations

(₹ in Lakh)

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
Sale of services comprise :		
On Line Data Charges	5,616.77	3,690.55
Documents Storage Charges	517.04	514.32
E-KYC/C-KYC & Miscellaneous Charges	293.36	188.38
Inter KRA charges	594.51	157.56
GSP Service Charges	82.39	85.69
Document Verification Charges	86.23	940.49
Total	7,190.30	5,576.99

19. Other income

(₹ in Lakh)

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
a) Interest income earned on financial assets that are not designated as at fair value through profit or loss		
Bank deposits (at amortised cost)	280.96	111.96
Investments in debt instruments (at amortised cost)	136.40	136.40
c) Other gains or losses:		
Net gains / (loss) arising on financial assets measured at FVTPL	746.16	852.37
d) Other non-operating income		
Reversal of allowance for expected credit loss	-	2.63
Interest on Income Tax Refund	10.92	-
Miscellaneous income	1.05	1.00
TOTAL	1,175.49	1,104.36

20. Employee benefits expense

(₹ in Lakh)

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
Salaries, allowances and bonus	409.78	438.14
Contribution to provident and other Funds	25.82	13.48
Staff welfare expenses	4.61	1.93
TOTAL	440.21	453.55

21. Administration and other expenses

(₹ in Lakh)

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
Point Of Service (POS) charges	438.62	322.35
Communication, telephone & Courier Charges	68.02	20.07
Insurance expenses	5.13	0.47
Rent	110.16	128.76
Rates & Taxes	2.06	6.45
Legal & Professional charges	68.56	37.90
Auditors' Remuneration:		
-Audit Fees	2.00	2.00
-Tax Audit Fees	0.50	0.50
-Out of Pocket Expenses	0.25	0.23
Directors Sitting fees	7.50	7.75
Travelling & Conveyance	4.92	7.60
SEBI fees	1.00	1.00
Computer technology related expenses	272.53	141.12
Printing & Stationery	0.62	0.81
Business Development charges	0.07	1.16
Inter KRA charges expenses	1,453.13	750.78
Repairs & Maintenance	5.58	5.57
Administrative expenses	30.00	30.00
Bad debts (net off recovery)	3.47	5.09
Contribution towards Corporate Social Responsibility	62.46	80.99
Data entry charges (PAAC/KRA)	20.05	647.64
Authentication User Agency (AUA) Expenses	31.34	6.54
SMS Alert Expenses	4.93	67.09
Expenses for GST Suvidha Provider	27.52	44.43
Recruitment Charges	0.33	0.23
Miscellaneous Expenses	23.07	6.55
Total	2,643.82	2,323.08

22. CSR Expenditure

(₹ in Lakh)

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
a) The gross amount required to be spent by the Company during the year	60.46	59.70
b) Amount debited to the statement of profit or loss were paid in cash during the respective year and were incurred for the purpose other than construction / acquisition of any asset.	62.46	80.99

23. Taxes

23.1. Income tax expense

The major components of income tax expense for the year ended March 31, 2021 and 2020 are as under:

23.1.1. Under Profit or loss

(₹ in Lakh)

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
Current tax expense	1237.00	776.00
Deferred tax	(64.57)	48.84
Total income tax expense recognised in profit or loss	1,172.43	824.84

23.1.2. Under Other comprehensive income

(₹ in Lakh)

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
Remeasurement of the defined benefit plans	(6.93)	(7.50)
Total income tax expense recognised in other comprehensive income	1.74	1.89

23.2. The income tax expense for the year has been reconciled to the accounting profit as follows:

(₹ in Lakh)

Particulars		For the year ended 31.03.2021	For the year ended 31.03.2020
(A)	Profit before tax	5,100.26	3,642.67
(B)	Enacted tax rate in India	25.17%	25.17%
(C)	Expected tax expenses (A*B)	1,283.74	916.86
(D)	Other than temporary differences		
	Effect of income that is exempt from taxation	(23.36)	(23.36)
	Expenses disallowed / (allowed)	2.98	22.01
	Effect of Different rates of Tax	(92.67)	(92.56)
	Total adjustments	(113.05)	(93.91)
(E)	Tax expenses after adjustments (C+D)	1,170.69	822.95
(F)	Tax expenses recognised in Profit or Loss & OCI	1,170.69	822.95

24. Earnings per share (EPS)

Reconciliation of number of equity shares used in the computation of basic and diluted earnings per share is set out below:

Particulars	For the year ended	
	March 31, 2021	March 31, 2020
Weighted average number of equity shares (issued share capital) outstanding during the year for the calculation of basic EPS (Refer note below)	50,00,000	50,00,000
Effect of dilutive equity shares outstanding during the year	-	-
Weighted average number of equity shares (issued share capital) outstanding during the year for the calculation of dilutive EPS	50,00,000	50,00,000
Face Value per Share (₹)	10/- each	10/- each
Profit after tax (₹)	3,927.83	2,817.83
Basic and Diluted EPS	78.56	56.36

Note: EPS and weighted average number of equity shares of pervious year are adjusted post issue of bonus shares.

25. Financial instruments

Financial instruments by category:

(₹ in Lakh)

Particulars	Carrying Value	
	31.03.2021	31.03.2020
i) Financial assets		
a) Amortised Cost		
Trade receivables	1,295.00	1,354.68
Cash and cash equivalents	45.77	156.92
Bank balances other than cash and cash equivalents	5,865.83	174.08
Other financial assets	197.02	1,719.86
Investment in Debt instruments	1,800.35	1,800.45
Total	9,203.97	5,205.99
b) FVTPL		
Investment in mutual funds	12,159.95	12,362.88
Total	12,159.95	12,362.88
c) Others		
Investment in Fellow subsidiaries	97.50	97.50
ii) Financial liabilities		
a) Amortised Cost		
Trade payables	589.94	691.14
Other financial liabilities	37.76	102.29
Total	627.70	793.43

Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

Fair value of the Company's financial assets that are measured at fair value on a recurring basis:

Financial assets	Fair value as at		Fair value hierarchy	Valuation technique(s) and key input(s)
	31.03.2021	31.03.2020		
Investments in mutual funds	12,159.95	12,362.88	Level 1	Quoted bid prices in an active market

There were no transfers between Level 1 and 2 during the years.

Except as detailed in the following table, the directors consider that the carrying amounts of financial assets and financial liabilities recognised in the balance sheet approximate their fair values.

Fair value of financial assets that are measured at amortised cost:

Particulars	Fair Value		Fair Value Hierarchy (Level)
	31.03.2021	31.03.2020	
Financial assets Amortised Cost			
Investments in debt instruments	1,917.16	1,800.45	Level 1 - Quoted bid prices in an active market

The management assessed that fair value of cash and bank balances, fixed deposits, trade receivables, trade payables and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

The fair value of the quoted bonds and mutual fund are based on price quotations at reporting date. The fair value of unquoted instruments and other financial liabilities, as well as other non-current financial liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.

The fair values of the unquoted equity shares have been estimated using a discounted cash flow model. The valuation requires the management to make certain assumptions about the model inputs, including forecast cash flows, discount rate, credit risk and volatility, the probabilities of the various estimates within the range can be reasonably assessed and are used in the management's estimate of fair value for these unquoted equity investments.

26. Financial risk management

The Company's principal financial liabilities comprise trade and other payables. The main purpose of these financial liabilities is to support its operations. The Company's principal financial assets include trade and other receivables, and cash and short-term deposits that derive directly from its operations.

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Company's exposure to credit risk is influenced mainly by the individual characteristic of each customer and the concentration of risk from the top few customers.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding accounts receivable. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

- **Trade and other receivables**

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer.

The demographics of the customer, including the default risk of the industry in which the customer operates, also has an influence on credit risk assessment.

Company provides the KYC services to DPs / Mutual funds and other intermediaries, hence company operates with large number of customers portfolio and its revenue is not concentrated on small number of customers.

None of the customers accounted for more than 10% of the receivables and revenue for the year ended March 31, 2021.

Following customers accounted for more than 10% of the receivables as at March 31, 2020 and revenue for the year ended March 31, 2020.

Particulars	₹ In Lakh	10% of the receivable and revenue
Revenue	5,576.97	Customer 1 – 940.49 Lakh (17%)
Receivables	1,355.18	Customer 1 – 450.00 Lakh (33%)

- **Investments**

The Company limits its exposure to credit risk by making investment as per the investment policy. Further investment committee of company review the investment portfolio on monthly basis and recommend or provide suggestion to the management. The company does not expect any losses from non- performance by these counter-parties, and does not have any significant concentration of exposures to specific industry sectors.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.

The Company's corporate treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management.

The table below provides details regarding the contractual maturities of significant financial liabilities as at March 31, 2021 and March 31, 2020.

Particulars	As at	
	31.03.2021	31.03.2020
Trade payables		
< 1 year	589.94	691.14
1-5 years	-	-
> 5 years	-	-
Other financial liabilities		
< 1 year	37.76	102.29
1-5 years	-	-
> 5 years	-	-
Total	627.70	793.43

The table below provides details regarding the contractual maturities of significant financial assets as at 31.03.2021 and 31.03.2020.

(₹ in Lakh)

Particulars	As at	
	31.03.2021	31.03.2020
Investments*		
< 1 year	12,659.95	11,417.44
1 - 5 years	1,300.35	1,445.44
> 5 years	-	1,300.45
Total	13,960.30	14,163.33
Other financial assets		
< 1 year	88.68	80.69
1 - 5 years	108.34	1,639.17
> 5 years	-	-
Total	197.02	1,719.86
Trade receivables		
< 1 year	1,295.00	1,354.68
1 - 5 years	-	-
> 5 years	-	-
Total	1,295.00	1,354.68
Cash and cash equivalents		
< 1 year	45.77	156.92
1 - 5 years	-	-
> 5 years	-	-
Total	45.77	156.92
Bank balances other than cash and cash equivalents		
< 1 year	5,865.83	174.08
1 - 5 years	-	-
> 5 years	-	-
Total	5,865.83	174.08

* Investment does not include investments in equity instruments of fellow subsidiaries.

The Company manages contractual financial liabilities and contractual financial assets on net basis.

Market risk

The Company's business, financial condition and results of operations are highly dependent upon the levels of activity in the capital markets and in particular upon the participation of retail clients in capital market.

Our KYC business competes closely with our competitors. We rely heavily on technological equipment and IT at our facilities. Interruptions in the availability of IT systems could adversely impact our business. Shift in consumer preferences away from investing in capital market to other financial products, may dampen prospects of our business.

- **Foreign Currency risk**

The Company's exchange risk arises from its foreign operations, foreign currency revenues and expenses, (primarily in U.S. dollars and euros). Company's revenues insignificant portion are in these foreign currencies, while a significant portion of its costs are in Indian rupees.

As a result, if the value of the Indian rupee appreciates relative to these foreign currencies, the Company's revenues measured in rupees may decrease. The exchange rate between the Indian rupee and these foreign currencies has changed substantially in recent periods and may continue to fluctuate substantially in the future. Due to lesser quantum of revenue and expenses from foreign currencies company is not much exposed to foreign currency risk.

- **Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term / short- term investment with floating interest rates.

Interest rate risk primarily arises from floating rate investment. The Company's investments in floating rate are primarily short-term, which do not expose it to significant interest rate risk.

Regulatory risk

The Company requires a number of regulatory approvals, licenses, registrations and permissions to operate our business, including at a corporate level as well as at the level of each of its components. The Company operations are subject to continued review and the governing regulations may change. The Company regulatory team constantly monitors the compliance with these rules and regulations.

Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Company monitors the return on capital as well as the level of dividends on its equity shares. The Company's objective when managing capital is to maintain an optimal structure so as to maximize shareholder value.

The Company is predominantly equity financed which is evident from the capital structure. Further, the Company has always been a net cash company with cash and bank balances along with investment which is predominantly investment in liquid and short term mutual funds being far in excess of financial liabilities.

27. Related Party Disclosures:

Sr. No.	Description of relationship	Names of related parties
1	Entity where control exists	Central Depository Services (India) Limited (CDSL) – Holding Company
2	Fellow subsidiaries	CDSL Insurance Repository Limited
		CDSL Commodity Repository Limited
		CDSL IFSC Limited
3	Associate	BSE Limited
		Multi Commodity Exchange of India Ltd
		Marketplace Technologies Private Limited
		Indian Clearing Corporation Limited
		BSE Investments Limited
4	Director	Shri R.K. Kakkar, Director (from April 26, 2019)
		Shri Nayan Mehta, Director (from March 19, 2015)
		Shri K V Subramanian, Director (from May 02, 2019)
		Shri Joydeep Dutta (upto December 31, 2019)
		Shri Nehal Vora (upto January 9, 2020)
		Shri Amit Mahajan (from January 21, 2020)
		Shri Girish Amesara (from January 29, 2020)
5	Key Managerial Personnel	Shri Sunil Alvares – Managing Director & CEO (from November 1, 2020 previously Chief Operating Officer)
		Smt. Mohini Kharpude – Company Secretary (from February 1, 2013)

Sr. No.	Particulars (Transactions for the year ended)	31.03.2021	31.03.2020
	Entity where control exists		
	Central Depository Services (India) Limited		
	Income		
1	Operational Income	8.93	13.03
2	Administrative and Other Recovery	1.00	1.00
3	Shared Service Recovery	-	8.20
	Other Receivable		
3	Transfer of Employee Gratuity	68.14	0.00
4	Sale of fixed assets	-	47.82
	Expenditure		
5	Administrative and Other Expenses	265.72	154.25
6	Shared Service Recovery	98.32	113.46
	Other Payable		
7	Transfer of Employee Loan	0.65	-
8	Purchase of fixed assets	0.50	-
	Fellow Subsidiary		
	CDSL Insurance Repository Limited		
	Income		
9	Operational Income	0.05	0.06
10	Shared Service Recovery	20.85	-
	Associates		
	BSE Limited		
	Income		
11	Operational Income	0.41	0.20
	Expenditure		
12	Administrative and Other Expenses	2.50	2.75
	Key Managerial Personnel Remuneration		
13	Shri. Sunil Alvares - Managing Director & CEO (from November 1, 2020 and Chief Operating Officer till October 31, 2020)	181.56	120.97
14	Smt. Mohini Kharpude – Company Secretary (from February 1, 2013)	12.75	14.51
	*Net of Goods and Service Tax		



CVL

(₹ in Lakhs)

Sr. No.	Particulars (Balance outstanding as at year ended)	31.03.2021	31.03.2020
	Payable/(Receivable)		
	Entity where control exists		
1	Central Depository Services (India) Limited	(68.14)	53.79
2	Central Depository Services (India) Limited (Unbilled revenue)	(8.05)	-
3	Central Depository Services (India) Limited (Trade receivable)	(0.08)	-
4	Central Depository Services (India) Limited - Deposit Receivable	(1.50)	(1.50)
	Fellow Subsidiary		
1	CDSL Insurance Repository Limited	-	-
	Associates		
1	BSE Limited	(0.05)	(0.04)
	Investment		
	Subsidiary Companies		
1	CDSL Insurance Repository Limited	97.50	97.50
	Shares held by Holding Company and its subsidiaries	As at	As at
		31.03.2021	31.03.2020
1	Central Depository Services (India) Limited, Holding Company	500.00	500.00

Notes:

- No amounts in respect of the related parties has been provided for as doubtful debts or written off/ back during the year.
- Related party relationship is as identified by the Company and relied upon by the auditors.
- All the above transactions are in the ordinary course of the business of the Company.



CVL

(₹ in Lakhs)

28. Additional information to the financial statements**28.1. Contingent liabilities and Commitments**

Particulars	As at 31.03.2021	As at 31.03.2020
	(₹) In Lakh	(₹)In Lakh
Contingent liabilities:		
Claims against the company not acknowledged as debt.	Nil	Nil
Service Tax Matter (Period from Oct 2013 to Jun 2017)	69.60	Nil
Commitments :		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for		
Tangible assets	Nil	15.82

The Company has reviewed all its pending litigations and proceedings and has made adequate provisions, wherever required and disclosed the contingent liabilities, wherever applicable, in its financial statements. The Company does not reasonably expect the outcome of these proceedings to have a material impact on its financial statements.

28.2. Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006.

Particulars	As at 31.03.2021	As at 31.03.2020
	(₹) In Lakh	(₹)In Lakh
(a) Principal amount outstanding	-	55.38
(b) Principal amount due and remaining unpaid	-	-
(c) Interest due on (b) above and the unpaid interest	-	-
(d) Interest paid on all delayed payments under the MSMED Act	-	-
(e) Payment made beyond the appointed day during the year	-	-
(f) Interest due and payable for the period of delay other than (d) above	-	-
(g) Interest accrued and remaining unpaid	-	-
(h) Amount of further interest remaining due and payable in succeeding years	-	-

28.3 Lease - Based on the assessment of Company and considering absence of clear demarcation of space provided by holding company and others, there is no identified assets as covered under Ind AS 116.

29. The Company has determined the liability for Employee Benefits as at March 31, 2021 in accordance with IND AS 19 on “Employee Benefits”.

a) Defined benefit plans-Gratuity–As per Actuarial Valuation on March 31, 2021

(₹ in Lakhs)

Valuation Result as at	31-03-2021	31-03-2020
Reconciliation of defined benefit obligation		
Opening Defined Benefit Obligation	17.80	9.85
Transfer in/(out) obligation	-	-
Current service cost	8.07	1.95
Interest cost	1.12	0.66
Components of actuarial gain/losses on obligations:	-	-
Due to Change in financial assumptions	10.51	3.59
Due to change in demographic assumption	1.03	0.00
Due to experience adjustments	(4.39)	4.07
Past service cost	-	0.13
Loss (gain) on curtailments	-	-
Liabilities extinguished on settlements	-	-
Liabilities assumed in an amalgamation in the nature of purchase	68.14	-
Exchange differences on foreign plans	-	-
Benefits paid	(0.80)	(2.45)
Closing Defined Benefit Obligation		
Other Comprehensive Income for the current period		
Components of actuarial gain/losses on obligations:		
Due to Change in financial assumptions	10.51	3.59
Due to change in demographic assumption	1.03	-
Due to experience adjustments	(4.39)	4.07
Return on plan assets excluding amounts included in interest income	(0.22)	(0.16)
Amounts recognized in Other Comprehensive (Income) / Expense	6.93	7.50
Profit and loss account for the period		
Service cost:		
Current service cost	8.07	1.95
Past service cost	-	-
Net interest cost	0.36	-
Total included in 'Employee Benefit Expense'	8.43	2.33

Valuation Result as at	31-03-2021	31-03-2020
Reconciliation of plan assets		
Opening value of plan assets	10.04	6.38
Transfer in/(out) plan assets	-	-
Interest Income	0.76	0.41
Return on plan assets excluding amounts included in interest income	0.22	0.16
Assets distributed on settlements	-	-
Contributions by employer	4.15	5.54
Assets acquired in an amalgamation in the nature of purchase	-	-
Exchange differences on foreign plans	-	-
Benefits paid	(0.80)	(2.45)
Adjustment to the Opening fund	-	-
Closing value of plan assets	14.36	10.04
Funded status of the plan		
Present value of funded obligations	101.47	17.80
Fair value of plan assets	(14.36)	(10.04)
Net Liability (Asset)	87.11	7.76
Reconciliation of net defined benefit liability		
Net opening provision in books of accounts	7.76	3.47
Liabilities assumed in an amalgamation in the nature of purchase	68.14	-
Transfer in/(out) obligation	-	-
Transfer (in)/out plan assets	-	-
Employee Benefit Expense as per	8.43	2.33
Amounts recognized in Other Comprehensive (Income)	6.93	7.50
Sub total	91.26	13.30
Benefits paid by the Company	-	-
Contributions to plan assets	(4.15)	(5.54)
Closing provision in books of accounts	87.11	7.76
Principle actuarial assumptions		
Discount Rate	6.35% p.a	6.60% p.a
Salary Growth Rate	8.00% p.a	7.00% p.a

Valuation Result as at	31-03-2021	31-03-2020
Withdrawal Rates	2.94% p.a at all ages	12.50% p.a at all ages
Rate of Return on Plan Assets	6.35% p.a	6.60% p.a
Summary Data		
Number of Employees	40	28
Total Monthly Salary	14.64	9.63
Average Monthly Salary	0.37	0.34
Average Age (Years)	38.25	37.05
Average Past Service (Years)	5.85	4.55
Average Future Service (Years)	21.76	22.96
Weighted Average Duration (Years)	8.86	6.96

- b) Gratuity is administered through Group Gratuity Scheme with Life Insurance Corporation of India. The LIC raises demand for annual contribution for gratuity amount based on its own computation without providing entire details as required by the IND AS 19. Hence the company obtains separate actuarial valuation report as required under IND AS 19 from an independent Actuary. The maximum amount as per these two valuation reports is recognized as liability in the books of accounts. The expected return on plan assets is based on market expectation at the beginning of the year, for the returns over the entire life of the related obligations.

30. Estimation of uncertainties relating to the global health pandemic from COVID-19

The novel coronavirus (COVID-19) pandemic continues to spread rapidly across the globe including India. On March 11, 2020, the COVID-19 outbreak was declared a global pandemic by the World Health Organization. COVID-19 has taken its toll on not just human life, but business and financial markets too. Various governments have introduced a variety of measures to contain the spread of the virus. The Indian government had announced countrywide lockdown.

In this nation-wide lock-down period, though all the services across the nation were suspended (except the specified essential services), some establishments including securities market intermediaries could operate and were exempted from the lock-down.

The management has assessed the potential impact of the COVID-19 on the Company. Based on the current assessment, the management is of the view that impact of COVID 19 on the operations of the Company and the carrying value of its assets and liabilities is not likely to be material

31. During the year 2019-20, the Company had elected to exercise the option permitted under section 115BAA of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Act, 2019. Accordingly, the company has recognised Provision for Income Tax for the year ended 31st March 2020 and re-measured its Deferred Tax Liability basis the rate prescribed in the said section. Accordingly, an amount of ₹0.53 Lakh has been charged to statement of profit and loss during the year ended 31st March, 2020.

32. Corporate Social Responsibility

As per the provisions of the Section 135 of the Companies Act, 2013, the Company is required to spend ₹62.46 lakh on CSR activities including ₹2 Lakh unspent balance of previous years. To discharge its obligation, the Company has contributed ₹62.46 Lakh to PM CARES Fund during the year ended March 31, 2021.

33. During the year Company has changed its estimate of useful life of some of the fixed assets and following is the impact of the same;

Description of asset	Useful Life as per Company Policy (Years) (Till Dec 31, 2020)	Useful Life as per Company Policy (Years) (W.e.f. Jan 1, 2021)	Impact
Computer Hardware	2	6	7.52
Computer Software – Perpetual	2	3	19.15

34. The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company 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.
35. Figures for the previous year have been regrouped / reclassified and rearranged wherever necessary to correspond with the current year classification / disclosure.

Signatures to Notes 1 to 35 forming part of financial statements

For and on behalf of the Board of Directors

As per our attached report of even date

For Lodha & Company
Chartered Accountants

R.P. Baradiya
Partner
Membership No. 44101
Place : Mumbai
Date : April 26, 2021

For and on behalf of the Board of Directors

Sunil Alvares
Managing Director & CEO
DIN : 08943476

Mohini Kharpude
Company Secretary
M No. A31814

Amit Mahajan
Director
DIN:06984769

Annual Report 2020-21



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