

Empowering Atmanirbharta

Empowering Indian Capital Markets: The Human-Tech Nexus



Empowering Atmanirbharta

Empowering Indian Capital Markets: The Human-Tech Nexus

Empowerment: The gift of power and freedom, igniting a sense of control over one's own life.

Since inception of the Company in 1999, CDSL has relentlessly pursued 'empowerment' as an ideal. Throughout our journey, we have embraced innovation and transformation consistently. Our distinctive blend of human compassion and technology-oriented prowess has become our signature, propelling us to pioneer new horizons. As CDSL embarks on its 25th year, we reflect and build on the essence of empowerment. We remain dedicated to continuing our relentless endeavour of embracing innovation, setting us apart as leaders in our field.

For Team CDSL, the journey transcends numbers and milestones. It embodies the spirit of self-sufficiency rooted in the Indian capital markets – a mission for India for which we are privileged to serve as custodians. This is what drives CDSL with the indomitable concept of 'Empowering Atmanirbharta'. CDSL has invested 25 years in this journey and is now equipped – more than ever - with a reservoir of invaluable lessons to pursue our vision. Added to this is our embrace of cutting-edge technology harmonised with human compassion intended to provide best in class service and security to investors across the nation.

The nexus of human-tech forms the very core of our endeavour to empower the Indian capital markets

This fusion has been our primary source of strength, fuelling our unwavering commitment to innovation and excellence. CDSL understands that true success lies in our organisation's ability to stand the test of time and leave a legacy. In playing an integral role in the establishment of India as a global superpower. **For CDSL, 25 is only the beginning!**



Contents

CORPORATE OVERVIEW

CDSL at a Glance	2
Mascot - Presence	4
Embracing our 25 th Year: Celebrating Foundation of CDSL	5
Milestones	6
Key Performance Indicators	8
Chairperson's Message	10
MD & CEO's Message	14
Our Services	18
Technology	26
Recognition	29
Client Testimonials	30
Environmental, Social, and Governance	32
Board of Directors	36
Management Team	38
Corporate Social Responsibility	40
Corporate Information	44
Subsidiaries	45

STATUTORY REPORTS

Notice	46
Directors' Report	58
Report on Corporate Governance	76
Management Discussion and Analysis	110
Business Responsibility & Sustainability Report	130

FINANCIAL STATEMENTS

Standalone Independent Auditor's Report	158
Standalone Financial Statements	166
Consolidated Independent Auditor's Report	218
Consolidated Financial Statements	226

Empowering Indian Capital Markets

India's capital markets are among the most distinctive in the world. These markets are well regulated, facilitating investors' protection while offering a wide range of investment opportunities for businesses and investors alike.

The Indian capital markets have undergone a transformative shift, putting power in the hands of investors through a sophisticated ecosystem.

Throughout this remarkable journey spanning nearly a quarter of a century, CDSL has played a crucial role in empowering stakeholders. By offering services and improving the ease of doing business (EODB), we remain committed to enhancing the investor's capital market experience with our focused and dedicated services.

Key Highlights[^]

8.3+ Cr

INVESTOR
ACCOUNTS

588

DEPOSITORY
PARTICIPANTS

73%

MARKET SHARE:
INVESTOR ACCOUNTS

98%

OUTREACH TO
PIN CODES ACROSS INDIA

₹ 555 Cr

REVENUE

₹ 276 Cr

PROFIT

20,801

LIVE COMPANIES

₹ 16

DIVIDEND PER SHARE
HIGHEST EVER!

[^]As on March 31, 2023

CDSL AT A GLANCE



Empowering India's Capital Market Ecosystem

Our innovative Depository services empower the ever-growing dynamic financial landscape which includes the capital market ecosystem and the diverse investors. With seamless efficiency and transparency, our platform enhances accessibility and security, enabling investors to monitor their holdings with just one click, anytime and anywhere. CDSL aims to bring absolute transparency and ease of operation, so you can focus on achieving your investment goals in a secure environment.

CDSL is a pioneering Market Infrastructure Institution (MII) acting as a facilitator for holding securities in dematerialised (demat) form and enabling seamless securities transactions. Our comprehensive services cater to all Market Participants, including exchanges, clearing corporations, Depository Participants (DPs), issuers, Registrar & Share Transfer Agent (RTAs) and investors.





Our Humble Beginnings: A Journey of Growth and Triumph

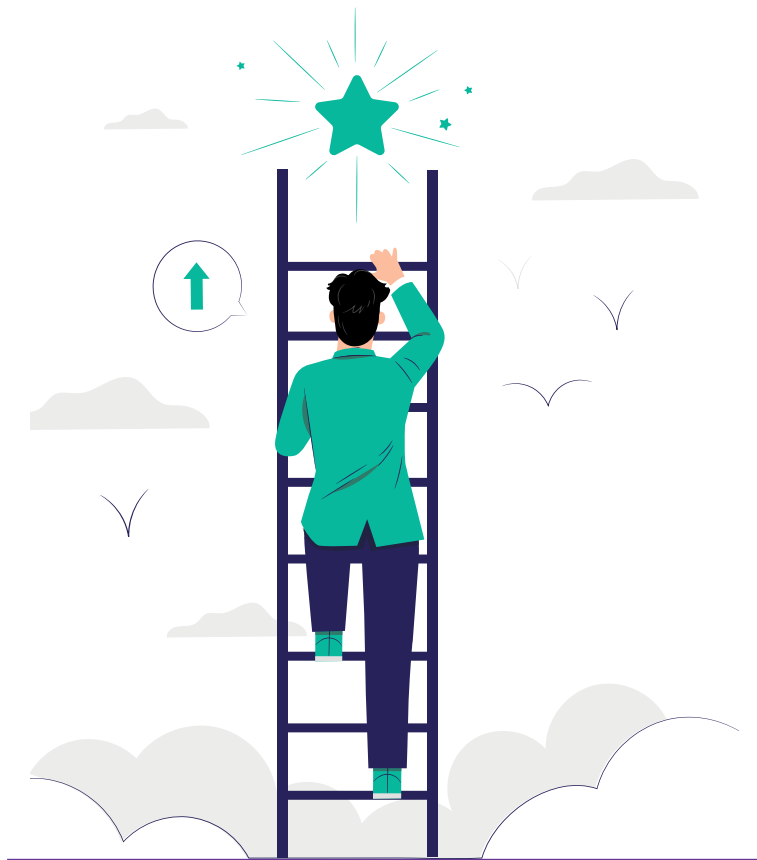
On February 8, 1999, we embarked on an extraordinary journey with a singular vision - to provide convenient, dependable, and secure Depository services. **From our humble beginnings, with just 30 employees, a handful of demat accounts, and a few issuers, we have grown into an unshakable force, proudly holding the distinction of being the first and only listed entity in the Asia-Pacific region.** Today, we continue to thrive, driven by the pursuit of excellence and the satisfaction of serving you, our valued investors.



279
EMPLOYEES



20,801
LIVE COMPANIES



OUR VISION

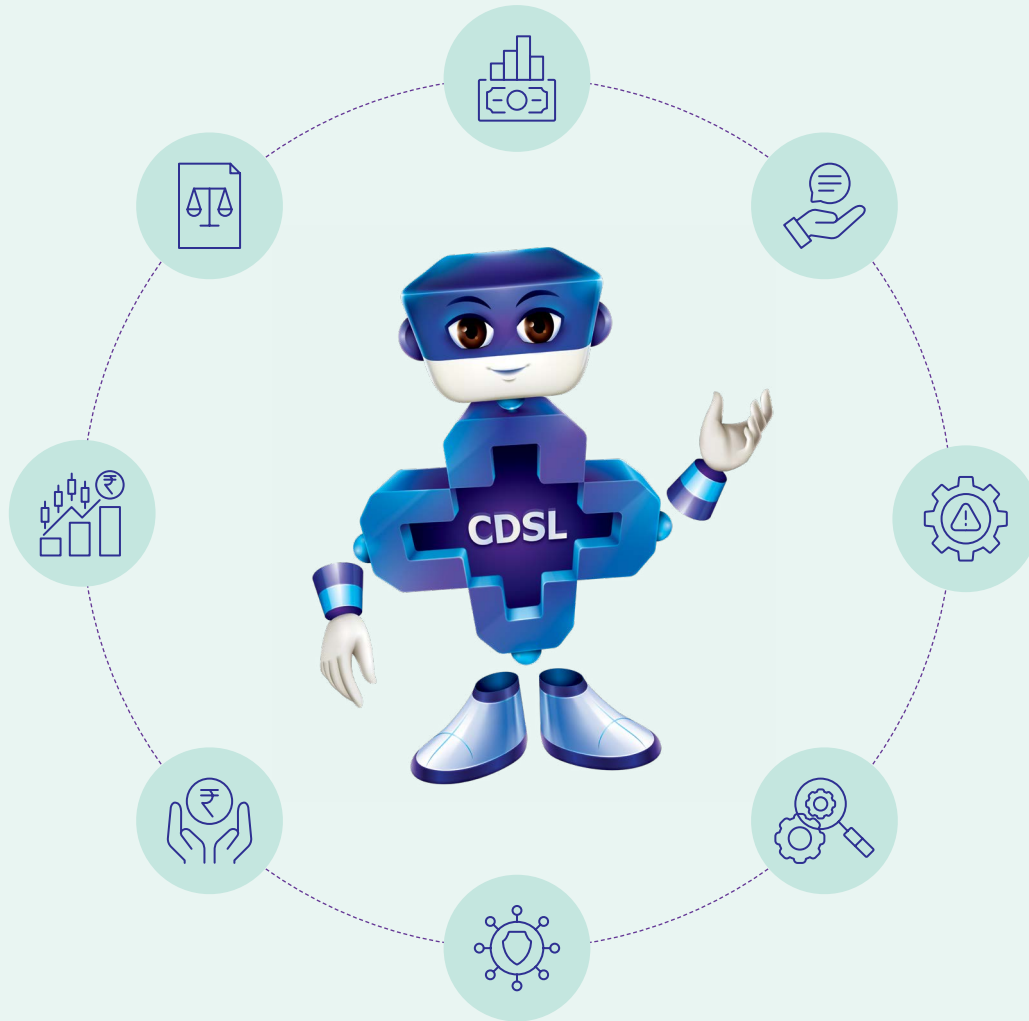
Dematerialisation and Digitisation of all key assets built on a robust platform for its safe, secure and convenient custody & transfer for empowering a self-sufficient investor environment



OUR MISSION

It is our primary mission to not only provide traditional Depository services but continue to work to widen the spectrum for market participants and provide secured custody and transfers of all dematerialised assets. We are committed to support and ensure efficiency of markets to enable safe holding and transactions of all dematerialised securities in the Indian capital markets. We encourage an efficient secured environment and continue to be the leaders in digital transformation for depositories. We are the Depository driven by sophisticated technology and the urge to provide digital solutions at every step. To ensure that we continue to provide digital solutions and to ensure that the capital market participants pursue accelerated revenue and business growth, CDSL will continue to offer comprehensive Depository services and **BE THE ONE STOP DIGITAL SOLUTION** for every stakeholder.

The investor wealth creation and management is due for a digital upgrade. Unprecedented times like these can act as a nudge to promote the self-reliant investor. We, at CDSL, strive to empower our investors to move to self-sufficient and self-empowered wealth management model and be the **'Atmanirbhar Niveshak'** through our various digital services such as Myeasi mobile App, e-CAS, e-DIS, Online Account Opening, etc.



CDSL Buddy: Your Financial Empowerment Companion

Meet CDSL Buddy, your trusted guardian and companion on a transformative journey through the world of investments. Empowering, engaging, and forging emotional connections, together we embark on an #AtmanirbharNiveshak's journey!

CDSL Buddy, our newest and most endearing companion steps into the spotlight. The CDSL Buddy is not just a mascot; it embodies CDSL's wisdom, support, and unwavering security in the ever-evolving realm of the Indian capital markets.

Together with the investors, the CDSL Buddy sets out on a transformative journey, unlocking a wealth of valuable information, do's and don't's, and leveraging its vast expertise to empower investors, regardless of their experience level. With the CDSL Buddy by your side, brace yourself for a seamless, convenient, and guided education of the science of investing and benefitting from the capital markets.

At the core of its being, the CDSL Buddy holds a profound mission - to infuse magic into our communications, establishing connections that transcend the ordinary. With its empowering, engaging, and enlightening presence, ***our Buddy will inspire you to be updated about the latest capital market requirements, resolve your demat queries and navigate the capital market landscape with confidence.***

Beyond just regular operations, the CDSL Buddy is on a journey to form deep connections with each of our cherished 'Niveshaks' and customers. By complementing CDSL as the 'Dependable Depository' with its charming presence, the CDSL Buddy takes the experience to a whole new level.

CDSL Buddy personifies a perfect blend of technology and human interaction, enriching the investor experience with a unique humanoid touch.

Together, the CDSL Buddy and investors are creating an #AtmanirbharNiveshaks tribe that embodies strength, self-reliance, and financial empowerment!



EMBRACING OUR 25TH YEAR: CELEBRATING FOUNDATION OF CDSL



On February 08, 2023, CDSL celebrated its foundation day and stepped into its 25th year of journey of excellence.

This significant day was celebrated amongst the employees who have been instrumental in transforming CDSL's dreams into reality.



To celebrate CDSL's amazing journey, employees who had completed more than 20 years of service were given special long service awards. These awards were a way to recognise their outstanding contributions to CDSL's extraordinary success story.

The event was filled with nostalgic recollections of the past 25 years and heartfelt speeches that touched everyone's emotions. The celebration beautifully blended moments of reflection, gratitude, and optimism for a promising future.



MILESTONES

Tracing our Journey



1999

Received the certificate of commencement of business from SEBI in February.

Commencement of operations on July 15.

In July, settlement of trades in the demat mode began through BOI Shareholding Limited, the clearing house of BSE Ltd.

2002

Launched our internet facility 'easi' (electronic access to securities information).

2004

Introduced our internet facility 'easiest' (electronic access to securities information and execution of secured transactions).

2005

Number of active demat accounts crossed 10 lakhs.

2012

As on January 2012, 10,000 issuers admitted their securities (equities, bonds, debentures, commercial papers), units of mutual funds, certificates of deposits, etc. into our system.

2009

Inauguration of the e-Voting platform.

2007

Launched SMART (SMS Alerts Related to Transactions), our SMS alert facility.



2022

Introduced Demat Debit and Pledge Instruction (DDPI), T+1 settlement, pay-in validation and Electronic Gold Receipts (EGR).

2021

The eDIS system revolutionized the trade execution on the stock exchanges by replacing the traditional method of submitting physical instructions using digital platform.

2023

Successfully implemented the segregation of client securities by introducing client unpaid securities pledgee accounts (CUSPA) and enabled single sign-on for e-voting.

Became the first Depository to open **9 crore+** Demat Accounts.

2019

We became the largest Depository in India in terms of demat accounts.

Introduced the 'Margin pledge system'.

2015

Number of active demat accounts opened exceeded 1 crore.

2016

Launched m-voting, a mobile app for e-Voting.

FINANCIAL HIGHLIGHTS

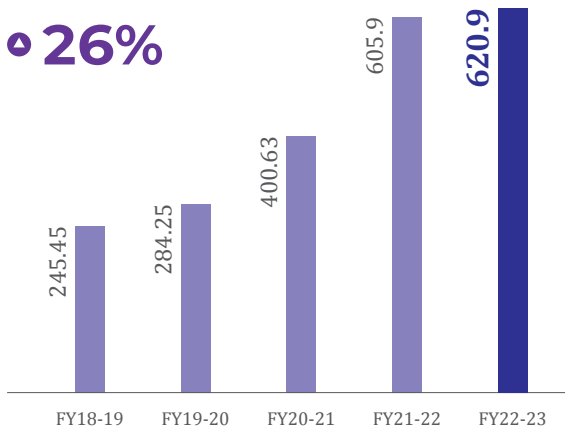


Key Performance Indicators

▲ 5 YEAR CAGR

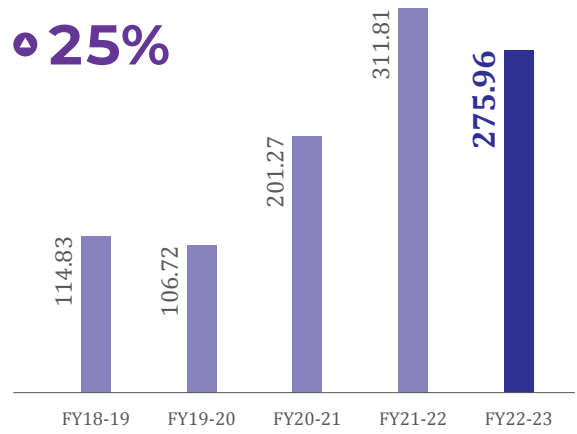
Total Income

(₹ in crore)



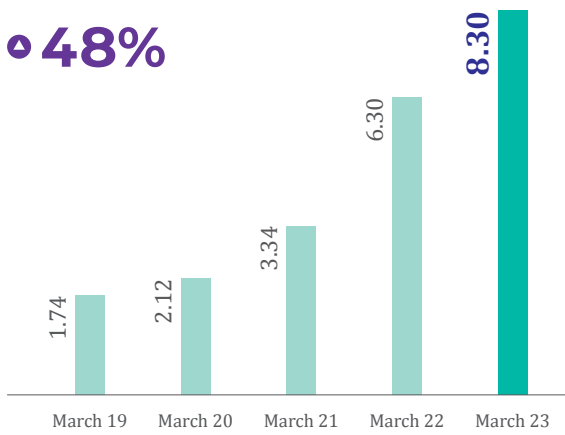
Profit After Tax

(₹ in crore)



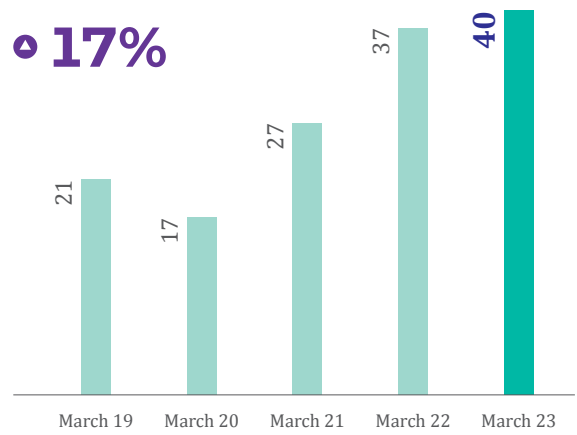
Beneficiary Owner (BO) Accounts

(in crore)



Demat Custody

(₹ in lakh crore)



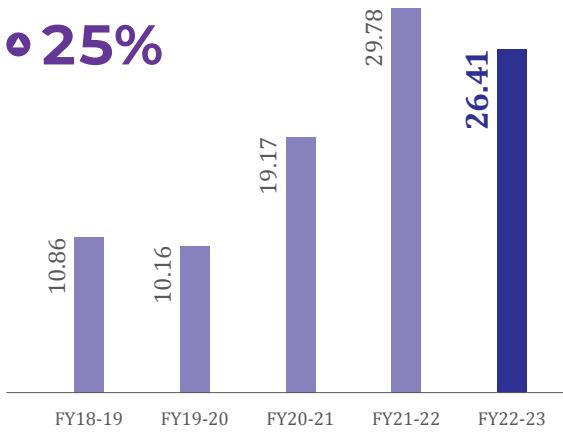


5 YEAR CAGR

Earnings Per Share

(₹)

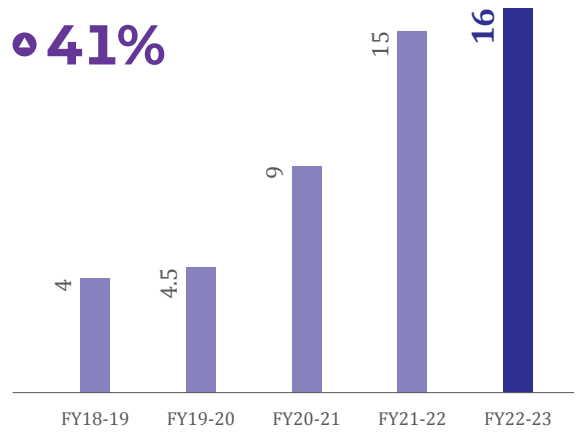
25%



Dividend Per Share

(₹)

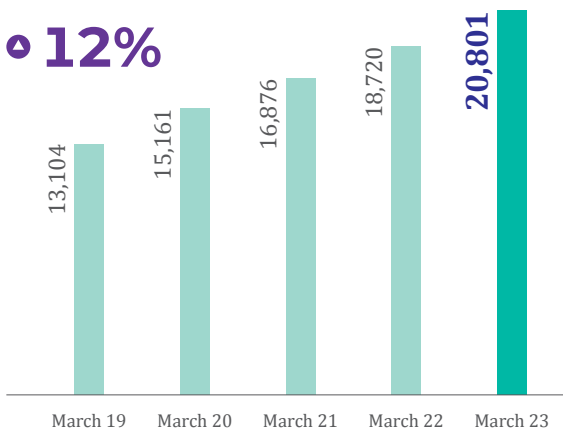
41%



Number of Issuers

(in Numbers)

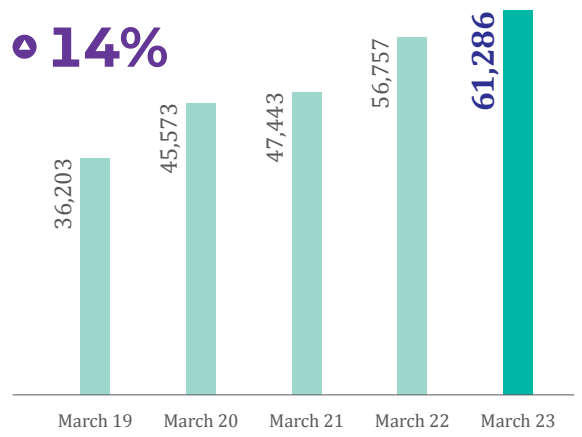
12%



Demat Custody Volume

(in crore)

14%



CHAIRPERSON'S MESSAGE

Empowering Investors, Enriching Markets

Dear Stakeholders,

I am delighted to address you as we commemorate a significant milestone in the history of CDSL. Established in February 1999, CDSL now proudly celebrates its 25th year of dedicated service to our beloved nation. Over the past quarter-century, we witnessed India's capital markets grow and transform, and CDSL played an instrumental role in shaping them. As I look back on this momentous journey, I am humbled by the achievements made possible through the unwavering trust of our shareholders and stakeholders. Our commitment to excellence and empowering investors has led to our success.

Our every step, decision, and innovation reflects our greater purpose – enriching the financial landscape and facilitating Niveshaks (investors) towards their journey of Atmanirbharta (i.e. self-sufficiency). This momentous occasion not only marks a celebration of the past but also signifies our promise to carry the torch of trust and investor confidence into the future.

The Dawn of Amritkaal

The dawn of Amritkaal is upon us, symbolised by the Union Budget 2023-24, which lays the foundation for an empowered and inclusive economy. Despite challenges such as pandemic years, geopolitical crisis, and rising inflation coupled with a rise in oil prices, the Indian economy displayed a remarkable growth rate of 7.2% in FY 2022-23.

India's urban population stands at approximately 35% of its population and it is projected to grow to 50% by 2050. With the growth of per capita income, a substantial increase

is anticipated in the average number of middle-class households by 2030. Urbanisation, aspirations, and rising household savings will foster the financialisation of savings and greater investor participation in capital markets.

The transformative trio of Aadhaar, UPI, and smart phones is already reshaping India's financial landscape, driven by massive drive for financial inclusion. We strongly believe that, with the GDP projected to grow steadily, India is on the cusp of a transformative stage and its economic landscape appears promising.

Over the last 25 years, there has been a significant evolution in Indian capital markets with regard to investor participation. The share of retail investment flows in the stock market has been increasing with retail investors directly investing in excess of \$ 25 billion in equities in FY 2022-23.



Over the last 25 years, there has been a significant evolution in Indian capital markets with regard to investor participation. The share of retail investment flows in the stock market has been increasing with retail investors directly investing in excess of \$ 25 billion in equities in FY 2022-23.”

Balkrishna V Chaubal

Chairperson



CDSL achieved a significant milestone of reaching 8 crore demat accounts in FY 2022-23, a growth of 6 crore accounts in 3 years. This achievement stands as a testament to the Indian spirit of ambition and action.

Empowering Indian investors - From ambition to action

Mr. Nelson Mandela once said, “After climbing a great hill, one only finds that there are many more hills to climb”. This resonates with how we feel at CDSL. We have made a lot of progress in our digital journey and helping with capital market operations through services like easiest, e-KYC, etc. amongst many others. But there are still many changes and improvements we want to make, and we’re working hard towards them.

This assertion is exemplified by the remarkable progress of CDSL, which has leveraged digital technology to open numerous new demat accounts. Notably, CDSL achieved a significant milestone of reaching 8 crore demat accounts in FY 2022-23, a growth of 6 crore accounts in 3 years. This achievement stands as a testament to the Indian spirit of ambition and action. Your Company embraced the challenges and emerged stronger with digital initiatives like eAGM and eDIS, new pledge/re-pledge mechanism, etc. These new initiatives ensured that the services for the investors are accessible from the comfort of their homes.

Additionally, following our vision of “Atmanirbhar Niveshak,” we organised Investor Awareness programmes. In fiscal year 2022-23, Your Company organised 1552 such programmes. These events were mainly conducted in semiurban, rural areas and also in the border areas of our nation and saw enthusiastic participation from individuals eager to transform their saving intentions into investments.

Also, with the changing paradigm of the Indian capital markets, we now provide a comprehensive suite of APIs for seamless processing of data between the Depository Participants and CDSL. Such APIs include services relating to account opening, e-DIS, margin pledge and verification of data, etc.

We have focused on evolving our technology while considering the importance of catering to the needs of the young tech-savvy generation. Our ongoing efforts to enhance our online platforms, mobile applications, and digital services are aimed at empowering the youth to invest wisely and secure their financial future. We also believe that fostering financial literacy among the youth is important, and we will continue to support initiatives that educate and empower them to make informed investment decisions.

Corporate governance

At CDSL, we follow the highest levels of transparency, compliance, and accountability. Not only are we regulated, but we also serve as a regulator for the Depository Participants (DPs), ensuring the integrity of market operations and investor protection.

The Board is dedicated to strengthening corporate governance by streamlining practices and processes that promote openness, fairness and transparency. It is focused towards infrastructure enhancement, cyber security, organisational culture and strategically directing CDSL to achieve desired goals and objectives consistent with regulatory requirements. It aims at ensuring uninterrupted market operations which is of paramount importance.

We firmly believe that people, processes and structure form the bedrock of our organisation. We provide opportunities for skill enhancement, knowledge expansion, and personal growth. We foster a collaborative and communicative culture that enables our employees to contribute their best every day.





The Board takes a holistic view that sustainability extends beyond environmental issues. Sustainability also includes customers, suppliers and employees, all of whom are increasingly interested in how sustainable an organisation's operations are. Against this backdrop, the Board helps to manage risks and seize opportunities related to environmental, social, and governance areas.

As a responsible corporate citizen, CDSL engages in CSR activities, disbursing funds for socially relevant projects in areas of education, health-care, environmental sustainability and community development.

Investing in a Sustainable Brighter Tomorrow:

As we look back at our journey of reaching the 25th year, we also look ahead and remain steadfast in our mission to empower investors, support sustainable practices, and foster a secure and robust financial ecosystem.

We believe in embracing emerging technologies, nurturing innovation and empowering a culture of growth and profitability as our way forward. Sustainability is at our core, championing responsible practices and ethical conduct, creating opportunities for growth for stakeholders.

Our vision has always been to blend technology with a human touch, recognising that behind every investment is a dream, a hope, and a desire for a better tomorrow. It is this harmonious union of technology and empathy that sets us apart and strengthens the bond we share with our esteemed investors. And thus, we are thankful to all our stakeholders for their trust and support, which has been instrumental in our growth.

Together, we lead the way, creating value for all our stakeholders. As we move forward, we will continue to place India and its investors at the heart of our endeavours, shaping a brighter and more prosperous future.

In the end, let me share a quote by Maya Angelou that truly represents our values and vision at CDSL: *"The desire to reach for the stars is ambitious. The desire to reach hearts is wise."*

Thank you for being an integral part of CDSL's journey.

Jai Hind!

Balkrishna V Choubal

Chairperson



MD & CEO'S MESSAGE

Empowering the #AtmanirbharNiveshak



By placing technology as the mind and human touch as the heart of our operations, we have empowered you, our investors, with the tools and resources to achieve financial Atmanirbharta (self-reliance) and realise your dreams.”

Nehal Vora

MD & CEO



Dear Stakeholders,

As we commemorate CDSL's 25th year, I am filled with profound emotions, gratitude, and a sense of accomplishment. This momentous occasion prompts us to reflect on the extraordinary journey that has led us to this significant milestone. Today, I stand before you not only as the MD & CEO of CDSL but also as a humble custodian of your unwavering trust and support.

At the outset, I extend my heartfelt gratitude to each one of you for being an integral part of our incredible journey. It is your unwavering faith in the potential of the Indian capital markets and your steadfast belief in CDSL that has propelled us towards excellence, paving the way for a brighter, self-reliant future.

From the very beginning, CDSL's journey has been rooted in empowerment and self-reliance, resonating with the spirit of our great nation's aspirations. We take immense pride in aligning ourselves with the grand vision of 'Amritkaal', India's journey towards its centenary of freedom in 2047.

We envision a technology-driven and knowledge-based economy, creating opportunities for New India to flourish and prosper. Our unwavering commitment to our underlined values - *GROWS - Growth, Resilience, Optimism, Wealth, and Sustainability*, propels us forward in creating a journey that is convenient, dependable, and sustainable for all our stakeholders, especially you, our esteemed shareholders.

The last 24 years were a testament to our relentless pursuit of excellence, embracing technology and innovation to transform the investor journey. We strive to uplift every segment of society on the path to prosperity.

I am immensely proud to share that CDSL has achieved remarkable milestones during this journey. We take pride in being the first Depository to open more than eight crore demat accounts, capturing over 70% market share in the number of demat accounts in India. The increasing participation of investors in Tier II and Tier III cities bears testimony to our commitment to financial inclusion.

"By placing technology as the mind and human touch as the heart of our operations, we have empowered you, our investors, with the tools and resources to achieve financial Atmanirbharta (self-reliance) and realise your dreams."

However, our journey doesn't end with these achievements; instead, it's merely the beginning. As we look ahead to the next 25 years or the coming century, we recognise the need to accelerate the pace of market reforms. Embracing data and technology will enable us to ease compliances, simplify the investment process, and foster greater participation in the capital markets. *We aspire to empower and create equality ensuring that no one is left behind in our pursuit of progress and financial independence.*

Growing India and Evolution of Investor Behaviour

The best way to predict the future is to create it, said Dr. APJ Abdul Kalam.

As we stand amidst a transformative journey, we take immense pride in witnessing India's remarkable resilience post-pandemic.

India's economic prowess shines brightly as one of the fastest-growing economies globally, securing the fifth position in terms of nominal GDP in the calendar year 2022. In terms of Purchasing Power Parity (PPP), India is the third-largest economy worldwide, following China and the United States. (Source: WEF)

The Indian capital markets have witnessed phenomenal growth from FY 2016-17 to FY 2022-23.

The impressive growth in nominal GDP per capita has significantly contributed to the rise in household savings. Over the past years, net financial savings have seen a remarkable CAGR of approximately 11.6%, surpassing saving in physical assets, which grew at around 10.1%. As a result, household savings in physical assets slightly declined from 62% in fiscal 2013-14 to 60% in fiscal 2021-22, while financial savings increased from 36% to 39%.

This paradigm shift in investment behaviour is attributed to increasing financial savings and directed efforts towards financial inclusion, digitalisation, rising disposable incomes, and government incentives on financial instruments.

The Growing Indian Capital Markets

The growth in financial savings also led to the growth in Indian capital markets. The Indian capital markets have witnessed phenomenal growth from FY 2016-17 to FY 2022-23.

The market capitalisation of shares listed on the exchanges achieved an impressive 14% CAGR during the period from March 2017 to March 2023. Furthermore, the number of

companies traded on the BSE Limited and the NSE (Cash Segments) increased from 4,613 in FY 2016-17 to 6,466 in FY 2022-23. This expansion is mirrored in the total number of demat accounts, which surged from 2.8 crore to 11.5 crore during the same period, showcasing a remarkable growth rate of 26.57% CAGR.

India's rise in mutual funds is yet another noteworthy trend, driven by growing household participation, financial inclusion, rising awareness, and easy access to banking services. The increasing awareness about various capital-market-related instruments, including ELSS, SIPs, ETFs, and theme-based investing, has significantly influenced the investment behaviour of the Indian population. SIP contribution in fiscal 2022-23 saw a Y-o-Y increase of 25%.

Certain variables represent the evolution in investor behaviours and overall market trends. However, the true driving force behind this transformation lies in the digital revolution. *Embracing the Digital Revolution: Empowering Atmanirbhar Niveshaks*

In the realm of digital transformation, India's equity market stands on par with international standards, thanks to consistent technological advancement and regulatory support. Our digital solutions like easi, easiest, Myeasi mobile app, eCAS, eDIS, e-Voting, SMART, and e-Notices built over the last few decades have empowered an 'Atmanirbhar Niveshak' (self-reliant investor) to achieve their financial goals.





Additionally, in the last financial year, we introduced various new initiatives such as the implementation of the T+1 settlement system, which puts India ahead of developed and emerging economies. We also implemented the Demat Debit and Pledge Instruction (DDPI) system, enabling secure transfer and pledging of securities. By extending the DDPI option to mutual fund redemption and tender offer transactions, we have further enhanced market efficiency and convenience for investors.

Moreover, we have added more solutions like Electronic Gold Receipts (EGR) and Mutual Funds Central (MFC), strengthening our commitment to making the markets safe, secure, and seamless for our stakeholders.

Initiatives for Lasting Change

As we reflect on our journey, we are reminded that the greatness of an organisation lies in its ability to achieve success and its lasting impact on society. We are relentlessly focused on empowering individuals to shape the future through opportunities to participate in the capital markets. Through our CSR activities, CDSL focuses on areas such as education, healthcare, environmental sustainability, and community development. Our CSR endeavours align with our core values, and we remain committed to making a meaningful and lasting impact on the lives of people and the communities we serve.

Financial Performance

Although we have always looked beyond numbers, I would like to turn our attention to our financial performance. For FY 2022-23, our consolidated profit stood at ₹ 276 crore. With our widespread presence across 98% pin codes and healthy growth in the number of issuers and ISINs,

we continue to expand our reach and offerings. I am happy to report that following these results, our Board of Directors (BoD) have approved a final dividend of ₹ 16 per equity share for FY 2022-23 (subject to the approval of the shareholders), which is the highest ever in the history of our Company.

Way Forward

Looking ahead, we recognise the need to accelerate the pace of market reforms. Our goal is to leverage data and technology to ease compliance burdens and simplify the investment process, encouraging greater participation in the capital market. We aspire to empower every individual and give equal tools to everyone across various diversifications to ensure everyone walks together in our pursuit of progress.

Our accomplishments have been possible with the support of regulators, investors, issuers, registrar and share transfer agents, Depository participants, partners, associates, employees, and all other stakeholders, who have played an extremely important role in the development of this industry. It is the faith that the Indian investor has reposed in the industry and in CDSL - be it an individual or a large institution-that has propelled us forward.

In closing, I must submit that I consider myself privileged to receive the support and faith of our investors and shareholders to play my part in this important mission for India. I promise to forever give it my all to continue to build an impact that CDSL will have on the Indian capital markets.

Nehal Vora

MD & CEO



OUR SERVICES



The CDSL Investor ecosystem

As your dependable and secured Depository service provider, we offer a comprehensive range of services. With a commitment to innovation and cutting-edge technology, we empower investors, corporates, and market participants to thrive in the dynamic financial landscape.





For Beneficiary Owners (Investors)



Electronic Access to Securities Information

Offerings

easi, an internet-based facility that allows registered BOs and Clearing Members (CMs) to conveniently access their demat/settlement account from our website online.

For more information, visit <https://www.cdslindia.com/Footer/Easi.html>

Benefits

- View, download, and print details of your current holdings and/or transactions for the last 30 days.
- Access your Consolidated Account Statement (CAS).
- Use a single login ID for multiple demat accounts and have the ability to edit profile and much more.



easi and Execution of Secured Transactions

Offerings

Manage your securities 'anytime-anywhere' in an efficient, convenient, and secured manner.

For more information, visit <https://www.cdslindia.com/Footer/Easiest.html>

Benefits

- Upload/set up online transactions without the need to provide a Delivery Instructions Slip (DIS) to the DPs for transactions done. This digital process saves time and operational costs and enables quick reconciliation, minimising shortage losses.
- BOs can create a pledge on their own in the name of the pledgee.



Myeasi Mobile App

Offerings

The app allows you to log in and view your holdings/ transaction details and execute transactions securely from your mobile device. It is available for download on Android, iOS, and Windows-based mobile devices with adaptive technology.

Benefits

Access to facilities offered by easi/easiest through mobile device with smart offerings, including SMS alerts related to transactions.



SMART

Offerings

The SMS Alerts Related to Transactions (SMART) facility enables BOs registered for this service to receive SMS alerts in case of any debits or credits related to corporate actions or any changes in demographic details in their accounts.

For more information, visit <https://www.cdslindia.com/Footer/Smart.html>

Benefits

- This secure facility minimises risks by providing easy access and monitoring of one's own demat account.
- You can activate the SMART facility by approaching your DP.

OUR SERVICES



Electronic Consolidated Account Statement

Offerings

Provides you with a consolidated statement of transactions and holdings held in both depositories' demat account(s) as well as in units of mutual funds (MFs) held in Statement of Account (SOA) form.

For more information, visit <https://www.cdslindia.com/cas/logincas.aspx>

Benefits

- eCAS enables receiving faster updates compared to physical statements and reduces the risk of loss with its digital process.
- Offers a consolidated view of investments in demat accounts and in MFs.



Electronic Voting

Offerings

CDSL's eVoting is an online platform that enables the shareholders to vote on issuer/company resolutions.

For more information, visit <https://www.evotingindia.com/homepage.jsp>

Benefits

- Facilitates electronic voting on resolutions of companies in a fair and transparent manner for all classes of shareholders.
- Enables you to vote at a time and place of your convenience, eliminating postal and other natural delays that may hinder postal ballots.



Virtual Annual General Meeting

Offerings

CDSL's eAGM platform enables shareholders to attend live streaming of Annual General Meetings (AGMs) of companies, making them available in real-time through their secure e-Voting logins.

Benefits

- Increased shareholder engagement as they can attend the meeting from anywhere in the world.
- Improved corporate governance.



Services Supporting Depository Participants

APIs

Application Programming Interfaces (APIs) for DPs

For more information, visit <https://www.cdslindia.com/DP/APIs.html>

Offerings

Ensures the seamless processing of data between the DPs and CDSL.

Benefits

- Setting up and modification of BO's account.
- Electronic Delivery Instruction Slip (eDIS) transaction interface.
- eMargin pledge.
- Transaction upload.
- eLAS (online Loan Against Shares).
- eVoting.



Electronic Delivery Instruction Slip

For more information, visit <https://www.cdslindia.com/Footer/Edis.html>

Offerings

Allows a demat account holder to make an electronic debit request in a secured manner using an API provided to DPs.

Benefits

- An investor can sell shares using electronic Delivery Instruction Slip ("eDIS").
- Obviates the need to provide a physical DIS / Power of Attorney ("POA") to the DP, making the entire transaction very convenient and transparent.



Electronic Margin Pledge

Offerings

An API interface provided to DPs, using which an investor can make an online margin pledge/margin funding setup to avail margin benefits.

Benefits

- The interface incorporates a verifiable mechanism for the client to confirm the pledge and provides a facility to invoke the pledge.
- Enhances the security of the margin pledge and re-pledge mechanism.

OUR SERVICES

Services Offered to Issuers



Electronic Foreign Investment Monitoring

Offerings

The Depository oversees and monitors the foreign investment limits in listed Indian companies. It tracks and manages the aggregate limits for investments made by Foreign Portfolio Investors (FPIs) and Non-Resident Indians (NRIs), as well as the sectoral cap of listed companies.

For more information, visit <https://www.cdslindia.com/Publications/FIMonitoring.aspx>

Benefits

- Regulatory requirement being fulfilled.
- Investors can view information related to aggregate limits for investments by FPIs and NRIs before making their own investment decisions.



Electronic System Driven Disclosures

Offerings

System Driven Disclosures (SDD) relate to trading in equity shares and equity derivative instruments. SDD applies to members of the promoter group, designated persons, promoters, and Directors of the Company.

For more information, visit <https://www.cdslindia.com/IssuerCompanies/IssuerCorner.aspx>

Benefits

- System-driven compliance under SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and SEBI (Prohibition of Insider Trading) Regulations, 2015.



Electronic Voting

Offerings

CDSL's eVoting is an online platform that enables the shareholders to vote on issuer/company resolutions.

For more information, visit <https://www.evotingindia.com/homepage.jsp>

Benefits

- The system processes and records vote automatically, which facilitates faster processing of voting results.
- Improves transparency and corporate governance standards.
- Reduces administrative costs.
- Increases shareholder participation in shareholder meetings.



eAGM

Virtual Annual General Meeting

Offerings

CDSL's eAGM platform enables live streaming of AGMs of companies.

Benefits

- Facilitates wider participation at AGMs by shareholders.
- Saves costs for companies.

Enotices

Electronic Notices

Offerings

CDSL provides an email facility through which corporates can electronically send documents to their shareholders.

For more information, visit <https://www.cdslindia.com/Publications/FIMonitoring.aspx>

Benefits

- Promotes the 'green initiative' in corporate governance, as undertaken by the Ministry of Corporate Affairs (MCA).
- Saves cost of postage and delivery charges.

OUR SERVICES

Other Services



KYC Registration Agency

Offerings

Centralised storing, safeguarding, and retrieval of KYC information of investors and disseminating the same to the intermediaries as and when required.

For more information, visit —●
<https://www.cvlindia.com/KRA/KRA>

Benefits

- Obviates the need for investors to submit KYC documents repeatedly in the capital markets once they are updated with the KRA.
- Facilitates single-point change management.
- Helps maintain uniformity of data across intermediaries and improves compliance.



Know Your Customer

Offerings

Aadhaar-based eKYC verifies your identity electronically through Aadhaar-based authentication.

For more information, visit —●
<https://www.cvlindia.com/KRA/KRA>
<https://www.cvlindia.com/AadhaarAuthentica>

Benefits

- Provides instant proof of identity and address to the service provider, eliminating the need for tedious in-person verification.
- Facilitates single-point change management.



Electronic Signature Service

Offerings

Offers digital signature generation and affixing, along with digital signature acceptance, in compliance with the regulations outlined in the Income Tax Act. It is an Aadhaar-based eSign.

For more information, visit —●
<https://www.cvlindia.com/AadhaarBasedeSign/AadhaarBasedeSign>

Benefits

- A comprehensive audit trail is maintained and preserved to confirm the validity of transactions.
- Provides convenience and security to citizens.
- Reduces the time and costs associated with handling and storing paper.

Tax Filing Solution

Tax Filing Solution

Offerings

CVL's tax filing solution, MySARAL GST, is authenticated with unique license keys and, in turn, provides controlled API access to its partners through sub-license keys, making tax filing convenient, easy, and secure.

For more information, visit —●
<https://www.cvlindia.com/GSTSuidhaProvider/GSTSuidhaProvider>

Benefits

- Seamless and automated transfer of data on a real-time basis.
- No changes required to be done in the customer's ERP or any other system, unless mandated by regulations.
- User have the option to upload data manually to ensure operations are not impacted under any circumstances.



Online Account Opening

For more information, visit <https://www.cvlindia.com/Olao/Olao>

Offerings

The Online Account Opening (OLAO) application is a complete solution for making KRA entry, generating CKYC files, generating DP files, and generating Unique Client Code (UCC) files of customers and sharing them with the intermediary.

Benefits

- Cost-effective for opening investor accounts and maintaining records.
- Reduces the chance of entering incorrect information.
- Reduces the time taken to open an account, enabling new investors to start trading immediately.

eNNWRs eNWR

Electronic Negotiable Warehouse Receipts and Electronic Non-negotiable Warehouse Receipts (Offered by CCRL)

Offerings

Facilitates the ownership and transfer of commodity assets electronically.

Benefits

- eNWRs/eNNWRs are stored/recorded in digital form with no human intervention at any stage, eliminating chances of manipulation.
- eNWRs/eNNWRs enable farmers/depositors to have access to a large number of buyers nationwide, providing better bargaining power, as well as easy online stock transfer to buyers.

eIA

Electronic Insurance Account (Offered by CIRL)

Offerings

CIRL offers policyholders the facility to store their insurance policies in electronic form.

Benefits

Policyholders can undertake changes, modifications, and revisions in the eIA account/insurance policy with speed and accuracy, bringing about efficiency, transparency, and cost reduction in the issuance and maintenance of insurance policies, providing better bargaining power, as well as easy online stock transfer to buyers.

TECHNOLOGY



Empowering Innovation

At CDSL, we firmly believe that technology and innovation are at the core of our success. As a leading Depository in India, we understand the utmost need for continuous advancement is vital to boost our operational efficiency, enrich customer experiences, and keep ourselves ahead of the curve. Our commitment to empowering innovation drives us to explore new frontiers, leverage cutting-edge technology, and create value-driven solutions for our customers and stakeholders.

CDSL takes immense pride in showcasing an array of innovative and tech-driven systems, which prioritise security, convenience, and speed. These cutting-edge solutions empower shareholders to vote securely, streamline KYC processes, facilitate seamless transactions with the DP, and provide efficient electronic grievance redressal. With technology at the core, we ensure an enhanced experience for investors and market participants alike.





Pioneering Empowerment Through Innovative Systems



Single Sign On for eVoting

CDSL has implemented a single sign-on (SSO) eVoting, enabling voters to authenticate themselves once and access multiple voting applications or websites without reentering credentials. BOs gain direct eVoting access through APIs provided to DPs. After two-factor authentication (2FA), BOs can cast eVotes through any eVoting Service Provider (ESP) without additional authentication.

Benefits

- Simplified user experience
- Increased efficiency with higher voter turnout
- Enhanced security
- Greater flexibility and interoperability

Update of Six KYC Attributes

The implementation of the mandatory update of six KYC attributes – valid Permanent Account Number (PAN), name, address, mobile number, email ID, and income range – is required for all demat accounts held by investors with certain exceptions given to institutions. At CDSL, we proactively educate our DPs and BOs through physical and electronic means, ensuring due diligence in complying with the updates before the due date.

Benefits

- Risk mitigation

Demat Debit and Pledge Instruction

In April 2022, SEBI issued guidelines for the execution of Demat Debit and Pledge Instruction (DDPI) for transferring securities towards deliveries/settlement obligations and pledging/re-pledging of securities. DDPI was implemented from August 31, 2022, initially for securities-related market transactions and margin pledges. Subsequently, from January 2023, the facility was extended to MF redemption and transactions pertaining to tender offers.

Benefits

- Increased security
- Increased transparency
- Reduced paperwork

TECHNOLOGY

UCC and Block Mechanism

For all types of market transactions such as Early Pay-in, Normal Pay-in, and On Market, an investor must provide UCC details such as Trading Member ID (TMID), Clearing Member ID (CMID), Market Segment type, Exchange ID, and Clearing Corporation ID (CCID). With the block mechanism, the actual debit from the investor's account occurs only on the settlement day.

Benefits

- Investors continue to receive interest, dividend, bonus, etc. on the shares until the record date
- Reduced paperwork

T+1 Settlement

Following the SEBI circular for T+1 rolling settlement, the transition of all securities from the T+2 settlement cycle to T+1 Settlement in the Equity Segment was implemented in a phased manner, concluding on January 27, 2023. The switch was seamlessly adopted by investors, who now enter market transactions using early pay-in. Additionally, we have introduced a change in API for handling multiple settlements in a single API call to implement T+1 in eDIS.

Benefits

- Increased liquidity
- Reduced risk
- Improved efficiency

Buyback of Securities (Tender Offer)

Earlier, the shares tendered by shareholders for buyback/tender offer had to be directly transferred to the account maintained by the Clearing Corporation (CC). This process involved systematic risk, and was cumbersome, time-consuming, and costly. Now, we have implemented the block mechanism, which earmarks the tendered shares in the account of the BO. This allows the BO to easily modify or delete an existing offer and have the shares released. Upon finalisation of the entitlement, only the accepted quantity of tendered shares is debited from the shareholders' demat account.

Benefits

- Reduced risk
- Time and cost savings

Electronic Gold Receipts

EGR, introduced in October 2022, converts physical gold from registered safe deposit vaults into electronic units, equivalent to spot gold, tradable on stock exchanges.

Benefits

- Liquidity
- Security
- Transparency

Securities and Covenant Monitoring using Distributed Ledger Technology

Securities and Covenant Monitoring was the first system launched by us under the aegis of SEBI, utilising blockchain technology known as Distributed Ledger Technology (DLT). The purpose of DLT is to record and monitor all assets throughout the life cycle of a secured bond, including bond issuance, redemption, and more.

Benefits

- Allocation of assets against each secured bond
- Tracking the net worth/ability of the asset to support the underlying bond
- Ensuring updates of assets
- Charges and other details in Registrar of Company (ROC) and Central Registry of Securitisation Asset Reconstruction and Security Interest of India (CERSAI)

Mutual Funds Central

Currently, CAS offers holding and transaction statements once a month. However, due to requests from market participants, depositories have now enabled the provision of statements on an online (on-the-fly) basis.

MF Central (MFC) is a comprehensive platform allowing investors to have a 360-degree view of their MF holdings in both physical and demat forms. It is integrated with depositories like CDSL and NSDL, and MF RTAs Kfintech and CAMS.

Benefits

- Real-time portfolio tracking





RECOGNITION

Leading the Way in Depository Services

This recognition serves as a validation of our dedication to top-notch Depository services. These accolades recognise our efforts in driving industry achievements, maintaining regulatory compliance, and empowering a secure financial ecosystem. We are honoured to be recognised and these awards motivate us to keep raising the bar in our pursuit of excellence.



- It brings us immense pleasure to announce that CDSL has received its first international award for **'Digital and Innovative Leadership'** from Global Custodian Magazine, a renowned publication covering international securities services businesses since 1989.
- As we celebrate our journey towards #SilvertoCentury in our 25th year as India's trusted Depository, this accolade stands as a remarkable recognition of CDSL's accomplishments thus far. It reflects our collective endeavours and determined pursuit to empower people with innovative digital solutions in the capital market.
- We remain steadfast in exploring innovative digital solutions, redefining India's financial economy, and empowering Atmanirbharta for our nation's citizens.



CLIENT TESTIMONIALS

We take immense pride in the feedback received from our valued clients, who have entrusted us with their financial needs. Their success stories and praise inspire us!



“Zerodha takes immense pride in its long-standing partnership with CDSL, which spans over a decade. The impeccable service quality and unwavering cooperation extended by CDSL have been instrumental in providing our clients with a seamless and secure investment experience. We appreciate CDSL’s commitment to excellence and their invaluable support, which empowers us to serve our clients better. Looking ahead, we are excited to nurture this enduring partnership and achieving new milestones together.”

Mr. Nithin Kamath | Founder, Zerodha



“CDSL has constantly been a front-runner and game-changer in the broking industry, with a proactive approach to new initiatives and continuous regulatory changes.

Throughout our partnership with your esteemed Company, we have been consistently impressed by the efficiency and professionalism displayed by your team. Your prompt responses to our inquiries and seamless handling of our relationship have been nothing short of commendable. Your ability to maintain the highest standards of security and reliability has instilled in us a sense of trust and confidence in your services. We truly appreciate the attention to detail and the personalised approach you take in addressing our unique needs. Your unwavering commitment to upholding the principles of transparency and integrity, even in difficult situations, is truly commendable and reflects the professional ethos and values of your Company. I wish CDSL a brighter future with ground breaking milestones and higher business growth in the coming years.”

Mr. Ajay Menon | MD & CEO Motilal Oswal Financial Services Limited



“Our long-standing relationship with CDSL has grown stronger with time. Their technological prowess, proactive approach and pro-business attitude has made them the largest Depository in the country. I am proud to be associated with CDSL and glad that 5paisa could be a small part of CDSL’s successful journey.”

Mr. Prakarsh Gagdani | CEO, 5paisa



“As a valued partner of CDSL since its inception, we at SMC have witnessed firsthand the unyielding commitment and dedication of the CDSL team, consistently exceeding expectations. Our collaboration has been fruitful, and we look forward to deepening our relationship further as we grow together in the future.

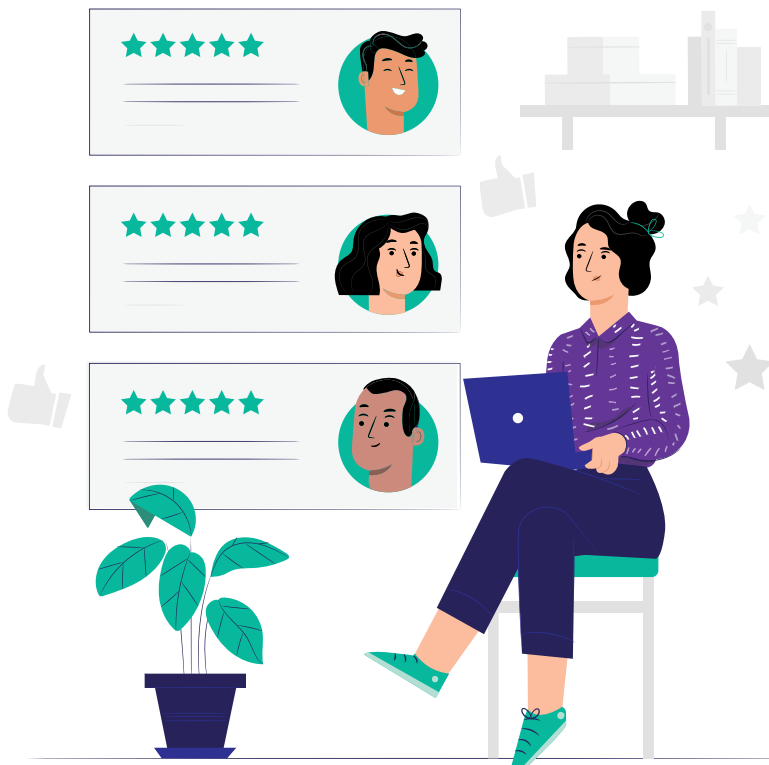
On behalf of the entire SMC Group, I extend my warmest congratulations to the entire team at CDSL. Your unwavering pursuit of excellence and unwavering dedication to customer satisfaction has been exemplary. We wish CDSL continued success in the years to come and stand with you in achieving even greater milestones.”

Mr. Ajay Garg | Director and CEO – SMC Global Securities Ltd



“We have been associated with CDSL for well over a decade and our relation has only grown stronger with time. Their unwavering support and commitment in providing technological solutions to market intermediaries has helped them scale great heights in the near past. At, SBI Securities, we take pride in this association and look forward to achieving many more milestones together with CDSL.”

Mr. Deepak Kumar Lalla | Managing Director & CEO, SBICAP Securities Limited



ENVIRONMENTAL, SOCIAL AND GOVERNANCE



Embracing Sustainability

As a corporate citizen, we acknowledge our responsibility to drive sustainable progress with purpose. Although there are no current mandatory targets or evaluation processes for all policies, we diligently monitor various aspects through our ESG and CSR initiatives.

Our ESG Mission

To address the pressing concerns of our stakeholders such as climate change, green offerings, and promoting health, well-being, equity, diversity, and inclusion.



Environmental Initiatives

Resource Consumption

We closely monitor and track our resource consumption, such as water, paper, and electricity, to ensure responsible usage and minimise waste generation. We continuously identify areas for improvement and implement initiatives to reduce our environmental impact.

Reducing Greenhouse Gases Emissions

Green Tech: Paperless account opening and other processes

Use of VRF*, LED lighting, 5-star rated ACs in offices

Electronic communication

6,800 trees planted

Read more in CSR on pg. 40 —●

* Variable Refrigerant Flow



Social Initiatives & Community

We provide financial education and training to individuals from diverse backgrounds and communities.

Investor Awareness and Financial Literacy Programmes

CDSL Neev

CDSL Neev, one of our flagship initiatives, is a pan-India campaign aimed at spreading financial literacy and creating awareness about the opportunities presented by the capital markets. These sessions equip individuals from diverse backgrounds with a deeper understanding of the Indian capital markets and wealth management, empowering them to take control of their financial futures and make sound investment decisions.

These webinars serve as a platform for spreading knowledge about the market and addressing common concerns or questions that new investors may have. By providing these educational resources, we strive to build a solid foundation for individuals venturing into the financial markets and support them in their journey towards financial success.



In addition to education, we also promote financial knowledge and independence through programmes in rural areas and among communities such as armed forces personnel and police forces, with a goal of 'empowering our protectors'.

Moreover, we provide practical support to retail investors through easy-to-invest and multi-leg options strategies that allow them to participate in options trading with minimal risk. By offering these strategies, we aim to enable retail investors to take advantage of the opportunities provided by options trading while ensuring they have the necessary risk management tools at their disposal.

For our Governance initiatives, please refer to page 34. —●



GOVERNANCE



Strengthening the Culture of Integrity

As the only listed Depository in the Asia-Pacific region, we firmly believe that robust governance is the cornerstone of our success as a trusted market infrastructure player. Our commitment to strong corporate governance practices ensures transparency, accountability, and responsible decision-making across all levels of our organisation. We strive to maintain the highest standards of integrity and ethical conduct in all our operations, creating trust among our stakeholders.

Governance Framework





Overview

CDSL promotes Board diversity by including members from diverse backgrounds, experiences, and perspectives. Our Board of Directors (BoD) comprises of 50%+ Independent Directors, which exceeds the requirements set by the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This commitment ensures a balanced and unbiased decision-making process within the organisation.

We have policies and procedures to ensure smooth and ethical conduct of business.

● Conflict of Interest

To ensure the avoidance of conflicts of interest, we maintain a strict policy of not utilising the RTA services of our subsidiary CVL. By adopting this practice, we safeguard against any potential conflicts that may arise.

● Shareholder Complaints

We place great emphasis on open communication and stakeholder engagement. To address shareholder concerns effectively, we have established robust procedures to track and resolve complaints promptly.

● Gender Inclusive Environment

While recruitment at CDSL is based on meritocracy, we nurture a gender-inclusive workplace environment. By promoting diversity and inclusivity (D&I), we aim to create a supportive and equitable workplace that harnesses the full potential of all our employees.

● Anti-Bribery and Anti-Corruption Policy

We have implemented a comprehensive Anti-Bribery and Anti-Corruption Policy that guides employees and stakeholders to ensure that all business activities are conducted with the utmost integrity. The policy outlines our commitment to ethical conduct and zero tolerance for corrupt practices.

● Business Responsibility and Sustainability Report

As part of our commitment to sustainability, CDSL publishes a comprehensive Business Responsibility and Sustainability Report (BRSR). This report provides stakeholders with detailed information about our ESG initiatives, including our environmental stewardship, social impact, and corporate governance practices.

● Code of Conduct

We have implemented a Code of Conduct that sets out the principles and values that govern our employees' behaviour. This Code ensures honest and prudent conduct and provides best practices and disclosure guidelines.

● Stakeholder Engagement

We recognise the importance of engaging with stakeholders, including employees, investors, communities, and Regulators. By actively listening to their concerns and expectations, we gain valuable insights that form our strategies and decision-making processes and build strong relationships and align our actions with stakeholder interests.

● Transparency and Disclosures

Transparency is a fundamental principle of our governance practices. We believe in disclosing relevant information to stakeholders, including financial statements, governance structure, material changes, and policies. Through transparent reporting, we aim to provide stakeholders with a comprehensive understanding of our operations, enabling informed decision-making.

● Compliance

At CDSL, we ensure compliance with applicable laws and regulations. We employ Compliance Management Software to streamline compliance management, which enables effective monitoring and ensures adherence to regulatory requirements.

● Performance Evaluation

We conduct regular internal and external evaluations of our Directors and statutory committees. These evaluations assess individual and collective performance, providing valuable feedback that enables continuous improvement. By upholding rigorous performance standards, we strive to maintain the highest levels of governance effectiveness.

GOVERNANCE

Board of Directors



Shri Balkrishna V Chaubal
 Chairperson,
 Public Interest Director



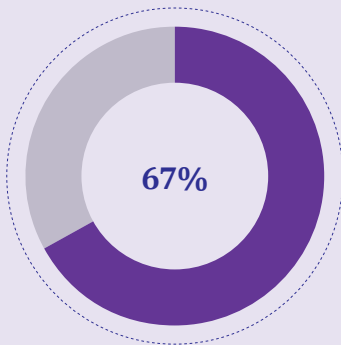
Shri Nehal Vora
 Managing Director and
 Chief Executive Officer



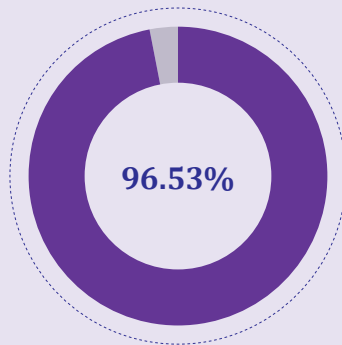
Prof. (Dr.) Bimalkumar N Patel
 Public Interest Director



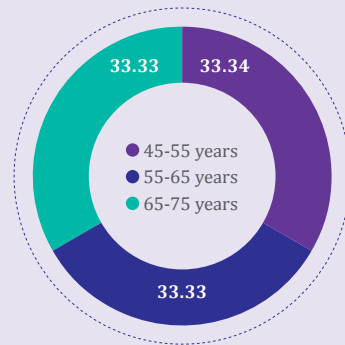
Shri Sidhartha Pradhan
 Public Interest Director



Independent Directors



Average Attendance in Board Meetings



Board Age Diversity %

As on 31 March, 2023



Prof. Umesh Bellur
Public Interest Director



Smt. Rajeshree Sabnavis
Public Interest Director



Shri Gurumoorthy Mahalingam
Public Interest Director



Shri Masil Jeya Mohan P
Shareholder Director

Chairperson of the Board: Public Interest Director (Independent Director)

Separate Roles of Chairperson and MD & CEO

100% Directors with Indian Nationality

Independent Directors lead all the Statutory Committees

GOVERNANCE

Management Team



Shri Nehal Vora
Managing Director and
Chief Executive Officer



Smt. Nayana Ovalekar
Chief Regulatory Officer



Shri Ramkumar K.
Chief of Business
Development and
New Projects



Shri Girish Amesara
Chief Financial Officer

Group Companies



Shri Sunil Alvares
MD & CEO,
CDSL Ventures Limited



**Shri Pitambar
Chowdhury**
MD & CEO, CDSL Commodity
Repository Limited



Shri Mehernosh Choksi
MD & CEO, CDSL Insurance
Repository Limited



Shri Amit Mahajan
Chief Technology Officer



Shri Vinay Madan
Chief Risk Officer



Shri Rajesh Saraf
Chief Data and
Operations Officer



Shri Nilay Shah
Group Company Secretary &
Head Legal

CORPORATE SOCIAL RESPONSIBILITY



Building a Sustainable Future

At CDSL, Corporate Social Responsibility (CSR) is ingrained in our values and constitutes an integral part of our business ethos. As a responsible corporate entity, we recognise our duty to create a positive influence on society and make a meaningful impact on the communities we serve. Our endeavours are dedicated to empowering individuals, uplifting underprivileged sections of society, and ensuring a sustainable and prosperous future for all.

Educational Initiatives



Adult Literacy Programme for Women

The programme, in association with the **Rotary Trust**, focuses on providing training in the native language to non-literate adult women from tribal communities. In Palghar, Maharashtra, women aged 18 to 50 constitute 46% of the total female population. CDSL has introduced the Computer Based Functional Literacy (CBFL) programme, utilising a network of facilitators for functional learning in the native language. The programme uses animated graphics for easy visualisation and audio-based learning to enhance the learning experience.

~4,000

PROGRAMME
BENEFICIARIES

AARTH: Online Academy for Financial Literacy and Support

We provide free and easily accessible in-depth financial knowledge and certifications nationwide. Our webinars are specifically designed for students aged 18-25 years in Tier II and Tier III cities across India, providing webinars/seminars in English, Hindi and Marathi.

100

WEBINARS/SEMINARS
ACROSS 30 CITIES



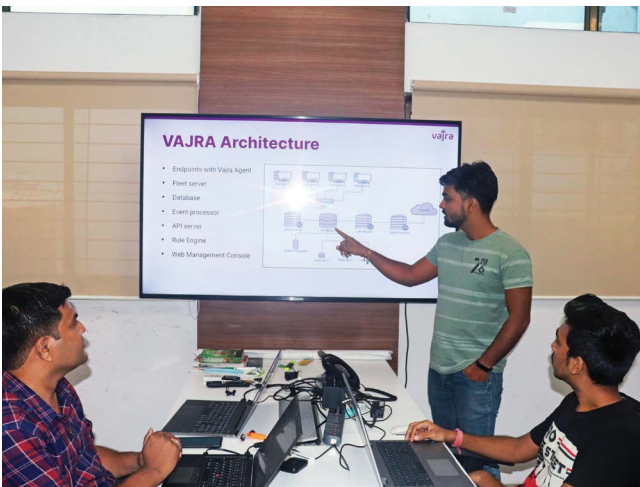


Educate Girls: Enrolment Retention Learning Programme

In our efforts to ensure that all girls receive education, we implemented a programme in Robertsganj, Uttar Pradesh. Community volunteers, known as Team Balika, were instrumental in enrolling out-of-school girls. Life skills education (LSE) programme was conducted, empowering girl leaders. A focused programme named 'Gyan ka Pitara' on foundational literacy and numeracy was delivered in various schools. Orientation and training sessions were conducted for the School Management and Committee.

2,700+
OUT-OF-SCHOOL
GIRLS ENROLLED

Research Projects



We supported the **IIT Bombay**-initiated Project Vajra, an initiative aimed at empowering micro, small, and medium enterprises (MSMEs) with limited financial resources to defend against cyberattacks. Vajra involves building a production version from a developed version to enhance cybersecurity defences and mitigate potential damages. The system prototype is tested in the lab environment and is ready for user trials.

Similarly, we supported a programme launched by **Rashtriya Raksha University (RRU)** focusing on the Prevention of Victimisation from Forgeries and Financial Frauds. This initiative seeks to raise awareness and provide essential knowledge to law enforcement agencies, Central Armed Police Forces (CAPFs), defence personnel, and the public, enabling them to safeguard their finances effectively.

11
BLOGS UPLOADED ON
THE RRU WEBSITE

2
AWARENESS PROGRAMMES
CONDUCTED

2
WEBINARS
CONDUCTED



CORPORATE SOCIAL RESPONSIBILITY

Healthcare Initiatives



Give 4 Life Programme

We support the **Narayana Hrudayalaya Charitable Trust (NHCT)** programme aimed at providing high-quality and affordable healthcare to underprivileged patients. After conducting a socio-economic assessment of the patients, life-threatening conditions are treated, and patients are provided with necessary medical support. We have extended support to patients in Haryana, Karnataka, Maharashtra, and Rajasthan, effectively treating and curing diseases such as osteosarcoma, brain haemorrhage, hepatoblastoma, and more.

61
 PATIENTS TREATED

Swades Foundation

CDSL has partnered with Swades Foundation to empower rural communities through the provision of affordable medical facilities. In Nashik and Raigad, Maharashtra, we have extended our support to children with special needs through various programmes.

~1,000
 BENEFICIARIES
 IMPACTED AND
 SUPPORTED



Smile Foundation

CDSL has partnered with the Smile Foundation to improve access to quality primary healthcare services through a mobile vehicle for underprivileged communities, primarily focusing on women and children in border areas. In Jaisalmer, Rajasthan, we provided free outpatient department (OPD) services with medicines and follow-up care, along with specialised gynaecological consultations on a weekly basis. This programme had positively impacted more than 4,000 beneficiaries, contributing to their health and well-being.

65+
 FREE OPD
 CONSULTATIONS

4,000+
 BENEFICIARIES





Environmental Initiatives



Sankalptaru Foundation

CDSL organised tree plantation programmes with geo-tagging in various regions of India, contributing to environmental conservation. We supported the **Barren Community Land Transformation (BCLT)** programme, where we transformed and maintained barren lands from panchayats or the government for three years.

Urban Plantation Programme

Under the Urban Plantation Program, we planted native species that are high producers of oxygen in Navi Mumbai and Ahmedabad to control pollution, followed by monitoring the plantations for one year.

~6,800

SAPLINGS PLANTED



CORPORATE INFORMATION

Central Depository Services (India) Limited

(CIN: L67120MH1997PLC112443)

Board of Directors

Shri Balkrishna V Chaubal

Chairperson, Public Interest Director

Shri Nehal Vora

Managing Director and Chief Executive Officer

Prof (Dr.) Bimalkumar N Patel

Public Interest Director

Smt. Rajeshree Sabnavis

Public Interest Director

(appointed w.e.f November 29, 2022)

Shri Sidhartha Pradhan

Public Interest Director

Prof. Umesh Bellur

Public Interest Director

Shri Gurumoorthy Mahalingam

Public Interest Director

(appointed w.e.f March 09, 2023)

Shri Masil Jeya Mohan P

Shareholder Nominee Director

Management Team

Shri Nehal Vora

Managing Director & Chief Executive Officer

Smt. Nayana Ovalekar

Chief Regulatory Officer

Shri Amit Mahajan

Chief Technology Officer

Shri Girish Amesara

Chief Financial Officer

Shri Ramkumar K.

Chief of Business Development & New Projects

Shri Vinay Madan

Chief Risk Officer

Shri Rajesh Saraf

Chief Data & Operations Officer

(appointed w.e.f October 19, 2022)

Shri Nilay Shah

Group Company Secretary & Head Legal

Registered Office

Marathon Futurex, 25th Floor, A-Wing,
Mafatlal Mills Compound, N.M. Joshi Marg,
Lower Parel (E), Mumbai-400013

Statutory Auditors

S. R. Batliboi & Co. LLP

Chartered Accountants

12th Floor, The Ruby,

29, Senapati Bapat Marg,

Dadar (West), Mumbai-400028

Secretarial Auditors:

Vatsal Doshi & Associates

Practicing Company Secretary

104, Sundaram Building, Plot No. 89-B,

Sion (E), Mumbai-400022

Registrar and Share Transfer Agents

Link Intime India Pvt. Ltd

247 Park, C-101, L.B.S. Marg

Vikhroli (West), Mumbai 400083.

Email: rnt.helpdesk@linkintime.co.in

Website of Central Depository Services (India) Limited and its subsidiaries/ business lines

Central Depository Services (India) Limited

www.cdslindia.com

CDSL Ventures Limited

www.cvlindia.com

CDSL Insurance Repository Limited

www.cirl.co.in

CDSL Commodity Repository Limited

www.ccrl.co.in

E-Voting

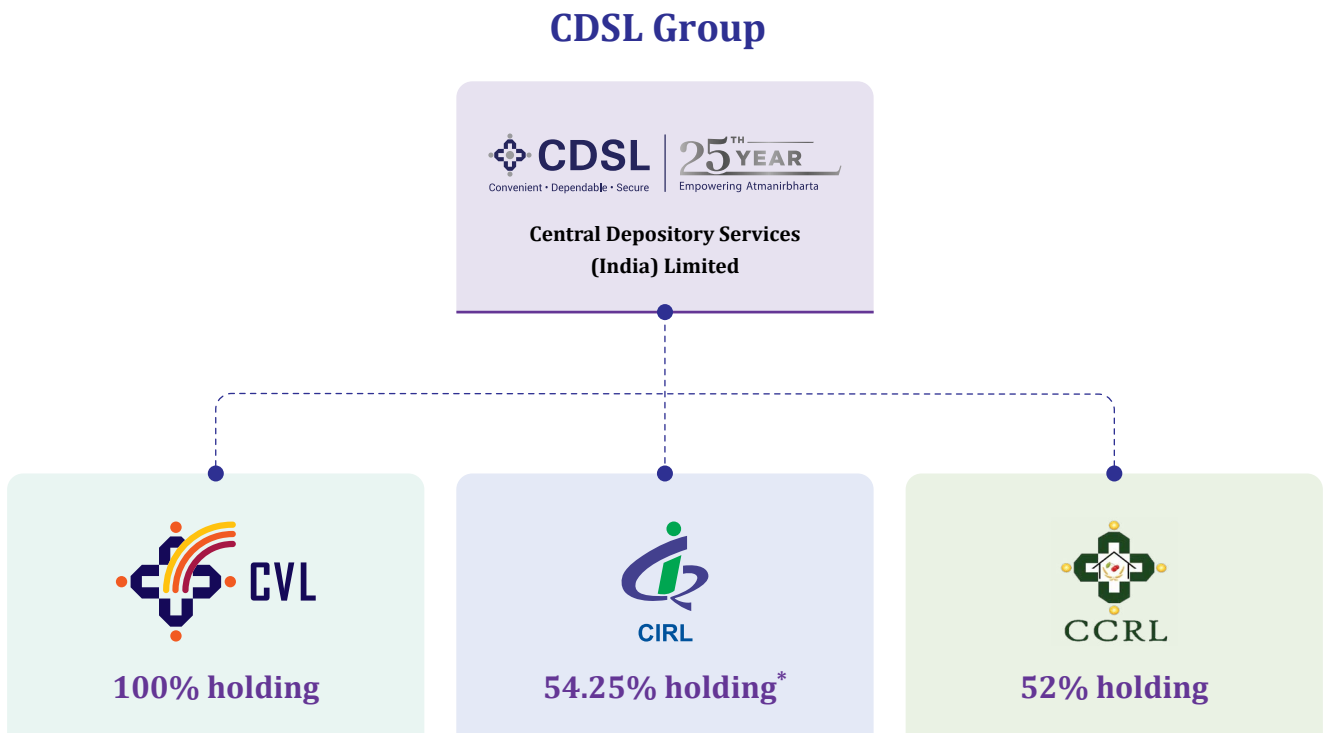
www.evotingindia.com





SUBSIDIARIES

The CDSL Group consists of CDSL and its subsidiaries CDSL Ventures Limited (CVL), CDSL Insurance Repository Limited (CIRL), and CDSL Commodity Repository Limited (CCRL). These subsidiaries are dedicated to delivering specialised services, offering seamless solutions to clients, and have the potential to play a vital role in the Indian Securities Market.



CDSL Ventures Limited (CVL)

CVL conceptualised, designed, and implemented the KYC Registration Agency (KRA) system within the mutual fund industry in 2006 and soon became the first and largest KRA in the country. In November 2018, we started our Registrar and Transfer Agents (RTA) operations. Additionally, CVL handles refund processing for PACL investor claims and conducts dedupe activity for Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY) insurance claims.

CDSL Insurance Repository Limited (CIRL)

CIRL has obtained a registration certificate from the Insurance Regulatory and Development Authority of India (IRDAI) to act as an insurance repository. The Company has equity ownership from 10 insurance companies and CDSL. Moreover, it has established partnerships with 40 life and general insurers. With this setup, CIRL provides a comprehensive view of all policies, including life, health, and motor vehicle insurance, all at no cost to our customers.

CDSL Commodity Repository Limited (CCRL)

Enabling the ownership and transfer of commodity assets is CCRL's core function. This service caters not only to commodities exchanges but also to a broader market. Established in 2017, it operates under the regulatory authority of the Warehousing Development and Regulatory Authority (WDRA).

India International Depository IFSC Limited (formerly known as CDSL IFSC Limited) ceased to be a subsidiary of the Company w.e.f May 02, 2022.

*CDSL - 51%, CVL - 3.25%

NOTICE

CENTRAL DEPOSITORY SERVICES (INDIA) LIMITED

CIN: L67120MH1997PLC112443

Registered Office: Unit No. A-2501, Marathon Futurex, Mafatlal Mills Compound,
N. M. Joshi Marg, Lower Parel (East), Mumbai-400013.

Tel: +91-22-2302 3333 | **Fax:** +91-22-2300 2036

Website: www.cdslindia.com | **Email Id:** shareholders@cdslindia.com

NOTICE is hereby given that the **Twenty Fifth (25th) Annual General Meeting ("AGM")** of the Members of **CENTRAL DEPOSITORY SERVICES (INDIA) LIMITED ["CDSL/the Company"]** will be held on Friday, September 01, 2023 at 11.00 A.M. Indian Standard Time ("**IST**"), through Video Conferencing ("**VC**")/Other Audio Visual Means ("**OAVM**"), to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt:

- a. **the Audited Standalone Financial Statements of CDSL for the financial year ended March 31, 2023 and the Reports of the Board of Directors and the Statutory Auditors thereon; and**
- b. **the Audited Consolidated Financial Statements of CDSL for the financial year ended March 31, 2023 and the Report of the Statutory Auditors thereon.**

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT the Audited Standalone and Consolidated Financial Statements for the financial year ended March 31, 2023, Report of the Statutory Auditors thereon and the Report of the Board of Directors thereon along with all annexures as laid before the Shareholders in the 25th Annual General Meeting be and are hereby considered and adopted."

2. To declare Final Dividend on Equity Shares of the Company for the financial year ended March 31, 2023.

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT a Dividend at the rate of ₹16 (Rupees Sixteen only) per Equity Share of ₹10 (Rupees Ten only) each fully paid up of the Company be and is hereby declared for the financial year ended March 31, 2023, as recommended by the Board of Directors of the Company and the same be paid out of the profits of the Company for the financial year ended March 31, 2023."

3. To appoint a Director in place of Shri Masil Jeya Mohan P (DIN: 08502007), Shareholder Director, who retires from office by rotation and being eligible, offers himself for re-appointment.

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions, if any, of the

Companies Act, 2013 and rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Shri Masil Jeya Mohan P (DIN: 08502007), Shareholder Director who retires by rotation at this 25th Annual General Meeting, be and is hereby re-appointed as a Shareholder Director of the Company, liable to retire by rotation, subject to the approval of the Securities and Exchange Board of India ("**SEBI**")."

4. To re-appoint M/s. S. R. Batliboi & Company LLP, Chartered Accountants with Registration No. 301003E/E300005 as Statutory Auditors:

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and pursuant to the recommendation of the Audit Committee and Board of Directors, the approval of Shareholders of the Company, be and is hereby accorded for re-appointment of M/s. S. R. Batliboi & Company LLP, Chartered Accountants, with Registration No. 301003E/E300005 as the Statutory Auditors of the Company, for the period of another term of Five years from the conclusion of this 25th Annual General Meeting till the conclusion of the 30th Annual General Meeting to be held in the FY 2027-28, at such remuneration as may be decided by the Audit Committee/Board of Directors in consultation with the Auditors, for the purpose of Audit of the Company's Accounts, with the power to the Audit Committee/Board of Directors to alter and vary the terms and conditions of appointment, revision in the remuneration."

**By Order of the Board of Directors
For Central Depository Services (India) Limited**

Nilay Shah
Group Company Secretary and Head Legal
(Membership No. ACS 20586)

Place: Mumbai
Date: June 24, 2023

Registered Office:
Unit No. A-2501, Marathon Futurex,
Mafatlal Mills Compound, N.M. Joshi Marg,
Lower Parel (East), Mumbai-400013, Maharashtra, India.



NOTES:

1. The Statement pursuant to Section 102 of the Companies Act, 2013 ("**the Act**") and the details under Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI Listing Regulations**") and Secretarial Standard-2 on General Meetings issued by The Institute of Company Secretaries of India, in respect of Director retiring by rotation seeking appointment/re-appointment at this Annual General Meeting ("**AGM**") is furnished as **Annexure-1** to this Notice.
2. The Shareholders may note that in compliance with the provisions of the Ministry of Corporate Affairs ("**MCA**") read with General Circular No. 14/2020 dated April 08, 2020, No. 17/2020 dated April 13, 2020, No. 20/2020 dated May 05, 2020, No. 22/2020 dated June 15, 2020, No. 33/2020 dated September 28, 2020, No. 39/2020 dated December 31, 2020, No. 10/2021 dated June 23, 2021, No. 20/2021 dated December 08, 2021, No. 03/2022 dated May 05, 2022 and No. 11/2022 dated December 28, 2022 respectively and the Securities and Exchange Board of India ("**SEBI**") Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 05, 2023, Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022, Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 (collectively referred to as "**Applicable Circulars**"), the 25th AGM of the Company is being conducted through VC/OAVM facility, without the physical presence of members. The Notice of the AGM along with the Annual Report for FY 2022-23 is being sent only through electronic mode to those members whose email addresses are registered with the Company/Depositories unless a member has requested for a physical copy of the same. The Notice calling the 25th AGM along with the Annual Report for FY 2022-23, will also be available on the website of the Company at <https://www.cdslindia.com/>, website of the Stock Exchange i.e. National Stock Exchange of India Limited ("**NSE**") at <https://www.nseindia.com/> and the website of Service Provider Kfin Technologies Limited ("**Kfin**") at <https://evoting.kfintech.com/public/Downloads.aspx>
3. Pursuant to Section 105 of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a Proxy to attend and vote on his/her behalf and the proxy need not be a member of the Company. Since the AGM is being held through VC/OAVM, in accordance with the applicable circulars, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of Proxies by the members will not be available for the 25th AGM and hence the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice. The deemed venue for the AGM shall be the Registered Office of the Company.
4. Pursuant to Section 113 of the Act, Institutional/Corporate Shareholders (i.e. other than individuals HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG format) of its Board or Governing Body Resolution/Authorisation etc., authorising its representative to attend the AGM through VC/OAVM on its behalf and to vote through remote e-voting.
5. Kfin will be providing facility for voting through remote e-voting, for participation in the 25th AGM through VC/OAVM facility and e-voting during the 25th AGM.
6. The attendance of the members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the Quorum under Section 103 of the Act.
7. Pursuant to Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of the SEBI Listing Regulations, the Company is providing facility of remote e-voting to its members holding shares in physical or dematerialised form, as on the cut-off date, being Friday, August 25, 2023, to exercise their right to vote through electronic means from a place other than the venue of the Meeting on the businesses specified in the accompanying Notice (the "**Remote e-voting**").
8. M/s. S. R. Batliboi & Co., LLP, Chartered Accountants, Mumbai, bearing Firm Registration No. 301003E/E300005 with the Institute of Chartered Accountants of India were appointed as the Statutory Auditors of the Company in the 20th AGM held on August 20, 2018 for a period of five years until the conclusion of 25th AGM for FY 2022-23. Further, the Audit Committee and the Board of Directors at their Meeting held on April 28, 2023 and April 29, 2023 respectively, had approved the re-appointment of M/s. S. R. Batliboi & Co., LLP, Chartered Accountants, as the Statutory Auditors of the Company for another period of five years from the conclusion of 25th AGM till 30th AGM to be held in the FY 2027-28.
9. In case of joint holders attending the AGM through VC or OAVM, only such joint holder who is higher in the order of names will be entitled to vote.
10. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the Directors are interested under Section 189 of the Act will be available for inspection for the members of the Company electronically during the 25th AGM on the website of the service provider, Kfin.
11. The electronic copy of all the documents referred to in the Notice will be available for inspection to the members of the Company. The members are required to send an email on cdslagm@cdslindia.com from their registered email id with the Company. Post verification of the shareholder/email id, a link will be sent to the concerned member for verification.
12. Subject to the provisions of the Act, Final Dividend of ₹16 (160%), per share as recommended by the Board of Directors, if declared at the AGM, will be paid within a period of 30 days from the date of declaration to those members or their mandates whose names appear as

beneficial owners with Depositories or in the Register of members as on Friday, August 25, 2023, subject to deduction of Income Tax at source wherever applicable as under:

- a) To all the beneficial owners in respect of shares held in dematerialised form as per the data as may be made available by CDSL and National Securities Depository Limited (“NSDL”) as on Friday, August 25, 2023.
 - b) To all the members in respect of shares held in physical form after giving effect to all valid transmission/transposition in respect of valid requests lodged with the Company on the cut-off date i.e., Friday, August 25, 2023.
13. Pursuant to the Finance Act, 2020, Dividend Income will be taxable in the hands of the shareholders w.e.f. April 01, 2020 and the Company is required to deduct Tax at Source (“TDS”) from Dividend paid to the members at prescribed rates in the Income Tax Act, 1961 (“the IT Act”). In general, to enable compliance with TDS requirements, members are requested to complete and/or update their Residential Status, Permanent Account Number (“PAN”), Category as per the IT Act with their Depository Participants (“DPs”) or in case shares are held in physical form, with the Company, by sending documents through email to rnt.helpdesk@linkintime.co.in by Friday, August 25, 2023. Additionally, the shareholders are also requested to refer para 16 below and provide necessary declaration/information on the following link: <https://linkintime.co.in/formsreg/submission-of-form-15g-15h.html>
14. The rate of TDS as per the IT Act would depend upon the status of the recipient and is explained herein below:

i. Resident Shareholders:

In case of resident Shareholders, Section 194 of the IT Act provides mandate for withholding tax @10% on Dividend Income. In absence of PAN, invalid PAN or PAN-Aadhaar not being linked (applicable from 1st July onwards) or person being categorised as specified person (to be verified from the Government enabled utility) TDS rate of 20% will apply.

Resident Shareholders, being an individual, whose total dividend income in a financial year exceeds ₹5,000 and who wish to receive Dividend without deduction of tax at source may submit a declaration in Form No. 15G/Form No. 15H. Template of Form No. 15G/15H can also be downloaded from the website of the Company.

Shareholders are requested to note that while submission of original form is mandatory, they may submit the said documents on the following link: <https://linkintime.co.in/formsreg/submission-of-form-15g-15h.html>.

Nil/lower tax shall be deducted on the Dividend payable to following resident shareholders on submission of self declaration as listed below:

1. Insurance Companies: Declaration by shareholder qualifying as Insurer as per Section 2(7A) of the Insurance Act, 1938 along with self-attested copy of PAN card;
2. Mutual Funds: Declaration by Mutual Fund shareholder eligible for exemption under Section 10(23D) of the IT Act along with self-attested copy of registration documents and PAN card;
3. Alternative Investment Fund (AIF) established in India: Declaration that the shareholder is eligible for exemption under Section 10(23FBA) of the IT Act and they are established as Category I or Category II AIF under the SEBI regulations, along with copy of self attested registration documents and PAN card;
4. New Pension System Trust: Declaration along with self-attested copy of documentary evidence supporting the exemption and self-attested copy of PAN card;
5. Other Shareholders: Declaration along with self attested copy of documentary evidence supporting the exemption and self-attested copy of PAN card;
6. Shareholders who have provided a valid certificate issued under Section 197 of the IT Act for lower/nil rate of deduction or an exemption certificate issued by the income tax authorities along with Declaration.

ii. Non-resident Shareholders:

In case of non-resident shareholders other than foreign companies and firms, the IT Act provides mandate for withholding tax at the rate of 20% plus applicable surcharge and health & education cess of 4% on Dividend Income making effective rate of TDS as under:

Particulars	Surcharge Rate	Effective TDS rate
Dividend Income not exceeding ₹50,00,000	Nil	20.80%
Dividend Income exceeds ₹50,00,000 but does not exceed ₹1,00,00,000	10%	22.88%
Dividend Income exceeding ₹1,00,00,000	15%	23.92%

In case of shareholders, being foreign companies, the IT Act provides mandate for withholding tax at the rate of 20% plus applicable surcharge and health & education cess of 4% on Dividend Income making effective rate of TDS as under:



Particulars	Surcharge Rate	Effective TDS rate
Dividend Income not exceeding ₹1,00,00,000	Nil	20.80%
Dividend Income exceeds ₹1,00,00,000 but does not exceed ₹10,00,00,000	2%	21.22%
Dividend Income exceeding ₹10,00,00,000	5%	24.84%

In case of shareholders, being foreign firms/LLP, the IT Act provides mandate for withholding tax at the rate of 20% plus applicable surcharge and health & education cess of 4% on Dividend Income making effective rate of TDS as under:

Particulars	Surcharge Rate	Effective TDS rate
Dividend Income not exceeding ₹1,00,00,000	Nil	20.80%
Dividend Income exceeds ₹1,00,00,000	12%	23.30%

In respect of non-resident shareholders (including foreign companies), the TDS rates mentioned above will be further subject to any benefits available under the Double Taxation Avoidance Agreement (“DTAA”) read with Multilateral Instrument (“MLI”) provisions, if any, between India and the country in which the non-resident is considered resident in terms of such DTAA read with MLI.

In order to claim benefit under DTAA, the non-resident shareholders would be required to submit the following documents before the record date fixed for determining the shareholders who are eligible to receive the Final Dividend, if so approved at the respective AGMs:

- ▶ Tax Residency Certificate (“TRC”) issued by the Tax/Government authority of the Country in which the non-resident shareholder is a resident of (valid for the FY 2023-24);
- ▶ Form 10F filed electronically on the Indian Income Tax web portal pursuant to Notification No. 03/2022 dated July 16, 2022 and a subsequent notification dated December 12, 2022 issued by the Central Board of Direct Taxes (“CBDT”), as required under the IT Act. (Please note that the shareholders who have PAN may not be eligible for DTAA benefit if the e-filed Form 10F is not furnished. However, pursuant to the Notification dated March 28, 2023, CBDT exempted those non-residents who are not having PAN and are not required to have PAN as per the law from mandatory e-filing of Form 10F online until September 30, 2023 and such non-residents may make this statutory compliance of filing Form 10F in manual form as was being done prior to issuance of the Notification No. 3/2022 till September 30, 2023 only) valid for the FY 2023-24;

▶ Declaration from Shareholders stating the following [template available on the website of the Company]:

- That the shareholder did not at any time during the relevant year have a permanent establishment in India;
- That the shareholder is the beneficial owner of the Dividend;
- That the construct and affairs of the shareholder is not arranged with the main or principal purpose of obtaining any tax benefits, directly or indirectly, under the Tax Treaty;
- That the arrangement of the shareholder is not covered under impermissible avoidance arrangement.

▶ Permanent Account Number – In absence of PAN, shareholder is required to provide the following details:

- Contact Address:
- Email Address:
- Contact Number:
- Tax identification number:

Application of beneficial DTAA rate shall depend upon the completeness and satisfactory review of the documents submitted by the non-resident shareholders. The Company will apply its sole discretion and is not obligated to apply the beneficial DTAA rates for tax deduction on Dividend payable to shareholders.

Please note:

1. Shareholders holding shares under multiple accounts under different status/category (eg. resident and non-resident) and single PAN, may note that, higher of the tax as applicable to the status in which shares held under a PAN will be considered on their entire holding in different accounts.
2. For shareholders who are identified as “Specified Persons” under Section 206AB of the IT Act, higher tax rate as applicable would be deducted if:
 - a. Shareholder has not filed the return of income for the assessment year relevant to the previous year immediately before the previous year in which tax is required to be deducted/collected. Previous year for FY 2023-24 would be FY 2022-23.
 - b. Aggregate of tax deducted at source and tax collected at source is Rupees Fifty Thousand or more in said previous year.

For the purpose of TDS, Company will verify the status (i.e., Specified Person or not) from the Government enabled online facility and deduct TDS accordingly.

It may be further noted that, in case the tax on said Final Dividend is deducted at a higher rate in the absence of receipt of the aforementioned details/documents from you or on application of provisions of Section 206AB of the IT Act, there would still be an option available with you to file the return of income and claim an appropriate refund, if eligible.

No claim shall lie against the Company for such taxes deducted.

In the event of any Income Tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided/to be provided by the shareholder(s), such shareholder(s) will be responsible to indemnify the Company and also provide the Company with all information/documents and co-operation in any appellate proceedings.

Disclaimer: This communication shall not be treated as an advice from the Company. Shareholders should obtain the tax advice related to their tax matters from a tax professional.

15. Declaration under Rule 37BA of Income Tax Rules, 1962:

In terms of Rule 37BA of the Income Tax Rules, 1962, if Dividend Income on which tax has been deducted at source is assessable in the hands of a person other than the deductee, then such deductee should file declaration with Company in the manner prescribed in the Rules. The draft format of the declaration is attached herewith.

16. TDS to be deducted at higher rate in case of non-linkage of PAN with Aadhaar:

As per Section 139AA of the IT Act every person who has been allotted a PAN and who is eligible to obtain Aadhaar, shall be required to link the PAN with Aadhaar. In case of failure to comply with this, the PAN allotted shall be deemed to be invalid/inoperative and tax shall be deducted at the rate of 20% as per the provisions of Section 206AA of the IT Act. The Company will be using functionality of the Income Tax department for the above purpose. Provisions will be effective from July 01, 2023 (unless otherwise extended by CBDT). Shareholders may visit <https://www.incometax.gov.in/iec/foportal/> for FAQ issued by the Government on PAN Aadhaar linking.

Kindly note that above mentioned declaration for giving credit of taxes deducted to the beneficial owner should be made on or before the record date (i.e. Friday, August 25, 2023). Requests received after the record date (i.e. Friday, August 25, 2023) will not be entertained and Tax on Dividend would be deducted in the name of deductee.

Declaration:

Date: _____

To,

Central Depository Services (India) Limited,

Unit No. A-2501, Marathon Futurex, Mafatlal Mills Compound, N.M. Joshi Marg, Lower Parel (East), Mumbai-400013.

Sub: Declaration under Rule 37BA of Income Tax Rules, 1962.

We _____, are currently holding shares of Central Depository Services (India) Limited ["CDSL"] on behalf of the _____. We understand that CDSL has declared a Dividend of ₹16 per share for FY 2022-23 and shall soon be paying the same to us, as we are a shareholder of CDSL.

We hereby declare that said Dividend Income on the shares belongs to and is assessable in hands of below-mentioned shareholders who are actual beneficial owners and entitled to receive such Dividend Income. Thus, we hereby request your goodself to deduct tax on such Dividend Income in the name of the said shareholders and report the Dividend Income against the PAN of the respective shareholders.

Details about the shareholders to whom shares and Dividend Income belongs and credit to be given are as follows:

Sr. No.	Shareholder's Name	Address	PAN	No of Shares held by us	Expected Dividend Amount
---------	--------------------	---------	-----	-------------------------	--------------------------

We undertake and confirm that Dividend to be received by us for the above-mentioned shareholders does not belong to us and we shall not claim credit of the TDS applied on the said income.

We request that while furnishing the information to the Income Tax Department in your TDS statement/return, the details of Dividend Income and corresponding TDS on the same should be stated in name of the above-mentioned shareholders instead of us.

The above declaration is in terms of Section 199 of the IT Act read with Rule 37BA(2) of the Income Tax Rules, 1962 and is based on which tax is deducted at source by the Company. It would be in due compliance of law by the Company.

We seek your co-operation in this regard.

Thanking you,
Yours faithfully,

For _____
Signature of Authorized person

Name: _____

Designation: _____



17. Further, in order to receive the Dividend in a timely manner, members holding shares in physical form who have not updated their mandate for receiving the Dividends directly in their Bank Accounts through Electronic Clearing Service or any other means, are requested to send a scanned copy of the following details/documents at rnt.helpdesk@linkintime.co.in on or before Friday, August 25, 2023. The members shall note that no declarations shall be accepted after the record date.
- a) folio number, complete address and following details relating to Bank Account in which the Dividend is to be received:
 - i. Name and Branch of Bank;
 - ii. Bank Account type (Savings/Current);
 - iii. Bank Account Number; and
 - iv. IFSC Code.
 - b) self-attested scanned copy of cancelled cheque bearing the name of the member or first holder, in case shares are held jointly;
 - c) self-attested scanned copy of the PAN Card; and
 - d) self-attested scanned copy of proof of address namely AADHAR Card, Driving License, Election Identity Card or Passport in support of the address of the member as registered with the Company.

18. **Communication in respect of deduction of tax at source on Dividend payout:**

For all Shareholders:

The aforementioned forms for tax exemption can be downloaded from website of the Registrar and Share Transfer Agent ("**RTA**") of the Company, Link Intime India Private Limited. The URL for the same is as under: <https://www.linkintime.co.in/client-downloads.html>.

On this page select the General tab. All the forms are available under the head "Form 15G/15H/10F".

The aforementioned documents (duly completed and signed) are required to be uploaded on the URL mentioned below:

<https://linkintime.co.in/formsreg/submission-of-form-15g-15h.html>.

On this page the user shall be prompted to select/share the following information to register their request:

1. Select the Company (Dropdown)
2. Folio/DP-Client ID
3. PAN
4. Financial year (Dropdown)
5. Form selection
6. Document attachment – 1 (PAN)
7. Document attachment – 2 (Forms)
8. Document attachment – 3 (Any other supporting document)

Please note that the upload of documents (duly completed and signed) on the website of the RTA of the Company should be done on or before **Record date for the Dividend** in order to enable the Company to determine and deduct appropriate TDS/Withholding Tax. Incomplete and/or unsigned forms and declarations will not be considered by the Company. No communication on the tax determination/deduction shall be considered after **Record date for the Dividend**.

Shareholders may note that in case the tax on said Dividend is deducted at a higher rate in absence of receipt of the aforementioned details/documents, option is available to shareholder to file the return of income as per IT Act and claim an appropriate refund, if eligible.

All communications/queries in this respect should be addressed to the RTA of the Company to its email address rnt.helpdesk@linkintime.co.in. This email id is only for the purpose of queries and no forms will be accepted here.

Members holding shares in demat form are requested to update their Electronic Bank Mandate with their respective Depository Participant(s) ("**DPs**"). The Company/Company's RTA will not entertain any direct request from such members for change of address, transposition of names, deletion of name of deceased joint holder and change in the Bank Account details. The said details will be considered as furnished by the DPs to the Company.

Further, please note that instructions, if any, already given by members in respect of shares held in physical form, will not be automatically applicable to the Dividend paid on shares held in electronic form.

19. As per the provisions of Section 72 of the Act, facility for making nominations is now available to individuals holding shares in the Company. Members holding shares in physical form may obtain the Nomination Form from the RTA of the Company. Members holding shares in electronic form have to approach their DPs for completing the nomination formalities.
20. Non-resident Indian members are requested to inform the RTA of the Company or to the concerned DP, as the case may be, immediately:
 - a) the change in the residential status on return to India for permanent settlement.
 - b) the particulars of the NRE Account with a Bank in India, if not furnished earlier.
21. To deter the incidence of fraudulent encashment of the Dividend Warrants, members holding shares in physical mode are requested to intimate the RTA of the Company under the signature of the Sole/First joint holder, the following information, so that the Bank Account number and address of the Bank can be printed on the Dividend Warrants; which will be used by the Company for Dividend payments:

- 1) Name of Sole/First Joint holder and Folio No.
- 2) Particulars of Bank Account viz:
 - i) Name of the Bank;
 - ii) Name of the Branch with Branch Code/IFSC Code;
 - iii) Complete address of the Bank with Pin Code Number;
 - iv) Account type, whether Saving Bank ("**SB**") or Current Account ("**CA**"); and
 - v) Bank Account number allotted by the Bank.
22. In case of members holding shares in electronic form, Bank Account details provided by the DPs will be used by the Company for payment of Dividend and printing Dividend Warrants.
23. The details of Unclaimed Dividend amounts are available on the website of the Company at www.cdslindia.com under Investor relations - shareholders corner - Unpaid and Unclaimed Dividend. Shareholders who wish to claim their Unpaid/Unclaimed Dividend(s) may send a written request to the Corporate Secretarial Department on e-mail ID: shareholders@cdslindia.com or to the RTA of the Company on e-mail ID: rnt.helpdesk@linkintime.co.in or by post to RTA's address at C-101, 247 Park, L.B.S. Marg, Vikhroli West, Mumbai-400 083, Maharashtra, India.
24. SEBI has mandated the submission of PAN by every participant in the securities market. Members holding shares in electronic form are requested to submit their PAN to their DPs and those holding shares in physical form are requested to submit their PAN to the RTA of the Company on rnt.helpdesk@linkintime.co.in.
25. In case of any general queries/grievances, members may reach out to RTA of the Company on Tel No.: 810 811 6767 and Email ID: rnt.helpdesk@linkintime.co.in.
In case of queries/grievances related to e-voting and e-meeting, members may refer the Frequently Asked Questions ("**FAQs**") for members and e-voting User Manual available at the 'download' section of <https://evoting.kfintech.com/public/Faq.aspx>. or call Kfin on 1800-309-4001 (toll free).
26. Shareholders are requested to read the "Shareholder Information" section of the Annual Report for useful information.
27. Transfer of shares in physical form has been prohibited from April 01, 2019. The shareholders who continue to hold shares and other types of securities of listed companies in physical form even after this date, will not be able to lodge the shares with the Company/its RTA for further transfer. They will need to convert them to demat form compulsorily if they wish to effect any transfer. All the investors who are holding shares etc. in physical

form, should consider opening a demat account at the earliest and submit request for dematerialization of their shares in order to protect the liquidity of the shares. Further, SEBI vide its notification dated January 24, 2022 has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialization, members are advised to dematerialize the shares held by them in physical form. Member can contact the Company/its RTA, for assistance in this regard.

PROCEDURE FOR REMOTE E-VOTING:

- i. In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, Regulation 44 of the SEBI Listing Regulations and in terms of SEBI circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 09, 2020 in relation to e-voting facility provided by Listed Entities, the members are provided with the facility to cast their vote electronically, through the e-voting services provided by Kfin, on all the resolutions set forth in this Notice. The instructions for e-voting are given herein below.
- ii. However, in pursuant to SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 09, 2020 on "e-voting facility provided by Listed Companies", e-voting process has been enabled to all the **individual demat account holders**, by way of single login credential, through their demat accounts/websites of Depositories/DPs in order to increase the efficiency of the voting process.
- iii. Individual demat account holders would be able to cast their vote without having to register again with the e-voting service provider ("**ESP**") thereby not only facilitating seamless authentication but also ease and convenience of participating in e-voting process. Shareholders are advised to update their mobile number and e-mail ID with their DPs to access e-voting facility.
- iv. The remote e-voting period commences on **Tuesday, August 29, 2023 9:00 a.m. (IST) and ends on Thursday, August 31, 2023 5:00 p.m. (IST)**.
- v. The voting rights of members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date i.e. Friday, August 25, 2023.
- vi. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@kfintech.com. However, if he/she is already registered with Kfin for remote e-voting then he/she can use his/her existing user ID and password for casting the vote.



- vii. In case of individual shareholders holding securities in demat mode and who acquires shares of the Company and becomes a member of the Company after sending of the Notice and holding shares as of the cut-off date may follow steps mentioned below under "Login method for remote e-voting and joining virtual Meeting for individual shareholders holding securities in demat mode."
- viii. The details of the process and manner for remote e-voting and virtual meeting ("**e-AGM**") are explained herein below:

Details on Step 1 are mentioned below:

I) Login method for remote e-voting for Individual Shareholders holding securities in demat mode.

Type of Shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> 1. Existing user who have opted for Easi/Easiest <ol style="list-style-type: none"> I. Visit URL: https://web.cdslindia.com/myeasinew/home/login/ or URL: www.cdslindia.com II. Click on new System Myeasi. III. Login with user ID and password. IV. After successful login of Easi/Easiest, option will be made available to reach e-voting page. V. Click on e-voting service provider name to cast your vote. 2. User not registered for Easi/Easiest <ol style="list-style-type: none"> I. Option to register is available at https://web.cdslindia.com/myeasinew/Registration/EasiRegistration II. Proceed with completing the required fields. 3. By visiting the e-voting website of CDSL: <ol style="list-style-type: none"> I. Visit URL: https://evoting.cdslindia.com/Evoting/EvotingLogin II. Provide your demat Account Number and PAN. III. System will authenticate user by sending OTP on registered Mobile & Email as recorded in the demat Account. IV. After successful authentication, user will be provided links for the respective e-voting service provider where the e-voting is in progress.
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> 1. User already registered for IDeAS facility: <ol style="list-style-type: none"> I. Visit URL: https://eservices.nsdl.com II. Click on the "Beneficial Owner" icon under "Login" under 'IDeAS' section. III. On the new page, enter user ID and password. Post successful authentication, click on "Access to e-voting". IV. Click on Company name or e-voting service provider and you will be re-directed to e-voting service provider website for casting the vote during the remote e-voting period. 2. User not registered for IDeAS e-Services <ol style="list-style-type: none"> I. To register click on link: https://eservices.nsdl.com II. Select "Register Online for IDeAS" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp III. Proceed with completing the required fields. 3. By visiting the e-voting website of NSDL <ol style="list-style-type: none"> I. Open URL: https://www.evoting.nsdl.com/ II. Click on the icon "Login" which is available under 'Shareholder/Member' section. III. A new screen will open. You will have to enter your user ID (i.e. your sixteen digit demat account number held with NSDL), password/OTP and a Verification Code as shown on the screen. IV. Post successful authentication, you will be redirected to NSDL Depository site wherein you can see e-voting page. V. Click on Company's name or e-voting service provider name and you will be redirected to e-voting service provider website for casting your vote during the remote e-voting period.
Individual Shareholder login through their demat accounts/ Website of Depository Participant	<ol style="list-style-type: none"> I. You can also login using the login credentials of your demat account through your DP registered with NSDL/CDSL for e-voting facility. II. Once logged-in, you will be able to see e-voting option. Once you click on e-voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting feature. III. Click on Company name or e-voting service provider name and you will be redirected to e-voting service provider website for casting your vote during the remote e-voting period.

Note: Members who are unable to retrieve user ID/password are advised to use *Forgot user ID* and *Forgot password* option available at respective websites.

Helpdesk for individual shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Securities held with NSDL	Please contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Securities held with CDSL	Please contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

Details on Step 2 are mentioned below:

II) Login method for remote e-voting for shareholders other than individual's shareholders holding securities in demat mode and shareholders holding securities in physical mode.

- i. Initial password is provided in the body of the e-mail.
- ii. Launch internet browser by typing the URL: <https://evoting.kfintech.com/> in the address bar.
- iii. Enter the login credentials (i.e. user ID and password). In case of physical folio, user ID will be E-Voting Event Number ("**EVEN**"), followed by folio number. In case of Demat account, user ID will be your DP ID and Client ID. However, if you are already registered with Kfin for e-voting, you can use your existing user ID and password for casting the vote.
- iv. After entering these details appropriately, click on "LOGIN".
- v. You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$, etc.,). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
- vi. You need to login again with the new credentials.
- vii. On successful login, the system will prompt you to select the "EVEN" i.e., "**Central Depository Services (India) Limited AGM**"

Process for remote e-voting is as under:

- a) On the voting page, enter the number of shares (which represents the number of votes) as on the cut-off Date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/ AGAINST" taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the Member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.

- b) Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat accounts.
- c) Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.
- d) You may then cast your vote by selecting an appropriate option and click on "Submit".
- e) A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution(s), you will not be allowed to modify your vote. During the voting period, members can login any number of times till they have voted on the resolution(s).
- f) Institutional/Corporate shareholders (i.e. other than Individuals, HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or Governing Body Resolution/Authorisation etc., authorising its representative to attend the AGM through VC/OAVM on its behalf and to vote through remote e-voting, together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at email id csvatsaldoshi@cadoshi.com with a copy marked to evoting@kfintech.com. The scanned image of the above-mentioned documents should be in the naming format "Corporate Name_Even No."

Details on Step 3 are mentioned below:

III) Instructions for all the Shareholders, including Individual, other than Individual and Physical, for attending the AGM of the Company through VC/OAVM and e-voting during the meeting.

- i. Member will be provided with a facility to attend the AGM through VC/OAVM platform provided by Kfin. Members may access the same at <https://emeetings.kfintech.com/> by using the e-voting login credentials provided in the email received from the Company/Kfin. After logging in, click on the video conference tab and select the EVEN of the Company. Click on the video symbol and accept the Meeting etiquettes to join the Meeting. Please note that the members who do not have the user ID and password for e-voting or have forgotten the user ID and password may retrieve the same by following the remote e-voting instructions mentioned above.



- ii. Facility for joining AGM through VC/OAVM shall open atleast 15 minutes before and after the scheduled time of commencement of the Meeting by following the procedure mentioned herein.
- iii. Members are encouraged to join the Meeting through Laptops/Desktops with Google Chrome (preferred browser), Safari, Internet Explorer, Microsoft Edge, Mozilla Firefox 22.
- iv. Members will be required to grant access to the webcam to enable VC/OAVM. Further, members connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- v. As the AGM is being conducted through VC/OAVM, for the smooth conduct of proceedings of the AGM, members are encouraged to express their views/send their queries in advance mentioning their name, demat account number/folio number, email id, mobile number at cdslgm@cdslindia.com. Questions/queries received by the Company till August 29, 2023 shall only be considered and responded during the AGM.
- vi. The members who have not cast their vote through remote e-voting shall be eligible to cast their vote through e-voting system available during the AGM and 15 minutes after the conclusion of the AGM. E-voting during the AGM is integrated with the VC/OAVM platform. The Members may click on the voting icon displayed on the screen to cast their votes.
- vii. A member can opt for only single mode of voting i.e., through Remote e-voting or voting at the AGM. If a member cast votes by both modes, then voting done through Remote e-voting shall prevail and vote at the AGM shall be treated as invalid.
- viii. Facility of joining the AGM through VC/OAVM shall be available for atleast 2000 members on first come first served basis.
- ix. Institutional Members are encouraged to attend and vote at the AGM through VC/OAVM.

OTP Based Login:

Along with the user ID and password option, shareholders can also use the "Registered Mobile with Folio" to login on the e-meeting webpage. If Mobile is not registered with folio, you are requested to follow the instructions below:

- 1) For shareholders in demat mode, please reach out to your respective Depository Participant.
- 2) For physical shareholders, kindly submit Form ISR-1 with the required documents with the RTA of the Company.

GENERAL INSTRUCTIONS:

- i) Members holding shares in physical mode and who have not updated their email addresses with the Company are requested to update their email addresses by writing to the RTA of the Company, Link Intime India Private Limited, at their address C - 101, 247 Park, L.B.S. Marg, Vikhroli West, Mumbai - 400 083, Tel No: 810 811 6767 or at rnt.helpdesk@linkintime.co.in. Members holding shares in dematerialised mode are requested to register/update their email addresses by contacting the concerned Depository Participant.
- ii) Alternatively, member may send an e-mail request at the email id rnt.helpdesk@linkintime.co.in, along with scanned copy of the signed copy of the request letter providing the email address, mobile number, self-attested PAN copy and Client Master copy in case of electronic folio and copy of share certificate in case of physical folio for sending the Annual Report, Notice of AGM and the e-voting instructions. After receiving the e-voting instructions, please follow all steps above to cast your vote by electronic means.
- iii) SEBI, vide its Circulars dated November 03, 2021, December 14, 2021 and March 16, 2023, has mandated the furnishing of PAN, KYC details and nomination by holders of physical securities. Therefore, members are requested to ensure that at least one of the cited documents/details as enunciated in the said circular are registered with the Company/RTA by September 30, 2023.
- iv) In case a holder of physical securities fails to furnish the aforesaid details or link their PAN with Aadhaar before the due date, RTA is obligated to freeze such folios. The securities in the frozen folios shall be eligible to receive payments (including dividend) and lodge grievances only after furnishing the complete documents. If the securities continue to remain frozen as on December 31, 2025, the Registrar/the Company shall refer such securities to the administering authority under the Benami Transactions (Prohibitions) Act, 1988, and/or the Prevention of Money Laundering Act, 2002.
- v) The formats for Nomination and Updation of KYC details in accordance with the SEBI Circular are available on the website of the RTA at the link <https://web.linkintime.co.in/KYC-downloads.html> and under "Investor" section of the Company's website at the link <https://www.cdslindia.com/InvestorRels/ShareholderCorner.html#section7>
- vi) Members who have exercised their right to vote through Remote e-voting may attend the AGM but shall not vote at the AGM. The voting rights of the members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date being Friday, August 25, 2023.
- vii) Your Company is pleased to provide the facility of live webcast of proceedings of AGM. Members who are entitled to participate in the AGM can view the proceedings of AGM.

OTHER INSTRUCTIONS:

- I. **Speaker Registration:** The Members who wish to speak during the Meeting may register themselves as speakers for the AGM to express their views. They can visit <https://emeetings.kfintech.com> and login through the user ID and password provided in the mail received from RTA. On successful login, select 'Speaker Registration' which will be open from Friday, August 25, 2023 at 9:00 a.m. to Tuesday, August 29, 2023 till 5:00 p.m. Members shall be provided a 'queue number' before the AGM. The Company reserves the right to restrict the speakers at the AGM to only those Members who have registered themselves, depending on the availability of time for the AGM.
- II. **Post your Question:** The members who wish to post their questions prior to the Meeting can do the same by visiting <https://emeetings.kfintech.com>. Please login through the user ID and password provided in the mail received from RTA. On successful login, select 'Post Your Question' option which will be open from Friday, August 25, 2023 at 9:00 a.m. to Tuesday, August 29, 2023 till 5:00 p.m.
- III. In case of any query and/or grievance, in respect of voting by electronic means, members may refer to the Help & FAQs and e-voting user manual available at the download section of <https://evoting.kfintech.com> ("**Kfin Website**") or send an e-mail at evoting@kfintech.com or call Kfin's toll free No. 1800-309-4001 for any further clarifications.
- IV. The members whose names appear in the Register of Members/list of Beneficial Owners as on Friday, August 25, 2023, being the cut-off date, are entitled to vote on the Resolutions set forth in this Notice. A person who is not a member as on the cut-off date should treat this Notice for information purposes only. Once the vote on a resolution(s) is cast by the member, the member shall not be allowed to change it subsequently.
- V. In case a person (individual holding shares in physical mode/non-individuals) has become a member of the Company after dispatch of AGM Notice but on or before the cut-off date for e-voting, he/she may obtain the user ID and password in the manner as mentioned below:
 - a. If the mobile number of the member is registered against Folio No./DP ID Client ID, the member may send SMS: MYEPWD <space> E-Voting Event Number+Folio No. or DP ID Client ID to 9212993399
 1. Example for NSDL:
 2. MYEPWD <SPACE> IN12345612345678
 3. Example for CDSL:
 4. MYEPWD <SPACE> 1402345612345678
 5. Example for Physical:
 6. MYEPWD <SPACE> XXXX1234567890
 - b. If e-mail address or mobile number of the member is registered against Folio No./DP ID Client ID, then on the home page of <https://evoting.kfintech.com/>, the member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.
 - c. Members who may require any technical assistance or support before or during the AGM are requested to contact Kfin at toll free number 1800-309-4001 or write to them at evoting@kfintech.com.
- VI. Shri Vatsal Doshi, Proprietor of M/s. Vatsal Doshi & Associates, Practicing Company Secretary has been appointed as the Scrutinizer to scrutinize the remote e-voting in a fair and transparent manner.
- VII. The Scrutinizer shall, after the conclusion of voting at the AGM, first count the votes cast at the Meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses, not in the employment of the Company, and make, not later than two working days of the conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairperson of the Meeting or a person authorized by the Chairperson in writing, who shall countersign the same and declare the results of the voting forthwith. The Scrutinizer's decision on the validity of the vote shall be final and binding.
- VIII. Subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of AGM i.e., Friday, September 01, 2023.
- IX. The results shall be declared either by the Chairperson of the Meeting or a person authorized by him, along with the Scrutinizer's Report, shall be placed on the Company's website: www.cdslindia.com and on the website of Kfin Technologies Limited: <https://evoting.kfintech.com/> immediately after the result declared by the Chairperson or any other person authorized by the Chairperson and the same shall be communicated to National Stock Exchange of India Limited, where the shares of the Company are listed. The result shall also be displayed at the registered office of the Company.
28. The Audited Accounts of the Company and its Subsidiary Companies are available on the Company's website at <https://www.cdslindia.com/>.
29. The Annual Accounts of the Subsidiary Companies and related detailed information shall be made available to shareholders of the holding and subsidiary companies seeking such information at any point of time.
30. The term 'Members' has been used to denote 'Shareholders' of the Company.



EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.

The following statement sets out all material facts relating to the Ordinary Business as mentioned in the accompanying Notice:

Item No. 4:

In terms of Regulation 36(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the following explanation is being provided to the members.

M/s. S. R. Batliboi & Co., LLP, Chartered Accountants, Mumbai, bearing Firm Registration No. 301003E/E300005 with the Institute of Chartered Accountants of India were appointed as the Statutory Auditors of the Company in the 20th AGM held on August 20, 2018 for a period of five years till the conclusion of 25th AGM to be held for the FY 2022-23. Their term will end at the conclusion of this Annual General Meeting.

The Audit Committee and the Board of Directors at their Meeting held on April 28, 2023 and April 29, 2023 respectively, had approved the re-appointment of M/s. S. R. Batliboi & Co., LLP as the Statutory Auditors of the Company for another period of five years from the conclusion of 25th AGM till 30th AGM to be held in the FY 2027-28 at a remuneration as may be mutually agreed between the Audit Committee/Board of Directors in consultation with the Auditors.

The proposed remuneration to be paid to Statutory Auditors for the FY 2023-24 and FY 2024-25 is ₹ 29 Lakhs p.a. (FY 2022-23: ₹ 27 Lakhs) exclusive of applicable taxes and other out-of-pocket expenses.

The remuneration for the subsequent year(s) of their term shall be fixed by the Board of Directors of the Company based on the recommendation of the Audit Committee. There is no material change in the remuneration proposed to be paid to Statutory Auditors for the FY 2023-24 and FY 2024-25 as compared to FY 2022-23.

Hence, this resolution for re-appointment of Statutory Auditors for a further term of 5 years to hold office from the conclusion of 25th AGM until the conclusion of 30th AGM is recommended by the Board of Directors for approval of the members.

None of the Directors, Manager, Key Managerial Personnel or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out in Item No. 4 of the Notice.

**By order of the Board of Directors
For Central Depository Services (India) Limited**

Nilay Shah

**Group Company Secretary and Head Legal
(Membership No. ACS 20586)**

Place: Mumbai

Date: June 24, 2023

Annexure-1

DISCLOSURES RELATING TO DIRECTORS PURSUANT TO REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARD ON GENERAL MEETINGS (SS-2):

Name of the Director	Shri Masil Jeya Mohan P
DIN	08502007
Age	62
Date of Birth	March 20, 1961
Designation	Shareholder Director
Nationality	Indian
Qualification	Science Graduate with MBA Degree
Experience/Brief Resume/Nature of Expertise	Shri Masil Jeya Mohan P joined Life Insurance Corporation of India ("LIC") in the year 1986. He has a wide range of experience in different assignments in LIC as Asstt. Branch Manager, Manager (IT), Manager (NB & Actuarial), Manager (HR), Regional Manager (HR), Regional Manager (Estates), Fund Manager of Pension & Group Scheme Fund, Chief (ULIP Operations) and Executive Director (Investment). October 10, 2019
Date of first appointment on the Board	October 10, 2019
Terms and Conditions of Appointment	Shri Masil Jeya Mohan P shall be liable to retire by rotation and the applicable terms & conditions as mentioned under the Companies Act, 2013, SEBI (Depositories & Participants) Regulations, 2018 and SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 shall be applicable to him.
Remuneration proposed to be paid	N.A.
Remuneration last drawn	Apart from sitting fees for attending the Board and Committee Meetings, no remuneration is being paid.
Shareholding in the Company including shareholding as a beneficial owner	Nil
Relationship with other Directors, Manager and Key Managerial Personnel of the Company	None
Number of Board Meetings attended during the FY 2022-23	10 out of 10
Directorship on other Boards	Nil
Membership/Chairmanship of Committees of other Boards including Listed Entities	Member of Audit Committee, Stakeholder Relationship Committee (appointed as Member w.e.f. May 23, 2023) and Corporate Social Responsibility Committee in Central Depository Services (India) Limited.
Listed Entities from which the Director has resigned in the past three years	Nil



Directors' Report

To,
The Members,

Your Board of Directors are pleased to present the Twenty-Fifth (25th) Annual Report on the business and operations of Central Depository Services (India) Limited ("CDSL/the Company"), along with the audited financial statements (standalone and consolidated) for the financial year ended March 31, 2023 ("FY 2022-23").

1. State Of Affairs:

A. Financial Highlights:

Particulars	(₹ in Lakh)			
	Consolidated		Standalone	
	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
Income from Operations	55,508.68	55,133.08	45,059.96	41,480.33
Other Income	6,584.83	5,456.88	9,346.79	6,537.50
Total Income	62,093.51	60,589.96	54,406.75	48,017.83
Expenditure	23,187.70	18,447.76	18,371.53	13,273.14
Profit before Depreciation, share of profit/(Loss) from Associates and Taxation	38,905.81	42,142.20	36,035.22	34,744.69
Depreciation	1,948.04	1,146.28	1,586.33	1,010.02
Profit before Share of net profits of investments accounted for using equity method and tax	36,957.77	40,995.92	34,448.89	33,734.67
Share of profit/(Loss) of associates	(442.34)	(141.20)	-	-
Profit Before Tax	36,515.43	40,854.72	34,448.89	33,734.67
Taxations	8,919.42	9,673.91	7,240.72	7,358.43
Profit after Tax	27,596.01	31,180.81	27,208.17	26,376.24
Other Comprehensive Income (Net of Tax)	162.25	(143.39)	39.68	(217.96)
Total Comprehensive Income	27,758.26	31,037.42	27,247.85	26,158.28

B. Financial Performance:

i. Consolidated Results:

On a consolidated basis, the operational income of the Company for the year ended March 31, 2023 is at ₹55,508.68 Lakh as against ₹55,133.08 Lakh for the previous year ended March 31, 2022, higher by 1%, resulting in total income of ₹62,093.51 Lakh for the year ended March 31, 2023 as against ₹60,589.96 Lakh for the previous year ended March 31, 2022. Profit before Tax (PBT) for the year ended March 31, 2023, is ₹36,515.43 Lakh as against ₹40,854.72 Lakh for the previous year ended March 31, 2022. Similarly, Profit after Tax (PAT) for the year ended March 31, 2023 is at ₹27,596.01 Lakh as against ₹31,180.81 Lakh for the previous year ended March 31, 2022. Thus, Profit after Tax for the year ended March 31, 2023, has decreased by 11%, as against the previous year ended March 31, 2022.

ii. Standalone Results:

On a standalone basis, the operational income of the Company for the year ended March 31, 2023 is at ₹45,059.96 Lakh as against ₹41,480.33 Lakh for the previous year ended March 31, 2022, higher by 9%,

resulting in total income of ₹54,406.75 Lakh for the year ended March 31, 2023 as against ₹48,017.83 Lakh for the previous year ended March 31, 2022. The income from operations largely comprises of transaction charges, annual issuers charges, CAS income, evoting income, corporate action charges, etc. The other income includes dividend received from subsidiary of ₹4,150 Lakh for the year ended March 31, 2023 as against ₹2,350 Lakh for the previous year ended March 31, 2022. Pursuant to Regulation 73 of the SEBI (Depositories & Participants) Regulations, 2018, the contribution to IPF is determined at ₹1,255.11 Lakh. The Profit before Tax (PBT) for the year ended March 31, 2023, is ₹34,448.89 Lakh as against ₹33,734.67 Lakh for the previous year ended March 31, 2022. Similarly, Profit after Tax (PAT) is ₹27,208.17 Lakh as against ₹26,376.24 Lakh. Thus, Profit after Tax for the year ended March 31, 2023 has increased by 3% as against the previous year ended March 31, 2022.

During the year, the Board of Directors of the Company reviewed the affairs of its subsidiaries. In accordance with Section 129 (3) of the Companies Act, 2013, your Company has prepared the consolidated financial



statements of the Company and of all its subsidiary companies in the same form and manner as that of its own and in accordance with applicable accounting standards, which forms part of this annual report. Further, a separate statement containing the salient features of the financial statement of our subsidiaries in the prescribed format of Form AOC-1 is appended as **Annexure-A** to the Board's Report. The statement also provides details of the performance and financial position of each of the subsidiary company.

In accordance with Section 136 of the Companies Act, 2013, the audited financial statements including the consolidated financial statements and all other related documents and information of the Company and separate audited accounts in respect of each of the subsidiary are available on our website <https://www.cdslindia.com/InvestorRels/AnnualReports.html>. These documents will be available for inspection till the date of AGM during business hours at the registered office of the Company.

C. Dividend:

Considering the performance of the Company for the year under review, your Directors have recommended a final dividend of ₹16 per equity share of the face value of ₹10 each, fully paid for the financial year ended March 31, 2023, subject to the approval of the shareholders.

The final dividend, if approved, would result in a cash outflow of ₹16,720 Lakh and dividend payout ratio at 60.06%.

The dividend recommended is in accordance with the principles and criteria as set out in the Dividend Distribution Policy. The Policy can also be accessed on the Company's website at the <https://www.cdslindia.com/InvestorRels/CorporateGovernance.html>.

2. Share Capital:

A. Change in Capital Structure:

Authorised Share Capital of your Company is ₹150,00,00,000 divided into 15,00,00,000 equity shares of ₹10 each whereas the Issued and Paid-Up Share Capital is ₹104,50,00,000 divided into 10,45,00,000 equity shares of ₹10 each.

As of March 31, 2023, out of 10,45,00,000 shares, 10,44,99,799 shares are in demat mode, and 201 shares are in physical mode. There was no change in the Capital Structure of the Company during the FY 2022-23.

3. Business Outlook and Overview:

A. The Capital Market Environment:

The FY 2022-23 was one of the most challenging years for the Indian Economy. During FY 2022-23, the S&P BSE Sensex opened at 58,530 on April 01, 2022, and touched

a high of 63,583 on December 01, 2022, and thereafter closed at 58,991 on March 31, 2023. During same period Nifty opened at 17,436 and hit a high of 18,887 on December 01, 2022, and thereafter closed at 17,359 on March 31, 2023.

The International Monetary Fund (IMF), cuts India's GDP growth forecast for the 2024 & 2025 financial years amid a slowing global economy. The IMF projects the gross domestic product to grow 5.9% in 2023-24, 20 basis points lower than estimated in January 2023. It projects India to grow 6.3% in the 2025 fiscal, 50 basis points lower than estimated earlier.

According to IMF, the global outlook is uncertain amid the financial sector turmoil, high inflation, effects of Russia-Ukraine war and three years of Covid.

The World Bank cut India's growth forecast for FY 2023-24 to 6.3% from its December estimate of 6.6% amid global headwinds and with rising borrowing costs and slower income growth leading to a moderation in consumption, even as its country director Auguste Tano Kouame said the Indian economy continues to show strong resilience to external shocks.

The Asian Development Bank (ADB) projects growth in India's gross domestic product (GDP) to moderate to 6.4% in FY 2022-23 and rise to 6.7% in FY 2023-24, driven by private consumption and private investment on the back of government policies to improve transport infrastructure, logistics, and the business ecosystem. The growth estimates by both multilateral agencies are close to the Reserve Bank of India's (RBI) February 8 forecast of 6.4% growth in FY 2023-24.

B. Operational Performance:

The capital market plays a significant role in building the economy as it channelizes domestic saving into sustainable financial assets. The Indian capital markets are robust and deep. The markets have witnessed diverse magnitude of volatility and growth levels based on global and domestic scenario and investor participations. The digitization of various processes has helped to have easier access to stock markets and depository services. This led to individuals from rural area have also initiated participation in financial markets. In order to sustain the growth in its depository business, your company continues to focus on enhancement of operational efficiency, upgradation of technology, service quality and enhanced emphasis on investor education through seminars/workshops.

C. Beneficial Owner Accounts:

During the year under review, 200.04 Lakh net Beneficial Owner (BO) accounts were added, taking the total number of such accounts to 830.01 Lakh as on March 31, 2023, making us the first depository to cross the 800 Lakh milestone.

The comparative figures of net BO accounts as on March 31, 2022 and March 31, 2023 are given in the following table:

Year ended March 31, 2023	Year ended March 31, 2022	Increase over the previous year's cumulative figure	
		Number	Percentage (%)
8,30,01,541	6,29,97,046	2,00,04,495	31.75

D. Securities Admitted:

Securities like equity shares, preference shares, mutual fund units, debt instruments, government securities, certificates of deposit, commercial papers and a host of other instruments are available for dematerialization by the investors. Details of the securities admitted with CDSL are given below:

Securities	Year ended March 31, 2023	Year ended March 31, 2022	Change over the previous year (%)
Equity Shares	19,304	17,336	11.35
Debt Instruments	10,399	9,517	9.27
Other Securities	26,648	25,994	2.52
Total	56,351	52,847	6.63

E. Position of Securities held in the System:

The value and volume of securities held with CDSL in the year under review as compared to the previous year are indicated below:

Holding of Securities	Year ended		Change over the previous year (%)
	March 31, 2023	March 31, 2022	
Value (₹ in lakh crore)	39.71	37.17	6.83
Volume (in crore) (Number of Securities)	61,285	56,757	7.98

F. Depository Participants and Service Centers:

As on March 31, 2023, 588 Depository Participants held valid registration certificates of Securities and Exchange Board of India (SEBI) as compared to 584 valid SEBI registrations as on March 31, 2022. Further, investors have access to 18,676 DP service centers spread across India.

G. Investor Awareness/Education Seminars:

CDSL Investor Protection Fund (CDSL IPF) conducts various investors awareness activities aiming at promoting financial education from the depository point of view in particular and other capital market initiatives in general to educate investors to take an informed

decision with respect to any matter related to Capital Market and become 'Atmanirbhar Niveshak' or the self-sufficient investor.

CDSL IPF on continuous basis conducts Investor Awareness Programs (IAPs) in association with SEBI, Market Infrastructure Institutions (MIIs), Financial Institutions, Professional Entities, Mutual Funds, Colleges & Universities, Government Officials, Corporate Employees etc. for retail and potential investors as a major target groups. We believe investor education can become a significant key in achieving financial inclusion in the capital market. During FY 2022-23, CDSL IPF conducted 1,552 IAPs in English, Hindi and other 16 languages across India through online and offline mode and reached out to more than 1 Lakh investors across India including Tier 2, Tier 3 and Tier 4 Towns/Cities.

To spread the financial education on a wider scale, CDSL has also reached out to investors through various social media platforms like Facebook (@cdslindia), Twitter (@cdslindia), LinkedIn (@cdslindia), KOO App (@cdslindia), Instagram (@cdslindia) and YouTube (@cdslindiaLtd). Various posts i.e., pictures, GIFs, videos related to IAPs, awareness information about various services provided by CDSL are uploaded for the benefit of investors. CDSL also provides various information beneficial to investors on its website under the head Investors Corner.

For the benefit of Investors, Informative booklet on "Securities Market Understanding from Investor's Perspective" which was prepared jointly by SEBI, CDSL & other MIIs in 13 regional languages namely English, Malayalam, Punjabi, Hindi, Marathi, Gujarati, Telugu, Tamil, Oriya, Kannada, Assamese, Manipuri, Bengali have been uploaded on CDSL website at <https://www.cdslindia.com/Investors/InvestorCorner.aspx>. This booklet is shared with the Investors during IAPs for their knowledge building and future reference.

H. New Initiatives:

i. Application Program Interface (API):

CDSL has developed few more APIs viz. eDIS for T+1 trades etc., for its Depository Participants (DPs), which will assist the DPs in automating their processes and back-office operations. APIs for account opening, common transaction upload (which includes off-market, on-market, early pay-in & inter depository transactions), pledge/unpledge/confiscation transactions, Margin Pledge & Margin Funding transactions that were made available is being used by large number of DPs. This will lead to ease in operations of all the CDSL DPs and the market participants.

**ii. System Enhancements:**

CDSL believes in the power of digitization and continuously tries to enhance its systems to increase the efficiency of processes as prescribed by SEBI. Some of the important system enhancements are enumerated below –

a. Implementation of Demat Debit and Pledge Instructions (DDPI):

SEBI issued guidelines regarding execution of 'Demat Debit and Pledge Instruction' (DDPI) for transfer of securities towards deliveries/settlement obligations and pledging/re-pledging of securities. DDPI was thus implemented with effect from August 31, 2022.

Initially, the DDPI option was made available only for securities related market transactions and margin pledge. The transactions pertaining to mutual fund redemption and transactions pertaining to tender offer were kept out of DDPI. Considering the representations made by market intermediaries and in consultation with Broker Associations and Depositories, SEBI extended to DDPI option for the aforesaid two types of transactions too with effect from January 27, 2023.

b. Implementation of Mandatory Unique Client Code (UCC) and Block mechanism:

An investor is expected to mandatorily put UCC details i.e., UCC, Trading Member ID (TMID), Clearing Member ID (CMID), Market Segment type, Exchange ID and Clearing Corporation ID (CCID) for all types of market transaction viz. early payin, normal payin and on market. Under the block mechanism, in the case of early pay in of securities of a BO intending to make a sale transaction are blocked in the BOs demat account in favour of the concerned CM-CC combination. The actual debit from the investors account is made on the day of the settlement.

The advantage of using this system is to ensure that the investor continue getting interest, dividend, bonus, etc. on the shares till the record date. Due to the aforesaid distinct advantages and reduced paperwork at the TMs/CMs office, almost about 90% of the transactions in CDSL comes as early pay in.

c. Implementation of T + 1 settlement:

SEBI vide circular no. SEBI/HO/MRD2/DCAP/P/CIR/2021/628 dated September 07, 2021 introduced T+1 rolling settlement wherein new Market Type was introduced for T+1 settlement. Accordingly, transition of all Securities from T+2 Settlement cycle to T+1 Settlement in Equity Segment was implemented in a phased manner ending on January 27, 2023. The switch has been

adopted with ease by the investors by adopting to enter market transactions using early pay in.

d. Implementation of T+1 in eDIS:

We have introduced change in API for handling multiple settlement in the single API call.

e. Implementation of Buyback of securities (Tender offer):

Earlier, the shares tendered by the shareholders for buyback/tender offer are required to be directly transferred to the account maintained by the Clearing Corporation (CC). Such transfer involves systematic risk, cumbersome process, time, and cost.

Block Mechanism has been implemented, which allow the tendered shares to be earmarked in the account of the BO. This allows the BO to easily modify or delete an existing offer and get its shares released. Further, upon finalization of the entitlement, only the accepted quantity of shares that are tendered will be debited from the demat account of the shareholders.

f. Implementation of Electronic Gold Receipts (EGR):

The electronic units resulting from the conversion of physical gold held with a registered safe deposit vault into electronic form is an EGR. The EGRs can be used to trade in the stock exchanges. This is equivalent to gold spot market. The system has been live since October 2022.

g. Securities and Covenant Monitoring using Distributed Ledger Technology (DLT):

Securities and Covenant Monitoring was the first system launched by Depository under the aegis of SEBI to use the block chain technology Distributed Ledger Technology (DLT) system. The purpose of DLT is to record and monitor all assets vis-à-vis life cycle of a secured bond viz. bond issuance, redemption, etc.

Some of the important advantage of the said system as enumerated below:

- Assets allocated against each secured bond
- Tracking the net worth/ability of the asset to support the underlying bond
- Ensure update of assets, charges and other details in ROC and CERSAI

iii. Transaction Cum Holding Statements:

As on March 31, 2023, 202 Depository Participants (DPs) have availed of the service of dispatch of transaction cum holding statements (DOTS and e-DOTS). In FY 2022-23, CDSL has processed 50.54 Lakh statements. During the FY 2022-23, 8.67 Crore statements have been sent electronically and 62.15 Lakh statements have been sent for the purpose of Consolidated Statement (CAS).

iv. Corporate Bond Database:

Your Company has details of all the debt instruments updated in the CDSL's Corporate bond database portal in CDSL. The information of these debt instruments are in sync with the NSDL's Corporate Bond database platform. The platform is also accessed by the Credit Rating Agencies (CRAs) Agencies to update rating details as and when there is a change in the rating of the said instrument. The corporate bond details are available at our website at <https://www.cdslindia.com/CorporateBond/SearchISIN.aspxweb>. Investor can access this portal to get an overall view of any given debt.

v. Technology Initiatives:

CDSL continuously works on upgrading the features and functionalities of the Depository applications. In addition, CDSL is constantly working towards upgradation of technology deployed and have upgraded our infrastructure to support the business growth and providing faster services to our customers.

CDSL has also further enhanced the appropriate cyber security framework and controls as prescribed by SEBI & CERT-In, from time to time to mitigate the cyber security risks.

vi. Continuing Professional Education (CPE) Programs - Depository Operations Certification Examination (DOCE):

National Institute of Securities Markets (NISM) has been offering Continuing Professional Education (CPE) Programs for Associated Persons in the Securities Market Intermediaries.

CDSL, as a NISM Accredited CPE Provider for conducting CPE Programs, has successfully carried out 11 programs for 168 participants during the year.

vii. E-Voting:

As on March 31, 2023, total 6,299 companies have signed agreements with CDSL to conduct e-Voting. So far, the e-Voting system recorded 35,347 instances of voting carried out by 5,567 companies.

viii. E-Notices:

In the light of green initiative in the Corporate Governance by Ministry of Corporate Affairs, CDSL has started offering the services to companies for sending

documents to its shareholders electronically. As on March 31, 2023, a total of 1,410 companies have signed for availing these services.

ix. Recording of Debt Issues using Blockchain:

Your Company is in the final leg of creation of a state of the art system using block chain/distributed ledger technology (DLT) to record the life cycle for "listed" or "to be listed" non-convertible secured debentures (NCDs) from the time of creation of the instrument with underlying assets offering security, to the approval of the same by the Debenture Trustee (DT). The system also captures the initial rating given by the Credit Rating Agency (CRA) as well as the periodic/ad hoc updates of rating of a given instrument. Further the listing status of the instrument will also be captured. Additionally, regular/periodic interest payments up to the payment of the redemption amounts are also captured. This is likely to bring in greater transparency in the manner in which the secured instruments are issued and managed in the capital market. Issuers proposing to issue bonds may visit CDSL DLT services system at <https://dltbond.cdslindia.com/login> to enter details of assets, followed by details of instrument, charge creation etc. for the same to be approved by the Debenture Trustee for getting it admitted with the depository and listed with the stock exchanges.

4. Board of Directors and Management:

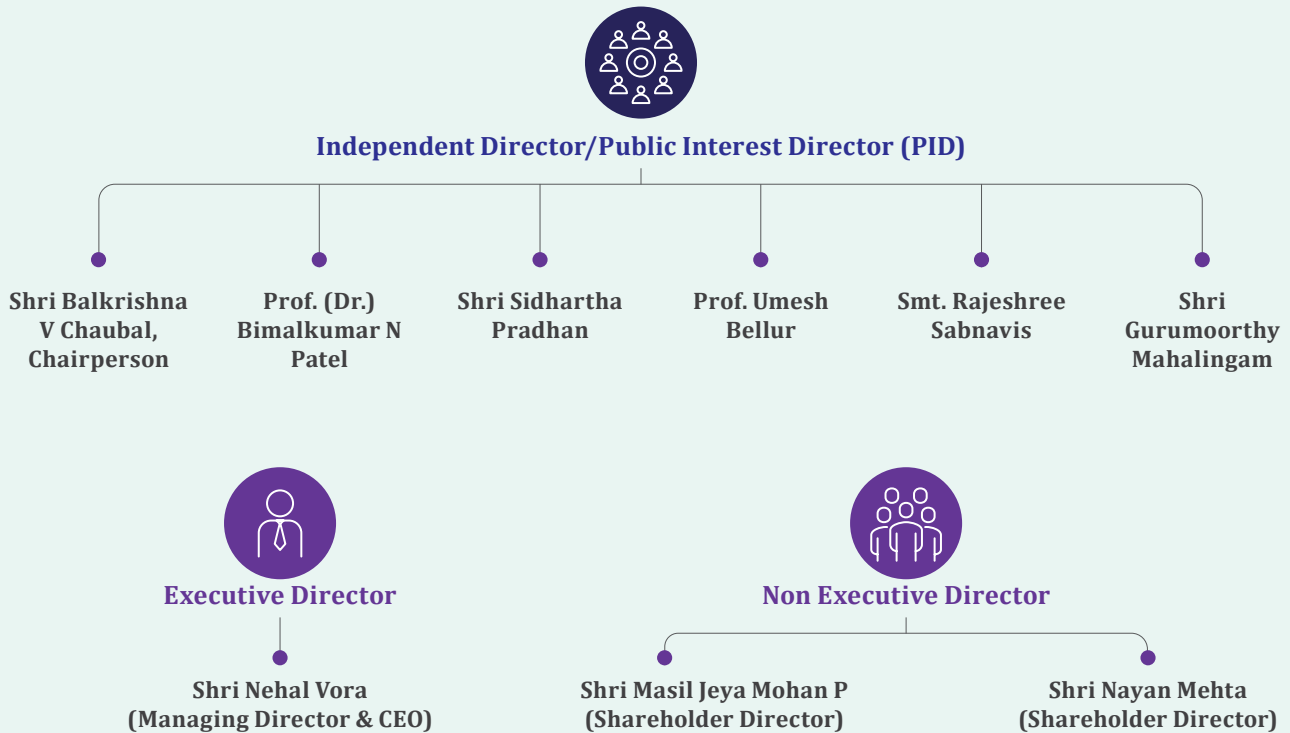
A. Directors and Key Managerial Personnel (KMPs):

The SEBI (Depositories and Participants) Regulations, 2018 were notified on October 03, 2018. As per regulation 25 of SEBI (Depositories and Participants) Regulations, 2018:

- the appointment and re-appointment of all Shareholder Directors on the Board of Depository shall be with the prior approval of SEBI;
- the Public Interest Directors on the Board shall be nominated by SEBI.

As per Regulation 24(9) of the SEBI D&P Regulations, no depository participant or their associates and agents, irrespective of the depository of which they are members shall be on the Governing Board of the depository.

The Board of Directors comprises of Nine Directors on the Governing Board of CDSL as on March 31, 2023 which are as follows:

**Board Composition as on March 31, 2023:**

Note: Shri Nayan Mehta ceased to be Director with effect from May 16, 2023.

Change in Composition during the Year:

The changes taken place in the constitution of Directors and KMPs of CDSL during the FY 2022-23 are as follows:

Retirement by rotation and subsequent re-appointment:

- i. Shri Nayan Mehta was reappointed as Shareholder Director of the Company by the shareholders at the 24th Annual General Meeting of the Company on September 15, 2022. SEBI vide its letter dated October 11, 2022, had approved the re-appointment of Shri Nayan Mehta as Shareholder Director on the Governing Board of CDSL, who shall be liable to retire by rotation and accordingly, the appointment of Shri Nayan Mehta was effective from October 11, 2022.

Extension of Term of Director:

- i. SEBI vide its letter dated July 22, 2022, has accorded its approval for extension of term of Shri Balkrishna V Chaubal as Public Interest Director on the Governing Board of CDSL for a period of three (3) years from July 30, 2022 to July 29, 2025.

SEBI vide its letter dated August 03, 2022, has accorded its approval for extension of term of

Shri Balkrishna V Chaubal as Chairperson on the Governing Board of CDSL.

- ii. SEBI vide its letter dated August 03, 2022, has accorded its approval for extension of term of Prof. (Dr.) Bimalkumar N Patel as Public Interest Director on the Governing Board of CDSL for a period of three (3) years from September 27, 2022 to September 26, 2025.
- iii. SEBI vide its letter dated October 14, 2022, has accorded its approval for extension of term of Prof. Umesh Bellur as Public Interest Director on the Governing Board of CDSL for a period of three (3) years from November 29, 2022, to November 28, 2025.
- iv. SEBI vide its letter dated November 04, 2022 has accorded its approval of the appointment of Shri Sidhartha Pradhan as Public Interest Director on the Governing Board of CDSL for a period of three (3) years from November 29, 2022, to November 28, 2025.

Resignation of Director:

- i. Smt. Preeti Saran, Public Interest Director resigned w.e.f. October 17, 2022. She was on the Board of the Company since November 29, 2019. The Company

places on record appreciation for her guidance, mentoring and contribution to the growth of the Company throughout her tenure.

Appointment of Director:

- i. SEBI vide its letter dated October 14, 2022, has accorded its approval of the appointment of Smt. Rajeshree Sabnavis as Public Interest Director in place of Smt. Preeti Saran on the Governing Board of the Company. The appointment of Smt. Rajeshree Sabnavis as Public Interest Director on the Governing Board of CDSL for a period of three (3) years from November 29, 2022 to November 28, 2025.
- ii. SEBI vide its letter dated February 27, 2023, received on February 28, 2023, had accorded its approval for appointment of Shri Gurumoorthy Mahalingam as Public Interest Director on the Governing Board of the Company. The appointment would be for a period of three (3) years from March 09, 2023 to February 26, 2026.

Changes in KMP :

- i. Shri Rajesh Saraf, Chief Data and Operations Officer was appointed w.e.f October 19, 2022.
- ii. Shri Ashwin Lalchandani, AVP- Risk Management, was appointed w.e.f February 08, 2023.
- iii. Shri Prithwijiit Dinda, VP- Information Technology, retired w.e.f August 31, 2022.
- iv. Shri Rajesh Nadkarni, Chief Information Security Officer, resigned w.e.f January 27, 2023.

Retirement by Rotation:

As per the provisions of Section 152(6)(d) of the Companies Act, 2013, Shri Masil Jeya Mohan P, the Shareholder Director being liable to retire by rotation and being eligible has offered himself to be reappointed. Accordingly, he would be considered for being re-appointed as Director at the ensuing Annual General Meeting.

B. Declaration from Directors:

- i. The Company has received necessary declarations from the Independent Directors viz. Public Interest Directors as required under Section 149 of the Companies Act, 2013 and under clause (b) of sub-regulation (1) of regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations). There has been no change in the circumstances affecting their status as Independent Directors viz. Public Interest Directors of the Company; and

- ii. All the Independent Directors of the Company have enrolled their names in the online database of Independent Directors by Indian Institute of Corporate Affairs maintained by the IICA.

C. Declaration by the Company:

None of the Directors of the Company are disqualified for being appointed as Directors as specified in Section 164 (2) of the Act read with Rule 14 of Companies (Appointment and Qualifications of Directors) Rules, 2014.

D. Number of Meetings of the Board of Directors and its various Committees:

Ten meetings of the Board of Directors were held during the FY 2022-23. The details of Meetings of Board and Committees held during the year, attendance of Directors at the meetings and constitution of various Committees of the Board are included separately in the Corporate Governance Report, which is enclosed as **Annexure-B**.

E. Audit Committee Recommendations:

During the year, all recommendations of Audit Committee were approved by the Board of Directors.

F. Performance Evaluation of the Board:

The Board of Directors of the Company on recommendation of Nomination and Remuneration Committee, adopted Board Evaluation Policy to comply with the various provisions of the Act, SEBI Listing Regulations, SEBI D&P Regulations, SEBI circular dated February 05, 2019.

The policy has been framed with an objective to ensure individual Directors of the Company and the Board as a whole, works efficiently and effectively in achieving their functions, in the interest of the Company and for the benefit of its stakeholders. Accordingly, the policy provides guidance on evaluation of the performance of:

- (i) individual Directors (including the Chairperson and Public Interest Directors);
- (ii) the Board as a whole; and
- (iii) various committees of the Board.

The criteria for evaluation for each of the above are as follows:

Internal Evaluation

The Board of Directors of the Company carried out annual evaluation of the Board, Committees of the Board and individual Directors in accordance with the regulatory requirements and as per the policy of evaluating performance of the Board of Directors and of



its Committees and Individual Directors on the basis of a structured questionnaire, drafted in accordance of the guidelines issued by SEBI, which comprises evaluation criteria taking into consideration various performance related aspects. All the Directors participated in the evaluation process. Recommendations arising from this entire process were deliberated upon by the Board to augment its effectiveness and optimize individual strengths of the Directors.

A separate meeting of the Independent Directors was held wherein the performance of the Non-Independent Directors, performance of the Board as a whole (including the Committees) and also that of the Chairperson in terms of the provisions of the Act, the Listing Regulations and the Guidance Note issued by the Securities and Exchange Board of India in this regard was discussed.

External Evaluation

As per the SEBI (Depositories and Participants) Regulations, 2018, Public Interest Directors can be nominated by SEBI on the Board of a depository for an initial term of three years, extendable by another term of three years subject to performance review prescribed by SEBI. SEBI vide its circular dated February 05, 2019, has mandated the Public Interest Directors of a depository to be subject to an external evaluation during the last year of their term.

Accordingly external Evaluation was conducted in accordance with aforesaid SEBI circular for those PID's whose term were about to expire.

G. Directors' Responsibility Statement:

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

- i. in 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 them 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 frauds and other irregularities;
- iv. the annual accounts have been prepared on a going-concern basis;
- v. internal financial controls to be followed by the company are laid down and that such internal financial controls are adequate and were operating effectively;
- vi. proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

H. Nomination & Remuneration Policy for Directors:

The Nomination and Remuneration Policy has been framed in order to set out principles, parameters and governance framework for the appointment and remuneration for Shareholder Directors, Public Interest Directors, Managing Director & CEO and Key Managerial Personnel of the Company. The Nomination & Remuneration Policy can be accessed on website of the Company at <https://www.cdslindia.com/InvestorRels/CorporateGovernance.html>.

I. Internal Financial Control Systems and their Adequacy:

The details in respect of adequacy of internal financial controls with reference to the Financial Statements forms part of the Management Discussion and Analysis Report enclosed as **Annexure-C**.

J. Compliance with Secretarial Standards:

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

K. Annual Return:

The Annual Return of the Company as on March 31, 2023, in Form MGT-7 in accordance with Section 92 (3) of the Act read with the Companies (Management and Administration) Rules, 2014, is available on the website of the Company at <https://www.cdslindia.com/InvestorRels/GeneralMeeting.html>

5. Subsidiaries, Associates and Joint Ventures

Details of Subsidiary Companies, Associate, and Joint Venture Companies:

Your Company has following Subsidiary and Associate Companies as on March 31, 2023:

Sr. No.	Name of the Company	Details of the Company
1.	CDSL Ventures Limited (CIN: U93090MH2006PLC164885) - Wholly Owned Subsidiary	<p>CDSL Ventures Limited (CVL) is a wholly owned subsidiary of Central Depository Services (India) Limited (CDSL).</p> <p>CVL began its journey in 2008 by handling Customer Profiling and Record keeping of Mutual Fund Investors on account of The Prevention of Money Laundering Act, 2002 ("PMLA") related KYC requirements. After the introduction of the KRA regulations in 2011, CVL was the first entity to register as a KYC Registration Agency (KRA) with SEBI. As a KRA, CVL provides fully digitized KYC services to all intermediaries in the Capital Markets. CVL currently holds over 5.37 Crore fully digitized KYC records.</p> <p>CVL is also offering the following as part of its service portfolio:</p> <ol style="list-style-type: none"> 1. CKYC Services: CVL assists intermediaries to become CKYC compliant by facilitating processing of KYC documents for uploading to CERSAI 2. Aadhaar based eKYC services 3. Aadhaar based esign services 4. Registrar and Transfer Agent services (RTA) 5. PMJJBY services: Maintaining a Claim Repository and performing dedupe activity for claims under PMJJBY scheme. 6. GST Suvidha Provider Services for filing GST Returns 7. Processing and handling Refund payments to investors of PACL Ltd. pursuant to Justice (Retd.) R M Lodha Committee. 8. Accredited Investor Agency. <p>CVL has done a detailed Cyber risk assessment of its infrastructure to safeguard itself from cyber threats and vulnerabilities.</p>
2.	CDSL Insurance Repository Limited (CIN: U74120MH2011PLC219665) - Subsidiary Company	<p>CDSL Insurance Repository Limited (CIRL) is regulated by the Insurance Regulatory and Development Authority of India (IRDAI) and is in the business of enabling policy holders to hold life policies, motor policies, health policies and in the near future, all other types of general (non-life) policies in electronic form. CIRL has arrangements with several life insurance companies, health insurance companies and general insurance companies enabling the policy holders to hold policies in electronic form.</p> <p>Your Company had floated a separate subsidiary viz. CIRL, in the year 2011, under the "Guidelines on insurance repositories and electronic issuance of insurance policies" issued by IRDAI. CIRL provides policyholders a facility to keep their insurance policies in electronic form and to undertake changes, modifications and revisions in the insurance policy with speed and accuracy, to bring about efficiency, transparency and cost reduction in the issuance and maintenance of insurance policies.</p> <p>Leading public sector and private sector insurance companies have contributed to the equity capital of CIRL. At the time of launch in August 2013, the insurance repository services were restricted only to Life insurance policies. However, later, IRDAI has extended the scope of services to Health and Motor Vehicle insurance policies and soon, to all other types of general insurance. Further, initially only individual policies were allowed in electronic form but subsequently this feature is being extended to corporate and group policies.</p> <p>As on March 31, 2023, the Company has 9.45 Lakh active eIAs (electronic insurance accounts) as against 7.11 Lakh active eIAs as on March 31, 2022, in the Repository.</p> <p>As on March 31, 2023, over 8.07 Lakh electronic policies constituting 7.50 Lakh life e-insurance policies, 2,741 motor e-insurance policies and 54,130 health e-insurance policies have been credited in the eIAs as against around 5.59 Lakh electronic policies constituting 5.22 Lakh life insurance policies, 1,593 motor insurance policies and 35,187 health insurance policies as on March 31, 2022. The above figures indicate that there is a positive trend in creating electronic insurance policies, with a growth rate of 44% year-on-year.</p> <p>CIRL has tied up with twenty-two life insurance companies, five health insurance companies and fourteen general insurance companies, which is a total of forty-one insurance companies, for holding policies in electronic form.</p> <p>CIRL has received a contract from an Insurance company, to operate remote offices on their behalf and provide outsourcing services. We are also interacting with other insurance companies to provide similar services. Considering the trend of companies outsourcing their activities, these services contracts will provide your Company with new revenue streams, apart from the Insurance Repository (IR) business.</p>



Sr. No.	Name of the Company	Details of the Company
3.	CDSL Commodity Repository Limited (CIN: U74999MH2017PLC292113) - Subsidiary Company	<p>Your Company has incorporated a subsidiary in the name of CDSL Commodity Repository Limited (CCRL) to establish and run a Commodity Repository on the lines of a Securities Depository. Warehousing Development and Regulatory Authority (WDRA) is the regulator for CCRL. CCRL received the certificate of commencement of business/registration from WDRA on September 26, 2017 and commenced operations from September 30, 2017. Multi Commodity Exchange of India Ltd. (MCX) and BSE Investments Ltd. have each taken up 24% of the stake in CCRL in May, 2018 and August, 2018 respectively.</p> <p>CCRL today exclusively serves three derivative commodity exchanges for their derivative trades in Agri-commodities. These are Multi Commodity Exchange of India Limited, Bombay Stock Exchange Limited and Indian Commodity Exchange Limited. As on March 31, 2023, CCRL has opened close to 2,701 client accounts and has issued about 43,838 Electronic Negotiable Warehouse Receipts.</p>
4.	India International Bullion Holding IFSC Limited (CIN: U67100GJ2021PLC123076) - Associate Company	<p>India International Bullion Holding IFSC Limited is an unlisted public company incorporated on June 04, 2021. It is classified as a public limited company and is located in Gandhinagar, Gujarat and received registration as Finance Company from International Financial Services Centres Authority (IFSCA) on August 09, 2021.</p> <p>India's bullion market is one of the largest in the world, the second largest in terms of consumption and holds an important position globally, but it lacks organization and structure. A bullion spot exchange is expected to address these challenges and eliminate market inefficiencies. As a prominent market, India has always aspired to be a price setter for the bullion.</p> <p>Honourable Finance Minister Smt. Nirmala Sitharaman in the 2020 Union Budget gave a major boost to this aspiration by announcing the setting up of India International Bullion Exchange (IIBX) at International Financial Services Centre (IFSC) at GIFT City in Gandhinagar, Gujarat.</p> <p>Pursuant to Memorandum of Understanding between Central Depository Services (India) Limited (CDSL), India INX International Exchange (IFSC) Limited (INDIA INX), Multi Commodity Exchange of India Limited (MCX), National Securities Depository Limited (NSDL) & National Stock Exchange of India Limited (NSE) the holding company India International Bullion Holding IFSC Limited (IIBH) has been created for setting up and operationalizing India International Bullion Exchange, Bullion Clearing Corporation and Bullion Depository in IFSC, GIFT City. IIBH is setting up the Bullion Exchange through its subsidiary, India International Bullion Exchange IFSC Limited (IIBX), encompassing the Bullion Exchange and the Bullion Clearing Corporation.</p>

6. Major Events Occurred During The Year:

A. 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.

B. Change in the nature of business:

The Company has not undergone any changes in the nature of the business during the FY 2022-23.

C. Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future:

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

D. Cyber Incident:

CDSL, on Friday, November 18, 2022, detected malware in a few of its internal machines. As a matter of abundant caution, the Company immediately isolated its machines and disconnected itself from other constituents of the capital market and took immediate measures to recover & enhance the security of its existing network and system. CDSL also immediately reported the incident to SEBI and other relevant regulatory bodies. The sanitized set-up and application deployment were completed by evening of Saturday, November 19, 2022 and applications were started midnight onwards. The settlement for November 18, 2022 was conducted on Sunday, November 20, 2022 from 11:00 a.m. onwards in co-ordination with other MIIs and thereafter settlement and core depository activities were conducted successfully from Monday, November 21, 2022 onwards.

CDSL has been in compliance with the necessary requirements as prescribed for such incidence.

7. Investor Education and Protection Fund

A. Contribution towards Investor Education and Protection Fund (IEPF):

Amount of unclaimed/unpaid dividend and the corresponding shares;	Not Applicable
Amount of matured deposits, if any;	Not Applicable
Application money received for allotment of any securities and due for refund along with interest accrued;	Not Applicable
Year wise amount of unpaid/unclaimed dividend lying in the unpaid account upto the Year and the corresponding shares, which are liable to be transferred to the IEPF, and the due dates for such transfer;	Please refer the table B below

B. Amount of Unpaid and Unclaimed Dividend:

Particulars	Financial Year				
	2017-18 (Final Dividend) As on 31.03.2023	2018-19 (Final Dividend) As on 31.03.2023	2019-20 (Final Dividend) As on 31.03.2023	2020-21 (Final Dividend) As on 31.03.2023	2021-22 (Final Dividend) As on 31.03.2023
Amount (in ₹)	5,85,627.00	10,34,228.00	17,52,812.50	22,37,035.00	46,38,446.00
No. of Shares	1,67,322	2,58,557	3,89,513	2,48,559	3,09,229
Due date for transfer of unpaid dividend amount	October 18, 2025	November 15, 2026	November 13, 2027	November 19, 2028	November 13, 2029
Due date for transfer of corresponding shares	November 17, 2025	December 15, 2026	December 13, 2027	December 19, 2028	December 13, 2029

8. Public Deposits:

A. Deposits:

Your company has not accepted any deposits within the meaning of Section 73 & 76 of the Companies Act, 2013 and the Rules made thereunder. There are no deposits remaining unpaid or unclaimed as at the end of the year and there has been no default in repayment of deposits or payment of interest thereon during the year.

B. Details of deposits not in compliance with the requirements of the Act:

Since the Company has not accepted any deposits during the Financial Year ended on March 31, 2023, there has been no non-compliance with the requirements of the Companies Act, 2013.

9. Particulars of Loans, Guarantees or Investments Under Section 186 of Companies Act, 2013:

Details of Loans, Guarantees or investments under Section 186 of the Companies Act, 2013 are given in the notes to the financial statements.

10. Auditors:

A. Statutory Auditors & Audit Report:

M/s. S. R. Batliboi & Co. LLP (Firm Registration No. 301003E/E300005), Chartered Accountants, Mumbai was appointed as Statutory Auditors of the Company in the twentieth Annual General Meeting held on August 20, 2018 to hold office from the conclusion of the 20th Annual General Meeting till the conclusion

of the 25th Annual General Meeting. Accordingly, M/s. S. R. Batliboi & Co. LLP are the Statutory Auditors of the Company for the FY 2022-23 and shall continue as Statutory Auditors of the Company till the conclusion of the 25th Annual General Meeting.

The Board, based on the recommendation of the Audit Committee, has recommended re-appointment of M/s. S. R. Batliboi & Co. LLP, as the Statutory Auditor of the Company for a further term of five years from the conclusion of the ensuing 25th Annual General Meeting till 30th Annual General Meeting.

There are no qualifications, reservations or adverse remarks or disclaimer made by M/s. S. R. Batliboi & Co. LLP, Chartered Accountants, Mumbai, Statutory Auditors in their report.

B. Details in respect of frauds reported by auditors:

There are no frauds reported by auditors under Section 143(12) of the Companies Act, 2013.

C. Internal Auditors:

In terms of the provisions of Section 138 of the Companies Act, 2013 read with Rule 13 of the Companies (Accounts) Rules, 2014, the Company had appointed M/s. Dalal Doctor & Associates, Chartered Accountants (Firm Registration No. 120833W) for the period from April 01, 2022, to March 31, 2023, as Internal Auditors & Concurrent Auditors of the Company.

There are no qualifications, reservations or adverse remarks or disclaimer made by the Internal Auditors and Concurrent Auditors in their report.



D. Secretarial Auditors and Secretarial Audit Report:

M/s. Vatsal Doshi & Associates (C.P.No.22976/Membership No. A50332), Practicing Company Secretaries, Mumbai, was appointed as Secretarial Auditor of the Company for the FY 2022-23. In accordance with Section 204(1) of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and Regulation 24A of the SEBI Listing Regulations, a copy of the Secretarial Audit Report issued in **Form MR-3** by M/s. Vatsal Doshi & Associates, Secretarial Auditors is enclosed as an **Annexure-D** to this report. The Secretarial Audit Report of CDSL Ventures Limited, a material unlisted subsidiary of the Company issued in **Form MR-3** by M/s. Vatsal Doshi & Associates, Secretarial Auditors also forms part of **Annexure-E** to this report.

E. Cost Records:

The Company is not required to maintain cost records as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013 and accordingly such accounts and records are neither made nor maintained.

11. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo:

A. Conservation of energy, technology absorption:

Considering the nature of the operations of your Company, provisions with respect to conservation of energy and technology absorption of Section 134(3) (m) of the Companies Act, 2013, are not applicable, though the company uses all the possible ways in conserving energy. The Company has, however, used information technology extensively in its operations.

B. Foreign exchange earnings and outgo:

Details of foreign exchange earnings and outgo during the year under review are as under:

Particulars	(₹ in Lakh)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Earnings	-	-
Foreign Exchange Outgo:		
Software license	11.74	3.74
Conference Expenses	9.4	-
Membership & Subscription	2.74	-
Total	23.88	3.74

12. Risk Management and Compliance:

A. Risk Management Policy:

The Company has a robust Risk Management Policy to effectively handle various internal and external risks that can impact our business performance.

The Company has a dedicated Risk Management function, independent from the operations and business units of the Company. The Risk Management team is responsible for assessment, monitoring and reporting of risks.

The Risk Management Policy identifying the various elements of risks is explained in detail in the Management Discussion and Analysis Report attached as **Annexure-C**.

13. Corporate Social Responsibility (CSR):

The Board has framed a Corporate Social Responsibility (CSR) Policy 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 promotion of education; promoting gender equality and empowering women; eradicating extreme hunger and poverty; 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 disaster relief, socio-economic development and relief and funds for the welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women. Our Company has constituted a robust and transparent governance structure to oversee the implementation of its CSR Policy.

CDSL works primarily by partnering with various organisations, towards supporting projects in the areas of promoting education, and enhancing vocational skills; promoting healthcare including preventive healthcare and rural development; environmental sustainability and ecological balance and research and development. CDSL, through various organisations, has extended its support to socially and economically disadvantaged communities, aiming to create a positive and lasting change.

The list of CSR activities undertaken during the year through various CSR Partners is as follows:

Sr. No.	CSR Partner	Location	Description
1.	Rotary	Palghar	Adult Literacy Program Targeting tribal non-literate adult women in Native language through Computer Based Functional Literacy solution
2.	AARTH	PAN India	Online Academy for Financial Literacy Free online webinars/seminars and certifications for learners of 18-25 years of age from Tier II & Tier III Cities
3.	Educate Girls	Robertsganj, Uttar Pradesh	Enrolment Retention & Learning model to ensure all girls go to school
4.	Swades Foundation	Raigad & Nashik	Affordable medical services for Children with special Needs: Hearing Disability, Pediatric Eye Care & Cardiac Care
5.	SMILE Foundation	Jaisalmer, Rajasthan	SMILE on Wheels: Mobile vehicle providing Quality Primary Healthcare Services in difficult terrains of the country
6.	Narayana Hrudayalaya Charitable Trust (NHCT)	Mumbai	Medical and financial support to the underprivileged patients seeking treatment for life threatening conditions
7.	Sankalpstar Foundation	Meghalaya, Rajasthan, Gujarat, Maharashtra	Tree plantation Program: Barren Land Transformation Program and Urban Plantation Program
8.	Rashtriya Raksha University	PAN India	Research Project - Prevention of Victimization from Forgeries & Financial Frauds
9.	IIT-Bombay	PAN India	Research Project - Threat Detection and Response in Linux End Points

The Corporate Social Responsibility Policy can be accessed on website of the Company:

<https://www.cdslindia.com/InvestorRels/CorporateGovernance.html>

During FY 2022-23, the Company has sponsored various projects and the report on CSR activities pursuant to Section 135 and Schedule VII of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 is given in **Annexure-F**.

14. Vigil Mechanism/Whistle Blower Policy:

The Company has formulated a Whistle Blower Policy pursuant to Regulation 22 of the SEBI Listing Regulations and Section 177(10) the Companies Act, 2013 enabling stakeholders to report any concern of unethical behaviour, suspected fraud or violation.

The said policy inter-alia provides safeguard against victimization of the Whistle Blower. Stakeholders including Directors and Employees have access to the Chairperson of the Audit Committee.

During the year under review, no stakeholder was denied access to the Chairperson of the Audit Committee.

The said policy is available on the website of the Company at <https://www.cdslindia.com/InvestorRels/CorporateGovernance.html>

15. Related Party Transactions:

All Related Party Transactions entered during the FY 2022-23 were in the ordinary course of business and on an arm's length basis. Disclosure of related party transactions pursuant to Section 134 (3) (h) read with Rule 8(2) of the Companies (Accounts) Rules, 2014 in **Form AOC-2** are attached as **Annexure-G**.

The Disclosures of Related Party Disclosures for annual results pursuant to clause 2 of para A of Schedule 5 of the SEBI Listing Regulations are stated below:

Sr.	Particulars				
1	In the Accounts of Central Depository Services (India) Limited ('CDSL') (Holding Company)				
	Loans and advances in the nature of loans to subsidiaries by name and amount.	Loans and advances in the nature of loans to associates by name and amount.	Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount.		
	Subsidiary Name	Amount (₹ in Lakh)	Associate Name	Amount (₹ in Lakh)	Companies where directors are interested
	CDSL Ventures Limited	NIL	India International	NIL	Not applicable
	CDSL Insurance Repository Limited	NIL	Bullion Holding		
	CDSL Commodity Repository Limited	NIL	IFSC Limited		
	India International Depository IFSC Limited (formerly CDSL IFSC Limited) (upto May 02, 2022)	NIL			



Sr.	Particulars					
2	In the Accounts of Central Depository Services (India) Limited ('CDSL') (Subsidiary Company)					
	Loans and advances in the nature of loans to subsidiaries by name and amount.	Loans and advances in the nature of loans to associates by name and amount.		Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount.		
	Subsidiary Name	Amount (₹ in Lakh)	Associate Name	Amount (₹ in Lakh)	Companies where directors are interested	Amount (₹ in Lakh)
	Not applicable	NIL	Not applicable	NIL	Not applicable	NIL
3	In the Accounts of Central Depository Services (India) Limited ('CDSL') (Holding Company)					
	Investments by the loan in the shares of parent company and subsidiary company, when the company has made a loan or advance in the nature of loan.					NIL

The Disclosures of transactions of the Company with any person or entity belonging to the promoter/promoter group which hold(s) 10% or more shareholding in the listed entity, in the format prescribed in the relevant accounting standards for annual results pursuant to clause 2A of para A of Schedule 5 of the SEBI Listing Regulations are stated below:

Particulars	(₹ in Lakh)	
	As on March 31, 2023	As on March 31, 2022
BSE Limited		
Income		
BSE Limited		
Operational Income	79.12	597.76
Expenditure		
Rent	-	1.10
Dividend Paid	3,135.00	1,881.00
Administrative and Other Expenses (Recoveries)	58.01	42.40
Payable/(Receivable)	(0.82)	(123.40)

16. Prevention of Sexual Harassment of Women at the Workplace:

Your company has constituted Internal Complaints Committee 'ICC' under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

During the year the Committee has received one complaint in this regard and the same has been disposed off.

17. Human Resource:

A. Human Resource Development:

The company recognizes its Human assets as a critical resource essential for the growth of the Company. It, therefore, accords high importance to human resource development and consciously endeavors to enhance the quality and competence of its employees across cadres. It conducts induction program for new entrants. Nominating employees for training at reputed institutions and for attending seminars in India and abroad in capital market related areas, particularly relating to depositories, has always been a part of human resource development program of the company. Industrial relations during the year continued to be cordial.

B. Particulars of Employees:

Information as required under Section 197(12) read with Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is enclosed to this report as **Annexure-H**.

C. Material developments in human resources/industrial relations front, including number of people employed:

As a part of recruitment of Key Resources, the Chief Data & Operations Officer has been appointed during FY 2022-23. 65 employees were hired, and 32 employees left, retired or transferred out from the Company during the FY 2022-23. There were 279 employees on the payroll of the Company as on March 31, 2023.

Sr. No.	Name	Designation	Compensation paid (in ₹)	Ratio to median salary of other employees
1	Nehal Vora	Managing Director & CEO	3,68,12,350	33.69
2	Nayana Ovalekar	Chief Regulatory Officer	1,82,25,123	16.68
3	Amit Mahajan	Chief Technology Officer	1,71,00,946	15.65
4	Ramkumar K.	Chief of Business Development & New Projects	1,84,55,132	16.89
5	Girish Savjibhai Amesara	Chief Financial Officer	1,27,40,191	11.66
6	Vinay Madan	Chief Risk Officer	1,14,99,481	10.52
7	Rajesh Ravindra Saraf	Chief Data & Operations Officer (joined w.e.f. October 19, 2022)	47,10,311*	4.31
8	Yogesh Kundnani	Senior Vice President - Business Development	98,28,410	9.00
9	Farokh Patel	Vice President - Audit, Inspection & Compliance	72,78,054	6.66
10	Nitin Ambure	Vice President - Admission Cell	59,25,707	5.42
11	Vishwas Nagle	Vice President - Information Technology (Interim CISO w.e.f. February 01, 2023)	59,42,538	5.44
12	Prithwiji Dinda	Vice President - Information Technology (Retired on August 31, 2022)	35,28,790*	3.23
13	Ashish Bhatt	Vice President - Operations	47,19,904	4.32
14	Rajesh Nadkarni	Chief Information Security Officer (Resigned & relieved on January 27, 2023)	43,40,199*	3.97
15	Nilay Rajendra Shah	Group Company Secretary and Head Legal	55,77,459	5.10
16	Swaroopkumar Jagadishbhai Gothi	Financial Controller	44,04,000	4.03
17	Ashwin Lalchandani	Assistant Vice President - Risk Management (joined w.e.f. February 08, 2023)	4,08,335*	0.37

* Compensation paid is on pro rata basis based on date of joining or separation as applicable.

18. Other Disclosures:

A. Management Discussion and Analysis:

The Management Discussion and Analysis Report for the year under review as stipulated in SEBI Listing Regulations for the year ended March 31, 2023 is enclosed as **Annexure-C**.

B. Business Responsibility and Sustainability Report:

As stipulated under Regulation 34 of the SEBI Listing Regulations, the Business Responsibility Sustainability Report describing the initiatives taken by the Company from an Environmental, Social and Governance (ESG) perspective is attached as a part of this Annual Report as **Annexure - I**.

C. Corporate Governance Report:

The Corporate Governance Report for the year ended March 31, 2023 is enclosed as **Annexure-B**.

D. Credit Rating of Securities:

Not Applicable.

E. Awards & Recognition:

The details of the award has been mentioned in the corporate overview section of this Annual Report.



F. Prevention of Money Laundering Act:

The Prevention of Money Laundering Act, 2002 (PMLA) has been brought into force with effect from July 01, 2005. Subsequent amendments have been made to the PMLA and Prevention of Money-laundering (Maintenance of Records) Rules, 2005 over the years. CDSL, its depository participants and CDSL Ventures Limited (CVL) fall under the category of 'intermediaries' under Section 12 of the SEBI Act, 1992 and hence, PMLA and the policy guidelines issued by the regulators to combat money laundering are applicable to depository operations. As required under the guidelines, CDSL has designated a Principal Officer, Alternate Officer and Designated Director to ensure compliance with these guidelines. CDSL has prepared policy guidelines for implementation of PMLA and the same is reviewed periodically. CDSL conducted training programs across the country and updates depository participants and their internal auditors on compliance with PMLA provisions and filing of Suspicious Transaction Reports ("STR").

On regular basis, CDSL updates depository participants about the new guidelines issued by FIU-IND and advisory issued by SEBI in reference to FATF Public statement and press release issued by the United Nations Security Council (UNSC).

G. Disclosures under SEBI (Depository & Participants) Regulations, 2018:

The disclosures required to be made under the provisions of the SEBI (Depository and Participants) Regulations, 2018 are part of the Corporate Governance Report enclosed as **Annexure-B**.

ACKNOWLEDGEMENT:

Your Director's place on record their sincere gratitude for the support, guidance and cooperation received from Ministry of Finance, Ministry of Corporate Affairs, Securities and Exchanges Board of India (SEBI), Reserve Bank of India (RBI), Insurance Regulatory Development Authority (IRDA), Warehousing Development Regulatory Authority (WDRA), UIDAI and other regulatory agencies. The Directors also acknowledge with thanks the continued support of the BSE Ltd., the Promoter, all other shareholders, Beneficial Owners, Depository Participants, Issuers, and Registrar and Transfer Agents, Market Infrastructure Institutions like the Stock Exchanges, Clearing Corporations, Depository and Commodities Exchanges. The Directors also express their appreciation for the unflinching dedication of the employees whose performance, professionalism and commitment for rendering high quality services to the clientele of the Company has been commendable.

For and on behalf of the Board
Central Depository Services (India) Limited

Balkrishna V Chaubal
Chairperson
(DIN: 06497832)

Place: Mumbai
Date: June 24, 2023

Form AOC-1

(Pursuant to first proviso to sub-section (3) of Section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures

Part A: Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in ₹)

Sl. No.	Name of the subsidiary	CDSL Ventures Limited	CDSL Insurance Repository Limited	CDSL Commodity Repository Limited	India International Depository IFSC Limited (formerly CDSL IFSC Limited)
1	The date since when subsidiary was incorporated/acquired	September 25, 2006	July 12, 2011	March 7, 2017	March 30, 2021
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	April 1, 2022 to March 31, 2023	April 1, 2022 to March 31, 2023	April 1, 2022 to March 31, 2023	April 1, 2022 to May 2, 2022
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Indian Rupee	Indian Rupee	Indian Rupee	1 USD = ₹76.4346
4	Share capital	5,00,00,000	30,00,00,000	50,00,00,000	20,00,00,000
5	Reserves and surplus	2,60,79,10,000	12,27,62,000	79,57,000	(1,37,27,351)
6	Total assets	2,80,76,31,000	43,24,24,000	53,21,14,000	19,36,10,143
7	Total Liabilities	14,97,21,000	96,62,000	2,41,57,000	73,37,000
8	Investments	2,05,20,86,000	15,95,49,000	43,48,96,000	-
9	Turnover	1,14,86,56,000	2,73,59,000	4,15,07,000	1,000
10	Profit before taxation	65,45,94,000	1,58,54,000	(1,34,20,000)	(38,86,000)
11	Provision for taxation	16,64,24,000	42,23,000	(27,77,000)	-
12	Profit after taxation	48,81,70,000	1,16,31,000	(1,06,43,000)	(38,86,000)
13	Proposed Dividend	29,50,00,000	NIL	NIL	NIL
14	Extent of shareholding (in percentage)	100%	51% (Direct holding) & 3.25% (through Subsidiaries)	52%	0% Refer note 2 below

- Names of subsidiaries which are yet to commence operations: NIL.
- Names of subsidiaries which have been liquidated or sold during the year: India International Depository IFSC Limited (formerly CDSL IFSC Limited) w.e.f. May 02, 2022.



Part B: Associate Companies and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Sr. No.	Name of Associate Companies or Joint Ventures	India International Bullion Holding IFSC Limited (IIBHL)
1	Nature of relationship	Associate
2	Latest audited Balance Sheet Date	March 31, 2023
3	Date on which the Associate or Joint Venture was associated or acquired	June 04, 2021
4	Shares of Associate or Joint Ventures held by the company on the year end:	
	i. Number of equity shares (Number)	30,00,00,000
	ii. Amount of Investment in Associates or Joint Venture (₹)	30,00,00,000
	iii. Extent of Holding (in percentage)	20.00%
5	Description of how there is significant influence	20% or more of the voting power
6	Reason why the associate/joint venture is not consolidated	Associate is not controlled by The Company
7	Networth attributable to shareholding as per latest audited Balance Sheet (₹)	259,895,092
8	Profit or Loss for the year	
	i. Considered in Consolidation (₹)	(3,10,11,780)
	ii. Not Considered in Consolidation (₹)	(12,40,47,120)

- Names of associates or joint ventures which are yet to commence operations.: NIL
- Names of associates or joint ventures which have been liquidated or sold during the year.: NIL

For and on behalf of the Board
Central Depository Services (India) Limited

Balkrishna V Chaulal
Chairperson
(DIN: 06497832)

Nehal Vora
Managing Director and CEO
(DIN: 02769054)

Girish Amesara
Chief Financial Officer

Place: Mumbai
Date: June 24, 2023

Report on Corporate Governance

In compliance with Regulation 34(3) and Part (c) of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ["SEBI Listing Regulations/SEBI LODR Regulations"], Report on Corporate Governance for the Financial Year 2022-23 is presented below:

COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE:

Central Depository Services (India) Limited ("**CDSL/ the Company**") is a professionally managed Depository led by proficient Board of Directors having expertise in diverse fields and a dedicated Executive Management Team having requisite talent and experience, which believes in implementation of good Corporate Governance practices as a fundamental pre-requisite to achieve sustained growth and long-term enhancement of corporate value. The Company is committed to ensure implementation of good Corporate Governance practices by establishing effective system of risk & regulatory oversight and management, adopting a business model which involves Environmental, Social and Governance ("**ESG**") factors, focused on stewardship activities, maintaining transparency & integrity and by creating a culture instrumental to both, its Stakeholders and Regulators.

In FY 2022-23, the Company continued adopting the best Corporate Governance practices based upon the applicable statutory requirements especially the Companies Act, 2013, SEBI Listing Regulations and the SEBI (Depositories & Participants) Regulations, 2018 ["**SEBI (D&P) Regulations**"].

As a Market Infrastructure Institution ("**MII**"), the policies and business strategies of CDSL aim at providing secure and efficient depository services to investors within the prescribed legal framework. Business strategies are framed and implemented within the applicable compliance requirements. Company's Corporate Governance strategy operates on the pillars of transparency, accountability, leadership and strong standards of corporate management, which is reinforced by the Board of Directors.

BOARD COMPOSITION AND CATEGORY OF DIRECTORS:

The Board provides leadership, guidance, oversees the governance framework and discharges all its fiduciary duties for safeguarding the interest of the Company and its Stakeholders. The Board reviews the governance policies and assess them periodically in the context of current Corporate Governance trends, regulatory changes and recognized best practices. An active, well-informed and independent Board is necessary to ensure the highest standards of Corporate Governance.

As on March 31, 2023, the Governing Board of the Company consisted of 9 (Nine) Directors comprising of 6 (Six) Public Interest Directors (including One Women Public Interest Director), 2 (Two) Shareholder Directors and 1 (One) Managing Director & Chief Executive Officer. The Chairperson of the Company is a Public Interest Director (Non-Executive & Independent Director).

The composition of the Board of Directors of the Company represents the optimal mix of professionalism, qualification, knowledge, requisite skill sets, track record, integrity, expertise and diversity of experience as required in the Board of a Depository. The Board along with its Committees undertakes its fiduciary duties keeping in mind the interests of all its Stakeholders and the Corporate Governance philosophy of the Company.

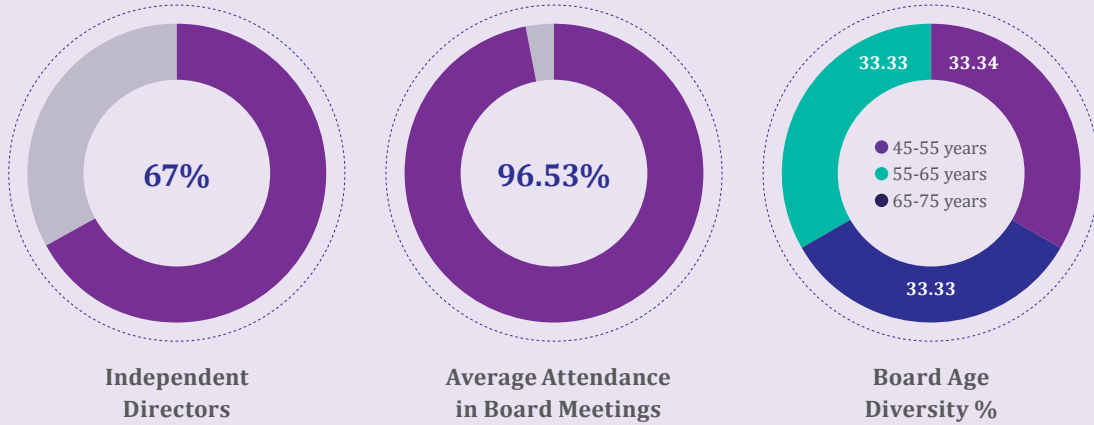
The constitution of the Governing Board of the Company is in compliance with Regulation 24 of the SEBI (D&P) Regulations and Regulation 17 of the SEBI Listing Regulations. Further, all Directors of the Company are "Fit and Proper Person" in terms of Regulation 23 of the SEBI (D&P) Regulations.

SUCCESSION PLANNING:

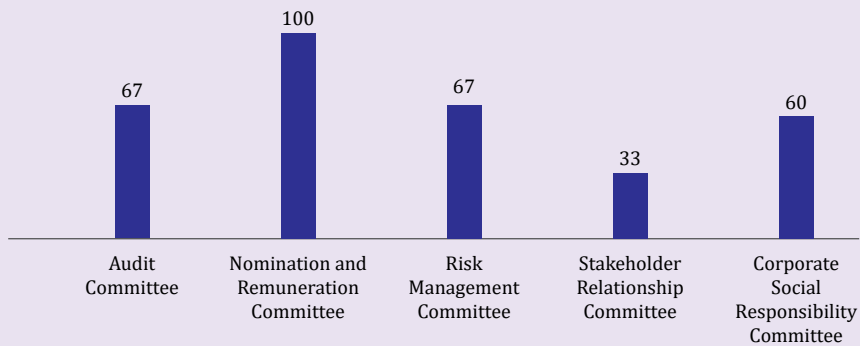
The Nomination and Remuneration Committee works with the Board on the leadership succession plan to ensure orderly succession in appointments to the Board and to Senior Management positions. The Company strives to maintain an appropriate balance of skills and experience within the organization and the Board as an endeavor to introduce new perspectives while maintaining the experience and continuity. In addition, promoting Senior Management within the organization fuels the ambitions of the talent force to earn future leadership roles.



Governance Overview:



% of Independent Directors in Statutory Committees



Chairperson of the Board: Public Interest Director (Independent Director)

Separate Roles of Chairperson and MD & CEO

100% Directors with Indian Nationality

Independent Directors lead all the Statutory Committees

BOARD OF DIRECTORS



Name:	Shri Balkrishna V Chaulbal
Category:	Chairperson and Public Interest Director
DIN:	06497832
Nationality:	Indian
Age:	68 years
Date of Appointment:	July 30, 2019
Date of Re-appointment:	July 30, 2022
Tenure on Board:	3 Years and 8 Months
Term ending date:	July 29, 2025
Shareholding:	Nil
Areas of expertise:	Finance, Accounting, Management & Administration, Corporate Governance, Leadership, Capital Market Understanding, Banking, Corporate Strategy and Education.
Profile:	Shri Balkrishna V Chaulbal retired as the Deputy Managing Director of State Bank of India, after serving for more than 38 years with the Bank. As Deputy Managing Director, he was overall in-charge of global markets' operations involving Bank's Investments and Forex. His role inter alia included formulation of policy as well as strategy, ensuring regulatory compliance like maintenance of CRR/SLR, managing liquidity through money market operations and contributing to investment decisions, Asset Liability Management and Market Risk Management. Shri Chaulbal has also been a visiting professor at the National Institute of Bank Management, Pune, specializing in commercial banking, corporate governance and strategy. He holds a Bachelor's degree in Science from the Institute of Science Nagpur and Master's degree in Physics from the Indian Institute of Technology, Mumbai (Powai). He is also a Fellow of the Indian Institute of Banking & Finance.



Name:	Shri Nehal Vora
Category:	Managing Director & Chief Executive Officer
DIN:	02769054
Nationality:	Indian
Age:	49 years
Date of Appointment:	September 24, 2019
Tenure on Board:	3 Years and 6 Months
Term ending date:	September 17, 2024
Shareholding:	Nil
Areas of expertise:	Law, Management & Administration, Corporate Governance, Technology (Including Cyber Security), Regulatory Experience, Leadership and Capital Market Understanding.
Profile:	<p>Shri Nehal Vora is Managing Director & Chief Executive Officer of Central Depository Services (India) Limited (CDSL), India's leading Depository and the only one listed on a Stock Exchange in Asia.</p> <p>Shri Nehal Vora has over 25 years of seasoned, distinguished and diverse exposure in Capital Markets. His exposure embraces being in Senior Management positions at leading Stock Exchange, Global Brokerages and Regulatory Bodies. He is also a member of policy making Regulatory Bodies, a Board member, Co-Chair of Key committees. His experience includes being responsible for growth of Business, Governance, Regulatory, Listing, Surveillance and Compliance.</p> <p>He was recognized as the 'CEO of the year' at the 20th Global Edition Business Leader of the year awards in 2022.</p> <p>He also received the 'The Vocational Excellence Awards' by the Rotary Club of Bombay Seaface. He is the recipient of distinguished awards including NetApp Innovation Award 2019, Compliance Champion award in 2018, IDC Digital Transformation Awards under the Dx Leader Information FOW Global Investors Group at the Asia Capital Markets Awards in 2017 for Best New Product in Market Surveillance. At DSP Merrill Lynch, he was awarded OGC Living the Mission Award in 2008 by Merrill Lynch.</p> <p>Shri Nehal Vora is a member of the SEBI Policy Committees, FPI Advisory Committee (FAC), Market Data Advisory Committee (MDAC) and Secondary Market Advisory Committee (SMAC) and he chairs the Working Group on the Data Protocols for Secondary Markets of the MDAC. He is also the co-chair at the Expert Committee: Alternative Funding (PE + Capital Markets) of the IMC Chamber of Commerce and Industry.</p> <p>He is a guest speaker at various international forums including the IOSCO Harvard Training program for Securities Market regulators, conferences and is also a speaker at the National Institute of Securities Markets (NISM).</p>



Name:	Prof. (Dr.) Bimalkumar N Patel
Category:	Public Interest Director
DIN:	03006605
Nationality:	Indian
Age:	52 years
Date of Appointment:	September 27, 2019
Date of Re-appointment:	September 27, 2022
Tenure on Board:	3 Years and 6 Months
Term ending date:	September 26, 2025
Shareholding:	Nil
Areas of expertise:	Law, Finance, Accounting, Economics, Management & Administration, Corporate Governance, Regulatory Experience, Leadership, Capital Market Understanding, Geopolitics, Corporate Strategy, National Security, Education and International Relations.
Profile:	<p>Prof. (Dr.) Bimalkumar N. Patel is Vice-Chancellor of Rashtriya Raksha University, (an Institution of National Importance); Member of the National Security Advisory Board, National Security Council Secretariat, Government of India; and Member, UN International Law Commission; Member of Financial Sector Regulatory Appointments Search Committee, Appointments Committee of the Cabinet, Government of India.</p> <p>Prior to joining Governing Board of the Company he has served as a member of the 21st Law Commission of India and as the Director/Professor of Public International Law at Gujarat National Law University. He holds a PhD (International Law, Leiden University, 2015); PhD (International Law, Jaipur); LLM (International Law, Leiden University, 1999), MA (International Relations, University of Amsterdam- 1996, Netherlands).</p>



Name:	Shri Sidhartha Pradhan
Category:	Public Interest Director
DIN:	06938830
Nationality:	Indian
Age:	70 years
Date of Appointment:	November 29, 2019
Date of Re-appointment:	November 29, 2022
Tenure on Board:	3 Years and 4 Months
Term ending date:	November 28, 2025
Shareholding:	Nil
Areas of expertise:	Law, Finance, Accounting, Economics, Management & Administration, Corporate Governance, Regulatory Experience, Leadership, Capital Market Understanding and Corporate Strategy.
Profile:	<p>Shri Sidhartha Pradhan joined Indian Revenue Service in 1977 batch. He has worked in various capacities, both in Central Government and Government of Orissa. Worked as Additional Commissioner and Commissioner, Income Tax (Central), Delhi. He also worked as Secretary, Public Enterprises, Government of Orissa from 1995-2000 and as Special Secretary (Commerce), Government of Orissa. He is Former Vice-Chairman, Income Tax Settlement Commission and Former Joint Secretary and Additional Secretary, Department of Disinvestment in the Ministry of Finance from 2007-2012. He was member of high level committee of Ministry of Finance Government of India from 2014-2017 on rationalizing income tax laws relating to legacy tax issues. He was also member of high level committee of Ministry of Petroleum & Natural Gas relating to sector restructuring from 2017-2020.</p> <p>Shri Sidhartha Pradhan did his Senior Cambridge at Stewart School Cuttack; B.A. (Pol. Science) from Ravenshaw College Cuttack; M.A. (Pol. Science) from JNU, New Delhi, M.Phil from JNU; LLB from Utkal University and MBA from University of HULL, England.</p>



Name:	Prof. Umesh Bellur
Category:	Public Interest Director
DIN:	08626165
Nationality:	Indian
Age:	57 years
Date of Appointment:	November 30, 2019
Date of Re-appointment:	November 29, 2022
Tenure on Board:	3 Years and 4 Months
Term ending date:	November 28, 2025
Shareholding:	Nil
Areas of expertise:	Management & Administration, Corporate Governance, Technology (Including Cyber Security), Fintech, Leadership, and Corporate Strategy.
Profile:	<p>Prof. Umesh Bellur is currently a faculty at Department of Computer Science & Engineering, IIT Bombay, Mumbai.</p> <p>He has completed his PhD, Department of Computer Science and Engineering from Syracuse University, Syracuse, NY USA and B.E., Electronics and Communication Engineering from Bangalore University.</p>



Name:	Shri Gurumoorthy Mahalingam
Category:	Public Interest Director
DIN:	09660723
Nationality:	Indian
Age:	66 years
Date of Appointment:	March 09, 2023
Tenure on Board:	1 Month
Term ending date:	February 26, 2026
Shareholding:	Nil
Areas of expertise:	Financial market development, regulation and operations, foreign exchange reserves management, debt management and regulation and supervision of banks
Profile:	<p>Shri Gurumoorthy Mahalingam has had a professional career of more than four decades spanning across the financial sector regulators, Reserve Bank of India (RBI) and Securities & Exchange Board of India (SEBI). He has taken on varied roles in RBI encompassing financial market development, regulation and operations, foreign exchange reserves management, debt management and regulation and supervision of banks. He was the Chief Dealer and Executive Director in-charge of forex market interventions as well as management of forex reserves of the country and rupee liquidity policy and operations. In the above roles, he was instrumental in formulating regulatory policies in respect of financial markets and conduct of market operations of RBI. His experience spans across most difficult and volatile times in the financial markets such as Global financial crisis, European debt crisis (2011-2012) as well as the Taper Tantrum (2013-2016). He was closely involved in giving shape to foreign exchange policies and monetary policy implementation.</p> <p>In his role as a Whole-time Board Member of SEBI (between 2016 and 2021), which carried Executive responsibilities as well, he has had a wide experience regulating Mutual Funds, Stock exchanges, Listed companies, foreign portfolio investors, corporate governance aspects, stock and derivatives markets, corporate bond market, amongst others. He has supervised the conduct of investigations and enforcement actions in regard to violations of securities laws and regulations. He was a quasi-judicial authority for a little over 500 cases involving market misdemeanors. He is currently chairing the SEBI Advisory Committees on Secondary Markets as well as the Corporate bond market. In RBI and SEBI, he was associated with important committees in the area of forex markets, financial benchmarks, corporate bond markets, etc.</p> <p>Shri Mahalingam began his career as a commercial banker with the State Bank of India in 1978 after finishing his Masters in Statistics and Operations Research from IIT Kanpur. He is also an MBA in International Banking and Finance from the Birmingham Business School in the UK.</p>



Name:	Smt. Rajeshree Sabnavis
Category:	Public Interest Director
DIN:	06731853
Nationality:	Indian
Age:	52 years
Date of Appointment:	November 29, 2022
Tenure on Board:	4 Months
Term ending date:	November 28, 2025
Shareholding:	Nil

Areas of expertise: Taxation, regulatory advisory and transaction support, international taxation, cross border acquisitions and implementing the India business strategy for multinationals.

Profile: Smt. Rajeshree Sabnavis, founder of M/s. Rajeshree Sabnavis & Associates, specializes in tax, regulatory advisory and transaction support and has over two decades of experience in advising clients on international tax, cross border acquisitions and implementing the India business strategy for multinationals. Set up in November 2016, the Firm has added on a few clients and is currently in an expansion phase.

Smt. Sabnavis has worked with Indian Multinationals in the ITES sector in implementing their transfer pricing across jurisdictions including working on cross border restructuring and acquisitions.

A former Partner of M/s. BMR & Associates LLP where she was a part of the core team since 2004, she was involved in advising clients in the Manufacturing, Logistics, Pharmaceutical and ITES sector. She has led teams which advised clients on acquisition, post-acquisition integration including processing of regulatory, tax and court approvals.

Smt. Sabnavis has worked with some of the large portfolio investors investing in India including Institutional Investors in managing their tax compliance and litigation in India. She has also worked on the tax advocacy for some of the institutions in representing the general issues faced by investors with their investments in India.

In addition to her vast experience with large businesses and having been part of a start-up Firm herself, she uses her expertise to advise and assist Companies in implementing their growth plans.

Having begun her career in Audit with Pricewaterhouse Coopers, she switched over to Tax post completion of her articleship and qualification as a Chartered Accountant. During her stint with Pricewaterhouse Coopers, she also qualified as Company Secretary in 1995.

While with Arthur Andersen (which combined with Ernst and Young in 2002) she worked with a large number of multinationals in the Power sector as well as Auto sector in advising the Companies on the India tax issues. She advised clients in the Pharma space from a tax and regulatory standpoint.

Smt. Sabnavis is part of the Direct Taxation Committee with the Bombay Chamber of Commerce where she is a Co-Chairperson. In this capacity, she has represented India Business Houses and Multinationals on various tax issues before the Central Board of Direct taxes.

She was recognized as one of the top ten leading women tax advisors in India in a survey carried out by International Tax Review in 2015, 2017, 2019, 2020, 2021 and 2022.

She is also a certified Mediator having undergone the training conducted by the Indian Institute of Corporate Affairs.



Name:	Shri Masil Jeya Mohan P
Category:	Shareholder Director
DIN:	08502007
Nationality:	Indian
Age:	62 years
Date of Appointment:	October 10, 2019
Tenure on Board:	-
Term ending date:	N.A.
Shareholding:	Nil
Areas of expertise:	Management & Administration, Leadership and Capital Market Understanding.
Profile:	Shri Masil Jeya Mohan P joined LIC in the year 1986. He has a wide range of experience in different assignments in LIC as Asstt. Branch Manager, Manager (IT), Manager (NB & Actuarial), Manager (HR), Regional Manager (HR), Regional Manager (Estates), Fund Manager of Pension & Group Scheme Fund, Chief (ULIP Operations) and Executive Director (Investment). Shri Masil Jeya Mohan P is Science Graduate with MBA Degree.



Name:	Shri Nayan Mehta
Category:	Shareholder Director
DIN:	03320139
Nationality:	Indian
Age:	56 years
Date of Appointment:	November 28, 2016
Tenure on Board:	-
Term ending date:	Ceased to be a Shareholder Director with effect from May 16, 2023
Shareholding:	Nil
Areas of expertise:	Finance, Accounting, Economics, Management & Administration, Corporate Governance, Regulatory Experience, Leadership and Capital Market Understanding.
Profile:	Shri Nayan Mehta is the Chief Financial Officer of BSE Limited (" BSE "). He has extensive experience of over 30 years in financial and securities market, especially in Exchange and its ecosystem businesses. Prior to joining BSE, Shri Nayan Mehta has worked with National Stock Exchange of India Limited (NSE), Multi Commodity Exchange of India Limited (MCX) and Credit Analysis & Research Limited (CARE Ratings). Shri Nayan Mehta is a member of the Executive Management Committee and other committees of BSE. He is also a Director and Member of various Committee of subsidiaries and associate companies of BSE. He served as Senior Vice Chairman of the South Asian Federation of Exchanges for the period 2015-2017. He also served as a member of Qualified Audit Report Review Committee of the Securities and Exchange Board of India. He is also a member of the Confederation of Indian Industry (CII) National Committee for CFOs.



Details of attendance of the Directors at the Board Meetings and the last Annual General Meeting are given as under:

The Company has organized Board and Committees Meetings at regular intervals to discuss and approve Company's business strategy as well as other statutory and general matters. The Board periodically reviews the compliance status with all applicable statutory laws, acts, rules & regulations, Company's policies and steps taken by the Company to rectify the instances of non-compliance, if any.

The Key Management Personnels ("KMPs") establish the agenda for each Board Meeting, in consultation with the Managing Director & Chief Executive Officer (MD&CEO) and the Company Secretary circulate the preliminary agenda sufficiently in advance of each Meeting to ensure that the Board Members are apprised of the principal matters to be considered.

The Board meets at least once in a quarter inter-alia to review the quarterly financial results and operations of the Company. In addition, the Board also meets when necessary to address specific issues relating to the business. In case of special and urgent business needs, the approval of respective Board and Committee is taken by passing resolutions by circulation as permitted under Section 175 of Companies Act, 2013, which is noted and confirmed at the subsequent Board Meeting.

The Board/Committee Meetings are pre-scheduled, and a tentative annual calendar of the Board and Committee Meetings are circulated to the Board of Directors well in advance to facilitate them to plan their schedule and to ensure meaningful participation in the Meetings of the Company. The Company Secretary acts as the Secretary to the Board Meetings.

During the year under review, the Board met Ten (10) times. The gap between two Board Meetings during this period did not exceed one hundred and twenty (120) days.

The attendance details of each Board Member for the Board Meetings and Annual General Meeting are given below:

Attendance details of Board Meetings and Annual General Meeting														
Name of the Directors	AGM as on September 15, 2022	Number of Board Meetings										Held during tenure	% of Attendance of Directors	
		1	2	3	4	5	6	7	8	9	10			
		29/04/2022	25/06/2022	30/07/2022	16/09/2022	22/10/2022	22/11/2022	08/12/2022	01/02/2023	09/03/2023	28/03/2023			
Shri Balkrishna V Chaubal	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	10	100
Shri Nehal Vora	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	10	100
Shri Sidhartha Pradhan	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	10	100
Prof. (Dr.) Bimalkumar N Patel	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	10	100
Shri Gurumoorthy Mahalingam	-	-	-	-	-	-	-	-	-	-	-	✓	1	100
Smt. Rajeshree Sabnavis	-	-	-	-	-	-	-	✓	✓	✓	✓	×	4	75
Prof. Umesh Bellur	✓	✓	✓	✓	✓	✓	✓	✓	✓	×	✓	✓	10	90
Shri Masil Jeya Mohan P	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	10	100
Shri Nayan Mehta	×	✓	✓	✓	Invitee	✓	✓	✓	✓	✓	✓	×	9	88.89
Smt. Preeti Saran	✓	✓	✓	✓	✓	-	-	-	-	-	-	-	4	100
Attendance for the meeting (%)	87.5	100	100	100	100	100	100	100	100	100	87.50	77.78	-	-

Notes:

1. Due to business exigencies, certain resolutions were passed through Circulation.
2. Shri Nayan Mehta attended the Board Meeting as invitee from September 15, 2022 (i.e., from the date of AGM) till October 11, 2022 (i.e., SEBI's approval date for re-appointment as Shareholder Director).
3. Smt. Preeti Saran, Public Interest Director had resigned w.e.f. October 17, 2022, from the Governing Board of the Company.
4. Smt. Rajeshree Sabnavis was appointed as Public Interest Director w.e.f. November 29, 2022, on the Governing Board of the Company in place of Smt. Preeti Saran.
5. Shri Gurumoorthy Mahalingam was appointed as Public Interest Director w.e.f. March 09, 2023, on the Governing Board of the Company.
6. Shri Nayan Mehta, Shareholder Director had resigned w.e.f. May 16, 2023, from the Governing Board of the Company.

Strategy Meeting:

As part of annual strategy planning process, the Company organize an Board Strategy Meeting with the Management of the Company to deliberate on various topics related to strategic planning, progress of ongoing strategic initiatives, risks to strategy execution and the need for new strategic programs to achieve long-term objectives of the Company. This serves the dual purpose of providing the Board members a platform to bring their expertise to various strategic initiatives, while also providing an opportunity for them to understand detailed aspects of execution and challenges relating to the specific theme. In summary, through this process, members of the Board get a comprehensive and balanced perspective on the strategic issues faced by the Company, the competitive differentiation being pursued by the Company and an overview of the execution plan.

Composition & Category of Directors along with the details of each Member of the Board as on March 31, 2023, are provided in the table below:

Sr. No	Name of Director	Category of Directorship	No. of Directorships in other Companies	Membership/Chairpersonship in Committees of other Companies		Directorship in other listed entities (Category of Directorship)
				Member	Chairperson	
1.	Shri Balkrishna V Chaubal (DIN: 06497832)	Chairperson and Public Interest Director	01	01	01	-
2.	Shri Nehal Vora (DIN: 02769054)	Managing Director & CEO	-	-	-	-
3.	Shri Sidhartha Pradhan (DIN: 06938830)	Public Interest Director	01	01	01	Petronet LNG Limited
4.	Prof. (Dr.) Bimalkumar N Patel (DIN: 03006605)	Public Interest Director	-	-	-	-
5.	Shri Gurumoorthy Mahalingam (DIN: 09660723)	Public Interest Director	08	05	03	a. City Union Bank Limited b. Infrastructure Leasing and Financial Services Limited c. Life Insurance Corporation of India Limited d. Care Ratings Limited
6.	Smt. Rajeshree Sabnavis (DIN: 06731853)	Public Interest Director	02	03	03	-
7.	Prof. Umesh Bellur (DIN:08626165)	Public Interest Director	-	-	-	-
8.	Shri Masil Jeya Mohan P (DIN: 08502007)	Shareholder Director	-	-	-	-
9.	Shri Nayan Mehta (DIN: 03320139)	Shareholder Director	05	01	-	-

Notes:

1. None of the Directors are holding any shares in the Company. The Company has not issued any convertible instruments. Further, none of the Directors on the Governing Board of the Company are related to each other falling within the definition of relative as defined in Section 2(77) of the Companies Act, 2013.
2. Number of Directorships includes Directorships held in Listed and Public Limited Companies excluding Private Limited Companies, Section 8 Companies and Foreign Companies.
3. None of the Directors on the Board is a member of more than 10 (Ten) Committees and Chairperson of more than 5 (Five) Committees across all the public companies in which he/she is a Director and have made necessary disclosures regarding Committee positions occupied by them in other Companies. For the purpose of considering the limit of the Committees on which a Director can serve, all public limited companies, whether listed or not, have been included and all other companies including private limited companies, foreign companies and companies under Section 8 of the Companies Act, 2013 have been excluded. For the purpose of reckoning Committee positions, only Audit Committee and Stakeholders' Relationship Committee are considered.
4. None of the Directors on the Board are holding any Chairpersonship on the Board of other Companies.
5. Smt. Preeti Saran, Public Interest Director of the Company resigned w.e.f. October 17, 2022.

A) Disclosure of relationships between Directors inter-se:

There are no inter-se relationships between the Board of Directors and all of them are Independent to each other.

B) Change in the composition of the Governing Board of Directors during the FY 2022-23:

i. Re-appointment & Extension of tenure:

Extension of Term: Shri Balkrishna V Chaubal (DIN: 06497832) as Public Interest Director:

The first term of Shri Balkrishna V Chaubal as Public Interest Director ceased on July 29, 2022. The Board of Directors approved and recommended the extension of term (second term) of Shri Balkrishna V Chaubal to SEBI. Further, SEBI vide its letter dated July 22, 2022, had accorded its approval for extension of term for another period of three (3) years from July 30, 2022 to July 29, 2025.

**Extension of Term: Prof. (Dr.) Bimalkumar N Patel (DIN: 03006605) as Public Interest Director:**

The first term of Prof. (Dr.) Bimalkumar N Patel as Public Interest Director ceased on September 26, 2022. The Board of Directors approved and recommended the extension of term (second term) of Prof. (Dr.) Bimalkumar N Patel to SEBI. Further, SEBI vide its letter dated August 03, 2022 had accorded its approval for extension of term for another period of three (3) years from September 27, 2022 to September 26, 2025.

Extension of Term: Prof. Umesh Bellur (DIN: 08626165) as Public Interest Director:

The first term of Prof. Umesh Bellur as Public Interest Director ceased on November 28, 2022. The Board of Directors approved and recommended the extension of term (second term) of Prof. Umesh Bellur to SEBI. Further, SEBI vide its letter dated October 14, 2022, had accorded its approval for extension of term for another period of three (3) years from November 29, 2022 to November 28, 2025.

Extension of Term: Shri Sidhartha Pradhan (DIN: 06938830) as Public Interest Director as Public Interest Director:

The first term of Shri Sidhartha Pradhan as Public Interest Director ceased on November 28, 2022. The Board of Directors approved and recommended the extension of term (second term) of Shri Sidhartha Pradhan to SEBI. Further, SEBI vide its letter dated November 04, 2022, had accorded its approval for extension of term for another period of three (3) years from November 29, 2022 to November 28, 2025.

Re-appointment of Shri Nayan Mehta, (DIN: 03320139) Shareholder Director:

Shri Nayan Mehta, Shareholder Director was liable to retire by rotation at the 24th Annual General Meeting ("AGM") of the Company held on September 15, 2022. He was re-appointed as Shareholder Director of the Company by the Shareholders at the 24th AGM of the Company held on September 15, 2022 and further, approved by SEBI vide its letter dated October 11, 2022, who shall be liable to retire by rotation and accordingly, the appointment of Shri Nayan Mehta was effective from October 11, 2022.

ii. Appointment of Directors:**Appointment of Smt. Rajeshree Sabnavis (DIN: 06731853) as a Woman Public Interest Director:**

Smt. Rajeshree Sabnavis was nominated by SEBI vide its letter dated October 14, 2022 and appointed as a Woman Public Interest Director for a period of three years with effect from November 29, 2022 till November 28, 2025.

Appointment of Shri Gurumoorthy Mahalingam (DIN: 09660723) as Public Interest Director:

Shri Gurumoorthy Mahalingam was nominated by SEBI vide its letter dated February 27, 2023 and was appointed as a Public Interest Director with effect from March 09, 2023 for a period of three years till February 26, 2026.

iii. Resignation of Director:**Resignation of Smt. Preeti Saran (DIN: 08606546) as a Woman Public Interest Director:**

Smt. Preeti Saran Public Interest Director of the Company had resigned from her post as a Woman Public Interest Director with effect from October 17, 2022 due to reasons as mentioned in Point No. E.

Resignation of Shri Nayan Mehta (DIN: 03320139) as Shareholder Director:

Shri Nayan Mehta had resigned from the position of Shareholder Director (Non-Executive Director) from the Governing Board of the Company with effect from May 16, 2023, due to the nomination of another person in his place by the Governing Board of BSE Limited (Promoter of the Company) as the Shareholder Director on Governing Board of the Company.

C) Details of Familiarization Programmes:

The Company conducts Familiarization Programmes for its Directors from time to time. The familiarization programme ensures Directors are familiarised with their roles, rights & responsibilities in the Company as well as with the nature of industry, business model and performance of the Company, various system and policies adopted, Indian and Global market updates, corporate governance framework, Risk Management Framework, achievements/awards, management structure, human resource policies, management development and succession planning, operations of subsidiaries, digitisation in business process, digital marketing etc. This enables the Board of Directors to make better informed decisions in the interest of the Company and its Stakeholders.

The details of the familiarization programmes imparted to Public Interest Directors is available at the website of the Company <https://www.cdslindia.com/InvestorRels/CorporateGovernance.html>

D) Confirmation that Public Interest Directors are Independent of the Company's Management:

In the opinion of the Board, the Public Interest Directors (**Independent Directors/PIDs**) are fulfilling the conditions specified in the SEBI Listing Regulations and they are independent from the Management of the Company.

E) Detailed reasons for the resignation of a Public Interest/Independent Director who resigned before expiry of the tenure:

Smt. Preeti Saran (DIN: 08606546) had resigned from the position of Public Interest Director from the Governing Board of the Company with effect from October 17, 2022, owing to personal reasons, unforeseen personal commitments and hectic travel schedule. Further, in the resignation letter received from Smt. Preeti Saran, there were no material reasons other than the aforesaid reasons.

F) Criteria for Appointment of Public Interest/Independent Directors:

The Nomination & Remuneration Committee while considering the proposal for appointment of Public Interest/Independent Directors, also considers the criteria of independence as prescribed under the Companies Act, 2013, SEBI Listing Regulations and SEBI (D&P) Regulations.

G) Information Supplied/Available to the Board:

The Board of Directors are presented with important/critical information on the operations of the Company as well as information which requires deliberations at the highest level. The Board has complete access to all the relevant information within the Company, the Top Management of the Company and any additional information to make informed and timely decisions. All Board and Committee Meetings are governed by Structured Agenda Notes which are backed by comprehensive background papers along with relevant annexures.

As a part of green initiative by the Company, all relevant agenda papers pertaining to the Board/Committee Meetings are being circulated well in advance to the Board of Directors through web-based portal to facilitate easy access of agenda on iPad which would provide sufficient time to the Board for reading and understanding the proposals to be placed in the Meeting. The Board and other Committees also approves various business proposals and regulatory approvals by passing resolutions through circulation.

H) Directors and Officers Insurance (D&O):

Pursuant to the requirements of Regulation 25(10) of the SEBI Listing Regulations, the Company has taken D&O Policy for all its Directors and Officers for such quantum and for such risks as determined by the Board of Directors.

I) Post Meeting Communication/Follow up System:

The Company has an effective post-meeting follow-up procedure. The Company has a mechanism to

track important decisions taken at the Board/Committee Meetings till the closure of such decisions and a report on ongoing actionables (Action Taken Report) of earlier meetings alongwith decisions taken. The decisions taken are then placed at the succeeding meeting(s) of the Board/Board Level Committees.

J) Board Meeting Minutes:

SEBI vide its letter no. SEBI/HO/MRD-SEC-2/P/OW/2022/30936/1 dated July 29, 2022, had advised MII to file a copy of Minutes of Meeting of Governing Board within seven (7) days of finalization of such Minutes.

Accordingly, the approved Board Meeting Minutes were sent to SEBI within the regulatory timelines.

K) Committees of the Board:

There are Ten (10) Committees of the Governing Board as prescribed under the Companies Act, 2013, SEBI Listing Regulations and SEBI (D&P) Regulations.

I. Audit Committee:

The constitution of Audit Committee is in compliance with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI Listing Regulations.

1. Terms of Reference of Audit Committee:

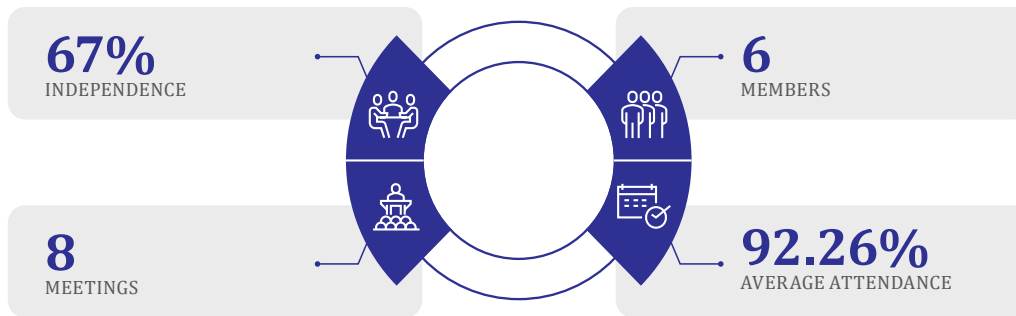
- a. oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- b. recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
- c. approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- d. reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - i. matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - ii. changes, if any, in accounting policies and practices and reasons for the same;
 - iii. major accounting entries involving estimates based on the exercise of judgment by management;
 - iv. significant adjustments made in the financial statements arising out of audit findings;



- v. compliance with listing and other legal requirements relating to financial statements;
 - vi. disclosure of any related party transactions;
 - vii. modified opinion(s) in the draft audit report;
 - viii. the going concern assumption;
 - ix. compliance with accounting standards;
 - x. compliance with stock exchange and legal requirements concerning financial statements, to the extent applicable.
- e. reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
- f. reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- g. reviewing and monitoring the Auditor's independence and performance, and effectiveness of audit process;
- h. approval or any subsequent modification of transactions of the listed entity with related parties;
- i. scrutiny of inter-corporate loans and investments;
- j. valuation of undertakings or assets of the listed entity, wherever it is necessary;
- k. evaluation of internal financial controls and Risk Management systems;
- l. reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- m. reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- n. discussion with internal auditors of any significant findings and follow up there on;
- o. reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- p. discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- q. to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- r. to review the functioning of the whistle blower mechanism;
- s. approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
- t. reviewing the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/advances/investments existing as on the date of coming into force of this provision;
- u. consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholder;
- v. The Audit Committee shall mandatorily review the following information:
- i management discussion and analysis of financial condition and results of operations;
 - ii statement of significant related party transactions (as defined by the audit Committee), submitted by management;
 - iii management letters/letters of internal control weaknesses issued by the statutory auditors;
 - iv internal audit reports relating to internal control weaknesses;
 - v the appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee; and
 - vi statement of deviations:
 - a quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
 - b annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).
- w. Any related party transactions i.e. transactions of the company of material nature, with promoters or the management, their subsidiaries or relatives etc. that may have potential conflict with the interest of company at large;

- x. Reviewing the company’s financial and Risk Management policies;
- y. To review the financial statements, in particular, the investments made by the unlisted subsidiary company;
- z. To formulate the scope, functioning, periodicity and methodology for conducting the internal audit in consultation with the Internal Auditor;
- aa. To appoint a person having such qualifications and experience and registered as a valuer in such manner, on such terms and conditions as may be prescribed and appointed by the audit Committee for valuation, if required to be made, in respect of any property, stocks, shares, debentures, securities or goodwill or any other assets or net worth of a company or its liabilities;
- ab. To ensure proper system for storage, retrieval, display or printout of the electronic records as deemed appropriate and such records shall not be disposed of or rendered unusable, unless permitted by law;
- ac. To review the performance of the investments made on time to time basis in line with the investment policy for investment of surplus funds of the Company;
- ad. To review compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, and verify that the systems for internal controls are adequate and are operating effectively;
- ae. may make omnibus approval for related party transactions proposed to be entered into by the company subject to such conditions as may be prescribed in the Companies Act, 2013 and rules made thereunder.

2. Composition of the Committee, Number of Meetings and Attendance details of Audit Committee:



The Audit Committee consists of Six Non-Executive Directors, out of which two third (Four Public Interest Directors) are Independent/Public Interest Directors. The members on the Audit Committee possess expertise in the fields of Finance, Accounting, Banking and Capital

Market. The scope of activities and terms of reference of the Audit Committee is as set out in Regulation 18 read with Part C of Schedule II of SEBI Listing Regulations along with Section 177 of the Companies Act, 2013. The Committee met eight times during the FY 2022-23.



The composition and attendance details of Audit Committee are provided in the table below:

Audit Committee Meetings										
Name of the Members	Committee Meeting Details								Held during tenure	% of Attendance of Members
	1	2	3	4	5	6	7	8		
	29/04/2022	19/05/2022	30/07/2022	16/09/2022	22/10/2022	01/02/2023	09/03/2023	28/03/2023		
Shri Sidhartha Pradhan, Chairperson, Public Interest Director	✓	✓	✓	✓	✓	✓	✓	✓	8	100
Shri Balkrishna V Chaubal, Public Interest Director	✓	✓	✓	✓	✓	✓	✓	✓	8	100
Prof. (Dr.) Bimalkumar N Patel, Public Interest Director	✓	✓	✓	✓	✓	✓	×	-	7	85.71
Prof. Umesh Bellur, Public Interest Director	✓	✓	✓	✓	✓	✓	×	-	7	85.71
Smt. Rajeshree Sabnavis, Public Interest Director	-	-	-	-	-	✓	✓	×	3	66.67
Shri Gurumoorthy Mahalingam, Public Interest Director	-	-	-	-	-	-	-	✓	1	100
Shri Masil Jeya Mohan P, Shareholder Director	✓	✓	✓	✓	✓	✓	✓	✓	8	100
Shri Nayan Mehta, Shareholder Director	✓	✓	✓	Invitee	✓	✓	✓	×	7	85.71
Attendance for the meeting (%)	100	100	100	100	100	100	71.43	66.67	-	-

Notes:

1. Due to business exigencies, certain resolutions were passed through Circulation.
2. Shri Nayan Mehta attended the Audit Committee Meeting as invitee from September 15, 2022 (i.e from the day of AGM) to October 11, 2022 (i.e, SEBI's approval date for re-appointment as Shareholder Director).
3. Smt. Rajeshree Sabnavis was inducted as a member in the Audit Committee w.e.f. December 17, 2022.
4. Shri Gurumoorthy Mahalingam was inducted as a member in the Audit Committee w.e.f. March 20, 2023.
5. Prof. (Dr.) Bimalkumar N Patel and Prof. Umesh Bellur ceased to be members of the Audit Committee w.e.f. March 20, 2023.
6. The Company Secretary acts as the Secretary to the Audit Committee Meetings.

3. Changes in the Audit Committee during the year:

The Audit Committee was re-constituted on December 17, 2022 and March 20, 2023, due to appointment and resignation of Directors on the Governing Board of CDSL.

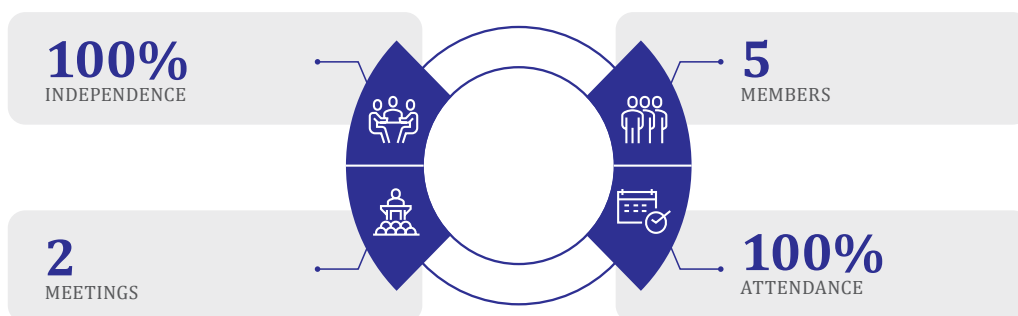
II. Nomination and Remuneration Committee:

The constitution of Nomination and Remuneration Committee is in compliance with the provisions of Section 178 of the Companies Act, 2013, Regulation 19 of SEBI Listing Regulations and Regulation 28 of SEBI (D&P) Regulations.

1. Terms of Reference for Nomination and Remuneration Committee:

- a. identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal;
- b. shall specify the manner for effective evaluation of performance of Board, its committees and individual directors;
- c. shall formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees;
- d. formulation of criteria for evaluation of performance of public interest directors and the board of directors;
- e. devising a policy on diversity of board of directors;
- f. evaluate the balance of skills, knowledge and experience on the Board for every appointment of public interest directors and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
 - i) use the services of an external agencies, if required;
 - ii) consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - iii) consider the time commitments of the candidates.
- g. whether to extend or continue the term of appointment of the public interest director, on the basis of the report of performance evaluation of Public Interest directors;
- h. recommend to the board, all remuneration, in whatever form, payable to senior management;
- i. Identifying a key management personnel, other than personnel as specifically provided in its definition under SEBI (D&P) Regulations, 2018;
- j. Lay down the policy for compensation of key management personnel in terms of the compensation norms prescribed by SEBI;
- k. Determining the compensation of KMPs in terms of the compensation policy;
- l. Determining the tenure of a key management personnel, other than a director, to be posted in a regulatory department;
- m. selection of CEO/Managing Director/Executive Director;
- n. Framing & reviewing the performance review policy to carry out evaluation of every director's performance, including that of Public Interest Director (PID).
- o. To discharge the function as Nomination and Remuneration Committee under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

2. Composition of the Committee, Number of Meetings held and Attendance details of Nomination & Remuneration Committee:





The Committee met two times during the FY 2022-23. The composition and attendance details of Nomination and Remuneration Committee are provided in the table below:

Nomination and Remuneration Committee Meetings				
Name of the Members	Committee Meeting Details		Held during tenure	% of Attendance of Members
	1	2		
	29/04/2022	31/01/2023		
Shri Gurumoorthy Mahalingam, Chairperson, Public Interest Director	-	-	-	-
Shri Balkrishna V Chaubal, Public Interest Director	✓	✓	2	100
Prof. Umesh Bellur, Public Interest Director	-	✓	1	100
Prof. (Dr.) Bimalkumar N Patel, Public Interest Director	✓	✓	2	100
Smt. Rajeshree Sabnavis, Public Interest Director	-	✓	1	100
Smt. Preeti Saran, Public Interest Director	✓	-	1	100
Attendance for the meeting (%)	100	100	-	-

Notes:

1. Due to business exigencies, certain resolutions were passed through Circulation.
2. Smt. Preeti Saran had resigned w.e.f. October 17, 2022.
3. Prof. Umesh Bellur was inducted as Chairperson w.e.f. October 31, 2022 due to resignation of Smt. Preeti Saran. Prof. Umesh Bellur was re-designated as member on March 20, 2023 due to Reconstitution of Committee.
4. Smt. Rajeshree Sabnavis was inducted as member w.e.f. December 17, 2022.
5. Shri Gurumoorthy Mahalingam was inducted as Chairperson w.e.f. March 20, 2023.
6. The Company Secretary acts as the Secretary to the Nomination and Remuneration Committee Meetings.

3. Changes in the Nomination and Remuneration Committee during the year:

The Nomination and Remuneration Committee was re-constituted on October 31, 2022, December 17, 2022 and March 20, 2023, due to appointment and resignation of Directors on the Governing Board of CDSL.

4. Performance Evaluation criteria for Directors:

The Company has formulated a Policy on Evaluation of the performance of the Board, for evaluation of the performance of the Directors including Public Interest/Independent Directors. The Policy on Evaluation of the Performance of the Board is available on the website of your Company <https://www.cdslindia.com/InvestorRels/CorporateGovernance.html> which describes the criteria and process for evaluation in detail.

During the previous year, there were no observations in the Board Evaluation and accordingly, no actions were required to be taken.

The performance evaluation criteria for Public Interest/Independent Directors were determined by the Nomination and Remuneration Committee of the Board. An indicative list of parameters on which evaluation of performance of Public Interest/Independent Directors was carried out which includes their involvement, contribution, knowledge, competency, initiative taken, commitment and integrity, which were relevant to them in capacity as Member of Board.

During the year, a comprehensive exercise for evaluation of the performance of every Individual Director, the Board as a whole, its Committees and Chairperson of the Company was carried out by the Company as per the evaluation criteria.

The evaluation of Public Interest/Independent Directors was done by the entire Board of Directors including performance of the Directors and fulfillment of the Independence criteria as specified in SEBI Listing Regulations, SEBI (D&P) Regulations and their independence from the Management. The Directors who were subject to evaluation did not participate. The overall performance evaluation exercise was completed to the satisfaction of the Board with no observations.

External Evaluation of Public Interest Directors:

As per SEBI (D&P) Regulations, Public Interest Directors shall be nominated by SEBI on the Governing Board of a Depository for an initial term of three years, which can be extended by another term of three years subject to external performance review as prescribed by SEBI vide its circular dated February 05, 2019.

Accordingly, external evaluation was conducted in accordance with the aforesaid SEBI Circular for those Public Interest Directors whose term was about to expire and were eligible for re-appointment.

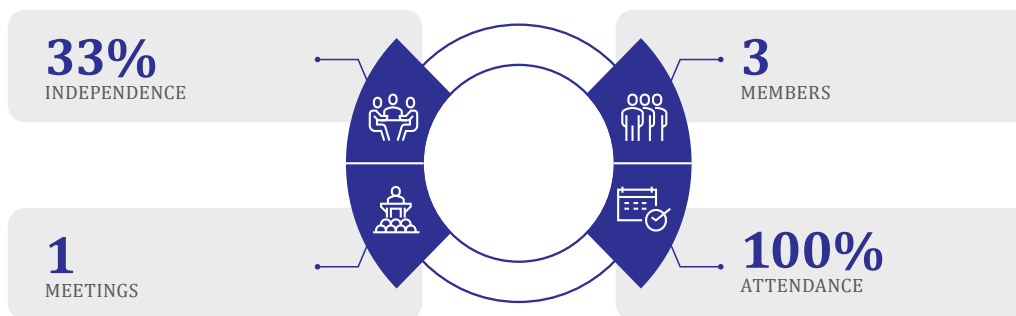
III. Stakeholders Relationship Committee:

Company has complied with the requirements of Section 178(5) of the Companies Act, 2013 and the constitution of the Stakeholders Relationship Committee is in compliance with Regulation 20 of SEBI Listing Regulations.

1. Terms of Reference of Stakeholders Relationship Committee:

- Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.;
- Review of measures taken for effective exercise of voting rights by shareholders;
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent;
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the Shareholders of the Company;
- To approve the Rematerialisation requests with respect to CDSL shares, received from the Shareholders of CDSL.

2. Composition of the Committee, Number of Meetings held and Attendance details of Stakeholders Relationship Committee:



The Committee met one time during the FY 2022-23. The composition and attendance details of Stakeholders Relationship Committee are provided in the table below:

Name of the Members	Stakeholders Relationship Committee Meeting		
	Committee Meeting Details 24/01/2023	Held during tenure	% of Attendance of Members
Prof. (Dr.) Bimalkumar N Patel, Chairperson, Public Interest Director	✓	1	100
Prof. Umesh Bellur, Public Interest Director	-	-	-
Shri Nehal Vora, Managing Director & CEO	✓	1	100
Shri Nayan Mehta, Shareholder Director	✓	1	100
Attendance for the meeting (%)	100	-	-

Notes:

- Prof. Umesh Bellur ceased to be a member w.e.f. December 17, 2022.
- Shri Nayan Mehta was inducted as member w.e.f. December 17, 2022.
- The Company Secretary acts as the Secretary to the Stakeholders Relationship Committee Meetings.

3. Changes in the Stakeholders Relationship Committee during the financial year:

The Stakeholder Relationship Committee was re-constituted on December 17, 2022, due to appointment and resignation of Directors on the Governing Board of CDSL.



4. Disclosures with respect to Stakeholders Relationship Committee:

Sr. No.	Particulars	Details
1.	Name of Non-Executive Director heading the Committee	Prof. (Dr.) Bimalkumar N Patel
2.	Name and designation of Compliance Officer	Shri Nilay Shah, Group Company Secretary and Head Legal
3.	Number of Shareholders' complaints received so far	15
4.	Number not solved to the satisfaction of shareholders	Nil
5.	Number of pending complaints	Nil

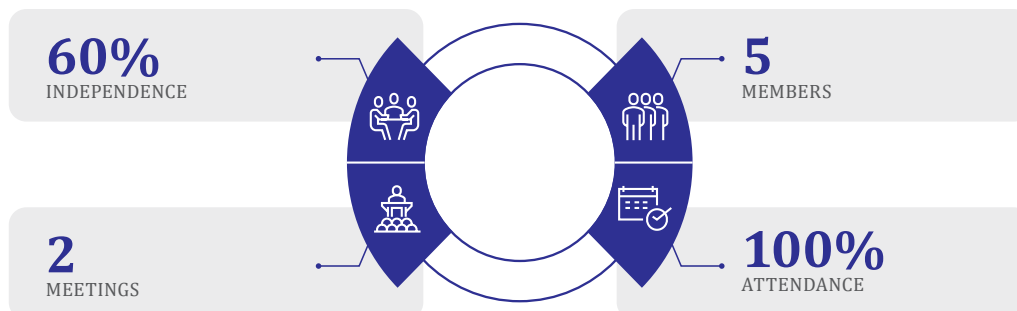
IV. Corporate Social Responsibility Committee:

In view of the provisions of Section 135 of the Companies Act, 2013, the Company has constituted a Corporate Social Responsibility Committee.

1. Terms of Reference of Corporate Social Responsibility Committee:

- To formulate and recommend a CSR Policy indicating the activities to be undertaken by the Company in areas or subject specified in Schedule VII to the Act;
- To recommend the amount of expenditure to be incurred on the activities referred to in clause (a);
- To formulate and recommend an annual action plan in pursuance of CSR Policy covering the following aspects:
 - the list of approved CSR projects or programs to be undertaken in areas or subjects specified in Schedule VII to the Act;
 - the manner of execution of such projects or programs as specified in rule 4(1) of CSR Rules;
 - the modalities of utilisation of funds and implementation schedules for the projects or programs;
 - monitoring and reporting mechanism for the projects or programs; and
 - details of need and impact assessment, if any, for the projects undertaken by the company;
- Recommend changes to the Board, if any, needed in the annual action plan with reasonable justification to that effect.
- To monitor the CSR Policy as approved by the Board from time to time.
- The CSR Committee should recommend the approach and direction of CSR activities to be undertaken by the company and provide Guiding principles for:
 - Selection of CSR projects/programmes/activities
 - Implementation of CSR projects/programmes/activities
 - Monitoring of CSR projects/programmes/activities
 - Formulation of the annual action plan.

2. Composition of the Committee, Number of Meetings held and Attendance details of Corporate Social Responsibility Committee:



The Committee met two times during the FY 2022-23. The composition and attendance details of Corporate Social Responsibility Committee are provided in the table below:

Corporate Social Responsibility Committee Meetings				
Name of the Members	Committee Meeting Details		Held during tenure	% of Attendance of Members
	1	2		
	20/07/2022	29/03/2023		
Smt. Rajeshree Sabanvis, Chairperson, Public Interest Director	-	✓	1	100
Shri Sidhartha Pradhan, Public Interest Director	-	✓	1	100
Prof. Umesh Bellur, Public Interest Director	-	✓	1	100
Shri Masil Jeya Mohan P, Shareholder Director	✓	✓	2	100
Shri Nehal Vora, Managing Director & CEO	✓	✓	2	100
Smt. Preeti Saran, Public Interest Director	✓	-	1	100
Attendance for the meeting (%)	100	100	-	-

Notes:

1. Smt. Preeti Saran had resigned w.e.f. October 17, 2022.
2. Shri Sidhartha Pradhan was inducted as member w.e.f. October 31, 2022.
3. Smt. Rajeshree Sabnavis was inducted as Chairperson w.e.f. December 17, 2022.
4. Prof. Umesh Bellur was inducted as member w.e.f. March 20, 2023.

3. Changes in the Corporate Social Responsibility Committee during the year:

The Corporate Social Responsibility Committee was re-constituted on October 31, 2022, December 17, 2022 and March 20, 2023, due to appointment and resignation of Directors on the Governing Board of CDSL.

V. Risk Management Committee:

The Risk Management Committee is constituted as per the requirement of the Companies Act 2013, Regulation 21 of SEBI Listing Regulations, Regulation 30 of SEBI (D&P) Regulations and SEBI circular dated January 10, 2019.

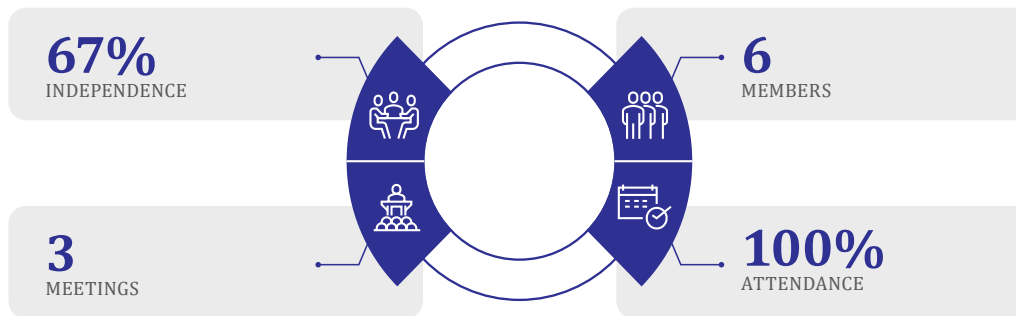
1. Terms of Reference of Risk Management Committee:

- (a) To formulate a detailed Risk Management Policy which shall include:
 - i. A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
 - ii. Measures for Risk Mitigation including systems and processes for internal control of identified risks.
 - iii. Business continuity plan.
- (b) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- (c) To monitor and oversee implementation of the Risk Management Policy, including evaluating the adequacy of Risk Management Systems and keep the Governing Board informed about its implementation and deviation, if any;
- (d) To ensure that the Risk Management Policy is approved by the Governing Board;
- (e) To periodically review the Risk Management Policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- (f) To keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- (g) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee;
- (h) To monitor and review enterprise-wide Risk Management Plan and lay down procedures to inform Board Members about the risk assessment and minimisation procedures;



- (i) The head of the Risk Management Department shall report to the Risk Management Committee and to the Managing Director of the Depository;
- (j) To assess and mitigate the risk involved in Depository and Depository Participants;
- (k) Responsibilities and other requirements provided in SEBI Circular dated January 12, 2015;
- (l) The Risk Management Committee shall have powers to seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary;
- (m) To meet periodically in order to continuously identify, evaluate and assess applicable risks in depository system through various sources such as investors complaints, inspections, system audit etc.;
- (n) To suggest measures to monitor and assess the adequacy and effectiveness of the Risk Management Framework and the system of internal control and shall suggest measures to mitigate risk wherever applicable;
- (o) To review and update the Risk Management Framework & Risk Mitigation measures from time to time;
- (p) To co-ordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the Board of Directors.

2. Composition of the Committee, Number of Meetings held and Attendance details of Risk Management Committee:



The Committee met three times during the FY 2022-23. The composition and attendance details of Risk Management Committee are provided in the table below:

Risk Management Committee Meetings					
Name of the Members	Committee Meeting Details			Held during tenure	% of Attendance of Members
	1	2	3		
	18/05/2022	30/08/2022	16/02/2023		
Shri Sidhartha Pradhan, Chairperson, Public Interest Director	✓	✓	✓	3	100
Prof. Umesh Bellur, Public Interest Director	✓	✓	✓	3	100
Smt. Rajeshree Sabnavis, Public Interest Director	-	-	✓	1	100
Prof. (Dr.) Bimalkumar N Patel, Public Interest Director	-	-	-	-	-
Smt. Preeti Saran, Public Interest Director	✓	✓	-	2	100
Shri Viraj Londhe, Independent External Person	✓	✓	✓	3	100
Shri Sidhartha Roy, Independent External Person	-	-	✓	1	100
Attendance for the meeting (%)	100	100	100	-	-

Notes:

1. Shri Sidhartha Roy was inducted as a member w.e.f. October 13, 2022.
2. Smt. Preeti Saran had resigned as a member w.e.f. October 17, 2022.
3. Smt. Rajeshree Sabnavis was inducted as a member w.e.f. December 17, 2022.
4. Prof. (Dr.) Bimalkumar N Patel was inducted as a member w.e.f. March 20, 2023.

3. Changes in the Risk Management Committee during the FY 2022-23:

The Risk Management Committee was re-constituted on October 13, 2022, December 17, 2022 and March 20, 2023, due to appointment and resignation of Directors on the Governing Board of CDSL.

VI. Independent Directors (Public Interest Directors):

For the Governing Board of the Company to exercise free and fair judgment in all matters related to the functioning of the Company as well as the Board, it is important for the Independent Directors to have meetings without the presence of the Executive Management. As prescribed under clause VII of Schedule IV of the Companies Act, 2013 as well clause (ii) of part B of schedule III of SEBI (D&P) Regulations and Regulation 25 of SEBI Listing Regulations, the Public Interest Directors have met two times separately, on April 28, 2022 and October 21, 2022 to exchange their views on critical issues and on the action points laid down by SEBI.

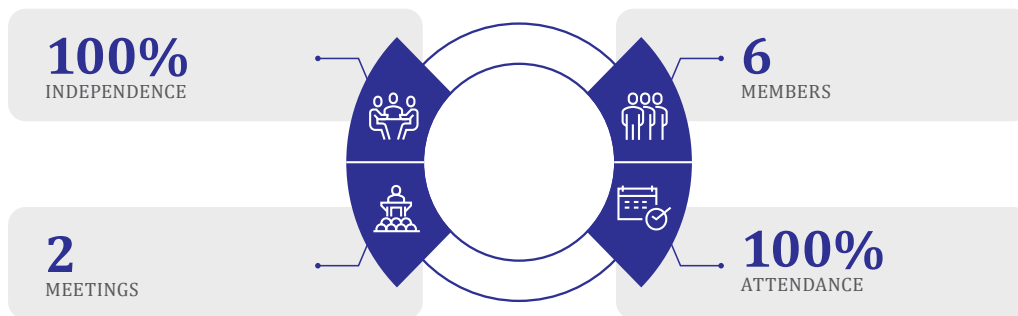
1. Terms of Reference of Meeting of Public Interest/Independent Directors:

- a. help in bringing an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct;
- b. bring an objective view in the evaluation of the performance of board and management;
- c. scrutinize the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;
- d. satisfy themselves on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible;
- e. safeguard the interests of all stakeholders, particularly the minority shareholders;
- f. balance the conflicting interest of the stakeholders;
- g. determine appropriate levels of remuneration of executive directors, key managerial personnel and senior management and have a prime role in appointing and where necessary recommend removal of executive directors, key managerial personnel and senior management;
- h. moderate and arbitrate in the interest of the Company as a whole, in situations of conflict between management and shareholder's interest;
- i. review the performance of Non-Independent Directors and the Board as a whole and its Committees;
- j. review the performance of the Chairperson of the Company, considering the views of executive directors and non-executive directors;
- k. assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties;
- l. Reviewing the status of compliance with SEBI letters/circulars;
- m. Reviewing the functioning of regulatory departments including the adequacy of resources dedicated to regulatory functions, etc.;
- n. Preparing a report on the working of the committees of which they are member and circulate the same to other PIDs. The consolidated report in this regard shall be submitted to the Governing Board of the Company;
- o. Identifying the important issues which may involve conflict of interest for the Company or may have significant impact on the market and report the same to SEBI, from time to time;
- p. Exchange views on critical issues;
- q. PIDs should have regular oversight on observations of SEBI's inspections particularly on issues related to-
 - i. Governance standards – Conflict of interest;
 - ii. Technology and Cyber Security issues and
 - iii. System Audit & Cyber Security Audit observations



- r. Technology related issues are important in the MII space and they may be reviewed by PIDs preferably on a quarterly basis;
- s. PIDs should be proactive in identifying any issues concerning functioning of MII and report the same to SEBI. PIDs should ensure all regulatory communications/letter from SEBI are placed before board with comments/report of MD & CEO;
- t. PIDs to ensure that appointments of MD/CEO be held within specified timelines. Identifications of KMPs be closely scrutinized as per the laid down procedure and exceptions should be brought to the notice of SEBI;
- u. PIDs to independently evaluate investments made by MIIs into unrelated areas;
- v. PID should take proactive part in deliberations of different committees and steer their functioning;
- w. PIDs to have a mechanism to have a regular review of regulatory requirements. They may also have a regular interaction with SEBI regarding any clarifications, if required;
- x. PIDs should evaluate the profitability margins of MIIs. Adequacy of resource allocation (both financial & human) towards regulatory compliances to be ensured. It is observed that the EBITDA margins and PAT margins of MIIs are among the highest in the country.

2. Meetings held and attendance details of Public Interest Directors:



Public Interest Directors Meetings

Name of the Public Interest Directors	Meeting Details		Held during tenure	% of Attendance of Directors
	1	2		
	28/04/2022	21/10/2022		
Shri Balkrishna V Chaubal	✓	✓	2	100
Prof. (Dr.) Bimalkumar N Patel	✓	✓	2	100
Shri Sidhartha Pradhan	✓	✓	2	100
Prof. Umesh Bellur	✓	✓	2	100
Smt. Rajeshree Sabnavis	-	-	0	-
Shri Gurumoorthy Mahalingam	-	-	0	-
Smt. Preeti Saran	✓	-	1	100
Attendance for the meeting (%)	100	100	-	-

Notes:

1. Smt. Preeti Saran ceased w.e.f. October 17, 2022 due to resignation.

2. Smt. Rajeshree Sabnavis was appointed w.e.f. November 29, 2022.

3. Shri Gurumoorthy Mahalingam was appointed w.e.f. March 09, 2023.

L. REMUNERATION OF DIRECTORS:

a. Non-Executive Directors:

In compliance with the provisions of Section 197 of the Companies Act, 2013 read with rules made thereunder, the Company pays a sitting fees of ₹1,00,000 for attending each Board Meeting, ₹75,000 for attending each Committee Meeting and ₹25,000 for attending each Sub-Committee Meeting (i.e., Committees constituted for special purposes) to the Non-Executive Directors.

Details of the sitting fees paid to the Non-Executive Directors during the FY 2022-23 are as under:

Name of the Director	Salary (₹)	Commission (₹)	Sitting Fees (₹)	Other Compensation (₹)	Total (₹)
Shri Balkrishna V Chaubal	-	-	29,50,000	-	29,50,000
Prof. (Dr.) Bimalkumar N Patel	-	-	25,00,000	-	25,00,000
Shri Sidhartha Pradhan	-	-	28,75,000	-	28,75,000
Prof. Umesh Bellur	-	-	33,25,000	-	33,25,000
Smt. Rajeshree Sabnavis	-	-	10,25,000	-	10,25,000
Shri Gurumoorthy Mahalingam	-	-	2,50,000	-	2,50,000
Shri Masil Jeya Mohan P	-	-	18,00,000	-	18,00,000
Shri Nayan Mehta	-	-	13,25,000	-	13,25,000
Smt. Preeti Saran	-	-	12,25,000	-	12,25,000

Notes:

1. Smt. Preeti Saran had resigned w.e.f. October 17, 2022, as Public Interest Director.
2. Smt. Rajeshree Sabnavis, was appointed w.e.f. November 29, 2022, as Public Interest Director.
3. Shri Gurumoorthy Mahalingam was appointed w.e.f. March 09, 2023, as Public Interest Director.
4. Sitting Fees of Shri Nayan Mehta, Shareholder Director was paid to the Nominating Institution i.e., BSE Limited. Further, Shri Nayan Mehta has resigned w.e.f. May 16, 2023, from the Governing Board of CDSL.
5. The Company has not granted any stock options to any of its Directors.
6. None of the Non-Executive Directors have any other pecuniary relationship or transactions with the Company during the FY 2022-23.

b. Executive Director:

The remuneration paid to Shri Nehal Vora, Managing Director & CEO has been approved by the Nomination and Remuneration Committee, the Board of Directors, the Shareholders and SEBI. The remuneration paid to him commensurate with the responsibility conferred upon him by the Board and the scope of his responsibilities. The service contract does not provide for severance pay. The remuneration paid to the Managing Director & CEO includes basic salary, performance linked incentives, other allowances and taxable value of perquisites as tabulated below:

Remuneration paid to Shri Nehal Vora, Managing Director & CEO	Amount in ₹
Salary	2,81,23,451
Employer's PF Contribution	16,74,192
Perquisites	9,48,792
Performance Linked Bonus (Other compensation)	60,65,915
Total	3,68,12,350

M. GENERAL BODY MEETINGS:

a. Details of last three Annual General Meetings (AGM) held:

Meeting	24 th AGM	23 rd AGM	22 nd AGM
Day & Date	Thursday, September 15, 2022	Tuesday, September 21, 2021	Tuesday, September 15, 2020
Time	11:00 A.M. (IST)	3:30 P.M. (IST)	3:30 P.M. (IST)
Venue	Through Video Conferencing/Other Audio-Visual Means and the Registered Office was deemed to be the venue of the Meeting.		
Book Closure/Record date	September 08, 2022	September 14, 2021	September 08, 2020
Payment of Dividend	₹15 per share i.e., 150% of Face Value	₹9 per share i.e., 90% of Face Value	₹4.50 per share i.e., 45% of Face Value
Dividend payment date	September 16, 2022	September 23, 2021	September 29, 2020
No. of Special resolutions set out at the AGM	None		
Details of special resolution	Not Applicable		

b. Special Resolution passed last year through Postal Ballot – Details of Voting Pattern:

No Special Resolutions were passed through Postal Ballot during the FY 2022-23.

c. Whether any Special Resolution is proposed to be conducted through Postal Ballot:

There are no Special Resolutions proposed to be conducted through Postal Ballot as on the date of this report.

**d. Queries at Annual General Meeting (AGM):**

Shareholders seeking any information are requested to write to the Company at shareholders@cdslindia.com, an early date to enable the Management to have the information ready. The queries relating to operational and financial performance may be raised at the AGM.

N. DIRECTORS WITH MATERIALLY SIGNIFICANT, PECUNIARY OR BUSINESS RELATIONSHIP WITH THE COMPANY:

Notes to financial statements have furnished the transactions with related parties, as stipulated under Indian Accounting Standards. Apart from the related party transactions mentioned in the notes, there are no transactions of a material nature with the Directors which may have conflict of interest with the Company. Further, there is no pecuniary or business relationship between the Non-Executive Directors and the Company.

O. DISCLOSURES UNDER REGULATION 31(3) OF SEBI (DEPOSITORIES & PARTICIPANTS) REGULATIONS, 2018:

The Company being a recognized Listed Depository is governed by SEBI and ensures compliance with various regulations and guidelines applicable to the Company including the SEBI (D&P) Regulations. The Company aims at implementing the best governance practices and disclosure norms as a Listed Market Infrastructure Intermediary. The regulatory departments constituted to strengthen the regulatory functions and ensuring compliance with the regulatory requirements, are headed by senior officials who are also a part of the Executive Management Committee of the Company, who in turn report to the Managing Director & CEO.

The direct and indirect expenses for FY 2022-23 incurred by the Company towards the resources committed for strengthening regulatory functions and ensuring compliance with the regulatory requirements amounted to ₹4,449.20 Lakh as per activity-based accounting method.

P. DISCLOSURE OF COMPENSATION PAID TO KEY MANAGEMENT PERSONNEL PURSUANT TO REGULATION 28(5) AND 28(6) OF THE SEBI (DEPOSITORIES & PARTICIPANTS) REGULATIONS, 2018:

Sr. No.	Name	Designation	Compensation paid (in ₹)	Ratio to median salary of other employees
1	Nehal Naleen Vora	Managing Director & CEO	3,68,12,350	33.69
2	Nayana Ovalekar	Chief Regulatory Officer	1,82,25,123	16.68
3	Amit Mahajan	Chief Technology Officer	1,71,00,946	15.65
4	Ramkumar K.	Chief of Business Development & New Projects	1,84,55,132	16.89
5	Girish Savjibhai Amesara	Chief Financial Officer	1,27,40,191	11.66
6	Vinay Madan	Chief Risk Officer	1,14,99,481	10.52
7	Rajesh Ravindra Saraf	Chief Data & Operations Officer (joined w.e.f. October 19, 2022)	47,10,311*	4.31
8	Yogesh Kundnani	Senior Vice President - Business Development	98,28,410	9.00
9	Farokh Patel	Vice President - Audit, Inspection & Compliance	72,78,054	6.66
10	Nitin Ambure	Vice President - Admission Cell	59,25,707	5.42
11	Vishwas Nagle	Vice President - Information Technology (Interim CISO w.e.f. February 01, 2023)	59,42,538	5.44
12	Prithwiji Dinda	Vice President - Information Technology (Retired on August 31, 2022)	35,28,790*	3.23
13	Ashish Bhatt	Vice President - Operations	47,19,904	4.32
14	Rajesh Nadkarni	Chief Information Security Officer (Resigned & relieved on January 27, 2023)	43,40,199*	3.97
15	Nilay Rajendra Shah	Group Company Secretary and Head Legal	55,77,459	5.10
16	Swaroopkumar Jagadishbhai Gothi	Financial Controller	44,04,000	4.03
17	Ashwin Lalchandani	Assistant Vice President - Risk Management (joined w.e.f. February 08, 2023)	4,08,335*	0.37

* Compensation paid is on pro rata basis based on date of joining or separation as applicable.

Q. MEANS OF COMMUNICATIONS:

Your Company focuses on prompt, continuous and efficient communication with all its Stakeholders. All periodical compliances, intimations, disclosures, etc. are filed electronically to National Stock Exchange of India Limited through their web-based application viz. NEAPS. Simultaneously, these are uploaded on the website of the Company www.cdslindia.com. The Company also disseminates information on its operations and initiatives on a regular basis.

a. Financial Results and Newspaper Publications:

The quarterly, half-yearly and annual financial results of the Company were published atleast in one English newspaper circulating in the whole or substantially the whole of India and one in vernacular newspaper of the State of Maharashtra where the registered office of the Company is situated. Simultaneously these are displayed on website of the Company www.cdslindia.com.

During the FY 2022-23, financial results were published in the following newspapers as detailed below:

Quarter ended	Date of Board Meeting	Date of Publication	Name of the Newspaper
June 30, 2022	July 30, 2022	July 31, 2022	Financial Express and Loksatta
September 30, 2022	October 22, 2022	October 23, 2022	Financial Express and Loksatta
December 31, 2022	February 01, 2023	February 02, 2023	Financial Express and Loksatta
March 31, 2023	April 29, 2023	April 30, 2023	Financial Express and Loksatta

b. Presentation to Analysts:

The Company on a quarterly basis organizes conference calls with analysts. The audio clips and transcripts of the said conference calls were also submitted to the Stock Exchange and displayed on the website of the Company. The presentations made to institutional investors/analysts are also displayed on the Stock Exchange and website of the Company.

The corporate announcements made for any material events are submitted to the Stock Exchange and displayed on the website of the Company.

c. Annual Reports:

The Company sends the Annual Report through e-mail to all the Shareholders of the Company. As per SEBI circular dated January 05, 2023, its listed entities are granted relaxation till September 30, 2023, from the compliance of sending physical copy of the Annual Report containing salient features of all the documents prescribed in Section 136 of the Companies Act, 2013, to the shareholders who have not registered their email addresses. However, the listed entities are required to send a physical copy of the Annual Report to the Shareholders who requests the same.

d. Press Releases:

The Company disseminates the press releases on the portal of stock exchange i.e., National Stock Exchange of India Limited and on its website at www.cdslindia.com.

R. GENERAL SHAREHOLDER INFORMATION:

a. Twenty-Fifth Annual General Meeting:

Day & Date	Friday, September 01, 2023
Time	11.00 A.M. (IST)
Venue	Registered Office of the Company (Deemed Venue) (through Video Conferencing/Other Audio-Visual Means)
Cut-off date	Friday, August 25, 2023
Dividend payment date	Within 30 days from the date of declaration



Date and Time:
September 01, 2023
Friday 11.00 A.M. IST



Mode Video Conference
and Other Audio-Visual
Means



Participation through
Video-Conferencing



Facility of Live Webcast



E-voting Dates: Tuesday,
August 29, 2023, 9.00 a.m.
(IST) to Thursday, August
31, 2023, 5.00 p.m. (IST)

b. Financial Year:

The financial year of the Company commences on 1st April every year and ends on 31st March of the following year.

c. Listing on Stock Exchange:

The equity shares of the Company are listed on:

National Stock Exchange of India Limited ("NSE")

Exchange Plaza, Bandra Kurla Complex,
Bandra (East), Mumbai – 400051.



The listing fees was paid to the Stock Exchange. The equity shares of the Company have not been suspended from trading on the stock exchange by any regulatory/statutory authority. Further, the Company has not issued any debt instrument during FY 2022-23.

d. **Stock code/Symbol:** CDSL

e. **ISIN:** INE736A01011

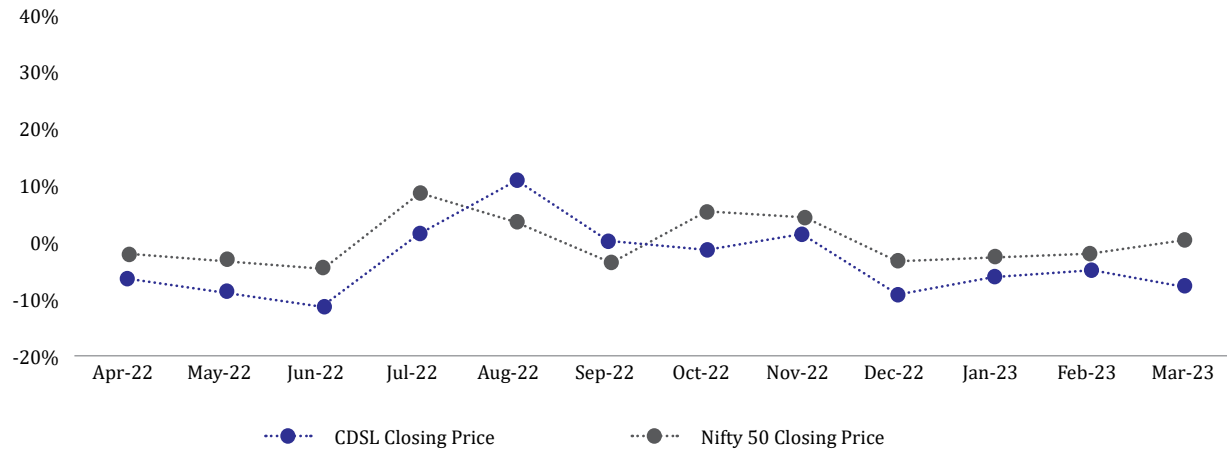
f. **Market Price Data and Stock Performance:**

The monthly high and low market price of the shares and the quantities traded during the FY 2022-2023 on NSE are as follows:

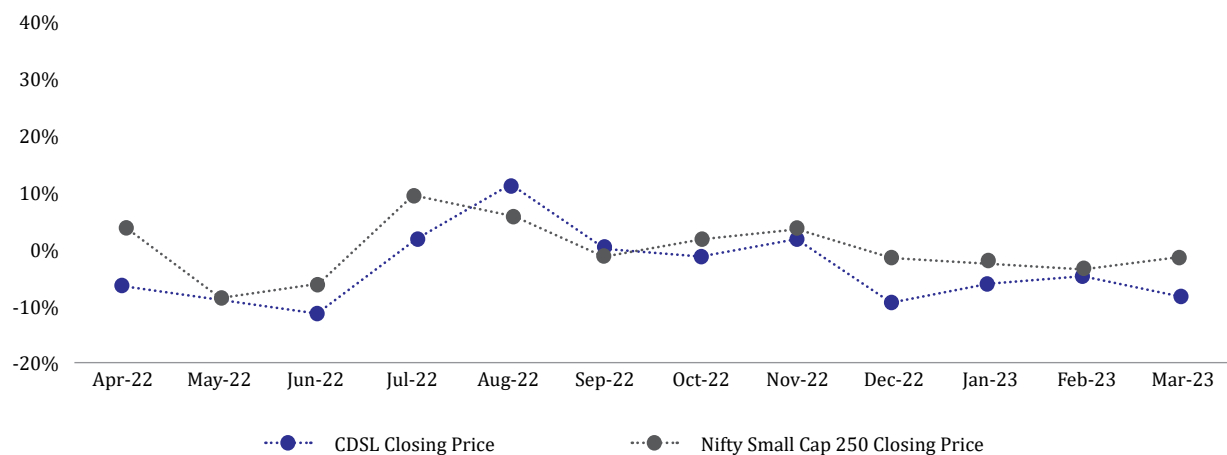
Month	Monthly High Price (₹ Per Share)	Monthly Low Price (₹ Per Share)	No. of Shares Traded
April 2022	1,539.00	1,374.00	1,00,68,419
May 2022	1,361.00	1,015.00	1,79,00,856
June 2022	1,280.80	1,066.75	1,12,52,782
July 2022	1,164.50	1,083.25	71,92,034
August 2022	1,283.50	1,100.00	1,54,21,854
September 2022	1,451.90	12,11.25	2,01,16,282
October 2022	1,289.55	1,200.00	50,01,815
November 2022	1,277.50	1,201.45	62,40,604
December 2022	1,260.00	1,075.55	61,22,442
January 2023	1,164.50	1,002.75	53,18,158
February 2023	1,064.95	972.10	60,63,470
March 2023	1,037.65	880.90	72,47,121

g. **Performance in comparison to broad based indices:**

• **Performance of share price vis-a-vis Nifty 50:**



• **Performance of share price in comparison to Nifty Small-Cap 250**



h. Registrar and Share Transfer Agent:

M/s. Link Intime India Private Limited is the Registrar and Share Transfer Agent ("**RTA**") of the Company.

Communication Address:

Link Intime India Private Limited
 247 Park, C-101, L.B.S. Marg,
 Vikhroli (West), Mumbai-400083.
 Email: rnt.helpdesk@linkintime.co.in

i. Share Transfer System:

The entire equity shares (except 201 shares) of the Company are in dematerialized mode. These shares can be transferred through the depositories without the involvement of the Company. Transfer of shares in physical form has been prohibited from April 01, 2019. The shareholders who continue to hold shares and other types of securities of listed companies in physical form even after this date will not be able to lodge the shares with the Company/its RTA for further transfer. They will need to convert them to dematerialized form compulsorily if they wish to effect any transfer. All the investors who are holding shares etc. in physical form should consider opening a demat account at the earliest and submit request for dematerialization of their shares in order to protect the liquidity of the shares.

Further, SEBI vide its notification dated January 24, 2022, has mandated that all requests for transfer of securities including transmission and transposition requests shall

be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialization, members are advised to dematerialize the shares held by them in physical form. Members can contact the Company/its RTA, for assistance in this regard.

The Company has a Stakeholders Relationship Committee which looks after Demat/Remat/Transfer/Transmission/Name Change/Deletion/Modification of any securities and its review. It has authorized the Managing Director & CEO and one Director to authorize transfer for speedy processing.

j. Standard operating procedures for dispute resolution under the Stock Exchange arbitration mechanism:

SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/76 dated May 30, 2022 has prescribed Standard Operating Procedures ("**SOPs**") in accordance with Regulation 40 of the SEBI Listing Regulations, for dispute resolution under the Stock Exchange arbitration mechanism for disputes between a Listed Company and/or Registrars to an Issue and Share Transfer Agents and its Shareholder(s)/Investor(s) which are emanating from investor services.

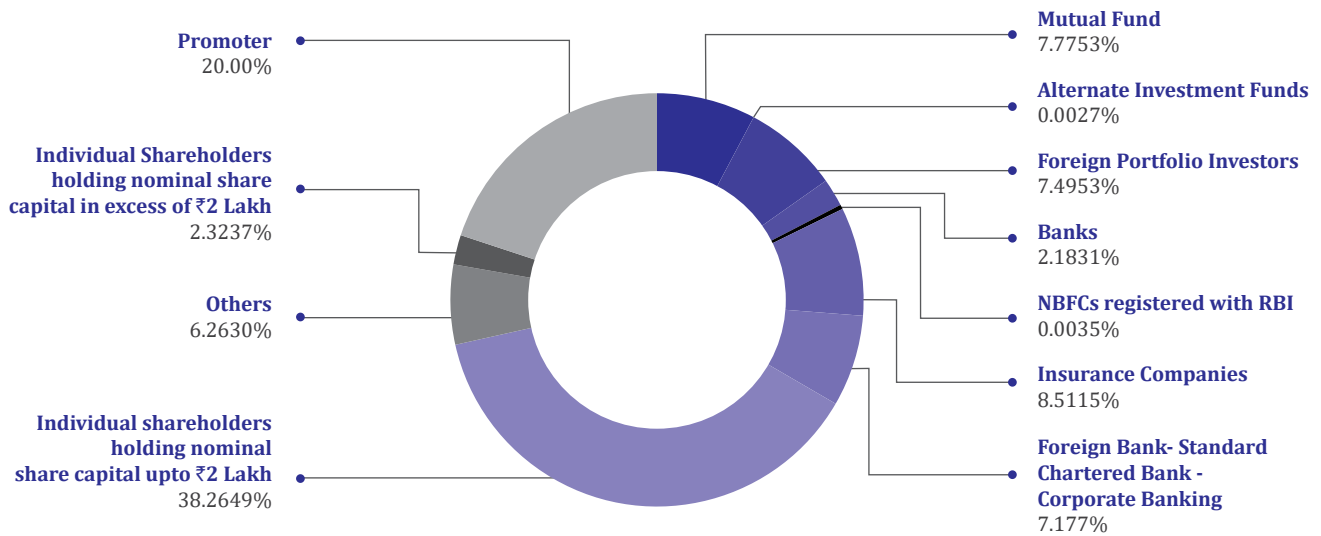
The said SEBI Circular providing SOPs has been made available on the Company's website at <https://www.cdslindia.com/Publications/Communique.html>

k. Distribution of Shareholding as on March 31, 2023:

Sr. No	Range of Shares	Number of Shareholders	% of Total Shareholders	Number of Shares	% of Total Share Capital
1.	Upto 500	8,41,091	98.83	2,95,06,719	28.2361
2.	501 to 1,000	5,687	0.66	42,29,190	4.0471
3.	1,001 to 2,000	2,323	0.27	33,41,102	3.1972
4.	2,001 to 3,000	726	0.08	18,37,924	1.7588
5.	3,001 to 4,000	314	0.03	11,05,258	1.0577
6.	4,001 to 5,000	191	0.02	8,83,368	0.8453
7.	5,001 to 10,000	345	0.04	24,99,962	2.3923
8.	Above 10,000	308	0.03	6,10,96,477	58.4655
	TOTAL	8,50,985	100.00	10,45,00,000	100

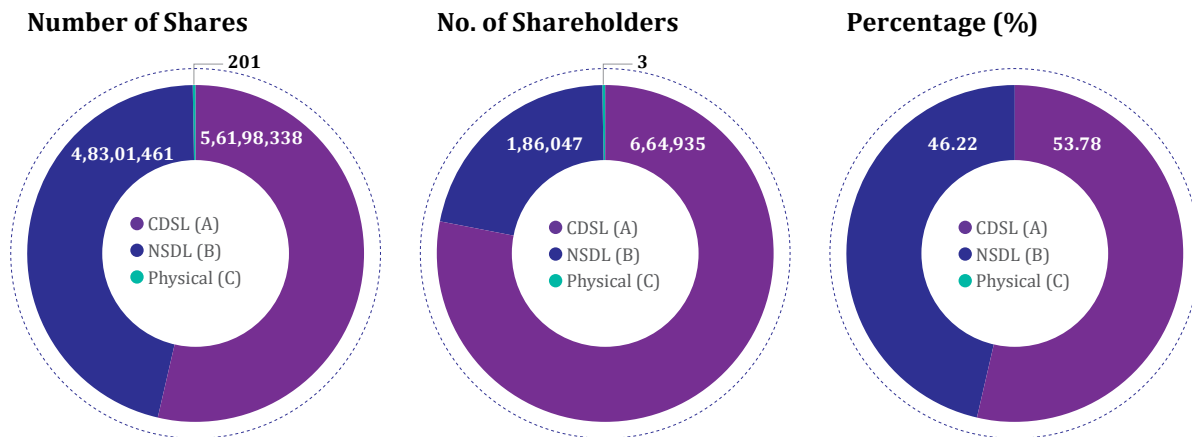
l. Top Ten (10) Shareholders of the Company as on March 31, 2023:

Sr. No.	Shareholder's Name	Shares	% of total shares
1.	BSE Limited	2,09,00,000	20.00
2.	Standard Chartered Bank - Corporate Banking	75,00,000	7.18
3.	PPFAS Mutual Fund - Parag Parikh Flexi Cap Fund	47,99,727	4.59
4.	Life Insurance Corporation of India (LICI Asm Non-Par)	45,94,231	4.40
5.	ICICI Prudential Life Insurance Company Limited	23,62,981	2.26
6.	Nippon Life India Trustee Ltd-A/C Nippon India Small Cap Fund	19,64,859	1.88
7.	Canara Bank	15,84,000	1.52
8.	Indus India Fund (Mauritius) Limited	10,30,542	0.99
9.	The New India Assurance Company Limited	9,72,923	0.93
10.	Vanguard Emerging Markets Stock Index Fund, A Series of Vanguard International Equity Index Funds	7,37,062	0.71

**m. Category wise Shareholding Pattern as on March 31, 2023:****n. Dematerialization of shares and liquidity:**

The equity shares of the Company are compulsorily traded in dematerialized form on NSE. The equity shares of the Company are liquid and actively traded shares on the NSE. As on March 31, 2023, 99.99% of the equity share capital was held in dematerialized form.

Break-up of shares held in physical and dematerialized form as on March 31, 2023, is as under:

**o. Outstanding Global Depository Receipts (GDRs) or American Depository Receipts (ADRs) or Warrants or any convertible instruments, conversion date and likely impact on equity:**

The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments in past years and hence there are no outstanding GDRs/ADRs/Warrants or any convertible instruments.

p. Commodity price risk or foreign exchange risk and hedging activities:

The Company is not exposed to any commodity price risk and hence the disclosure is not applicable.

q. Plant locations:

The Company is engaged in the business of depository services and therefore, it has no plants.

r. Address for Correspondence for investors:

Shri Nilay Shah, Group Company Secretary & Head Legal,
Central Depository Services (India) Limited,
Unit No. A-2501, Marathon Futurex,
Mafatlal Mills Compound, N.M. Joshi Marg,
Lower Parel (East), Mumbai-400013.
Email: cdslagm@cdslindia.com

- s. **List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad:**

The Company has not issued any debt instrument or any fixed deposit programme or any scheme involving mobilization of funds and hence, has not obtained any credit ratings during the FY 2022-23.

OTHER DISCLOSURES:

- a. **Disclosures on materially significant Related Party Transactions:**

All Related Party Transactions entered during FY 2022-23 were in an ordinary course of business and on an arm's length basis. Disclosure of Related Party Transactions has been made in Form AOC-2 enclosed to the Board's Report.

The Policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions have been uploaded on the website of the Company: <https://www.cdslindia.com/InvestorRels/CorporateGovernance.html>.

- b. **Details of non-compliance(s) by the Company:**

FY 2022-23:

In terms of the provisions of SEBI Circular on Committees in Market Infrastructure Institutions (MIIs) dated January 10, 2019, the Standing Committee on Technology ("SCOT") of a Depository shall have at least two Independent External Persons ("IEP") proficient in technology. The Company could not comply with the same for a period from May 13, 2022, until January 30, 2023, as there was a vacancy of one Independent External Person. The Company had approached various candidates to fill up the said vacancy. However, the said candidates expressed their inability to be appointed as an Independent External Person on the Committee for various reasons. Later, the said vacancy was filled on January 30, 2023, and thereafter the composition of the Committee was in compliance with the aforesaid SEBI Circular.

FY 2021-22:

In terms of the provisions of Regulation 29(2) of the SEBI Listing Regulations, prior intimation to Stock Exchange about the Board Meeting of the Company held on May 01, 2021, to consider declaration of dividend was submitted one working day prior to the scheduled Board Meeting as against the requirement of submission of prior intimation at least two working days in advance, excluding the date of the intimation and date of the Board Meeting. The NSE vide letter dated June 14, 2021 levied fine of ₹11,800 inclusive of taxes and the Company paid the fine on June 25, 2021. The Company had requested NSE to condone the delay of one day as the delay was due to the factors beyond Company's control due to COVID-19 pandemic and provide an opportunity of being heard in this matter.

The NSE vide its letter dated November 22, 2021 has condoned the delay and refunded the fine paid by the Company.

FY 2020-21:

In terms of the Regulation 18(1) of the SEBI Listing Regulations, the Company had three Independent Directors as against the requirement of having two-third of the total number of Members i.e., 3.33 rounded off to 4 as there were five members in the Audit Committee of the Company. The Company appointed one additional Independent Director in the Audit Committee on April 30, 2020, to comply with the provisions of the Regulation 18(1). The National Stock Exchange of India Limited (NSE) vide letter dated August 20, 2020, had levied fine to the Company for delayed/non-compliance of Regulation 18(1) w.r.t. composition of the Audit Committee for a period of 29 days. Further, during the reporting period i.e., FY 2020-2021, no meeting of the Audit Committee was held before April 30, 2020. In terms of the Regulation 30(6) read with sub-para 4 of Para A of Part A of Schedule III of the Listing Regulations, submission of outcome of the Board Meeting held on Saturday (Non-Trading Day), May 16, 2020, to consider financial results and dividend was delayed by 20 minutes as against the requirement of submission within 30 minutes of the closure of the Board Meeting. The delay was due to the technical challenges faced by the Company due to the lockdown imposed in view of the COVID-19 pandemic.

- c. **Details of establishment of vigil mechanism, whistle blower policy and affirmation that no personnel was denied access to the Audit Committee:**

The Company has established a vigil mechanism by framing a Whistle Blower Policy in compliance with Section 177 of the Companies Act, 2013 and Regulation 22 of the SEBI Listing Regulations for Directors and Employees to report genuine concerns or grievances. During the financial year 2022-2023, no personnel was denied access to the Audit Committee.

The Whistle Blower Policy can be accessed on the website of the Company <https://www.cdslindia.com/InvestorRels/CorporateGovernance.html>.

Further, SEBI vide its Letter No. SEBI/HO/MRD-SEC-SE/P/OW/2022/50119/1 dated September 27, 2022 had advised MII to file Whistleblower Complaints within 10 days of end of each quarter in prescribed format. In view of the aforesaid, the Company has been sending the details of Whistleblower Complaints to SEBI on a quarterly basis within prescribed timelines.

- d. **Statutory Compliance Monitoring Tool:**

The Company has in place a web-based Statutory Compliance Monitoring Tool, which has been implemented to streamline and manage compliance tracking of all the statutory & legal compliances needed to be followed by the Company. Automated alerts are sent to compliance owners to ensure compliance



within stipulated timelines. The necessary assurance is provided to the Board on a quarterly basis.

e. Compliance with mandatory requirements:

The Company has complied with all the mandatory requirements of SEBI Listing Regulations, specifically the Corporate Governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of Sub-Regulation (2) of Regulation 46 and Para C, D and E of Schedule V of SEBI Listing Regulations. Certificate on Corporate Governance issued by M/s. Vatsal Doshi & Associates is attached to this report as “Annexure-II”.

f. Adoption of Non-Mandatory Requirements:

The Company has adopted following non-mandatory requirements of Regulation 27 and Regulation 34, as specified in Part E of Schedule II of the SEBI Listing Regulations.

i. Separate posts of Chairperson and Managing Director:

The posts of Chairperson and Managing Director of the Company are separate posts. The Chairperson is an Independent/Public Interest Director appointed by SEBI.

ii. The Board of Directors:

The Board of Directors periodically reviewed the compliance of all the applicable laws and steps taken by the Company to rectify instances of non-compliance, if any. The Company is in compliance with all mandatory requirements of SEBI Listing Regulations.

iii. Shareholders’ rights:

The Company ensures that the disclosure of all the information is disseminated on a non-discretionary basis to all the Shareholders. The quarterly results alongwith the press release, investor presentations, recordings and transcripts of earnings call are uploaded on the website of the Company.

iv. Audit qualifications:

The Financial Statements of the Company are unqualified.

v. Reporting of Internal Auditor:

The Internal Auditor of the Company directly reports to the Audit Committee.

g. Subsidiary Companies:

The Company has three subsidiaries as of March 31, 2023, viz., CDSL Ventures Limited, CDSL Insurance Repository Limited and CDSL Commodity Repository Limited and the audited annual financial statements of all the subsidiaries have been provided to the Audit Committee of the Company. Further, the minutes of the Board Meetings of the Subsidiary Companies are also placed in the Board meetings of the Company on a quarterly basis for their review. Statements of significant transactions/arrangements entered into by the unlisted subsidiary companies of the Company are also placed at the meetings of the Board of Directors of the Company on a quarterly basis, for their review.

h. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) of SEBI Listing Regulations:

During FY 2022-2023, the Company has not raised any amount through preferential allotment or qualified institutional placement.

i. Certificate under Regulation 34(3) of the SEBI Listing Regulations:

The Company has obtained a certificate from M/s. Vatsal Doshi & Co., Practicing Company Secretaries, for the FY 2022-23, certifying that none of the Director on the Board of the Company has been debarred or disqualified from being appointed or continuing as a Director of Companies by SEBI/Ministry of Corporate Affairs or any such Statutory Authority. A copy of this certificate is attached to the Report as “Annexure-III”.

j. Disclosure of non-acceptance of any recommendation of any Committee of the Board which is mandatorily required:

During FY 2022-2023, there were no instances where the Board has not accepted any recommendation of any Committee of the Board.

k. Details of fees paid to the Statutory Auditors:

The total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the Statutory Auditor and all entities in the network firm/network entity of which the Statutory Auditor is a part during FY 2022-2023 amounts to ₹33,88,140.

l. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

Sr. No.	Particulars	Numbers
i.	Number of complaints filed during the financial year	One (1)
ii.	Number of complaints disposed off during the financial year	One (1)
iii.	Number of complaints pending as on end of the financial year.	Nil

m. Disclosure for loans and advances in the nature of loans to firms/companies in which Directors are interested by name and amount:

The Company has not granted any loans or advances in the nature of loans to firms/companies in which Directors are interested during FY 2022-2023.

n. Details of Material Subsidiary of the Company:

CDSL Ventures Limited (CVL) is a material subsidiary of the Company incorporated on September 25, 2006, in Mumbai, India. Further, M/s. Lodha & Co. are the Statutory Auditors of CVL appointed by its Shareholders in the Annual General Meeting dated September 13, 2019.

Key Policies that have been adopted are as follows:

Name of the Policy	Web Link
Whistle Blower Policy	https://www.cdslindia.com/InvestorRels/CorporateGovernance/WhistleBlowerPolicy.html
Dividend Distribution Policy	https://www.cdslindia.com/InvestorRels/CorporateGovernance/DividendDistributionPolicy.html
Policy on Determination and Disclosure of Materiality of Events	https://www.cdslindia.com/InvestorRels/CorporateGovernance/PolicyonDeterminationandDisclosureofMaterialityofEvents.html
Nomination and Remuneration Policy	https://www.cdslindia.com/InvestorRels/CorporateGovernance/NominationandRemunerationPolicy.html
Corporate Social Responsibility Policy	https://www.cdslindia.com/InvestorRels/CorporateGovernance/CorporateSocialResponsibilityPolicy.html
Policy for determining Material Subsidiary	https://www.cdslindia.com/InvestorRels/CorporateGovernance/PolicyfordeterminingMaterialSubsidiary.html
Related Party Transactions Policy	https://www.cdslindia.com/InvestorRels/CorporateGovernance/RelatedPartyTransactionsPolicy.html
Web Archival Policy	https://www.cdslindia.com/InvestorRels/CorporateGovernance/WebArchivalPolicy.html

p. Code of Conduct:

The Company is committed to adopting the highest business, governance, ethical and legal standards in the conduct of its operations. The Company has in place a “Code of Conduct for Directors and Senior Management Personnel” (the Code) which is available on the website of the Company <https://www.cdslindia.com/InvestorRels/CorporateGovernance.html>. The Code aims at ensuring consistent standards of conduct and ethical business practices across the constituents of the Company. All the Board Members and Senior Management Personnel have affirmed compliance with the Code. The declaration to this effect, signed by Shri Nehal Vora, Managing Director & CEO is attached to this report as “Annexure-I”.

o. Corporate Policies:

Your Company seeks to promote and follow the highest level of ethical standards in all the business transactions guided by our value system. The SEBI Listing Regulations and any amendments from time to time mandate the formulation of certain policies for all the listed companies. The corporate governance policies are available on the website of the Company <https://www.cdslindia.com/InvestorRels/CorporateGovernance.html>. The Policies are reviewed periodically by the Board and updated as per the regulatory changes.

q. CEO/CFO Certificate:

Shri Nehal Vora, Managing Director & CEO and Shri Girish Amesara, Chief Financial Officer of the Company have furnished a signed CEO/CFO Certificate as required under Regulation 17(8) and Part B of Schedule II of SEBI Listing Regulations for the financial year ended March 31, 2023, forming part this Report as “Annexure-IV”.

r. Disclosures with respect to demat suspense account/unclaimed suspense account:

In terms of Regulation 39 read with Part F of Schedule V of SEBI Listing Regulations, the Company reports that there are no equity shares lying in the demat suspense account/unclaimed suspense account which were issued in demat form and physical form, respectively.

**For and on behalf of the Board
 Central Depository Services (India) Limited**

**Balkrishna V Chaubal
 Chairperson
 (DIN: 06497832)**

Place: Mumbai
 Date: June 24, 2023



Annexure – I

Declaration as required with respect to the Code of Conduct

The Company has obtained from all the members of the Board and Key Management Personnel/Senior Management Personnel, affirmation(s) that they have complied with the Code of Conduct for Board Members and Senior Management Personnel in respect of the financial year ended March 31, 2023.

Place: Mumbai
Date: June 24, 2023

Nehal Vora
Managing Director & CEO
(DIN: 02769054)

Annexure – II

Certificate on Corporate Governance

[Pursuant to Para E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members,
Central Depository Services (India) Limited
Unit No. A-2501, Marathon Futurex,
Mafatlal Mills Compound, N. M. Joshi Marg,
Lower Parel (E), Mumbai – 400013.

I have examined the compliance of the conditions of Corporate Governance by **Central Depository Services (India) Limited** (“the Company”) for the year ended March 31, 2023 as stipulated under Regulations 17 to 27, Clauses (b) to (i) and (t) of Sub-Regulation (2) of Regulation 46 and para C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”).

The compliance of conditions of Corporate Governance is the responsibility of the Management. My examination was limited to procedures and implementation process adopted by the Company for ensuring compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations and information furnished to me and the representations made by the Directors and the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India due to the spread of the COVID-19 pandemic, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations as mentioned above for the year ended March 31, 2023.

I further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **Vatsal Doshi & Associates**
Company Secretaries

Date: June 13, 2023
Place: Mumbai

Vatsal K. Doshi
Proprietor
FCS No.: 12399
CP No.: 22976
PR No.: 3191/2023
UDIN: F012399E000483177

Certificate of Non-Disqualification of Directors

[Pursuant to Regulation 34(3) read with Schedule V Para C Clause 10(i) of the SEBI
 (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
 The Members,
Central Depository Services (India) Limited
 Unit No. A-2501, Marathon Futurex,
 Mafatlal Mills Compound, N.M. Joshi Marg,
 Lower Parel (E), Mumbai – 400013.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Central Depository Services (India) Limited** having CIN: **L67120MH1997PLC112443** having registered office at Unit No. A-2501, Marathon Futurex, Mafatlal Mills Compound, N.M. Joshi Marg, Lower Parel (E), Mumbai – 400013 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2023, have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India (SEBI), Ministry of Corporate Affairs (MCA) or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of Appointment in Company
1.	Shri Nehal Vora ¹	02769054	24/09/2019
2.	Prof (Dr.) Bimalkumar N Patel	03006605	27/09/2019
3.	Shri Nayan Mehta ²	03320139	28/11/2016
4.	Shri Balkrishna Vinayak Chaubal	06497832	30/07/2019
5.	Shri Sidhartha Pradhan	06938830	29/11/2019
6.	Shri Masil Jeya Mohan P	08502007	10/10/2019
7.	Prof. Umesh Bellur	08626165	30/11/2019
8.	Smt. Preeti Saran ³	08606546	29/11/2019
9.	Smt. Rajeshree Sabnavis ⁴	06731853	29/11/2022
10.	Shri Gurumoorthy Mahalingam ⁵	09660723	09/03/2023

¹Shri Nehal Vora was appointed as a Shareholder Director of the Company with effect from July 25, 2015 to September 23, 2019 and Shri Nehal Vora was appointed as Managing Director & CEO of the Company with effect from September 24, 2019.

²Shri Nayan Mehta reappointed as a Shareholder Director on the Governing Board of the Company pursuant to the resolution passed by the Shareholders at the 24th Annual General Meeting of the Company held on September 15, 2022 and approval of the SEBI vide its letter dated October 11, 2022. Further, Shri Nayan Mehta has resigned from the position of Shareholder Director from the Governing Board of the Company with effect from May 16, 2023.

³Smt. Preeti Saran has resigned from the position of Public Interest Director (Women Independent Director) from the Governing Board of the Company with effect from October 17, 2022.

⁴Smt. Rajeshree Sabnavis appointed as a Public Interest Director (Women Independent Director) on the Governing Board of the Company with effect from November 29, 2022.

⁵Shri Gurumoorthy Mahalingam appointed as a Public Interest Director on the Governing Board of the Company with effect from March 09, 2023.

Ensuring the eligibility of the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Vatsal Doshi & Associates**
Company Secretaries

Vatsal K. Doshi
Proprietor

FCS No.: 12399

CP No.: 22976

RP No.: 3191/2023

UDIN: F012399E000483188

Date: June 13, 2023

Place: Mumbai



Annexure – IV

CEO and CFO Certificate

[Pursuant to Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Board of Directors,
Central Depository Services (India) Limited
Unit No. A-2501, Marathon Futurex, Mafatlal Mills Compound,
N.M. Joshi Marg, Lower Parel (E), Mumbai-400013.

We, Shri Nehal Vora, Managing Director & CEO and Shri Girish Amesara, Chief Financial Officer certify that:

- (a) We have reviewed financial statements for the quarter and year ended March 31, 2023, and that to the best of our knowledge and belief:
- i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the Auditors and the Audit Committee that -
- i. there have not been any significant changes in internal control over financial reporting during the year under reference;
 - ii. there have not been a significant change in accounting policy during the year requiring disclosure in the notes to the financial statements; and
 - iii. there have not been any instances during the year of significant fraud of which we had become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place: Mumbai
Date: April 29, 2023

Nehal Vora
Managing Director & CEO
(DIN: 02769054)

Girish Amesara
Chief Financial Officer

Management Discussion and Analysis

About CDSL

Central Depository Services (India) Limited (CDSL) was found in 1999 and since then it has been at the forefront of providing convenient, dependable and secured depository services.

Notably, CDSL stands as the first and sole depository in the Asia-Pacific region to get listed in June 2017, a testament to its aim to utmost governance and transparency.

Driven by cutting-edge technology, CDSL's ultimate aspiration is to empower every retail & institutional investor, DP, Issuers, to participate in the Indian capital markets with self-sufficiency and confidence. We strive to provide the finest tools and ensure utmost security, contributing to the realization of our nation's growth while fulfilling the dreams of 'Atmanirbharta' of countless investors.

A detailed list of our services are mentioned on page 18.

Economic Overview

Global economy

Review

The global economy demonstrated recovering growth driven by resilience at the backdrop of global uncertainties.

The International Monetary Fund (IMF) projects a gradual recovery, with world economic growth anticipated to reach 2.8% in 2023 and further accelerate to 3.0% in 2024, driven by robust Asian economies, particularly India and China. The IMF also forecasts a moderation in global inflation to 6.6% in 2023, gradually declining to 4.3% in 2024, albeit remaining above the long-term average.

Global GDP Growth Trend

	2022	2023E	2024E
World Output	3.4%	2.8%	3.0%
Advanced Economies	2.7%	1.3%	1.4%
Emerging Economies	4.0%	3.9%	4.2%

Source: IMF April Outlook¹

Indian economy

Review

While the global economy is passing through uncertain times, the Indian economy **continues to remain a bright spot. The Indian economy displayed exemplary resilience** post-pandemic and rebounded strongly from a contraction of GDP of 5.8% in FY 2020-21 to a growth of 9.1% in FY 2021-22 and 7.2% in GDP in FY 2022-23 – making us the

fastest growing major world economy. However, India too experienced high inflation that mostly remained above the upper band of RBI's target range (6%). However, in recent months, there are signs of some softening in inflation, with headline inflation easing to 4.25% in May 2023 from the peak of 7.8% in April 2022.

To counter inflation and currency depreciation, RBI, like the other Central Banks delivered a cumulative policy rate hike of 250 basis points since March 2022. RBI hit the pause button and has not raised interest rates since the last two Monetary Policy Committee Meetings as inflation in India has started to cool down. In fact, for April 2023, the CPI eased sharply to 4.7%, lowest since October 2021. However, the RBI reiterated that the decision to leave the policy rates unchanged should be viewed as a pause and not a pivot.

Even through the rate hikes, India registered a strong 7.2% GDP growth in fiscal 2023 and emerged as the fastest growing major world economy. For FY 2022-23 fiscal, the index of industrial production (IIP) grew 5.1%, coming on the back of a growth of 11.4% for FY 2021-22. For the financial year, the manufacturing sector grew 4.5% Y-O-Y, electricity grew 8.9% Y-O-Y and mining grew 5.8% Y-O-Y.

India GDP

	FY22-23	FY21-22
	7.2%	9.1%

Source: CSO, RBI

Indian equity markets

Indian Capital Markets now rank 5th globally in terms of market capitalisation. The year was characterized by contradictory forces of relatively strong domestic growth, resilient corporate earnings, large inflows into domestic institutional investors into equities on one hand and monetary tightening by major central banks, volatility in commodity prices, currency depreciation and large Foreign Portfolio Investment (FPI) selling on the other hand. Midcaps performed largely in line with large-caps but small caps underperformed. The performance of major global equity indices was mixed with European markets performing better than US and Asian markets.

Demat accounts in India:

India's demat accounts stood at 11.45 crore as on March 31, 2023, a 28% increase from March 31, 2022. 73% of these demat accounts are registered by CDSL.

¹ <https://www.imf.org/en/Publications/WEO/Issues/2023/04/11/world-economic-outlook-april-2023>



Market Volumes:

The Indian equities ended FY 2022-23 on a lower note Y-O-Y. The equity market cumulative Average Daily Turnover (as per the BSE & NSE website) reduced by 25% to ₹57,566 crore for the financial year 2022-23 basis compared to ₹72,195 crore for the financial year 2021-22.

Money raised through IPOs (₹ Lakh crore)

FY19	FY20	FY21	FY22	FY23
0.22	0.21	0.31	1.13	0.52

Source: Prime Database

The Indian IPO market remained lacklustre with 37 companies raising ₹52,116 crore in FY 2022-23, almost half of ₹1,11,547 crore raised in FY 2021-22. The largest life insurer in India, LIC's IPO at ₹20,557 crore accounted for around 39% of the total fundraising in FY 2022-23.

Foreign Portfolio Investors (FPIs) and Domestic Institutional Investors (DIIs) flows:

In FY 2022-23, FPIs sold equities worth \$6.3 billion, down from \$17.1 billion in FY 2021-22, as economic uncertainties and a stronger dollar led foreign investors to seek safe havens like the US. However, DII buying, primarily by insurance and mutual funds, more than compensated for this. DIIs purchased equities worth \$32.2 billion, compared to \$29.5 billion in FY 2021-22. Both Indian and global fixed income markets faced challenges, with India's G-sec yield curve shifting up due to synchronized tightening by major central banks, higher government borrowings, RBI rate hikes, and increased CRR. The short-term yields rose faster than the long-term yields, flattening the curve. The 10-year G-sec yield ended at 7.31%, up by 48 bps, and the 1-year G-sec yield rose by 247 bps. The capital market industry had a mixed performance, with some segments growing while retail market participation remained subdued.

Industry Overview and Outlook

Depositories in India

A depository is a financial institution that holds investor's investments in shares and securities in dematerialized form and maintain ownership records of the securities. There are two depositories in India regulated by the Securities and Exchange Board of India (SEBI) - Central Depository Services (India) Limited (CDSL) and National Securities Depository Limited (NSDL). Investors need to open a demat account through Depository Participants (DPs) before they start trading. The records of trades reflect in this demat account. Using this information provided by the depositories, listed companies send investors notifications related to Corporate Actions including dividend rights, stock splits, etc. Investors cannot directly choose depositories and can only open a demat account with Depository Participants (DPs) of the respective depository.

Market Size

Currently only about 7-8% of Indians have demat accounts. The demat accounts in India as on March 31, 2018 was 3.00 crore and as on March 31, 2023 the number stood at approximately 12.00 crore which depicts a CAGR of 31%. This is following the long term trend of financialisation of savings or diversification of investments from traditional asset classes of FDs and real estate to risk assets, which in turn is caused by increasing incomes, young population, financial inclusion, digitisation and increasing aspiration to achieve decent returns on savings.

FY 2022-23 was a slow year for retail investment participation including subdued indices, lack of IPOs on one hand and rising interest rates giving rise to fixed income participation on the other. The participation of retail investors in India's direct equity market fell as evident from the share of retail investors in the total turnover of the NSE dipped to 40.7% in FY 2021-22 from a high of 45% in FY21. The number further fell to 36.5% in FY 2022-23. The number of active retail participants in the cash segment (equities market) of NSE was around 0.3 crore in January 2020, just before the lockdowns began. It surged to a peak of 1.17 crore in January 2022, but since then, their numbers have fallen by nearly 0.4 crore to 0.8 crore in March 2023.

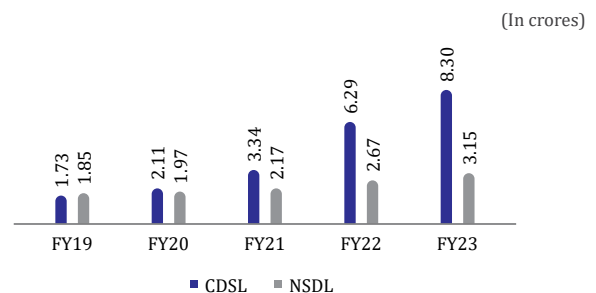
Business Overview

CDSL is currently the largest depository in India in terms of number of demat accounts opened. In February 02, 2023, CDSL became the first depository in India to open more than 8 crore active demat accounts. As on March 31, 2023, CDSL held assets worth ₹37.2 lakh crore with over 580 depository participants associated with CDSL. CDSL has in place, a robust infrastructure system with multiple back-up levels and world class information security and cyber security practices. It is due to the depository system that paper-based certificates, which were prone to be fake, forged and, counterfeit, resulting in bad deliveries have effectively been eliminated. CDSL offers an efficient and instantaneous transfer of securities held in electronic form in demat accounts. The company strives to provide convenient, dependable and secure depository services at an affordable cost for all market participants.

Strengths & Opportunities

Market share

Number of Active Client Accounts



The Company is the leading securities depository in India by incremental growth of Beneficial Owners (BOs) accounts, from 108 lakhs in FY 2015-16 to 830 lakhs in FY 2022-23. The Company has a wide network of DPs, who act as points of service. As on March 31, 2023, CDSL had over 580 registered DPs with over 21,500 India. The DPs are spread across 28 states and 8 union territories. The 830 lakhs demat account holders maintained with CDSL too, are spread across the country and we cover atleast 98% of the pin-codes.

Strong distribution network

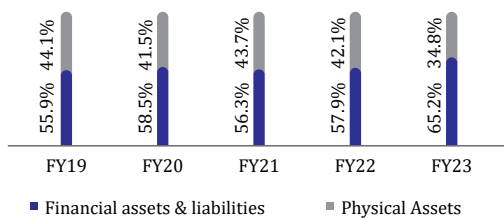
The Company also has a wide network of DPs, who act as points of service. As on March 31, 2023, CDSL had more than 580 registered DPs with more than 20,000 India. The DPs are spread across 28 states and 8 union territories. The 8.3 crore demat account holders maintained with CDSL too, are spread across the country and we cover atleast 99% of the pin-codes.

Financialisation of savings

Currently, India has an urban population of 35%, which is set to grow to 50% by 2050. Increasing urbanisation is likely to aid high consumer aspiration. As per-capita income & urban population grows, the middle-class population will also grow. Crisil expects middle-class households in India to grow from 4.1 crore in 2012 to 18.1 crore by 2030. The aspirations for generating higher than inflation returns along with impactful role by regulatory bodies in developing a transparent financial ecosystem has led to financialisation of savings. Today, retail investors are quickly transitioning from traditional savings instruments like Fixed deposits, to new age risk asset class like stocks, REITs, digital gold among others.

Share of equities in Indian households has gone up from 2.7% in FY17 to 4.8% in FY 2021-22 as per report by Smallcase and Zinnov titled "Rise of Indian Retail Investor".

Exhibit 2: Breakup of incremental household saving flows



Source: RBI Latest available data as of Sep 2022

Regulatory environment

The most critical parts of capital market ecosystem are the regulator & the market infrastructure institutions. A transparent, robust and forward-looking regulatory framework and Government-led innovation has given the system the much-desired strong momentum. Visionary initiatives like Aadhar, eKYC, eSign, UPI, Digilocker, and online PAN verification have set the stage and built the 'financial superhighway' for the success of the fintech ecosystem.

SEBI is leading the way in safeguarding investors and creating a safe and secured ecosystem. T+1 settlement, demat accounts across all brokers, guardrails on margin lending, strict protection on user's transaction data etc are all global first pioneer services being innovated in India, etc.

Digital acceleration during challenging times:

Your Company embraced the challenges and came out stronger with digital initiatives like eAGM and eDIS, new pledge/re-pledge mechanism, etc. These new initiatives ensured that the services for the investors are developed with the changing times and needs and are accessible from the comfort of one's home.

At CDSL, we believe that digitisation has a great potential for the Indian Capital markets to grow with sustainability. By connecting the stakeholders electronically, CDSL ensures paperless transactions and thus takes active steps to reduce carbon footprints and the harm they do to the environment. Through the electronic form of operations, we have helped the stakeholders to 'go green'.

Enablement of e-KYC for capital market intermediaries:

Ministry of Finance (Department of Revenue) has recognized CDSL and CVL as a reporting entity to perform Aadhaar Authentication via the gazette notification No. CG-DL-E-22042020-219106 dated April 22, 2020. Also, Securities and Exchange Board of India ("SEBI") came out with a Circular No. SEBI/HO/ MIRSD/DOP/CIR/P/2020/73 dated April 24, 2020 regarding clarification on Know Your Client ("KYC") Process and Use of Technology for KYC. In the circular, SEBI has given clarification on Online KYC process for establishing account-based relationship with registered intermediary ("RI"), Investor's KYC can be completed through Online / App based KYC, In-Person Verification through Video, Online submission of Officially Valid Document (OVD) / other documents using e-sign of the investors.

The above initiative by SEBI & Ministry of Finance will help registered capital market intermediaries to open trading and demat accounts digitally.

Many large broking houses & discount broking firms are likely to get benefits due to the same.

Risks, Threats & Challenges

Competition: The Company's securities depository business competes closely with its competitor for DPs, investor accounts and number of securities pertaining to various instruments on its depository systems.

The ability to effectively manage our growing DP network and any potential disruptions in our supply or distribution infrastructure is crucial. Failure in these areas could have adverse implications for our business, financial condition, and overall performance.



Tariff constraints by SEBI: CDSL Tariff charges for Depository Participants (“DPs”) as well as Issuers and RTAs are approved by SEBI. Your Company’s operational income is dependent on the capital market activities. If the markets remain volatile, your Company’s market driven revenues could be challenged.

Technological change: Operating in an environment characterized by rapid technological advancements, we face the risk of interruptions or malfunctions in our IT systems. Such disruptions not only pose a threat to our reputation but also result in financial losses for the business.

Market Trends and Economic Conditions: Our business is subject to broad market trends, economic fluctuations, and various external factors beyond our control. Unfavourable changes in these conditions could significantly decrease the demand for our services and harm our business, financial condition, and overall performance.

Insufficient System Capacity and Cyber Security Risks: Inadequate system capacity and system failures pose significant risks to our business operations. As we increasingly rely on technology, the potential for cyber threats and data privacy breaches has also escalated. Addressing these risks is crucial to safeguarding our business interests.

A breach can cause business losses, loss of brand image, customer trust and investors interest in the Company. Considering the threat landscape and recent cyberattacks on businesses globally, your Company has upgraded its Cyber Security Technologies and the Security Operations Centre (SOC) which will provide the Company greater cyber resilience.

Talent Acquisition: Attracting and retaining talented professionals is essential for the successful implementation of our strategic initiatives. The loss of key management personnel and the inability to promptly replace them could have adverse consequences for our business.

Technological Adaptation: Our ability to adapt to rapid technological changes in the industry is vital for maintaining a competitive edge.

Regulatory Compliance: Operating in a highly regulated industry, we must ensure strict compliance with legal and regulatory obligations. Failure to meet these obligations could lead to fines, legal proceedings, and reputational damage.

Strategy

Our key strategies outlined this year reflects our commitment to driving growth, enhancing operational efficiencies, and fostering innovation in the Indian securities market. These strategies have been designed to align with market trends and customer demands, ensuring our continued success and value creation.

Technological Advancement and Infrastructure Enhancement: Technology remains a key driver and differentiator in our market infrastructure ecosystem. We are committed to maintaining a competitive edge by continuously upgrading our technology infrastructure. By investing in cutting-edge systems and tools, we ensure seamless and efficient operations, enabling our clients to transact securely and effortlessly. We will also explore emerging technologies and industry best practices to stay at the forefront of innovation.

Market Expansion: Our primary focus is on expanding our market presence and enhancing our annuity income. Through targeted marketing campaigns and strategic partnerships, we aim to tap into emerging investor segments. By offering tailored solutions and exceptional customer service, we strive to establish long-term relationships with our clients and position ourselves as their preferred choice in the industry.

Service: In line with our growth objectives, we are focused on expanding and enhancing our portfolio of services. By introducing new offerings, such as Financial Information Provider (FIP) for Account Aggregator model, we have already demonstrated our ability to adapt to market needs.

We are committed to delivering inventive solutions that cater to the evolving demands of the markets. Our commodity and insurance repositories will also play a crucial role in fulfilling this objective. These strategies will guide our actions in the coming year, as we strive to create sustainable value for our stakeholders, maintain a strong competitive position, and contribute to the growth and development of the Indian securities market. With a clear focus on market expansion, technological advancement, and product diversification, we are confident in our ability to deliver superior services and drive our business forward.

Operational Performance

Revenue streams

The Company offers services to several sub-sectors of the Indian capital markets including retail investors, institutional investors such as AIF, Mutual Funds, etc. The Company derives its operating income from the fixed annual charges collected from the registered Issuer companies and transaction-based fees collected from Depository Participants. The Company offers dematerialisation for a wide spectrum of securities including equity shares, preference shares and bonds of public (listed and unlisted) and private companies, units of mutual funds, government securities, commercial papers and certificates of deposits. The Company also charges account maintenance charges to corporate account holders and monthly maintenance charges to clearing members for maintenance of settlement accounts. Other consistent revenue-generating services offered by the Company include e-Voting, email address updation facility

for companies/Issuers and e-notice services to the registered companies enabling their shareholders to receive notices in electronic form and to allow shareholders to cast their votes electronically, remotely or at the meeting venue.

Operational Income Break-up FY 2022-23

Annual Issuer charges for FY 2022-23 are at ₹18,321.51 lakh as compared to ₹11,540.21 lakh for FY 2021-22, up by 59%. Transaction charges are at ₹15,864.92 lakh in FY 2022-23 as compared to ₹19,948.35 lakh for FY 2021-22, decreased by 20%. IPO and Corporate Action charges decreased by 18% to ₹4,976.15 lakh in FY 2022-23 as compared to ₹6,053.12 lakh for FY 2021-22. Online Data charges decreased by 28% to ₹8,680.24 lakh in FY 2022-23 as compared to ₹11,997.96 lakh in FY 2021-22. Income from others increased by 37% to ₹7,665.86 lakh for FY 2022-23 as compared to ₹5,593.44 lakh for FY 2021-22.

Financial Performance

Standalone:

The Company clocked Operational Revenue of ₹45,059.96 lakhs in FY 2022-23 as against ₹41,480.33 lakhs in FY 2021-22, registering an increase of 9%. Other Income increased by 43% to ₹9,346.79 lakhs in FY 2022- 23 as against ₹6,537.50 lakhs in FY 2021-22. CDSL's main costs are employee benefits, computer technology related expenses, Computer Technology Related Expenses which are largely fixed in nature. Total expenditure in FY 2022-23 stood at ₹19,957.86 lakhs against ₹14,283.16 lakhs in FY 2021-22, up 40% as compared to the previous year. Employee wages and benefits increased by 67%. Computer technology related expenses increased by 42%, depreciation increased by 57% and other expense increased by 20% as compared to previous year. EBITDA increased to ₹36,035.22 lakhs in FY 2022-23 as against ₹34,744.69 lakhs in FY 2021-22. PAT increased to ₹27,208.17 lakhs, up 3% over the previous year. The Net Worth of the Company stood at ₹96,585.54 lakhs as on March 31, 2023 as compared to ₹85,012.69 lakhs as on March 31, 2022. The cash generated from operations stood at ₹28,238 lakhs during FY 22-23. There is net cash generated from operating activities of ₹20,657 lakhs during FY 2021-22.

Consolidated

Revenue from operations includes transaction charges, account maintenance charges and settlement charges paid by DP's, annual fees, corporate action charges and e-voting charges paid by companies and KYC charges paid by intermediaries. The Company clocked operational revenue of ₹55,508.68 lakh in FY 22-23 as against ₹55,133.08 lakh in FY 2021-22. As compared to the previous year Annual Issuer Charges increased by 59%, Transaction Charges decreased by 20%, IPO Corporate Action Charges decreased by 18% and Online Data Charges that is income from KYC decreased by 28%. The increase in revenues is attributable to higher from Annual issuer charges. Other Income increased by 21% to

₹6,584.83 lakh in FY 2022-23 as against ₹5,456.88 lakh in FY 2021-22 due to higher investment income as compared to previous year.

CDSL's main costs are Employee Benefits, Computer Technology Related Expenses which are largely fixed in nature. Total expenditure in FY 22-23 stood at ₹25,135.74 lakh against ₹19,594.04 lakh in FY 2021-22, up by 28% as compared to the previous year. Employee Wages and Benefits increased by 60% Computer Technology Related Expenses increased by 45%, Depreciation increased by 70% and Other Expense increased by 5% as compared to previous year. EBITDA stood at to ₹38,905.81 lakhs in FY 2022-23 as against ₹42,142.20 lakhs in FY 2021-22. PAT decreased to ₹27,596.01 lakhs, down 11% over the previous year.

The Net Worth of the Company stood at ₹1,21,373 lakhs as on March 31, 2023 as compared to ₹1,09,292 lakhs as on March 31, 2022. The Cash Generated from operations stood at ₹34,199 lakhs during FY 2022-23. There is net cash from Operating Activities of ₹24,883 lakhs during FY 2022-23.

Key financial ratios:

Change in key financial ratios (Consolidated)

Sr. No.	Ratios	FY 2022-23	FY 2021-22	% Change
1	Debtors Turnover	13	13	0
2	Inventory Turnover	NA	NA	NA
3	Interest Coverage Ratio	NA	NA	NA
4	Current Ratio	4	5	(31)
5	Debt Equity Ratio	NA	NA	NA
6	Operating Profit Margin (%)	60	68	(12)
7	Net Profit Margin (%)	59	57	4
8	Sector-specific equivalent ratios, as applicable.	-	-	-

The decrease in current ratio is due to investment of surplus cash flows in non convertible debentures having a maturity of more than one year.

Return on Net-worth (RONW):

Ratio	FY 2022-23	FY 2021-22
RONW	23.06%	30.33%

The RONW has decreased due to 11% decrease in Profit as compared to previous year.

Internal Financial Control Systems and its adequacy:

Internal financial controls include the policies and procedures adopted by the company for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, 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.



The Company had already developed and implemented a framework for ensuring internal controls over financial reporting. This framework includes entity level policies, process and operating level standard operating procedures.

Some significant features of our Internal Financial Control System are:

- 1) Adequate documentation and maintenance of the records that are reasonably detailed, accurate and fairly reflect the transactions and records of the assets of the company;
- 2) The policies and procedures are designed to provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statement in accordance with generally accepted accounting principles and Indian Accounting Standards (IAS), and that receipts and expenditures of the company are being made only in accordance with authorizations of management and director of the company and
- 3) Company has aligned its current systems with the requirement of the Companies Act, 2013 on the lines of the globally accepted risk based framework as issued by the Committee of Sponsoring Organizations (COSO) of the Treadway Commission, so as to provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the company's assets that could have a material effects on the financial statements.

During the year, such internal controls over financial reporting were tested by management, internal auditors and statutory auditors. No reportable material weakness in design and effectiveness was observed.

Risk Management:

We continue to adapt strategies to manage these dynamic risks and its impact on our Company's business and operations.

Strict internal processes and controls enable the Company to effectively manage the business risks encountered on a daily basis. Risk Management Framework of the Company ensures achievement of its strategic and operational objectives.

The framework is supported by risk processes, risk identification, assessments, response, risk mitigation, control testing, reporting and monitoring.

The Board of Directors have constituted a Risk Management Committee (RMC) to frame, implement and monitor the Risk Management Framework ("RMF"/"framework") of the Company. As devised by the RMC, the framework is periodically reviewed and monitored in order to improve

standard operating procedures and to reflect changes in the market condition and business activities. The focus of the RMC is to assess the unpredictability of the ever-changing environment and to mitigate potential adverse effects on the overall performance.

The framework includes Risk Management Policy as devised by the RMC. The Committee monitors and identifies risks at regular intervals to set appropriate risk limits and controls. The Company's Risk Management system covers various aspects of the business.

The Company also has in place a special contingency insurance policy to cover risks associated with depository operations which covers the Company and registered Depository Participants (DPs). A special contingency insurance policy covers your Company and the registered DPs from risks associated with depository operations including cyber security risks.

The Company ensures that its clients comply with applicable regulatory provisions by conducting regular inspections of both DPs and RTAs and provides compliance training across the country for DPs. In addition to the bi-annual internal audits, the Company has made it mandatory for all registered DPs to appoint independent Chartered Accountant or Company Secretary or Cost Accountant in practice to conduct concurrent audits of risk prone areas. The Company has also made it mandatory for the registered DPs to audit their systems through a CERT-In empanelled auditor. The auditor reports are then submitted by the DPs to the Depository on an annual basis.

India is witnessing a digital revolution at an unprecedented scale and digital technology has become a key driver of India's economic growth. While the digital revolution has brought substantial convenience and accessibility, it has led to significant dependence on and increased usage of digital technologies. CDSL continues to focus on large scale digital transformation/adoption of technology across its operations. A digital security breach or disruption to digital infrastructure caused by intentional or unintentional actions, such as cyber-attacks, data breaches or human error, could have a serious impact on business. This impact could include loss of process control, impact on business continuity or damage to assets and services, harm to the environment, loss of sensitive data or information, legal and regulatory non-compliance, reputational damage as well as revenue loss.

The Company subjects its networks and systems to security penetration tests on a continuous basis. CDSL invests significant resources to ensure cybersecurity resilience and data protection. Periodically, regulatory as well as independent assessments are carried out to validate and improve resilience

to cybersecurity attacks. These encompass technical security controls, secure operational processes, cybersecurity incident monitoring mechanisms, disaster recovery controls and trained manpower. CDSL's cybersecurity measures are aligned to the growth and diversification of the Company. CDSL's information technology systems and processes are now re-certified with ISO 27001 and ISO 22301 standards. CDSL regularly exchanges cybersecurity intelligence with industry peers and government bodies. Cybersecurity awareness training and tests are regularly conducted.

Human Resources:

As a part of recruitment of Key Resources, the Chief Data & Operations Officer has been appointed during

FY 2022-23. Apart from this, total 65 employees were hired, and 32 employees left, retired, or transferred out from the Company during the FY 2022-23. There were 279 employees on the payrolls of the Company as on March 31, 2023.

For and on behalf of the Board
Central Depository Services (India) Limited

Balkrishna V Chaubal
Chairperson
(DIN: 06497832)

Place: Mumbai
Date: June 24, 2023



Annexure-D

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
Central Depository Services (India) Limited
Unit No. A-2501, Marathon Futurex,
Mafatlal Mills Compound,
N. M. Joshi Marg, Lower Parel (E),
Mumbai - 400013.

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Central Depository Services (India) Limited (CIN: L67120MH1997PLC112443)** (hereinafter called "**the Company**"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2023 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **March 31, 2023** according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of

Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (Not applicable to the Company during the audit period)

- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') as amended from time to time:
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (Erstwhile Regulations viz. SEBI (Share Based Employee Benefits) Regulations, 2014); **(Not applicable to the Company during the audit period)**
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the audit period)**
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the Company during the audit period)**
 - h. The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018; **(Not applicable to the Company during the audit period)** and

(vi) I further report that, based on the representation made by the Company and its Officers, compliance mechanism prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, the Company has complied with the following laws applicable specifically to the Company:

- a. Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 and Circulars, Guidance and Notifications issued thereunder.
- b. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- c. Securities and Exchange Board of India Act, 1992 & Circulars, Master Circulars and Regulations issued by SEBI and applicable to the Company.

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India (SS – 1 and SS – 2).
- (ii) The Listing Agreements entered into by the Company with National Stock Exchange of India Limited read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

- (i) *Whereas in terms of the provisions of SEBI Circular on Committees at Market Infrastructure Institutions (MIIs) dated January 10, 2019, the Standing Committee on Technology (“SCOT”) of a Depository shall have at least two Independent External Persons (“IEP”) proficient in technology. The Company could not comply with the same for a period from May 13, 2022 until January 30, 2023 as there was a vacancy of one Independent External Person. The Company had approached various candidates to fill up the said vacancy. However, the said candidates expressed their inability to be appointed as an Independent External Person on the Committee for various reasons. Later, the said vacancy was filled on January 30, 2023 and thereafter the composition of the aforesaid Committee was in compliance with the aforesaid SEBI Circular.*

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Woman Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at the Board and Committees meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors and Committees of the Board, as the case may be and no dissenting views have been recorded.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period there were following events/actions reported having major bearing on Company’s affairs:

- (i) Extension of the term of **Shri Balkrishna V Chaubal** as Public Interest Director of the Company from July 30, 2022 to July 29, 2025.
- (ii) The SEBI vide its letter dated August 03, 2022 accorded its approval for appointment of **Shri Balkrishna V Chaubal** as the **Chairperson** on the Governing Board of the Company.
- (iii) Extension of the term of **Prof. (Dr.) Bimalkumar N Patel** as Public Interest Director of the Company from September 27, 2022 to September 26, 2025.
- (iv) Extension of the term of **Shri Sidhartha Pradhan** and **Prof. Umesh Bellur** as Public Interest Directors of the Company from November 29, 2022 upto November 28, 2025.
- (v) **Shri Nayan Mehta**, re-appointed as a Shareholder Director of the Company with effect from October 11, 2022.



- (vi) **Smt. Preeti Saran** ceased to be Public Interest Director/ Woman Independent Director with effect from October 17, 2022.
- (vii) **Shri Rajesh Saraf** appointed as a Chief Data Officer of the Company with effect from October 19, 2022.
- (viii) Appointment of **Smt. Rajeshree Sabnavis** as a Public Interest Director/Woman Independent Director of the Company with effect from November 29, 2022.
- (ix) Appointment of **Shri Gurumoorthy Mahalingam** as a Public Interest Director of the Company with effect from March 09, 2023.
- (x) The CDSL has completed the divestment of shares held in India International Depository IFSC Limited ("IIDIL") (Formerly known as CDSL IFSC Limited) by transferring shares to India International Bullion Holding IFSC Limited. As a result, the IIDIL ceased to be the Wholly Owned Subsidiary of the Company w.e.f. May 02, 2022.
- (xi) The Company intimated to Stock Exchange on November 18, 2022 that malware was detected in few of its internal machines. However, the Company promptly undertook the necessary actions and intimated to Stock Exchange on Sunday, November 20, 2022 that after due checks and validations the systems were made functional/live to carry out depository activities.

For **Vatsal Doshi & Associates**
Company Secretaries

Vatsal K. Doshi
Proprietor

FCS No.: 12399

CP No.: 22976

PR No.: 3191/2023

UDIN : F012399E000161559

Date : April 21, 2023

Place : Mumbai

This Report is to be read with my letter of even date which is annexed as **Annexure - I** and forms an integral part of this report.

ANNEXURE - I

(To the Secretarial Audit Report)

To,
The Members,
Central Depository Services (India) Limited
Unit No. A-2501, Marathon Futurex,
Mafatlal Mills Compound,
N. M. Joshi Marg, Lower Parel (E),
Mumbai – 400013.

My report of even date is to be read along with this letter:

- 1) Maintenance of Secretarial record is the responsibility of the Management of the Company. My responsibility is to express an opinion on these Secretarial Records based on my audit.
- 2) I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the Secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
- 3) I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- 4) Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
- 5) We have conducted verification & examination of records, as facilitated by the Company, due to Covid-19 for the purpose of issuing this Report.
- 6) The compliance of the provisions of Corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of the Management. My examination was limited to the verification of procedures on test basis.
- 7) The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

For **Vatsal Doshi & Associates**
Company Secretaries

Vatsal K. Doshi
Proprietor

FCS No.: 12399

CP No. : 22976

PR No.: 3191/2023

UDIN : F012399E000161559

Date : April 21, 2023

Place : Mumbai



Annexure-E

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
CDSL Ventures Limited
Unit No. A-2501, Marathon Futurex,
Mafatlal Mills Compound,
N. M. Joshi Marg, Lower Parel (E),
Mumbai - 400013.

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **CDSL Ventures Limited (CIN:U93090MH2006PLC164885)** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the CDSL Ventures Limited's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on **March 31, 2023** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **March 31, 2023** according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; **(Not applicable to the Company during the audit period)**
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; **(Not applicable to the Company during the audit period)**
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **(Not applicable to the Company during the audit period)**

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') as amended from time to time:

- a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **(Not applicable to the Company during the audit period)**
- b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992*;
- c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(Not applicable to the Company during the audit period)**
- d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **(Not applicable to the Company during the audit period)**
- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the audit period)**
- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(To the extent applicable to the Company)**
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the Company during the audit period)**
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not applicable to the Company during the audit period)** and

* The Company being a material subsidiary of the Central Depository Services (India) Limited ("CDSL"), employees of the Company have been categorised as Designated Persons and are covered by the Code of Conduct under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, of CDSL.

(vi) I further report that, based on the representation made by the Company and its Officers, compliance mechanism prevailing in the Company and on examination of the relevant documents and records in pursuance thereof on test-check basis, the Company has generally complied with the following laws applicable specifically to the Company:

- a. SEBI {KYC (Know your client) Registration Agency} Regulations, 2011
- b. Securities and Exchange Board of India Act, 1992 & Circulars, Master Circulars and Regulations issued by SEBI and applicable to the Company.

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India (SS – 1 and SS – 2).
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (To the extent applicable to material subsidiary of the listed entity).

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were

sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at the Board and Committees meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors and Committees of the Board, as the case may be and no dissenting views have been recorded.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period there were following events/actions reported having major bearing on Company's affairs:

- (i) Cessation of tenure of Shri K. V. Subramanian as a Director (Non-Executive) of the Company with effect from July 20, 2022.
- (ii) Appointment of Dr. Ramabhadran Thirumalai as an Additional Director of the Company with effect from August 26, 2022.
- (iii) Appointment of Smt. Preeti Gogate as Chief Financial Officer of the Company with effect from November 01, 2022.
- (iv) Cessation of tenure of Shri Prasad Chawathe as Chief Information Security Officer (CISO) of the Company with effect from January 03, 2023.
- (v) Appointment of Shri Niketan Jadhav as Chief Information Security Officer (CISO) of the Company with effect from January 04, 2023.

For **Vatsal Doshi & Associates**
Company Secretaries

Vatsal K. Doshi
Proprietor

FCS No.: 12399

CP No.: 22976

PR No.: 3191/2023

UDIN : F012399E000161493

Date : April 21, 2023

Place : Mumbai

This Report is to be read with my letter of even date which is annexed as **Annexure - I** and forms an integral part of this report.

**Annexure I**

(To the Secretarial Audit Report)

To,
The Members,
CDSL Ventures Limited
Unit No. A-2501, Marathon Futurex,
Mafatlal Mills Compound,
N. M. Joshi Marg, Lower Parel (E),
Mumbai – 400013.

My report of even date is to be read along with this letter:

- 1) Maintenance of Secretarial record is the responsibility of the Management of the Company. My responsibility is to express an opinion on these Secretarial Records based on my audit.
- 2) I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the Secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
- 3) I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- 4) Wherever required, I have obtained the Management representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances of applicable Laws, Rules and Regulations to the Company.
- 5) We have conducted online verification & examination of records, as facilitated by the Company, due to Covid-19 for the purpose of issuing this Report.
- 6) The compliance of the provisions of Corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of the Management. My examination was limited to the verification of procedures on test basis.
- 7) The Secretarial Audit report is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **Vatsal Doshi & Associates**
Company Secretaries

Vatsal K. Doshi
Proprietor

FCS No.: 12399

CP No.: 22976

PR No.: 3191/2023

UDIN : F012399E000161493

Date : April 21, 2023

Place : Mumbai

Report on Corporate Social Responsibilities Activities

- Brief outline on CSR Policy of the Company: Please refer to Corporate Social Responsibility (CSR) section in the Board's Report
- Composition of CSR committee

Sr. 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.	Smt. Preeti Saran	Public Interest Director - (Chairperson)	1	1
2.	Smt. Rajeshree Sabnavis	Public Interest Director (Chairperson)	1	1
3.	Shri Sidhartha Pradhan	Public Interest Director (Member) (w.e.f October 31, 2022)	1	1
4.	Prof. Umesh Bellur	Public Interest Director (Member) (w.e.f March 20, 2023)	1	1
5.	Shri Masil Jeya Mohan P	Shareholder Director - (Member)	2	2
6.	Shri Nehal Vora	Managing Director & CEO - (Member)	2	2

Note: Smt. Preeti Saran resigned as Public Interest Director w.e.f October 17, 2022. Smt. Rajeshree Sabnavis was appointed for a period of three (3) years from November 29, 2022 to November 28, 2025.

- 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
 Committee: CDSL | Corporate Governance (cdslindia.com)
 Policy: CDSL | CSR (cdslindia.com)
 Projects: CDSL | CSR (cdslindia.com)
- Provide the executive summary along with-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable:
 Not Applicable.
- Average net profit of the company as per sub-section (5) of Section 135:
 ₹1,98,62,50,272 (FY 2022-23)
 - Two percent of average net profit of the company as per sub-section (5) of Section 135:
 ₹3,97,25,005 (FY 2022-23)
 - Surplus arising out of the CSR Projects or programmes or activities of the previous financial years:
 NIL
- Amount required to be set off for the financial year, if any:
 NIL
 - Total CSR obligation for the financial year [(b)+(c)-(d)]:
 ₹3,97,25,005 (FY 2022-23)
- Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project)
 ₹3,92,67,214 (FY 2022-23)
 - Amount spent in Administrative Overheads:
 ₹4,57,794 (FY 2022-23)
 - Amount spent on Impact Assessment, if applicable:
 NIL
 - Total amount spent for the Financial Year [(a)+(b)+(c)]:
 ₹3,97,25,008 (FY 2022-23)
- CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year (in ₹)	Amount Spent (in ₹)				
	Total Amount transferred to unspent CSR Account as per sub-section (6) of Section- 135.	Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of Section 135.			
		Amount.	Date of transfer.	Name of the Fund	Amount.
₹3,97,25,008	NIL	NIL	NIL	NIL	NIL



(f) Excess amount for set-off, if any:

Sl.No. Particular	Amount (in ₹)
(1)	(2)
(i) Two percent of average net profit of the company as per sub-section (5) of Section 135	3,97,25,005
(ii) Total amount spent for the Financial Year	3,97,25,008
(iii) Excess amount spent for the Financial Year [(ii)-(i)]	3
(iv) Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	NIL
(v) Amount available for set off in succeeding Financial Years [(iii)-(iv)]	3

7. Details of Unspent corporate Social Responsibility amount for the preceding three Financial Years:

1 Sl. No.	2 Preceding Financial Year(s)	3 Amount transferred to Unspent CSR Account under sub-section (6) of Section 135 (in ₹)	4 Balance Amount in Unspent CSR Account under sub-section (6) of Section 135 (in ₹)	5 Amount Spent in the Financial Year (in ₹)	6 Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of Section 135, if any		7 Amount remaining to be spent in succeeding Financial Years (in ₹)	8 Deficiency, if any
					Amount (in ₹)	Date of Transfer		
1	FY 21 - 22	NIL	NIL	NIL	NIL	NIL	NIL	NIL
2	FY 20 - 21	1,62,500	1,62,500	1,62,500	NIL	NIL	NIL	NIL
3	FY 19 - 20	NIL	NIL	NIL	NIL	NIL	NIL	NIL

8. Whether any capital assets have created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Yes No

If Yes, enter the number of Capital assets created/acquired: Not Applicable

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

1 Sl. No.	2 Short particulars of the property or asset(s) [including complete address and location of the property]	3 Pincode of the property or assets (s)	4 Date of creation	5 Amount of CSR amount spent	6 Details of entity/Authority/beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered address
Not Applicable							

(All the fields should be captured as appearing in the revenue record, flat no., house no., Municipal Office/Municipal Corporation/Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub-section (5) of Section 135.

NIL

Place: Mumbai
Date: June 24, 2023

Nehal Vora
Managing Director and CEO
(DIN: 02769054)

Rajeshree Sabnavis
Chairperson of CSR Committee
(DIN: 06731853)

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: None

(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

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

(a)	(b)	(c)	(d)	(e)	(f)
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	Date(s) of approval by the Board, if any:	Amount paid as advances, if any:
CDSL Ventures Limited Subsidiary Company	Rendering Services	As per approval	4,56,05,433	Audit Committee & Board Meeting approval dated April 29, 2022.	-
CDSL Ventures Limited Subsidiary Company	Dividend Received	As per approval	41,50,00,000	Audit Committee & Board Meeting approval dated April 29, 2022.	-
CDSL Ventures Limited Subsidiary Company	Receiving Services	As per approval	41,10,699	Audit Committee & Board Meeting approval dated April 29, 2022.	-
CDSL Insurance Repository Limited Subsidiary Company	Rendering Services	As per approval	39,25,988	Audit Committee & Board Meeting approval dated April 29, 2022.	-
CDSL Insurance Repository Limited Subsidiary Company	Transfer of Liability	As per approval	1,81,498	Audit Committee & Board Meeting approval dated April 29, 2022.	-
CDSL Insurance Repository Limited Subsidiary Company	Transfer of Liability	As per approval	83,286	Audit Committee & Board Meeting approval dated April 29, 2022.	-
CDSL Commodity Repository Limited Subsidiary Company	Rendering Services	As per approval	81,99,432	Audit Committee & Board Meeting approval dated April 29, 2022.	-
CDSL Commodity Repository Limited Subsidiary Company	Sale of Fixed Asset	As per approval	3,95,464	Audit Committee & Board Meeting approval dated July 30, 2022.	-
CDSL Commodity Repository Limited Subsidiary Company	Transfer of Employee Gratuity Liabilities from Subsidiary	As per approval	3,73,035	Audit Committee & Board Meeting approval dated April 29, 2022.	-
CDSL Commodity Repository Limited Subsidiary Company	Transfer of Employee Leave Encashment Liabilities from Subsidiary	As per approval	3,47,528	Audit Committee & Board Meeting approval dated April 29, 2022.	-
BSE Limited Entity having significant influence	Rendering Services	As per approval	79,12,279	Audit Committee & Board Meeting approval dated April 29, 2022.	-
BSE Limited Entity having significant influence	Receiving Services	As per approval	58,00,514	Audit Committee & Board Meeting approval dated April 29, 2022 and July 30, 2022.	-
BSE Limited Entity having significant influence	Dividend Paid	As per approval	31,35,00,000	Approval by Shareholder in AGM held on September 20, 2022	-



(a)	(b)	(c)	(d)	(e)	(f)
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	Date(s) of approval by the Board, if any:	Amount paid as advances, if any:
Indian Clearing Corporation Limited Subsidiary of entity having significant influence	Rendering Services	As per approval	3,41,845	Audit Committee & Board Meeting approval dated April 29, 2022.	-
Marketplace Technologies Private Limited Subsidiary of entity having significant influence	Rendering Services	As per approval	75,000	Audit Committee & Board Meeting approval dated April 29, 2022.	-
BSE Administration & Supervision Limited Subsidiary of entity having significant influence	Rendering Services	As per approval	7,010	Audit Committee & Board Meeting approval dated July 30, 2022 and Feb 1, 2023.	-
BSE E-Agricultural Markets Limited Subsidiary of entity having significant influence	Rendering Services	As per approval	22,500	Audit Committee & Board Meeting approval dated July 30, 2022.	-
India INX Global Access Ifsc Limited Subsidiary of entity having significant influence	Rendering Services	As per approval	22,500	Audit Committee & Board Meeting approval dated July 30, 2022.	-
BIL- Ryerson Technology Startup Incubator Foundation Subsidiary of entity having significant influence	Rendering Services	As per approval	5,000	Audit Committee & Board Meeting approval dated July 30, 2022.	-
BSE CSR Integrated Foundation Subsidiary of entity having significant influence	Rendering Services	As per approval	5,000	Audit Committee & Board Meeting approval dated July 30, 2022.	-
BFSI Sector Skill Council of India Subsidiary of entity having significant influence	Rendering Services	As per approval	16,250	Audit Committee & Board Meeting approval dated April 29, 2023.	-
BFSI Sector Skill Council of India Subsidiary of entity having significant influence	Security Deposit	As per approval	10,000	Audit Committee & Board Meeting approval dated April 29, 2023.	-
India International Clearing Corporation (IFSC) Limited Subsidiary of entity having significant influence	Rendering Services	As per approval	75,000	Audit Committee & Board Meeting approval dated July 30, 2022.	-
India International Exchange (IFSC) Limited Subsidiary of entity having significant influence	Rendering Services	As per approval	75,000	Audit Committee & Board Meeting approval dated July 30, 2022.	-
Multi Commodity Exchange Of India Limited Subsidiary of entity having significant influence	Rendering Services	As per approval	13,63,077	Audit Committee & Board Meeting approval dated April 29, 2022, July 30, 2022 and February 1, 2023.	-
India International Depository IFSC Limited (Erstwhile CDSL IFSC Limited) Associate	Rendering Services	As per approval	4,05,27,421	Audit Committee & Board Meeting approval dated April 29, 2022, July 30, 2022 and February 1, 2023.	-
India International Depository IFSC Limited (Erstwhile CDSL IFSC Limited) Associate	Sale of equity shares of India International Depository IFSC Limited (Erstwhile CDSL IFSC Limited)	As per approval	20,00,00,000	Audit Committee and Board Meeting approval dated March 25, 2021	-
India International Bullion Holding IFSC Limited Associate	Rendering Services	As per approval	1,04,150	Audit Committee & Board Meeting approval dated April 29, 2022, October 21, 2022 and February 1, 2023.	-
India International Bullion Holding IFSC Limited Associate	Investment in Equity Shares	As per approval	10,00,00,000	Audit Committee and Board Meeting approval dated March 25, 2021	-
India International Bullion Exchange Ifsc Limited Associate	Rendering Services	As per approval	9,000	Audit Committee & Board Meeting approval dated February 1, 2023.	-

Annexure-H

Details pertaining to remuneration as required under Section 197(12) of the Companies Act 2013 read with the Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and SEBI (Depositories and Participants) (Amendment) Regulations 2012

1. The ratio of the remuneration of MD & CEO to the median remuneration of the employees of the company for FY 2022-23 is 31.72%
2. The remuneration of MD & CEO saw an increase of 28%. The remuneration of Chief Financial Officer saw an increase of 31% and the remuneration of the Company Secretary saw an increase of 80.91% during the financial year. The same is explained in the below tables:

Remuneration of Managing Director & Chief Executive Officer (MD & CEO):

Sr. No.	Particulars	Year		Amount (₹)
1.	Shri Nehal Vora, MD & CEO, Remuneration paid	2021-22	A	2,87,73,316
2.	Shri Nehal Vora, MD & CEO, Remuneration paid	2022-23	B	3,68,12,350
3.	Difference in remuneration to MD & CEO between 2021-22 and 2022-23		C = (B - A)	80,39,034
4.	Increase in remuneration of MD & CEO	2022-23	C/A*100	28%

Note: The yearly increment paid to MD & CEO as approved by Board, SEBI & shareholders is at 15%. However, on comparison of the payment made with the previous year appears to be at 28%. This is due to the following reasons:

- i. During the financial year 2022-23 leave travel allowance for the financial year 2020-21 & 2021-22 was paid amounting to ₹18.05 Lakhs. (Previous year: Nil).
- ii. Leave encashment was paid during financial year 2022-23 amounting to ₹17.12 Lakhs. (Previous year Nil)
- iii. The increase in perquisite value on account of 'contribution to Employer's and Employee's Provident Fund beyond prescribed limit as per Income Tax Act' during FY 2022-23 amounting to ₹9.49 Lakhs (Previous year ₹6.59 Lakhs).
- iv. The overall cost increase in FY 2022-23 compared to previous year due to above factors is around 13% in addition to the regular increment of 15% corresponding to total increase of 28%.

Remuneration of Chief Financial Officer (CFO):

Sr. No.	Particulars	Year		Amount (₹)
1.	Shri Girish Amesara, Chief Financial Officer, Remuneration paid	2021-22	A	97,21,158
2.	Shri Girish Amesara, Chief Financial Officer, Remuneration paid	2022-23	B	1,27,40,191
3.	Difference in remuneration paid to CFO between 2021-22 and 2022-23		C = (B - A)	30,19,033
4.	Increase in remuneration of CFO	2022-23	C/A*100	31%

Note: The yearly increment paid to CFO as per the performance appraisal and service rules is at 10%. However, on comparison of the payment made with the previous year appears to be at 31%. This is due to the following reasons:

- i. During the financial year 2022-23, the Performance Linked Bonus (PLB) for the FY 2021-22 was paid amounting to ₹22 Lakhs (Previous year: ₹4 Lakh).
- ii. During the financial year 2022-23, Leave encashment as per service rules was paid amounting to ₹5.10 Lakhs. (Previous year Nil).
- iii. The perquisite on account of 'Gift Voucher' and 'contribution to Employer's and Employee's Provident Fund beyond prescribed limit as per Income Tax Act' during FY 2021-22 amounting to ₹1.71 Lakhs. (Succeeding year Nil)
- iv. The overall cost increase in FY 2022-23 compared to previous year due to above factors is around 21% in addition to the regular increment of 10% corresponding to total increase of 31%.

**Remuneration of Company Secretary:**

Sr. No.	Particulars	Year		Amount (₹)
1.	Smt. Amita Paunikar, Company Secretary (up to 05/04/2021), Remuneration paid	2021-22	A	80,516
2.	Shri Nilay Shah, Company Secretary (appointed w.e.f. 02/08/2021), Remuneration paid	2021-22	B	30,02,498
3.	Total remuneration paid to Company Secretary	2021-22	C = [A+B]	30,83,014
4.	Shri Nilay Shah, Company Secretary, Remuneration paid	2022-23	D	55,77,459
5.	Difference in remuneration paid to Company Secretary between 2021-22 & 2022-23	2022-23	E = [D-C]	24,94,445
6.	Increase in remuneration of Company Secretary	2022-23	F = [E/C*100]	80.91%

Note: Shri Nilay Shah joined CDSL during the mid of FY 2021-22, as a replacement of earlier Company Secretary, Smt. Amita Paunikar. Hence the remuneration paid to Company Secretary position in both the years is incomparable.

- In the financial year, there was an increase of 51.20% in the median remuneration of employees.
- There were 279 employees on the rolls of the company as on March 31, 2023.
- There has been 86.12 percentile increase in the salaries of employees other than the managerial remuneration than the last financial year and there has been 46.63 percentile increase in the managerial remuneration than the last financial year.
- We affirm that the remuneration paid to Managing Directors & CEO, Key Managerial Personnel and other employees is as per the Remuneration Policy.
- Information as per Section 197 of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

Name	Designation	Date of Joining	Total Cost	Qualification	Age	Experience in Years	Last Employment & Designation
Shri Nehal Vora	MD & CEO	24/09/2019	3,68,12,350	B. Com, MMS (Finance)	50	27	BSE Limited - Chief Regulatory Officer
Shri Ramkumar K.	Executive Vice President, Chief of Business Development, & New Projects	27/09/2000	1,84,55,132	B.Sc., MBA	52	29	Tata Share Registry Ltd. - Executive
Smt. Nayana Ovalekar	Executive Vice President, Chief Regulatory Officer	13/10/2003	1,82,25,123	B. Com, CS	55	33	Stock Holding Corporation of India Ltd. - Officer on Special Duty
Shri Amit Mahajan	Executive Vice President - Chief Technology Officer	18/10/2019	1,71,00,946	BE, MMS	51	28	BSE Limited - Senior General Manager
Shri Girish Amesara	Senior Vice President, Chief Financial Officer	07/11/2019	1,27,40,191	B.Com, CA	54	31	Indian Clearing Corporation Limited - Chief Financial Officer
Shri Vinay Madan	Executive Vice President, Chief Risk Officer	10/08/2021	1,14,99,481	B.Com, CA	45	21	Sharekhan by BNP Paribas - Chief Risk Officer
Shri Rajesh Saraf	Executive Vice President, Chief Data & Operations Officer	19/10/2022	47,10,311	B.E(Electrical Engineering), MMS -Finance	54	29	BSE Limited - Chief General Manager

Notes:

- Remuneration includes basic salary, performance linked incentive, other allowances, company's contribution to provident fund and taxable value of perquisites.
- Nature of employment in cases of Managing Director & CEO is contractual as per the agreement entered with the Company. For all others, the employment is as per their employment terms and Company's Service Rules.
- None of the above is covered under Rule 5(3)(viii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014
- None of the above is a relative of any Director or manager of the Company.

Business Responsibility & Sustainability Report

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

Sr. No.	Particulars	Details
1.	Corporate Identity Number (CIN) of the Listed Entity	L67120MH1997PLC112443
2.	Name of the Listed Entity	Central Depository Services (India) Limited
3.	Year of incorporation	1997
4.	Registered office/Corporate address	Unit No. A-2501, Marathon Futurex, Mafatlal Mills Compound, N.M. Joshi Marg, Lower Parel (East), Mumbai - 400013
5.	E-mail	shareholders@cdslindia.com
6.	Telephone	+91-22-23023333
7.	Website	https://www.cdslindia.com
8.	Financial year for which reporting is being done	2022-23
9.	Name of the Stock Exchange(s) where shares are listed	National Stock Exchange of India Limited
10.	Paid-up Capital	₹10,450 Lakh
11.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Name: Shri Nilay Shah Designation: Group Company Secretary and Head Legal Contact: + 91-22-23023333 Email Id: shareholders@cdslindia.com
12.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e., for the entity and all the entities which form a part of its consolidated financial statements, taken together)	Standalone

II. Products/services

14. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% Of Turnover of the entity
1.	Depository Services	Financial services	83%

15. Products/Services sold by the entity (accounting for 90% of the turnover):

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1.	Depository Services	64990	83%

III. Operations

16. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	-	14	14
International	-	-	-

17. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	Serving markets across India
International (No. of Countries)	-

b. What is the contribution of exports as a percentage of the total turnover of the entity?

Not Applicable.



c. A brief on types of customers

The depository's business lines cater to a diverse group of customers such as Depository Participants, Issuers, Registrar & Transfer Agents (RTAs), Clearing Members (CMs), Clearing Corporations (CCs).

IV. Employees

18. Details as at the end of Financial Year 2022-23

a. Employees (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
Employees						
1.	Permanent (D)	279	211	76%	68	24%
2.	Other than Permanent (E)	167	123	74%	44	26%
3.	Total employees (D + E)	446	334	75%	112	25%

Note: The Company does not have any 'worker', as defined in the guidance note on BRSR, issued by SEBI.

b. Differently abled employees:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
Differently abled employees						
1.	Permanent (D)	4	3	75%	1	25%
2.	Other than Permanent (E)	0	0	0	0	0
3.	Total differently abled employees (D + E)	4	3	75%	1	25%

Note: The Company does not have any 'worker', as defined in the guidance note on BRSR, issued by SEBI.

19. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B/A)
Board of Directors [@]	9	1	11%
Key Management Personnel*	15	1	7%

[@] Board of Directors includes MD & CEO and Directors on Governing Board as on March 31, 2023.

* Key Management Personnel refers to KMP as defined under Section 203(1) of the Companies Act, 2013 and SEBI (Depository & Participants) Regulations, 2018 and does not include MD & CEO.

20. Turnover rate for permanent employees:

	FY 2022-23			FY 2021-22			FY 2020-21		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	10.67%	1.52%	12.19%	7.7%	2.99%	10.69%	2.72%	0.9%	3.62%
Permanent Workers	Not Applicable								

V. Holding, Subsidiary and Associate Companies (including joint ventures)

21. Names of holding/subsidiary/associate companies/joint ventures

S. No.	Name of the holding/subsidiary/associate companies/joint ventures (A)	Indicate whether holding/Subsidiary/Associate/Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	CDSL Ventures Limited	Subsidiary	100%	No
2.	CDSL Insurance Repository Limited	Subsidiary	54.25%	No
3.	CDSL Commodity Repository Limited	Subsidiary	52%	No
4.	India International Bullion Holding IFSC Limited	Associate	20%	No

VI. CSR Details

22. (i) Whether CSR is applicable as per Section 135 of Companies Act, 2013: (Yes/No): Yes.
 (ii) Turnover (in ₹): ₹54,406.75 Lakh (as on March 31, 2023)
 (iii) Net worth (in ₹): ₹96,585.54 Lakh (as on March 31, 2023)

VII. Transparency and Disclosures Compliances

23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2022-23			FY 2021-22		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	-	-	-	-	-	-	-
Investors (other than shareholders)	-	-	-	-	-	-	-
Shareholders	Yes**	15	0	Complaints were suitably resolved in a timely manner	2	0	Complaints were suitably resolved in a timely manner
Employees and workers	Yes, Grievance redressal mechanism is available on the intranet portal of the Company.	1	0	Complaints were suitably resolved in a timely manner	0	0	-
Customers	Yes*	6620	124	-	15025	476	-
Value Chain Partners	Yes*	0	0	-	0	0	-
Other (please specify)	-	-	-	-	-	-	-

* Customers/Value chain Partners can register their complaints/grievances at the Company's following email id: complaints@cdslindia.com

**Shareholders can register their complaints/grievances at the Company's following email id: shareholders@cdslindia.com

24. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format:

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Digitisation (Social & Environmental)	Opportunity	<p>The Company recognizes the immense social & environmental opportunity in digitization for sustainability. By electronically connecting stakeholders, CDSL promotes paperless transactions, actively reducing carbon footprints and environmental harm. Our electronic operations empower stakeholders to embrace a "go green" approach.</p> <p>The Company aims to accelerate our digital initiatives by innovating and continuing to provide digital capital market services such as eAGM, eDIS, new pledge/re-pledge mechanism, eCAS, and more. These initiatives cater to evolving needs, providing convenient accessibility from the comfort of one's home.</p>	Not applicable	<p>Positive Impact:</p> <p>Through digital acceleration, the Company has improvised efficiency:</p> <ul style="list-style-type: none"> ➤ Enabling electronic submission and receipt of documents for DPs and intermediaries. ➤ Eliminating paper-based processes and workflows to become a fully digital organization. ➤ Enhancing self-service channels to provide customers with efficient and effective solutions for routine needs, enhancing their overall experience.



S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
2.	Data Security	Opportunity & Risk	<p>Risk: Privacy and data security present a significant risk for CDSL, especially considering the increasing digitization of financial services and the growth in the number of digital users. As more transactions and sensitive information are being exchanged digitally, the risk of cyber threats and unauthorized access to privileged information becomes increasingly prominent. Any breach in data security could result in severe consequences, including financial loss, reputational damage, legal implications, and loss of trust from stakeholders.</p> <p>Opportunity: However, by recognizing data security as a material issue, CDSL has the opportunity to establish and maintain a robust information security structure. This entails implementing advanced hardware & software solutions, employing expert manpower to monitor and respond to potential threats, and developing effective operational practices. By investing in these measures, CDSL can mitigate cyber threats, ensure privacy and data security for all stakeholders, and safeguard privileged information. Additionally, having a strong information security framework can enhance CDSL's reputation as a trusted depository, thereby facilitating business expansion and attracting more investors and market participants who value the protection of their sensitive data.</p>	<p>To address the risk of privacy and data security, CDSL can implement several measures:</p> <p>Robust Information Security Infrastructure: CDSL invests in advanced software solutions, firewalls, encryption techniques, and intrusion detection systems to create a secure environment for data storage and transmission. This infrastructure should be regularly updated and tested to ensure its effectiveness against emerging cyber threats.</p> <p>Expert Manpower: CDSL employs a team of skilled professionals with expertise in information security to continuously monitor and respond to potential threats. These experts should be well-versed in the latest security practices, industry standards, and regulations to ensure the implementation of effective security measures.</p> <p>Training and Awareness: Conducting regular training sessions and awareness programs for employees, clients, and other stakeholders is vital. These initiatives should focus on educating them about best practices for data security, including strong password management, safe browsing habits, and identifying potential phishing attempts or social engineering attacks.</p>	<p>Positive:</p> <p>Business Expansion and Market Attraction: By proactively addressing data security risks, CDSL can enhance its reputation as a trusted Depository. This can attract new clients, investors, and market participants who prioritize the protection of their sensitive information. Increased business partnerships and market attractiveness can lead to positive financial implications, such as revenue growth and expanded market share.</p> <p>Negative:</p> <p>Loss of Trust and Reputation, Financial Losses and Damages</p>
3.	Diversity, Equity and inclusion	Opportunity	We ardently believe in advocating for equity, diversity, and inclusion to strengthen our business. Embracing a workforce that is diverse and inclusive can enhance performance, reputation, innovation, and motivation. This will contribute to fostering a more just society while bolstering the strength of our business.	Not Applicable	We prioritize providing equal services to citizens across the country, without any differentiation, as we believe in the power of inclusivity. We actively seek out diverse perspectives, encouraging innovation and creativity to drive our business forward. By continually learning and evolving, we are dedicated to making a positive impact on society while strengthening our business foundation.
4.	Social responsibility towards society	Opportunity	<p>CDSL through its Corporate Social Responsibility (CSR) programs endeavors to enrich the lives of the citizens of this country.</p> <p>CDSL believes that a nation progresses when its communities are empowered. Extending this belief to our Corporate Social Initiatives, we remain committed to enriching the lives of the citizens of India. Our vision is to create a world in which everyone can thrive through social, environmental, and economic progress.</p> <p>We reached out to the socially and economically disadvantaged communities in association with 9 CSR partners in FY 2022-23.</p> <p>CDSL focused on health, education, environment, and research to leave a visible impact.</p>	Not applicable	<p>Positive Impact:</p> <p>The Company recognizes the importance of being socially responsible and playing a part in helping to uplift the underprivileged.</p> <p>Our responsibility towards contributing into the sectors of education, environmental, and social development allows us to have a positive impact on the Society.</p>

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
5.	Financial Literacy/ Investor Awareness	Opportunity	CDSL IPF conducts various investors awareness activities aiming at promoting financial education from the Depository point of view in particular and other capital market initiatives in general to educate investors to take an informed decision with respect to any matter related to capital market.	Not Applicable	Greater awareness amongst investors can help the investors to take informed investment decisions.
6.	Talent Attraction and Retention	Risk	By strategically focusing on talent attraction, engagement, and retention, your business can unlock additional growth potential.	Not Applicable	Negative Impact: High attrition rates leads to reduced efficiency and associated financial losses.
7.	Governance and Compliance	Opportunity & Risk	Opportunity: Effective compliance can help in building brand trust.	Robust compliance Risk Management policies and procedures.	Positive Impact: Effective compliance can help in building reputation, brand image and long term relationships. Negative Impact: Instances of non-compliances can result in fines/penalties, loss of brand image.

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Web Link of the Policies, if available	https://www.cdslindia.com/InvestorRels/CorporateGovernance.html Some of the policies being internal documents are accessible only to the employees through the Company's intranet portal.								
2. Whether the entity has translated the policy into procedures. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

3. Do the enlisted policies extend to your value chain partners? (Yes/No)

The Company has formalized the "Code of Conduct" for the directors and employees of the Company. The code also covers all dealings with the vendor and other parties.

4. Name of the national and international codes/certifications/labels/standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.

CDSL is certified for ISO 27001:2013 and ISO 22301:2019 Standards.

Apart from the certifications, the Company is committed to providing a safe, healthy and harassment free work environment to all its employees. The Company has adopted employee-oriented policies covering areas such as Diversity, Equity, and prevention of sexual harassment at workplace, which endeavours to provide an environment of care, nurturance and opportunity to accomplish professional aspirations.

The Company has adopted various policies for stakeholders and ensures good corporate governance practices as stipulated under various regulatory statutes.



5. Specific commitments, goals and targets set by the entity with defined timelines, if any.

As a Market Infrastructure Institution (MII), CDSL acknowledges its duty to drive sustainable progress with purpose and has established clear commitments, goals, and targets. While there are no current mandatory targets or evaluation processes for all policies, the company diligently monitors various aspects through ESG and CSR initiatives.

Furthermore, we have formulated specific Environmental, Social, and Governance (ESG) goals as a key strategy for achieving consistent, profitable, and responsible growth. Our mission is to address pressing concerns of our investors and stakeholders, including climate change, green offerings, and promoting health, well-being, equity, diversity, and inclusion.

You can find detailed information about CDSL's ESG initiatives in the Annual Report.

6. Performance of the entity against specific commitments, goals and targets along-with reasons in case the same are not met.

CDSL diligently monitors the progress of its sustainability growth goals and takes necessary actions when needed, employing a robust governance mechanism. Various teams regularly report progress to the MD & CEO and Executive Management Committee on a timely basis. This leads to assisting the Board in overseeing the ESG & CSR strategy, governance, monitoring progress, and reviewing related policies, practices, initiatives, and goals to ensure their effectiveness. While significant progress has been made, CDSL continues its commitment to enhancing performance and addressing any existing gaps. The Company remains dedicated to sustainability and social responsibility, aiming to make a positive impact on society and the environment.

You can find detailed information about CDSL's CSR initiatives in the Annual Report.

Governance, leadership and oversight

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements

Please refer to the ESG initiatives and MD & CEO Message in the Annual Report.

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).

The Board of Directors particularly the Managing Director & CEO is responsible for implementation of Business Responsibility policies.

9. Does the entity have a specified Committee of the Board/Director responsible for decision making on sustainability related issues? (Yes/No). If yes, provide details.

Yes, Corporate Social Responsibility Committee and Risk Management Committee are the specified Committees of the Board responsible for decision making on sustainability related issues.

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director/Committee of the Board/Any other Committee									Frequency (Annually/Half yearly/Quarterly/Any other - please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Policies as required by extant regulations and wherever stated in the report have been approved by the Board/Committee of the Board. Relevant policies of the Company are reviewed periodically or on a need basis.																	
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances is done by the necessary committees and the Board of Directors. Further, the Company complies with all applicable regulations.																	

11. Has the entity carried out independent assessment/evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.

P1	P2	P3	P4	P5	P6	P7	P8	P9
No, the Board of Directors and Senior Management periodically review the policies in line with regulatory requirement and expectations of the stakeholders.								

12. If answer to question (1) above is “No” i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)									
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)							Not Applicable		
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as “Essential” and “Leadership”. While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

PRINCIPAL 1

Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

ESSENTIAL INDICATORS

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year 2022-23:

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	Percentage of persons in respective category covered by the awareness programmes
Board of Directors	The Company conducted specific programs to facilitate the integration and understanding of new directors and independent directors. These programs were designed to provide new directors with a comprehensive overview of the company’s operations, culture, governance structure, and strategic priorities.	<ol style="list-style-type: none"> 1. Induction Programme for new Directors 2. Orientation & Familiarization Programme for Independent Directors 3. Corporate Strategy 4. Corporate Sustainability – Environmental, Social and Economic Responsibility. <p>The Company provided regular presentations on various matters pertaining to the strategy of the Company, business operations, regulatory updates, risk management mechanisms, and future outlook. These presentations aimed to keep the directors and committee members informed and involved in the decision-making process.</p>	100%
Key Managerial Personnel*	1. Training programs covers across all principals including topics such as but not limited to skill upgradation like MS Excel for Business Intelligence Training, Communication & Presentation Excellence Training, [Training on ESG (Environmental, Social and Corporate Governance) & Corporate Risk Management to KMP]		100%
Employees other than BOD	2. Health & Safety Training, Prevention of Sexual Harassment at Workplace (POSH) Training, New Labour Codes - Implementation & (Standing Orders, Psychology of Strategic Leadership – Young Women		

Note: The Company does not have any ‘worker’, as defined in the guidance note on BRSR, issued by SEBI.

* Key Managerial Personnel refers to KMP as defined under Section 203 (1) of the Companies Act, 2013 and SEBI (Depository & Participants) Regulations, 2018.



2. **Details of fines/penalties/punishment/award/compounding fees/settlement amount paid in proceedings (by the entity or by directors/KMPs) with regulators/law enforcement agencies/judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):**

Monetary					
	NGRBC Principle	Name of the regulatory/enforcement agencies/judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/Fine	Nil	NA	Nil	NA	NA
Settlement	Nil	NA	Nil	NA	NA
Compounding fee	Nil	NA	Nil	NA	NA

Non-Monetary					
	NGRBC Principle	Name of the regulatory/enforcement agencies/judicial institutions		Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	Nil	NA		NA	NA
Punishment	Nil	NA		NA	NA

3. **Of the instances disclosed in Question 2 above, details of the Appeal/Revision preferred in cases where monetary or non-monetary action has been appealed.**

Case Details	Name of the regulatory/enforcement agencies/judicial institutions
NA	NA

4. **Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.**

Yes, we have in place a policy on Anti-Bribery & Anti-Corruption (ABC). This Policy emphasizes CDSL's zero tolerance towards bribery and corruption practices and reflects CDSL's commitment for maintaining the highest ethical standards and best practices of Corporate Governance.

CDSL prohibits all forms of bribery and corruption practices involving, but not limited to, Public Official or a private sector person or company.

The Company's Anti-Bribery & Anti-Corruption (ABC) policy is available and easily accessible on the Company's website. The policy can be accessed at:

<https://www.cdslindia.com/Anti-BriberyandAnti-CorruptionPolicy.pdf>

5. **Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/corruption:**

	FY 2022-23	FY 2021-22
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	NA	NA

6. **Details of complaints with regard to conflict of interest:**

	FY 2022-23		FY 2021-22	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	NA	Nil	NA
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	NA	Nil	NA

7. **Provide details of any corrective action taken or underway on issues related to fines/penalties/action taken by regulators/law enforcement agencies/judicial institutions, on cases of corruption and conflicts of interest**

During the reporting period, there have been no instances of cases of corruption and conflicts of interest that requires action by regulators/law enforcement agencies/judicial institutions.

LEADERSHIP INDICATORS

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

Total number of awareness programmes held	Topics/principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
4	Depository Participants Training - Includes functional and operational overview about CDSL and CDAS system.	100%
2	Registrar & Transfer Agents Training (RTA) - Includes overview on CDSL.	100%
11	NISM CPE Programs for Depository Operations Certification Examination (DOCE)	100%
1	Compliance Officers/Internal & Concurrent Auditors Training	100%

2. Does the entity have processes in place to avoid/manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.

Yes, our company has code of conduct for Directors and senior management that addresses actual or potential conflict of interest and ensures that business is conducted in ethical manner. Our Company's code of conduct complies with all the governed laws and regulations; including mechanisms to resolve ethical issues & unethical conduct, legitimate handling of conflicts of interest and fostering culture of transparency, honesty and accountability. Independent Internal auditors are appointed to ensure that appropriate systems and controls are maintained and their effectiveness or otherwise is being reported to the Company's Board of Directors. Directors and KMP are required to make appropriate disclosures on potential areas of conflict of interest which would impair its ability to render fair, objective and unbiased services. Further, interested directors recuse from participating in the interested items.

PRINCIPAL 2

Businesses should provide goods and services in a manner that is sustainable and safe.

ESSENTIAL INDICATORS

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	FY 2022-23	FY 2021-22	Details of improvements in environmental and social impacts
R&D			
Capex			Not Applicable

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

No, the principle form of sourcing is an electronic form to our customers which is a sustainable medium from an environment standpoint and further the cause of "going green".

b. If yes, what percentage of inputs were sourced sustainably?

As the Company is in the depository business, the same is not applicable to the Company.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

Our primary waste products are data storage devices which are digitally degaussed to destroy the data. Later these devices are disposed through reputed and certified disposers. Secondary waste generated by us is handed over to premises manager, which in turn have processes to recycle, wherever possible like sewage treatment plant, organic waste converter, bottle crushers, etc. Further, the Company has undertaken initiatives to reduce its paper usage.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes/No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

As the nature of the business is service oriented, Extended Producer Responsibility is not applicable.

**LEADERSHIP INDICATORS**

1. Has the entity conducted Life Cycle Perspective/Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

NIC Code	Name of product/service	% of total turnover contributed	Boundary for which the Life Cycle Perspective/Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link
Not Applicable					

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products/services, as identified in the Life Cycle Perspective/Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Name of Product/service	Description of the risk/concern	Action Taken
Not Applicable		

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or re-used material to total material	
	FY 2022-23	FY 2021-22
Nil		

4. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Not Applicable	

PRINCIPAL 3

Businesses should respect and promote the well-being of all employees, including those in their value chains.

ESSENTIAL INDICATORS

1. a. Details of measures for the well-being of employees:

Category	Total (A)	% of employees covered by									
		Health Insurance		Accident Insurance		Maternity benefits		Paternity benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Employees											
Male	211	211	100%	211	100%	NA	NA	211	100%	211	100%
Female	68	68	100%	68	100%	68	100%	NA	NA	68	100%
Total	279	279	100%	279	100%	68	24%	211	76%	279	100%
Other than Permanent Employees											
Male											
Female											
Total											

Not Applicable

c. Details of measures for the well-being of workers:

Category	% of employees covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity benefits		Paternity benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Employees											
Male											
Female	The Company does not have any 'worker', as defined in the guidance note on BRSR, issued by SEBI.										
Total											
Other than Permanent Employees											
Male											
Female	The Company does not have any 'worker', as defined in the guidance note on BRSR, issued by SEBI.										
Total											

2. Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	FY 2022-23			FY 2021-22		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N. A)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N. A)
PF	100%	NA	Yes	100%	NA	Yes
Gratuity	100%	NA	Yes	100%	NA	Yes
ESI	Please refer note	NA	NA	Please refer note	NA	NA
Others – please specify	NA	NA	NA	NA	NA	NA

Note: All the employees of CDSL are beyond the threshold salary for ESI compliances.

3. Accessibility of workplaces

Are the premises/offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Our Corporate offices has wheelchair and wheelchair friendly elevators which can be accessed from the lobby as well as parking lot, thus making access friendly to our differently abled employees and visitors.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

The Company endeavours to provide a safe, secure, and congenial work environment, so that employees can deliver their best without inhibition. The essence of fairness and meritocracy is based on a rule-based framework that is non-discriminatory and gives equal opportunities to all individuals irrespective of gender, color, religion, caste, race, age, community, physical ability, or sexual orientation. The Company has put in place a robust grievance redressal process for investigation of employee concerns and has instituted a procedure on ethical code of conduct of employees and Service and conduct Rules for employees that clearly delineate employee responsibilities and acceptable employee conduct. Together, these constitute the foundation for the promotion of a diverse and inclusive culture at the workplace. Further, the Policy is available on the Company's intranet portal.

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent Employees		Permanent Workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%	100%	NA	NA
Female	100%	100%	NA	NA
Total	100%	100%	NA	NA



6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent workers	NA
Other than Permanent workers	NA
Permanent Employees	Yes, the Company has formulated a Whistle Blower Policy that provides a secure environment for employees to report any matters of concern enabling stakeholders to report any concern of unethical behaviour, suspected fraud or violation. The said policy inter-alia provides safeguard against victimization of the Whistle Blower. Stakeholders including Directors and Employees have access to the Chairperson of the Audit Committee. The Company is having the detailed Grievance redressal procedure provided in its Service and Conduct rules which is accessible to all the employees at all times. The procedure is segregated for various categories of employees such as KMPs, Non KMPs etc. The process specifically mentions about representation of grievance, investigation, redressal, timelines, decision making authority, record maintenance etc.
Other than Permanent Employees	NA

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Category	FY 2022-23			FY 2021-22		
	Total employees/ workers in respective category	No. of employees/workers in respective category, who are part of association(s) or Union	% (B/A)	Total employees/ workers in respective category	No. of employees/workers in respective category, who are part of association(s) or Union	% (D/C)
Permanent Employees						
Male	Not Applicable			Not Applicable		
Female						
Total						
Permanent Workers						
Male	Not Applicable			Not Applicable		
Female						
Total						

8. Details of training given to employees and workers:

Category	FY 2022-23					FY 2021-22				
	Total (A)	On Health and Safety measures		On Skill upgradation		Total (D)	On Health and Safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	211	9	4.27%	110	52%	195	-	-	84	43%
Female	68	3	4.41%	44	65%	51	-	-	24	47%
Total	279	12	4.30%	154	55%	246	-	-	108	44%
Workers										
Male	Not Applicable									
Female										
Total										

9. Details of performance and career development reviews of employees and worker:

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	211	203	96%	195	181	93%
Female	68	63	93%	51	47	92%
Total	279	266	95%	246	228	93%
Workers						
Male	Not Applicable					
Female						
Total						

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/No). If yes, the coverage such system?

Yes, Employee well-being and psychological safety continue to be a priority of the Company. The Company conducts periodic trainings on fire safety and fire-fighting equipment along with the evacuation drills. Further, inspection of extinguishers is undertaken regularly.

Apart from Health Insurance and Accident Policy, The Company is arranging annual Health check up facility for all employees free of cost.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

Since our Company is a financial services entity, it is not applicable. However, to minimise pandemic -related risks, the Company undertook several precautions at its offices, which included:

- ▶ Installation of hands-free sanitizer dispenser;
- ▶ The Company has made available instruments to monitor Blood Pressure and Oxygen levels;
- ▶ The Company is in advance stage of planning a doctor on call facility or visiting doctor on a pre-fixed timing; and
- ▶ The Company conducts regular fire drills during which the employees are briefed on identifying and eliminating hazards.

c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Yes/No)

Since our Company is a financial services entity, it is not applicable. A grievance redressal mechanism is in place under which the employees can report grievances resulting from working conditions due to Poor safety and bad physical conditions the employees are encouraged to offer their suggestions for improvements in safety, considering the nature of activity of the Company.

d. Do the employees/worker of the entity have access to non-occupational medical and healthcare services? (Yes/No)

Yes, all employees of the Company are covered under our health insurance and accident policy. The Company has well-defined medical and healthcare policies and allied services. Apart from Health Insurance and Accident Policy, the Company provides facility of annual health check up facility for all employees free of cost.

Selective employees are given periodic training on basic and advanced fire safety and including evacuation drills.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2022-23	FY 2021-22
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	Nil	Nil
Total recordable work-related injuries	Employees	Nil	Nil
No. of fatalities	Employees	Nil	Nil
High consequence work-related injury or ill-health (excluding fatalities)	Employees	Nil	Nil

Note: The Company does not have any 'worker', as defined in the guidance note on BRSR, issued by SEBI.

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

Well-being and providing health, safe and secure workplace to all employees is a key priority for the Company. Considering nature of business, following are the key measures taken by the Company:

- ▶ The Company has conducted precautions for basic health safety, CPR, 1st Aid and basic firefighting training.
- ▶ Premise Floorplans are displayed at crucial locations.
- ▶ Frequent equipment checks are carried out to mitigate any wear and tear due to continued use, E.g.: Air Conditioners.
- ▶ The Company has also conducted Indoor Air quality check.
- ▶ Fire alarm systems and smoke detectors are installed at all premises.
- ▶ Health and Accident Insurance.
- ▶ Medclaim Insurance.

**13. Number of Complaints on the following made by employees and workers:**

	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0	-	0	0	-
Health & Safety	0	0	-	0	0	-

14. Assessments for the year:

% of your plants and offices that were assessed (by entity or statutory authorities or third parties)	
Health and safety practices	Not Applicable*
Working Conditions	

* The Company has conducted precautions for basic health and safety, CPR, 1st Aid and basic firefighting training. The Company has also conducted Indoor Air quality check.

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks/concerns arising from assessments of health & safety practices and working conditions

Not Applicable.

LEADERSHIP INDICATORS**1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).**

(A) Employees – Yes, the Company provides life insurance cover.

(B) Workers – Not applicable.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

Necessary due diligence undertaken by the concerned department for appropriate steps to ensure statutory dues before settlement of dues.

3. Provide the number of employees/workers having suffered high consequence work-related injury/ill-health/fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22
Employees	0	0	0	0
Workers	Not Applicable			

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/No)

No, the Company does not currently offer any transition assistance programs.

5. Details on assessment of value chain partners:

% of value chain partners (by value of business done with such partners) that were assessed	
Health and safety practices	Not Applicable
Working Conditions	

6. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from assessments of health and safety practices and working conditions of value chain partners:

Not Applicable.

PRINCIPAL 4

Businesses should respect the interests of and be responsive to all its stakeholders.

ESSENTIAL INDICATORS

1. Describe the processes for identifying key stakeholder groups of the entity.

Individuals and organizations having significant impact on the operations of the Company are considered as stakeholders of the Company.

2. List of stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication	Frequency of engagement	Purpose and scope of engagement including key topics and concerns raised during such engagement
		(Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	(Annually/Half yearly/Quarterly/others - please specify)	
Investors	No	Emails, Investor awareness programs, SMSs, Social Media, Website	On need basis	To educate investor from the depository point of view in particular to take informed decision
Employees	No	Direct, Email, Town Halls, whistle-blower mechanism, Annual performance appraisals and Other employee engagement events	On need basis	<ul style="list-style-type: none"> • Training & Development; • Update on Organization's development/changes/progress; • Update on employee-related policy changes; • Update on Employee Wellness/welfare measures.
Shareholders	No	Email, SMS, Newspaper, Advertisement, Notice, Website, Annual General Meeting, intimation to stock exchange, press release, investors meeting, annual report	Quarterly and Event based	<ul style="list-style-type: none"> • Awareness about developments and performance of the Company; • To address concerns/grievances.
Regulatory Bodies	No	Emails, Meetings, Website, Quarterly/Annual and event based filing	Quarterly and Event based	<ul style="list-style-type: none"> • To aware them about developments in the Company; • To aware them about material changes in the Company; • Compliances with regulatory requirements.
Vendors and Bankers	No	Email, SMS, Calls, Digital Platforms	Event based	<ul style="list-style-type: none"> • Due – diligence during Onboarding product and Service Support; • Commercial Services.
Depository Participants	No	Email, SMS, Calls, Communiques, Digital Platforms	Quarterly/Half yearly/Annually and Event based	Inspection/Compliances and support
Issuers	No	Email, SMS, Calls, Communiques	Event based	Statutory Compliances
Registrar and Transfer Agents	No	Email, SMS, Calls, Digital Platforms	Quarterly and Event based	Compliances, Data storage
Stock Exchanges/ Clearing Corporations	No	Email, SMS, Calls, Digital Platforms	Quarterly and Event based	<ul style="list-style-type: none"> • Statutory and Regulatory compliances; • Clearing and settlement of all trades

LEADERSHIP INDICATORS

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

CDSL recognizes the importance of engaging with stakeholders on economic, environmental, and social topics, and values their input in shaping our operations and decision-making processes. We have established a robust consultation framework to facilitate this engagement. Our consultation process involves regular interactions and communication with stakeholders, including vendors, market participants, and other relevant parties. These engagements provide us with valuable insights and perspectives on various issues and help us understand the concerns and expectations of our stakeholders.

Furthermore, we have implemented a reporting mechanism to provide feedback from stakeholder consultations to the Board. This includes timely reports that highlight the key findings, concerns, and recommendations gathered during the consultation process. By sharing this feedback with the Board, we ensure that they are informed about the insights and opinions of stakeholders on economic, environmental, and social topics.



Overall, CDSL remains committed to fostering an inclusive and transparent consultation process, enabling effective dialogue between stakeholders and the Board on matters pertaining to the economy, environment, and society.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes/No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

Enhancing value to stakeholders is a continuous Company process. We engage in regular consultations with stakeholders, including investors, market participants, regulatory bodies, and community representatives. These consultations provide us with valuable insights and perspectives on environmental and social issues that are important to our stakeholders.

The inputs received from these consultations are carefully reviewed and analyzed by our team. We assess the relevance and significance of the feedback and consider how it aligns with our strategic goals and commitments. This information is then incorporated into the development and review of our policies and activities related to environmental and social topics.

For example, if stakeholders raise concerns about the environmental/social impact of our operations, we evaluate those concerns and explore opportunities for improvement.

It allows us to identify areas for improvement, incorporate diverse perspectives, and ensure that our actions align with the expectations of our stakeholders and contribute to a more sustainable future.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/marginalized stakeholder groups.

CDSL puts an extra effort to engage with the disadvantaged, vulnerable, and marginalized stakeholders enriching their lives through social and economical progress by providing education and healthcare facilities across the country through our CSR programs and Initiatives.

Education:

➤ **Rotary: Adult Literacy Program for Women** in Palghar, Maharashtra

To empower illiterate tribal women in their Native language, Prerikas (trained teachers) have taught approximately 4000+ tribal women using Computer Based Functional Literacy (CBFL) and digital skills program through animate graphics for easy visuals and audio learning and functional learning in native language. Helping them adapt to the changing world and connect them with the outer world and grow.

➤ **AARTH: Online Academy for Financial Literacy & Support**

AARTH provides simple, in-depth financial knowledge through an easily accessible online academy for learners among the age group of 18-25 years in Tier II & Tier III Cities. Learners can test their knowledge by giving an in-built free of cost online exam and gain certifications.

100 webinars/seminars were conducted in **30 cities** across India with **60 videos** available in English, Hindi & Marathi languages.

➤ **Educate Girls: Enrolment-Retention-Learning of out-of-school girls** in Dudhi & Mayorpur blocks of Robertsganj, Uttar Pradesh

Educate Girls ensures enrolment, retention, and learning outcomes for out-of-school girls in some of the most educationally backward locations Uttar Pradesh. The field staff of Educate Girls & Team Balika identify and approach "Out of School Girls" girls who had never enrolled for school or had to discontinue their primary education. Around **2,700+ "out-of-school girls"** were enrolled in schools.

Healthcare:

➤ **Narayana Hrudayalaya Charitable Trust (NHCT): Give 4 Life Program** in Maharashtra, Karnataka, Haryana & Rajasthan

Supported medical treatment of **61 disadvantaged** patients seeking treatment for life-threatening conditions & life changing disorders.

➤ **Swades Foundation: Children with Special Needs (CWSN)** in Raigad & Nashik, Maharashtra

Rural communities of Raigad & Nashik in Maharashtra struggle with unaffordable medical facilities relating to Hearing Disability, Paediatric Eye Care and Cardiac problems. Swades Foundation ensured cost-free treatments, surgeries, and medical care to these disadvantaged communities and screened **4,215 underprivileged children** and conducted **524 surgeries**. Approximately, 1000 children benefited from the program.

► **Smile Foundation: Smile on Wheels** in Jaisalmer, Rajasthan

A mobile healthcare vehicle reaching the doorsteps of hard-to-reach communities especially for women and children of the border areas of Jaisalmer, Rajasthan. The vehicle is fully equipped with a medical personnel along with a weekly consultation with gynaecologist for women. The team facilitates free OPD services by navigating to the nearest hospitals, aiding with medicines & regular follow-ups. Benefitting **4,000+ people** and conducting **65+ OPDs**.

PRINCIPAL 5

Businesses should respect and promote human rights.

ESSENTIAL INDICATORS

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Benefits	FY 2022-23			FY 2021-22		
	Total (A)	No. of employees/ workers covered (B)	% (B/A)	Total (C)	No. of employees/ workers covered (D)	% (D/C)
Employees						
Permanent	279	279	100%	246	246	100%
Other than permanent	-	-	-	-	-	-
Total Employees	279	279	100%	246	0	0%

Note: The Company does not have any 'worker', as defined in the guidance note on BRSR, issued by SEBI.

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2022-23					FY 2021-22				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent										
Male	211	0	0%	211	100%	195	0	0%	195	100%
Female	68	0	0%	68	100%	51	0	0%	51	100%
Other than Permanent										
Male										
Female										Not Applicable

3. Details of remuneration/salary/wages, in the following format:

	Male		Female	
	Number	Median remuneration/salary/wages of respective category (in ₹)	Number	Median remuneration/salary/wages of respective category (in ₹)
Board of Directors (BOD)*	1	3,68,12,350	-	-
Key Management Personnel [®]	13	59,42,538	1	1,82,25,123
Employees other than BOD and KMP	197	11,88,076	67	7,60,282
Workers				Not Applicable

Note: Non-Executive Director do not draw any remuneration from the Company except the Sitting fees.

* includes Managing Director and CEO.

[®] Key Management Personnel refers to KMP as defined under Section 203 (1) of the Companies Act, 2013 and SEBI (Depository & Participants) Regulations, 2018, and does not include MD & CEO.

4. Do you have a focal point (Individual/Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes, there are committee responsible for human rights impacts and issues. For instance, the Company has zero tolerance for sexual harassment at workplace and is compliant with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.



5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

The Company's DNA articulates 'Conduct, Competency, Compliance and Conscience' as a key threshold behaviour.

Policy on prevention of Sexual Harassment (POSH) is in place as a part of Service Rules of the Company wherein, it is mentioned that Complainants or Witnesses will not be victimized or discriminated against while dealing with complaints.

Grievance Redressal Policy: We have a dedicated Grievance Redressal Policy that outlines the procedure for reporting and resolving human rights grievances. This policy sets clear guidelines on how grievances should be reported, investigated, and resolved.

Confidential Reporting: We provide multiple channels for individuals to report human rights grievances, including confidential reporting mechanisms such as hotlines, anonymous reporting tools, or designated individuals who can receive complaints in a secure and confidential manner. These channels ensure that individuals feel safe and protected when reporting their concerns.

Continuous Improvement: We regularly review and enhance our grievance redressal mechanisms to ensure their effectiveness. This includes collecting feedback from individuals who have gone through the grievance process and incorporating their suggestions for improvement.

6. Number of Complaints on the following made by employees and workers:

	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Sexual Harassment	1	0	Disposed Off	0	0	NA
Discrimination at workplace	0	0	NA	0	0	NA
Child Labour	0	0	NA	0	0	NA
Forced Labour/Involuntary Labour	0	0	NA	0	0	NA
Wages	0	0	NA	0	0	NA
Other human rights related issues	0	0	NA	0	0	NA

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

Our policies and Code of Conduct strictly prohibit any kind of discrimination and harassment and also spells out action that can be taken against any such activity. The Company has formulated a Whistle Blower Policy to encourage employees to report matters without the risk of subsequent victimization, discrimination or disadvantage which is available on our website.

In addition to the above, the Company has instituted several policies to ensure adherence to existing statutory laws and regulations such as the Prevention of Sexual Harassment at the Workplace Policy (POSH) as part of Service Rule which is available on Company's Intranet Portal.

The Company's Code of Conduct and Ethics complies with all the governed laws and regulations; including mechanisms to resolve ethical issues & unethical conduct, legitimate handling of conflicts of interest and fostering culture of transparency, honesty, and accountability.

8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes, the business agreements and contracts which are entered into by the Company with any party include affirmation of applicable regulatory requirements, including those pertaining to human rights as and where relevant.

9. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	During the reporting period, no external audits were carried out by the Company or statutory authorities or third parties.
Forced/Involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	
Others – please specify	

10. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 9 above.

Not Applicable.

LEADERSHIP INDICATORS

1. Details of a business process being modified/introduced as a result of addressing human rights grievances/complaints.

CDSL places significant emphasis on human resource development, recognizing its employees as a critical resource for the Company's growth. As part of its human resource development program, the Company conducts an induction program for new employees and facilitates their training at reputable institutions and seminars, both domestically and internationally, with a focus on capital market-related areas, including depositories.

A training needs assessment was conducted to identify the specific gaps related to human rights. Based on the assessment, a tailored training program focusing on human rights awareness and compliance was developed. The program utilizes a blended approach, including e-learning modules, workshops, and webinars. CDSL continuously monitors and evaluates the training program to ensure its effectiveness, gathering feedback and making improvements as needed. This modified process aims to enhance employees' understanding of human rights principles and promote a respectful and inclusive work environment within the depositories.

Additionally, CDSL regularly conducts training programs to sensitize employees about the fundamental principles of human rights and the Company's Code of Conduct. These training initiatives aim to enhance employee awareness and understanding of human rights principles, fostering a culture of respect and compliance within the organization. Through these efforts, CDSL actively promotes the quality and competence of its workforce, ensuring the continual development and well-being of its human assets.

2. Details of the scope and coverage of any Human rights due-diligence conducted

The Company has not conducted any Human rights due-diligence.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

The Company has put in place necessary physical infrastructure in its corporate locations for differently abled employees, workers, and visitors to get around.

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	The Value chain partners are expected to comply to all the applicable rules and regulations. No particular assessment has been carried out during the reporting period.
Discrimination at workplace	
Child Labour	
Forced Labour/Involuntary Labour	
Wages	
Forced Labour/Involuntary Labour	

5. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 4 above.

Not Applicable



PRINCIPAL 6

Businesses should respect and make efforts to protect and restore the environment.

ESSENTIAL INDICATORS

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

	Unit	FY 2022-23	FY 2021-22
Total electricity consumption (A)	Joules	18,25,80,48,00,000	17,99,78,04,00,000
Total fuel consumption (B)	Joules	0.0025	0.005
Energy consumption through other sources (C)	Joules	N.A.	N.A.
Total energy consumption (A+B+C)	Joules	18,25,80,48,00,000	17,99,78,04,00,000
Energy intensity per rupee of turnover		-	-
(Total energy consumption/turnover in rupees)	₹	₹53,13,597	₹42,49,664
Energy intensity (optional) – the relevant metric may be selected by the entity		-	-

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency – No.

2. Does the entity have any sites/facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Yes/No) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

Not Applicable.

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2022-23	FY 2021-22
Water withdrawal by source (in kilolitres)		
(i) Surface water	Provided by building management*	Provided by building management*
(ii) Groundwater	N.A.	N.A.
(iii) Third party water	99.28	70.4
(iv) Seawater/desalinated water	N.A.	N.A.
(v) Others	N.A.	N.A.
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	99.28	70.4
Total volume of water consumption (in kilolitres)	N.A.	N.A.
Water intensity per rupee of turnover (Water consumed/turnover)	N.A.	N.A.
Water intensity (optional) – the relevant metric may be selected by the entity	N.A.	N.A.

* The Company's use of water is strictly limited to human consumption. As we are not a manufacturing organization, the prescribed table does not apply to the Company.

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Yes/No) If yes, name of the external agency – No.

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Not Applicable.

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2022-23	FY 2021-22
NOx			
SOx			
Particulate matter (PM)			
Persistent organic pollutants (POP)			
Volatile organic compounds (VOC)			
Hazardous air pollutants (HAP)			
Others – please specify			

As the Company Provides depository services, air emissions (other than GHG emissions) are not material to the Company.

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Yes/No) If yes, name of the external agency – No.

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Please specify unit	FY 2022-23	FY 2021-22
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF6, NF3, if available)			
Metric tonnes of CO ₂ equivalent			
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF6, NF3, if available)		Not Applicable	
Metric tonnes of CO ₂ equivalent			
Total Scope 1 and Scope 2 emissions per rupee of turnover			
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity			

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Yes/No) If yes, name of the external agency – No.

7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

The entity, CDSL, has implemented several initiatives to reduce greenhouse gas (GHG) emissions associated with its business activities. These initiatives are aligned with the “Green Initiative” in Corporate Governance promoted by the Ministry of Corporate Affairs. Here are the details of the projects aimed at reducing GHG emissions:

- 1. Electronic Document Transmission:** CDSL offers services to companies for electronically sending documents to their shareholders. This initiative aims to minimize the use of paper and promote paperless transactions, thereby reducing the carbon footprint associated with printing and physical distribution of documents.
- 2. Stakeholder Connectivity:** By facilitating electronic connectivity between stakeholders, CDSL enables efficient and paperless transactions. This reduces the need for physical transportation and associated GHG emissions, contributing to a greener and more sustainable business ecosystem.
- 3. Energy-Efficient Infrastructure:** CDSL has deployed energy-efficient equipment, such as Variable Refrigerant Flow (VRF) systems and 5-star rated inverter Air Conditioners (ACs), in its offices. Additionally, the company has implemented LED lighting systems. These energy-efficient measures help reduce electricity consumption and indirectly contribute to lowering GHG emissions.

By implementing these projects and embracing electronic operations, CDSL actively promotes environmental sustainability, reduces carbon footprints, and supports the transition to a greener future. These initiatives demonstrate the company’s commitment to mitigating GHG emissions and its dedication to responsible corporate citizenship.

8. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2022-23	FY 2021-22
Total Waste generated (in metric tonnes)		
Plastic waste (A)	N A	N A
E-waste (B)	N A	N A
Bio-medical waste (C)	N A	N A
Construction and demolition waste (D)	N A	N A
Battery waste (E)	60 numbers 34 AH	40 numbers 26 AH
Radioactive waste (F)	N A	N A
Other Hazardous waste. Please specify, if any. (G)	N A	N A
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	N A	N A
Total (A+B + C + D + E + F + G + H)	60 numbers 34 AH	40 numbers 26 AH
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	N A	N A
(ii) Re-used	N A	N A
(iii) Other recovery operations	N A	N A
Total	N A	N A
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Recycled	N A	N A
(ii) Re-used	N A	N A
(iii) Other recovery operations	N A	N A
Total	N A	N A

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Yes/No) If yes, name of the external agency – No.



9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Battery waste is one of the major waste streams of the company's operations. Battery waste generated at the Company level are handed over to the authorized recyclers for safe disposal and extended life. In FY 2022-23, 60 numbers 34 AH of battery waste were disposed through authorized vendors.

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals/clearances are required, please specify details in the following format:

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval/clearance are being complied with? (Yes/No) If no, the reasons thereof and corrective action taken, if any.
Not Applicable			

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant Web link
Not Applicable					

12. Is the entity compliant with the applicable environmental law/regulations/guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Yes/No). If not, provide details of all such non-compliances, in the following format:

S. No.	Specify the law/regulation/guidelines which was not complied with	Provide details of the non-compliance	Any fines/penalties/action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
Yes, the Company is compliant with the environmental law/regulations/guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder applicable to the Company.				

LEADERSHIP INDICATORS

1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:

Parameter	FY 2022-23	FY 2021-22
From renewable sources	N.A.	N.A.
Total electricity consumption (A)	1825804800000	1799780400000
Total fuel consumption (B)	0.0025 Joules	0.005 Joules
Energy consumption through other sources (C)	N.A.	N.A.
Total energy consumed from renewable sources (A+B+C)	1825804800000	1799780400000
From non-renewable sources	N.A.	N.A.
Total electricity consumption (D)	1831291200000	1802505600000
Total fuel consumption (E)	0.0025 Joules	0.005 Joules
Energy consumption through other sources (F)	N.A.	N.A.
Total energy consumed from non-renewable sources (D+E+F)	1831291200000	1802505600000

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Yes/No) If yes, name of the external agency - No.

2. Provide the following details related to water discharged:

Parameters	FY 2022-23	FY 2021-22
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	Not Applicable	Not Applicable
- No treatment		
- With treatment - please specify level of treatment		
(ii) To Groundwater		
- No treatment		
- With treatment - please specify level of treatment		
(iii) To Seawater		
- No treatment		
- With treatment - please specify level of treatment		
(iv) Sent to third-parties		
- No treatment		
- With treatment - please specify level of treatment		
(v) Others		
- No treatment		
- With treatment - please specify level of treatment		
Total water discharged (in kilolitres)		

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Yes/No) If yes, name of the external agency - No.

3. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres): Not Applicable

For each facility/plant located in areas of water stress, provide the following information:

- (i) Name of the area
- (ii) Nature of operations
- (iii) Water withdrawal, consumption and discharge in the following format:

Parameter	FY 2022-23	FY 2021-22
Water withdrawal by source (in kilolitres)		
(i) Surface water	Not Applicable	Not Applicable
(ii) Groundwater		
(iii) Third party water		
(iv) Seawater/desalinated water		
(v) Others		
Total volume of water withdrawal (in kilolitres)		
Total volume of water consumption (in kilolitres)		
Water intensity per rupee of turnover (Water consumed/turnover)		
Water intensity (optional) - the relevant metric may be selected by the entity		
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water		
- No treatment		
- With treatment - please specify level of treatment		
(ii) Into Groundwater		
- No treatment		
- With treatment - please specify level of treatment		
(iii) Into Seawater		
- No treatment		
- With treatment - please specify level of treatment		
(iv) Sent to third-parties		
- No treatment		
- With treatment - please specify level of treatment		
(v) Others		
- No treatment		
- With treatment - please specify level of treatment		
Total water discharged (in kilolitres)		

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Yes/No) If yes, name of the external agency - No.



4. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2022-23	FY 2021-22
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)			
Metric tonnes of CO ₂ equivalent	Not Applicable	Not Applicable	Not Applicable
Total Scope 3 emissions per rupee of turnover			
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity			

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Yes/No) If yes, name of the external agency – No.

5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along with prevention and remediation activities

Not Applicable.

6. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

CDSL has been accredited with the ISO 22301:2019 certification for its business continuity management systems. CDSL has a business continuity management (BCM) framework to ensure resilience and continuity of its Depository services, e-voting Services and services to group companies. CDSL conducts Business impact analysis and risk assessment annually to assess the likely impact on the Company's business processes due to adverse events like, natural disaster, pandemic, technical disruption etc. Please find herewith ISO 22302: 2019 Certificate received from accreditation body for CDSL's Business Continuity Management System (BCMS). CDSL tests its disaster recovery plan periodically.

7. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard

Given the nature of business, there were no significant adverse impact has been reported arising from the value chain of the Company.

8. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts

The Company has not conducted any assessment of value chain partners for environmental impacts.

PRINCIPAL 7

Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.

ESSENTIAL INDICATORS

1. a. Number of affiliations with trade and industry chambers/associations.

The Company is affiliated with three (3) trade and industry chambers/associations.

b. List the top 10 trade and industry chambers/associations (determined based on the total members of such body) the entity is a member of/affiliated to.

No.	Name of the trade and industry chambers/associations	Reach of trade and industry chambers/associations (State/National)
1.	ACG-Asia Pacific Central Securities Depository Group	International
2.	Association of Eurasian Central Securities Depositories (AECSD)	International
3.	International Securities Services Association	International

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the case	Corrective action taken
	During FY-2023, the Company has not received any adverse orders from regulatory authorities.	

LEADERSHIP INDICATORS

1. Details of public policy positions advocated by the entity:

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/Half yearly/Quarterly/Others – please specify)	Web Link, if available
-	-	-	-	-	-

PRINCIPAL 8

Businesses should promote inclusive growth and equitable development.

ESSENTIAL INDICATORS

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant Web link
Not Applicable					

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In ₹)
Not Applicable						

3. Describe the mechanisms to receive and redress grievances of the community

The Company has grievance redressal mechanism in place to understand and resolve complaints from all stakeholders.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2022-23	FY 2021-22
Directly sourced from MSMEs/small producers		
Sourced directly from within the district and neighbouring districts		Not Applicable

LEADERSHIP INDICATORS

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
Not Applicable	

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

S. No.	State	Aspirational District	Amount spent (In ₹)
1. Educate Girls	Uttar Pradesh	Robertsganj	69,53,807
2. AARTH	Haryana	Nuh	50,000
3. AARTH	Uttar Pradesh	Chandauli	25,000

3. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

S. No.	Intellectual Property based on traditional knowledge	Owned/Acquired (Yes/No)	Benefit shared (Yes/No)	Basis of calculating benefit share
Not Applicable				

4. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of authority	Brief of the Case	Corrective action taken
Not Applicable		



5. Details of beneficiaries of CSR Projects:

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1.	Rotary Charitable Trust: Adult Literacy project	4,000	100%
2.	Educate Girls: Enrolment-Retention-Learning of Out-Of-School Girls	2,700	100%
3.	Narayana Hrudayalaya Charitable Trust: Give 4 Life Program	61	100%
4.	Swades Foundation: Children With Special Needs - CWSN	1,000	100%
5.	Smile Foundation: Smile on Wheels	4,000	100%

PRINCIPAL 9

Businesses should engage with and provide value to their consumers in a responsible manner.

ESSENTIAL INDICATORS

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

The grievance redressal policy for customers includes a redressal framework to ensure prompt and effective resolution of grievances. We have centralized investor grievance redressal team, who is responsible for addressing all grievances effectively in a time bound manner. We offer multiple channels to report grievances such as e-mail, letter, website, SEBI's SCORES portal and social media. We offer the best possible solution after a review of the customer's complaint and after taking feedback from the Depository Participant/RTA (as applicable). If an investor is not satisfied with the resolution, he or she can escalate it to our Multi-level complaint resolution mechanism available at the Depositories. Grievance Redressal Committee (Level 1), Arbitration (Level 2) and Appellate Arbitration (Level 3).

2. Turnover of products and/services as a percentage of turnover from all products/service that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	
Safe and responsible usage	Not Applicable
Recycling and/or safe disposal	

3. Number of consumer complaints in respect of the following: -

	FY 2022-23		FY 2021-22	
	Received during the year	Pending resolution at end of year	Received during the year	Pending resolution at end of year
Data privacy	0	0	0	0
Advertising	0	0	0	0
Cyber-security	0	0	0	0
Delivery of essential services	1,030	16	2,440	14
Restrictive Trade Practices	0	0	0	0
Unfair Trade Practices	0	0	0	0
Other	0	0	0	0

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	NA	NA
Forced recalls	NA	NA

5. Does the entity have a framework/policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

CDSL has approved Information Security Policy, Cyber Security Policy, Business Continuity Policy and Personal Data-Information Privacy Policy and the same are reviewed every year.

The same has been available on intranet portal of the Company.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/action taken by regulatory authorities on safety of products/services.

No penalties/regulatory action has been levied or taken on the above-mentioned parameters.

LEADERSHIP INDICATORS

1. Channels/platforms where information on products and services of the entity can be accessed (provide web link, if available).

Channels and platforms where information on the products and services of the Company can be accessed are below mentioned:



2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services

The Company has been undertaking various Investor Awareness Programs (IAPs) to educate investors to take an informed decision with respect to any matter related to Capital Market. In addition to IAPs, CDSL has also reached out to investors through various social media platforms like Facebook (@cdslindia), Twitter (@cdslindia), LinkedIn (@cdslindia), KOO App (@cdslindia), Instagram (@cdslindia) and YouTube (@cdslindiaLtd). Various posts i.e. pictures, GIFs, videos related to IAPs, awareness information about various services provided by CDSL are uploaded for the benefit of investors. CDSL also provides various information beneficial to investors on its website under the head Investors Corner.

Further, for the benefit of Investors, Informative booklet on “Securities Market Understanding from Investor’s Perspective” which was prepared jointly by Securities and Exchange Board of India (SEBI), Central Depository Services (India) Limited (CDSL) & other MIIs in 13 regional languages, and the same has been shared with Investor for their knowledge building and future reference.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

E-mail/Website:

- Investors can email us at our dedicated email id - complaints@cdslindia.com for any queries, complaints or feedback. CDSL has also provided facility to post the complaints through CDSL website. A user friendly format is made available in the website to enable the investors to send their complaints with ease on the ‘Post your Grievance’ link available on the website (<https://www.cdslindia.com/Footer/grievances.aspx>).

Call centre:

- Investors can call us from 10.00 a.m. to 6.30 p.m. (Monday to Friday) on the tollfree numbers 1800-22-5533.

SCORES/SEBI Letter:

- The investors can also send their complaints directly to SEBI or upload through dedicated website www.scores.gov.in. SEBI also forwards the letters received from the investors by them to CDSL for redressal.
- CDSL has identified an official who acts as Investor Relations Officer who will be heading the cell formed for redressal of complaints. All the complaints are to be monitored by the said official.

Mechanism to process consumer complaints:

- The Company has a digital grievance management platform to upload, respond and monitor disposal of customer grievances. All complaints received across various above-mentioned sources are auto uploaded into a Complaint Management Platform which has a rule-based allotment to the Depository Participants and RTA who respond to investors.
- All complaints are handled by the Investor Grievance Redressal team to ensure a prompt, and an effective resolution. The team takes a decision for the resolution of the complaint. Feedback is also provided to the relevant department to ensure that the same problem does not recur.

**Mechanism to respond to consumer complaints:**

- ▶ The investor is informed of the steps taken by the Grievance Cell for resolution. If the investor customer is not satisfied with the resolution, they can escalate the issue to our Multi-level complaint resolution mechanism available at the Depositories.
- ▶ The Grievance team monitors the redressal of all complaints and the response provided to the investor. The team also monitors pendency and regularly shares its analysis with the Company. The summary of grievances is reported to Regulatory Oversight Committee and to the Board of Directors of the Company.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products/services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

Yes, the information on various services offered by the Company is available on <https://www.cdslindia.com/> and detailed description of our services is mentioned on <https://www.cdslindia.com/About/overview.html>

Our Company had appointed a consultant to conduct a survey of Depository Participants (“DPs”) to gauge satisfaction levels of DPs and insights related to growth in demat accounts including competition benchmarking. The survey was conducted by having conversations with key and important DP accounts over e-meeting applications. Detailed feedback was also taken in respect of Quantitative as well as Qualitative areas from the sample DPs.

5. Provide the following information relating to data breaches:**a. Number of instances of data breaches along-with impact**

No such incident reported to the Company.

b. Percentage of data breaches involving personally identifiable information of customers

Not Applicable.



Independent Auditor's Report

To the Members of Central Depository Services (India) Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Central Depository Services (India) Limited ("the Company"), which comprise the Balance sheet as at March 31, 2023, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of 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 standalone financial statements give the information required by the Companies Act, 2013, as amended ("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 March 31, 2023, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs), as 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 Standalone 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 Act 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 standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended March 31, 2023. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

Key audit matters	How our audit addressed the key audit matter
Valuation of investments and its impairment (as described in Note 4 and 5 of the standalone financial statements)	
Quoted investments and unquoted investments represent the most significant amount on the balance sheet. The total of the aggregating to ₹ 73,959.97 lakhs represent 64% of the total assets of the Company as at March 31, 2023.	Our audit procedures included the following:
There is a risk that the fair value of investments is not determined appropriately. Accordingly, the valuation of investments and its impairment is considered as a key audit matter.	<ul style="list-style-type: none"> ➤ Assessed the design and implementation of controls over valuation and existence of investments ➤ Traced the quantity held from the confirmation obtained independently from Custodian and Fund houses ➤ Tested the valuation of the quoted and unquoted investments to independent price sources ➤ Assessed and tested the management procedures for performing impairment analysis of investments, wherever necessary



Key audit matters	How our audit addressed the key audit matter
<p>Information Technology (IT) systems and controls</p> <p>The reliability of IT systems plays a key role in the business operations. Since large volume of transaction are processed, the IT controls are required to ensure that systems process data as expected and there are adequate controls in respect of changes made to the IT systems.</p> <p>The IT infrastructure is critical for smooth functioning of the Company's business operations as well as for timely and accurate financial accounting and reporting.</p> <p>Due to the pervasive nature and complexity of the IT environment and large volume of transactions, we have considered IT systems and controls as a key audit matter.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> ➤ Assessed the information systems used by the Company for IT General Controls (ITGCs) and Application controls; ➤ The aspects covered in the IT systems General Control audit were (i) User Access Management (ii) Program Change Management (iii) Other related ITGCs; - to understand the design and test the operating effectiveness of such controls in the system; ➤ Performed test of controls (including other compensatory controls wherever applicable) on the IT application controls and IT dependent manual controls in the system; ➤ Tested the design and operating effectiveness of compensating controls, where deficiencies were identified and, where necessary, extended the scope of our substantive audit procedures.

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 standalone 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 standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the 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.

Responsibilities of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity 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 of 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 the 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability 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 also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone 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 standalone 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 controls with reference to financial statements 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 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 Company'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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended March 31, 2023 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit, we give in the "Annexure 1" 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 the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of



the directors is disqualified as on March 31, 2023 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 with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
- (g) In our opinion, the managerial remuneration for the year ended March 31, 2023 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to 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, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 34 to the standalone financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;
 - iv. a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

- v. The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

As stated in note 14.4 to the standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

- vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only w.e.f. April 1, 2023, reporting under this clause is not applicable.

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

per Jayesh Gandhi
Partner

Membership Number: 037924
UDIN: 23037924BGXTZR4000

Place: Mumbai

Date: April 29, 2023

Annexure 1 referred to in paragraph 1 under the heading “Report on Other Legal and Regulatory Requirements” of our Report of even date

In terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of Intangible assets.
- (b) Property, Plant and Equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- (c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.
- (d) The Company has not revalued its Property, Plant and Equipment or intangible assets during the year ended March 31, 2023.
- (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The Company's business does not require maintenance of inventories and, accordingly, the requirement to report on clause 3(ii)(a) of the Order is not applicable to the Company.
- (b) The Company has not been sanctioned any working capital limit from banks or financial institutions during any point of time of the year on the basis of security of current assets. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii) (a) During the year, the Company has provided loans to its employees as given below:

	(₹ in lakhs)
Particulars	Amount of Loans
Aggregate amount granted/provided during the year	
- Subsidiaries	-
- Joint Ventures	-
- Associates	-
- Others (Employees)	7.00
Balance outstanding as at balance sheet date in respect of above cases	
- Subsidiaries	-
- Joint Ventures	-
- Associates	-
- Others (Employees)	9.89

- The Company has not provided guarantees, provided security and granted advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties.
- (b) During the year, the investments made are not prejudicial to the Company's interest. The Company has not provided guarantees, provided security and granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties;
- (c) The Company has granted loans during the year to its employees where the schedule of repayment of principal and payment of interest has been stipulated and the repayment or receipts are regular;
- (d) There are no amounts of loans and advances in the nature of loans granted to companies, firms, limited liability partnerships or any other parties which are overdue for more than ninety days;
- (e) There were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
- (f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees and securities given in respect of which provisions of section 185 of the Companies Act, 2013 are applicable. According to the information and explanations given to us, the Company has complied with the provisions of section 186 of the Companies Act, 2013 in respect of investments made by the Company.
- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- (vi) The Company is not in the business of sale of any goods or provision of such services as prescribed. Accordingly, the requirement to report on clause 3(vi) of the Order is not applicable to the Company.



(vii) (a) Undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) The dues of goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess, and other statutory dues have not been deposited on account of any dispute, are as follows:

Name of the statute	Nature of the dues	Amount (₹ in Lakhs)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax	1,299.83	FY 13-14	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	0.57	FY 17-18	Commissioner of Income Tax (Appeals)
Chapter V of Finance Act, 1994	Service Tax	77.97	FY 16-17	Additional commissioner, GST

(viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

(ix) (a) The Company did not have any outstanding loans or borrowings or interest thereon due to any lender during the year. Accordingly, the requirement to report on clause 3(ix)(a) of the Order is not applicable to the Company.

(b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

(c) The Company did not have any term loans outstanding during the year hence, the requirement to report on clause 3(ix)(c) of the Order is not applicable to the Company.

(d) The Company did not raise any funds during the year hence, the requirement to report on clause 3(ix)(d) of the Order is not applicable to the Company.

(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, the requirement to report on clause 3(ix)(f) of the Order is not applicable to the Company.

(x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) No fraud/ material fraud by the Company or no fraud / material fraud on the Company has been noticed or reported during the year.

(b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by us in Form ADT - 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii) of the Order is not applicable to the Company.

(xiii) Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.

(b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

(xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

(xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.

(b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly,

the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.

(d) As informed to us, there is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi) (d) of the Order is not applicable to the Company.

(xvii) The Company has neither incurred cash losses in the current financial year nor incurred cash losses in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

(xix) On the basis of the financial ratios disclosed in note 46 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an

assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 26 to the financial statements.

(b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in note 26 to the financial statements.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Jayesh Gandhi
Partner

Membership Number: 037924
UDIN: 23037924BGXTZR4000

Place: Mumbai

Date: April 29, 2023

Annexure 2 referred to in paragraph 2(f) under the heading “Report on other legal and regulatory requirements” of our report of even date

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls with reference to standalone financial statements of Central Depository Services (India) Limited (“the Company”) as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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 the 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 Companies Act, 2013.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to these standalone financial statements 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, as specified



under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by 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 with reference to these standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to these standalone financial statements, 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.

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 with reference to these standalone financial statements.

Meaning of Internal Financial Controls with reference to these Standalone Financial Statements

A company's internal financial controls with reference to standalone financial statements 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 controls with reference to standalone financial statements 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.

Inherent Limitations of Internal Financial Controls with reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, 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 with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2023, 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 the ICAI.

For **S.R. Batliboi & CO. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Jayesh Gandhi

Partner

Membership Number: 037924

UDIN: 23037924BGXTZR4000

Place: Mumbai

Date: April 29, 2023

Standalone Balance Sheet

as at March 31, 2023

Particulars	Note No.	As at March 31, 2023	As at March 31, 2022
ASSETS			
1. Non-current assets			
a. Property, plant and equipment	3	8,918.03	8,398.29
b. Capital work in progress	3.2	17,316.32	-
c. Intangible assets	3	1,998.43	1,866.00
d. Intangible asset under development	3.1	113.10	379.91
e. Right-of-use assets	3	9.22	11.30
f. Financial Assets			
i. Investments			
Investments in subsidiaries	4	6,230.00	6,230.00
Investments in associates	4	3,000.00	2,000.00
Other investments	5	21,269.05	5,884.95
ii. Loans	6	5.64	3.50
iii. Other financial assets	7	489.46	252.77
g. Non current tax assets	9	1,742.80	1,529.02
h. Other assets	10	182.33	134.40
Total Non-Current Assets		61,274.38	26,690.14
2. Current assets			
a. Financial Assets			
i. Other investments	5	43,460.92	57,538.00
ii. Trade receivables	11	2,343.48	2,775.13
iii. Cash and cash equivalents	12	4,759.02	6,519.84
iv. Bank balances other than (iii) above	12	1,080.96	6,079.81
v. Loans	6	4.25	4.66
vi. Other financial assets	7	668.27	277.76
b. Other assets	10	1,225.99	767.01
c. Asset classified as held for sale	4.1	-	2,000.00
Total Current Assets		53,542.89	75,962.21
Total Assets (1+2)		1,14,817.27	1,02,652.35
EQUITY AND LIABILITIES			
1. Equity			
a. Equity Share capital	13	10,450.00	10,450.00
b. Other Equity	14	86,135.54	74,562.69
Total Equity		96,585.54	85,012.69
LIABILITIES			
2. Non-current liabilities			
a. Financial Liabilities			
i. Lease liabilities	15	7.46	9.39
ii. Other financial liabilities	16	384.88	153.02
b. Other liabilities	19	0.63	-
c. Provisions	18	534.28	621.85
d. Deferred tax liabilities (Net)	8	245.70	373.80
Total Non-current Liabilities		1,172.95	1,158.06
3. Current liabilities			
a. Financial Liabilities			
i. Lease liabilities	15	2.20	1.83
ii. Trade payables	17	-	-
Total outstanding dues of micro enterprises and small enterprises		-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		1,305.73	635.25
iii. Other financial liabilities	16	11,644.26	12,010.63
b. Provisions	18	2,039.95	1,961.97
c. Other liabilities	19	1,827.47	1,647.62
d. Current tax liabilities	9	239.17	224.30
Total Current Liabilities		17,058.78	16,481.60
4. Total Liabilities (2+3)		18,231.73	17,639.66
Total Equity and Liabilities (1+4)		1,14,817.27	1,02,652.35

Significant accounting policies and accompanying notes form an integral part of the standalone financial statements

1-51

In terms of our report of even date attached

For **S. R. Batliboi & Co. LLP**
 Chartered Accountants
 ICAI Firm registration No. 301003E/E300005

Per Jayesh Gandhi
 Partner
 Membership No. 037924

Place : Mumbai
 Date : April 29, 2023

For and on behalf of the Board of Directors of
 Central Depository Services (India) Limited

Balkrishna V Chaubal
 Chairman
 DIN: 06497832

Nilay Shah
 Company Secretary
 Membership No. A20586

Place : Mumbai
 Date : April 29, 2023

Nehal Vora
 Managing Director & CEO
 DIN: 02769054

Girish Amesara
 Chief Financial Officer



Standalone Statement of Profit and Loss

for the year ended March 31, 2023

(₹ in Lakh)

Particulars	Note No.	For the year ended March 31, 2023	For the year ended March 31, 2022
1. Income			
Revenue From Contracts with Customers	20	45,059.96	41,480.33
Other Income	21	9,346.79	6,537.50
Total Income		54,406.75	48,017.83
2. Expenses			
Employee benefits expenses	22	6,855.73	4,107.44
Depreciation and amortisation expenses	23	1,586.33	1,010.02
Finance Cost	29	0.55	0.82
Impairment loss on financial assets	24	700.23	734.96
Other expenses	25	10,815.02	8,429.92
Total expenses		19,957.86	14,283.16
3. Profit before tax (1-2)		34,448.89	33,734.67
4. Tax expense:			
Current tax	27	7,593.00	7,381.00
Deferred tax	8	(141.45)	371.47
Provision for Income Tax Written Back		(210.83)	(394.04)
Total tax expense		7,240.72	7,358.43
5. Net Profit after tax (3-4)		27,208.17	26,376.24
6. Other Comprehensive Income / (Loss)			
Items that will not be reclassified to profit or loss:			
i. Remeasurement of the defined benefit plans;		53.03	(291.27)
ii. Income tax on above		(13.35)	73.31
Total other comprehensive income / (loss) (net of tax) (i+ii)		39.68	(217.96)
7. Total Comprehensive Income (5+6)		27,247.85	26,158.28
8. Earnings per equity share (EPS) :			
Basic and Diluted EPS (₹)		26.04	25.24
Face value of share (₹)		10.00	10.00
Weighted average number of shares		10,45,00,000	10,45,00,000

Significant accounting policies and accompanying notes form an integral part of the standalone financial statements 1-51

In terms of our report of even date attached

For **S. R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm registration No. 301003E/E300005

Per Jayesh Gandhi
Partner
Membership No. 037924

Place : Mumbai
Date : April 29, 2023

For and on behalf of the Board of Directors of
Central Depository Services (India) Limited

Balkrishna V Choubal
Chairman
DIN: 06497832

Nilay Shah
Company Secretary
Membership No. A20586

Place : Mumbai
Date : April 29, 2023

Nehal Vora
Managing Director & CEO
DIN: 02769054

Girish Amesara
Chief Financial Officer

Statement of Changes in Equity

for the year ended March 31, 2023

A. Equity Share Capital (refer note 13)

Particulars	(₹ in Lakh)	
	No. in lakh	Amount
Balance as at April 01, 2021	1,045.00	10,450.00
Changes in Equity Share Capital due to prior period errors	-	-
Restated Balance as at April 01, 2021	1,045.00	10,450.00
Changes in equity share capital during the year	-	-
Balance as at March 31, 2022	1,045.00	10,450.00
Changes in Equity Share Capital due to prior period errors	-	-
Restated Balance as at April 01, 2022	1,045.00	10,450.00
Changes in equity share capital during the year	-	-
Balance as at March 31, 2023	1,045.00	10,450.00

B. Other Equity (refer note 14)

Particulars	Reserves and Surplus			Total
	General Reserve	Retained Earnings	Other comprehensive income	
Balance as at April 01, 2021	1,094.93	56,672.68	41.80	57,809.41
Changes in accounting policy or prior period errors	-	-	-	-
Restated Balance as at April 01, 2021	1,094.93	56,672.68	41.80	57,809.41
Profit for the year	-	26,376.24	-	26,376.24
Other comprehensive income for the year (net of tax)	-	-	(217.96)	(217.96)
Payment of dividend during the year	-	(9,405.00)	-	(9,405.00)
Balance as at March 31, 2022	1,094.93	73,643.92	(176.16)	74,562.69
Changes in accounting policy or prior period errors	-	-	-	-
Restated Balance as at beginning of April 1, 2022	1,094.93	73,643.92	(176.16)	74,562.69
Profit for the year	-	27,208.17	-	27,208.17
Other comprehensive income for the year (net of tax)	-	-	39.68	39.68
Payment of dividend during the year	-	(15,675.00)	-	(15,675.00)
Balance as at March 31, 2023	1,094.93	85,177.09	(136.48)	86,135.54
Significant accounting policies and accompanying notes form an integral part of the standalone financial statements	1-51			

In terms of our report of even date attached

For **S. R. Batliboi & Co. LLP**
 Chartered Accountants
 ICAI Firm registration No. 301003E/E300005

Per Jayesh Gandhi
 Partner
 Membership No. 037924

Place : Mumbai
 Date : April 29, 2023

For and on behalf of the Board of Directors of
 Central Depository Services (India) Limited

Balkrishna V Chaubal
 Chairman
 DIN: 06497832

Nilay Shah
 Company Secretary
 Membership No. A20586

Place : Mumbai
 Date : April 29, 2023

Nehal Vora
 Managing Director & CEO
 DIN: 02769054

Girish Amesara
 Chief Financial Officer



Cash flow Statement

for the year ended March 31, 2023

(₹ in Lakh)

Particulars	For the year ended March 31, 2023	For the year ended Mar 31, 2022
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	34,448.89	33,734.67
Adjustments for		
Depreciation and Amortisation expense	1,586.33	1,010.02
Gain on sale / disposal of Property, plant and equipment and Intangible assets (Net)	(19.91)	(17.56)
Advances written back	(109.72)	(224.69)
Amortisation of premium on Bonds	0.07	9.34
Interest cost	0.55	0.82
Dividend received from Subsidiaries	(4,150.00)	(2,350.00)
Dividend received from Others	(30.00)	-
Interest income recognised on fixed deposit and bonds in profit or loss	(1,613.22)	(1,038.92)
Net gain arising on financial assets measured at FVTPL	(2,387.34)	(2,189.32)
Impairment loss on financial assets	700.23	734.96
Operating cash flows before working capital changes	28,425.88	29,669.32
Movements in working capital		
(Increase) / Decrease in trade receivables	(268.58)	(1,100.56)
(Increase) / Decrease in loans	(1.73)	4.64
(Increase) / Decrease in other financial assets	(280.40)	(65.21)
(Increase) / Decrease in other assets	(506.91)	85.15
Increase / (Decrease) in trade payables	670.48	77.04
Increase / (Decrease) in provisions	43.44	878.39
Increase / (Decrease) in other financial liabilities	(134.51)	2,010.98
Increase / (Decrease) in other liabilities	290.20	(399.89)
Total working capital changes	(188.01)	1,490.54
Cash flows generated from operations	28,237.87	31,159.86
Direct taxes paid (net of refunds)	(7,581.08)	(7,971.71)
Net cash flows generated from operating activities (A)	20,656.79	23,188.15
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment (Including Capital work in progress)	(18,599.32)	(1,242.51)
Purchase of intangible assets (Including Intangible asset under development)	(693.60)	(1,065.51)
Proceeds from sale of property, plant and equipment	26.90	19.19
Purchase of investments	(48,415.89)	(32,613.83)
Proceeds from sale of investments	50,177.80	22,424.05
Proceeds from Sale of Investment in Subsidiaries	2,000.00	-
Investments in fixed deposits with banks	(1,248.72)	(7,067.95)
Proceeds from maturity of fixed deposits with banks	5,925.47	8,633.02
Dividend received from Subsidiaries	4,150.00	2,350.00
Dividend received from Others	30.00	-
Investment in Subsidiary and Associate	(1,000.00)	(4,000.00)
Interest received	906.86	1,191.99
Net cash flows (used in) / generated from investing activities (B)	(6,740.50)	(11,371.55)

Cash flow Statement

for the year ended March 31, 2023

(₹ in Lakh)

Particulars	For the year ended March 31, 2023	For the year ended Mar 31, 2022
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid	(15,675.00)	(9,405.00)
Payment of lease rental	(2.11)	(4.51)
Net cash flows used in financing activities (C)	(15,677.11)	(9,409.51)
Net (Decrease) / Increase in cash and cash equivalents (A+B+C)	(1,760.82)	2,407.09
Cash and cash equivalents at the beginning of the year	6,519.84	4,112.75
Cash and cash equivalents at the end of the year	4,759.02	6,519.84
Cash and cash equivalents at the end of the year comprises		
i) Cash in hand	-	-
ii) Cheques on hand	-	-
ii) Balances with banks		
- In unpaid dividend account (Refer note 2 below)	102.48	59.38
- In current account (Earmarked against liability) (Refer note 2 below)	4,406.59	4,245.70
- In Current Accounts	249.95	2,214.76
Significant accounting policies and accompanying notes form an integral part of the standalone financial statements	1-51	

- The Cash Flow Statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard - 7 "Statement of Cash Flows".
- The balances are not available for use by the Company as those are towards earmarked liabilities.
- Previous period figures have been regrouped/rearranged/reclassified wherever necessary, to confirm with current year classification.

In terms of our report of even date attached

For S. R. Batliboi & Co. LLP
 Chartered Accountants
 ICAI Firm registration No. 301003E/E300005

Per Jayesh Gandhi
 Partner
 Membership No. 037924

Place : Mumbai
 Date : April 29, 2023

For and on behalf of the Board of Directors of Central Depository Services (India) Limited

Balkrishna V Chaulal
 Chairman
 DIN: 06497832

Nilay Shah
 Company Secretary
 Membership No. A20586

Place : Mumbai
 Date : April 29, 2023

Nehal Vora
 Managing Director & CEO
 DIN: 02769054

Girish Amesara
 Chief Financial Officer



Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

1 Company Overview

1.1 Central Depository Services (India) Limited ("CDSL") herein after referred to as "the Company" is a limited company incorporated in India. The Company is a Depository registered with Securities and Exchange Board of India ("SEBI") under the provisions of Depositories Act, 1996, and Rules and Regulations framed thereunder. The registered office of the Company is at A-2501, Marathon Futurex, N. M. Joshi Marg, Lower Parel, Mumbai - 400 013. CDSL was set up with the objective of providing convenient, dependable and secure depository services at affordable cost to all market participants. A depository facilitates holding of securities in the electronic form and enables securities transactions to be processed by book entry by a Depository Participant (DP) who acts as an agent of the depository, offers depository services to investors.

1.2 The equity shares of the Company are listed on the National Stock Exchange of India Limited.

1.3 The Standalone financial statements for the year ended March 31, 2023 were authorized for issue by the Company's Board of Directors on April 29, 2023.

2 Significant Accounting Policies

2.1 Basis of preparation and presentation

2.1.1 Statement of compliance

- a) The standalone financial statements as at and for the year ended March 31, 2023 have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under section 133 of the Companies Act 2013, read together with the companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 as amended time to time and the standalone financial statement also complies with presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III).

2.1.2 Basis of measurement

- a) The standalone financial statements have been prepared and presented under the historical cost convention, except for certain items that have been measured at fair values at the end of each reporting period as required by the relevant Ind AS:
 - i. Financial assets and liabilities measured at fair value (refer accounting policy at 2.2.4).
 - ii. Employee benefits (Gratuity and Compensated absences) (refer accounting policy at 2.2.13).

2.1.3 Functional and presentation currency

- a) The Standalone financial statements of the Company are presented in Indian rupees, the national currency of India, which is 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 off to the nearest lakh upto two decimal except share and per share data in terms of Schedule III unless otherwise stated.

2.1.4 Use of estimates and judgment

- a) The preparation of standalone financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses, disclosure of contingent assets and disclosure of contingent liabilities. Actual results may differ from these estimates.
- b) Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the following notes:
 - i. Income taxes: The Company's tax jurisdiction is in India. Significant judgments are involved in determining the provision for income taxes, deferred tax assets and liabilities including the amount expected to be paid or recovered in connection with uncertain tax positions.
 - ii. Employee Benefits: Defined employee benefit assets / liabilities determined based on the present value of future obligations using assumptions determined by the Company with advice from an independent qualified actuary.
 - iii. Property plant and equipment and Intangible assets: The charge in respect of periodic depreciation/amortization is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of the Company's assets are determined by the management at the time the asset is

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

- iv. Impairment of trade receivables: The Company estimates the probability of collection of accounts receivable by analysing historical payment patterns, customer status, customer credit-worthiness and current economic trends. If the financial condition of a customer deteriorates, additional allowances may be required.
- v. Fair value measurement of financial instruments: The Company estimates fair values of the unquoted equity shares using discounted cash flow model. The valuation requires 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 management's estimate of fair value for these unquoted equity investments (refer note 30).

2.2 Summary of significant accounting policies

2.2.1 Revenue

- a) The Company has applied Ind AS 115 Revenue from Contracts with Customers which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue. The Company has adopted Ind AS 115 using the cumulative effect method. The effect of initially applying this standard is recognised at the date of initial application (i.e. April 1, 2018). There was no impact on the adoption of the standard on the standalone financial statements of the Company.
- b) The Company derives revenue primarily from services to corporates and capital market intermediary services. The Company recognises revenue when the significant terms of the arrangement are enforceable, services have been delivered and the collectability is reasonably assured. The method for recognizing revenues and costs depends on the nature of the services rendered:
 - i. **Time and service contracts:** Revenues and costs relating to time and service contracts are recognised as the related services are rendered.

- ii. **Annual /monthly fee contracts:** Revenue from annual fee contracts is recognised proportionately over the period of the contract. When services are performed through an indefinite number of repetitive acts over a specified period of time, revenue is recognised on a straight line basis over the specified period or under some other method that better represents the stage of completion.

- c) The Company accounts for volume discounts and pricing incentives to customers by reducing the amount of revenue.
- d) Interest Income is recognized on a time proportionate basis taking into account the amount outstanding and the rate applicable.

2.2.2 Foreign currency transactions and balances

- a) Transactions in foreign currency are translated into the respective functional currencies using the exchange rates prevailing at the dates of the respective transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the exchange rates prevailing at reporting date of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Profit and Loss and reported within foreign exchange gains/ (losses).

2.2.3 Investments in subsidiaries and associates

- a) Investments in subsidiaries and associates are measured at cost. Dividend income if any from subsidiaries and associates is recognised when its right to receive the dividend is established.

2.2.4 Financial instruments

- a) Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.
- b) All financial instruments 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 recognised immediately in profit or loss.



Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

- c) Purchase or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trade) are recognised on trade date.
- d) For the purpose of subsequent measurement, financial instruments of the Company are classified in the following categories: financial assets (debt instrument) comprising amortised cost, financial assets (debt instrument) comprising Fair Value Through Other Comprehensive Income ("FVTOCI"), financial asset (equity instruments) at Fair value Through Profit and Loss account ("FVTPL") and FVTOCI and financial liabilities at amortised cost or FVTPL.
- e) The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.
- f) The classification of financial instruments depends on the objective of the business model for which it is held. Management determines the classification of its financial instruments at initial recognition.
- g) All assets and liabilities for which fair value is measured or disclosed in the standalone financial statements are categorised 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 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

2.2.5 Financial Assets

a) Financial assets (debt instruments) at amortised cost

- i. A financial asset shall be measured at amortised cost if both of the following conditions are met:
 - ▶ the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
 - ▶ the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding (SPPI).
- ii. They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. Financial assets are measured initially at fair value plus transaction costs and subsequently carried at amortized cost using the effective interest method, less any impairment loss.
- iii. Financial assets measured at amortised cost are represented by investment in interest bearing debt instruments, trade receivables, security deposits, cash and cash equivalents, employee and other advances and eligible current and non-current assets.
- iv. Cash and cash equivalents comprise cash on hand and in banks and demand deposits with banks with original maturity less than 3 months which can be withdrawn at any time without prior notice or penalty on the principal except for earmarked balances
- v. For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, in banks and demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand, book overdraft and are considered part of the Company's cash management system.

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

b) Financial assets (debt instruments) at FVTOCI

- i. A debt instrument shall be measured at fair value through other comprehensive income if both of the following conditions are met:
 - The objective of the business model is achieved by both collecting contractual cash flows and selling financial assets and
 - The asset's contractual cash flow represents Solely Payment of principal and interest (SPPI). Debt instruments included within FVTOCI category are measured initially as well as at each reporting period at fair value plus transaction costs.
- ii. Fair value movements are recognised in other comprehensive income (OCI). However, the Company recognises interest income, impairment losses and reversals and foreign exchange gain or loss in profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from equity to profit and loss. Interest earned is recognised under the effective interest rate (EIR) model.
- iii. Currently the Company has not classified any interest bearing debt instruments under this category.

c) Equity instruments at FVTOCI and FVTPL

- i. All equity instruments are measured at fair value other than investments in subsidiaries and associates. Equity instruments held for trading are classified as FVTPL. For all other equity instruments, the Company may make an irrevocable election to present subsequent changes in the fair value in OCI. The Company makes such election on an instrument-by-instrument basis.
- ii. If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividend are recognised in OCI which is not subsequently reclassified to profit or loss.
- iii. Currently the Company has not classified any equity instrument at FVTOCI.
- iv. If the Company decides to classify an equity instrument as at FVTPL, then all fair value changes on the instrument and dividend are recognised in Profit or Loss.

d) Financial assets at FVTPL

FVTPL is a residual category for financial assets. Any financial asset which does not meet the criteria for categorization as at amortised cost or as FVTOCI, is classified as FVTPL. In addition the Company may elect to designate the financial asset, which otherwise meets amortised cost or FVTOCI criteria, as FVTPL if doing so eliminates or significantly reduces a measurement or recognition inconsistency.

e) Earmarked Funds

Earmarked Fund is in respect of bonus payable to Key Management Personnel of the Company, held for specific purposes as per the SEBI (Depositories and Participants) Regulations 2018, Security against Bank Guarantees, Amount Unpaid against Dividend, Government Securities, Stamp duty collected and Proceeds received for auction of demat accounts. These amounts are invested in mutual fund units / bank fixed deposits and the same are earmarked in the Balance Sheet. Investment income earned on financial instrument is credited to respective liabilities and not credited to the Statement of Profit or Loss.

2.2.6 Financial liabilities

a) Financial liabilities at amortised cost

Financial liabilities at amortised cost represented by trade and other payables are initially recognized at fair value, and subsequently carried at amortized cost using the effective interest method.

b) Financial liabilities at FVTPL

Financial liabilities at FVTPL represented by contingent consideration are measured at fair value with all changes recognised in the profit or loss.

c) Fair value of Financial Instruments

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.



Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

d) Equity Instruments

Ordinary shares: Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are recognised as a deduction from equity, net of any tax effect (if any).

2.2.7 Property, plant and equipment (PPE)

a) Recognition and measurement:

- i. Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Cost includes expenditures directly attributable to the acquisition of the asset.
- ii. The Company had elected to consider the carrying value of all its property, plant and equipment appearing in the standalone financial statements prepared in accordance with Accounting Standards notified under the section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014 and used the same as deemed cost in opening Ind AS Balance sheet prepared on April 1, 2016.

b) Derecognition of PPE:

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

2.2.8 Intangible assets

- a) Intangible assets purchased are measured at cost as of the date of acquisition less accumulated amortization and accumulated impairment losses, if any.
- b) Amortisation has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013.
- c) Intangible assets consists of computer software.
- d) Amortisation methods, useful lives and residual values are reviewed at each reporting date, with the effect of any changes in estimate accounted for on a prospective basis.

2.2.9 Derecognition of intangible assets

- a) An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognised in profit or loss when the asset is derecognised.

2.2.10 Depreciation / Amortisation:

- a) Depreciation / Amortisation 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.

Name of Asset	Useful life as per Company's Act 2013 (Years)	Useful Life as per Company Policy (Years)
Computer software – Subscription License	3	As per license period
Furniture and Fixtures	10	5
Vehicle	8	4

- b) Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.
- c) Depreciation / Amortisation methods, useful life and residual values are reviewed at each reporting date, with the effect of any changes in estimate accounted for on a prospective basis.
- d) When parts of an item of property, plant and equipment have different useful life, they are accounted for as separate items (major components) of property, plant and equipment. Subsequent expenditure relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognised in the Statement

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

of Profit and Loss when incurred. The cost and related accumulated depreciation are eliminated from the Standalone financial statements upon sale or disposition of the asset and the resultant gains or losses are recognised in the Profit or Loss.

Amounts paid towards the acquisition of property, plant and equipment outstanding as of each reporting date and the cost of property, plant and equipment not ready for intended use before such date are disclosed under capital work- in-progress. Depreciation is not recorded on capital work-in-progress until construction and installation are complete and the asset is ready for its intended use.

2.2.11 Leases

a) As a Lessee:

- i. 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.
- ii. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:
 - the contract involves the use of an identified asset;
 - the Company has substantially all of the economic benefits from use of the asset through the period of the lease; and
 - the Company has the right to direct the use of the asset.
- iii. 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.
- iv. 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.

- v. 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.
- vi. 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. higher of an asset's fair value less costs of disposal and its 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.
- vii. 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.
- viii. 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.

b) As a Lessor:

- i. 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.



Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

2.2.12 Impairment

a) Financial assets carried at amortised cost and FVTOCI

- i. 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.
- ii. 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.
- iii. For recognition of impairment loss on other financial assets and risk exposure, the Company determines 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:

- 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.

- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

- iv. 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 by individual departments.
- v. ECL impairment loss allowance (or reversal) during the year is recognised as expense / income in the Statement of Profit and Loss.
- vi. 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.

b) Non-financial assets

- i. The Company assesses at each reporting date whether there is any observable evidence that a non-financial asset or a group of non-financial assets is impaired. If any such indication exists, the Company estimates the amount of impairment loss. An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognised in Statement of profit and loss and reflected in an allowance account. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment loss was recognised, then the previously recognised impairment loss is reversed through statement of profit and loss.
- ii. The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the “cash-generating unit”).

2.2.13 Employee benefits

- a) The Company participates in various employee benefit plans. Post-employment benefits are classified as either defined contribution plans or defined benefit plans. Under a defined contribution plan, the Company’s only obligation is to pay a fixed amount with no obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits. The related actuarial and investment risks fall on the employee. The expenditure for defined contribution plans is recognized as expense during the period when the employee provides service. Under a defined benefit plan, it is the Company’s obligation to provide agreed benefits to the employees. The related actuarial and investment risks fall on the Company. The present value of the defined benefit obligations is calculated using the projected unit credit method.
- i. Short term employee benefits: Performance linked bonus is provided as and when the same is approved by the management.
- ii. Post-employment benefits and other long term employee benefits are treated as follows:

► Defined Contribution Plans

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

Contributions to the defined contribution plans are charged to profit or loss for the respective financial year as and when services are rendered by the employees.

► Defined Benefits Plans

Gratuity: In accordance with the Payment of Gratuity Act, 1972, the Company provides for a lump sum payment to eligible employees, at retirement or termination of employment based on the last drawn salary and years of employment with the Company. Gratuity for employees is covered by Gratuity Scheme with Life Insurance

Corporation of India and the contribution thereof is paid / provided for. Provision for gratuity is made on the basis of actuarial valuation on Projected Unit Credit Method as at the end of the year.

Remeasurement gains or losses are recognised in other comprehensive income. Further, the profit or loss does not include an expected return on plan assets. Instead net interest recognised in profit or loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. The actual return on the plan assets above or below the discount rate is recognised as part of re-measurement of net defined liability or asset through Other Comprehensive Income.

Remeasurements comprising gains or losses and return on plan assets (excluding amounts included in net interest on the net defined benefit liability) are not reclassified to profit or loss in subsequent periods.

Compensated absences: Accumulated compensated absences, which are expected to be availed or encashed 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 encashed beyond 12 months from the end of the year are treated as non-current employee benefits. The Company’s liability is actuarially determined (using the Projected Unit Credit method) at the end of year.

2.2.14 Provisions

- a) Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.



Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

- b) The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.
- c) When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset, if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.
- d) Provisions for onerous contracts are recognised when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. Provisions for onerous contracts are measured at the present value of lower of the expected net cost of fulfilling the contract and the expected cost of terminating the contract.
 - i. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability.
 - ii. Provisions are reviewed at each balance sheet date adjusted to reflect the current best estimates. Contingent assets and contingent liabilities are not recognised but disclosed in the Standalone Financial Statements when economic inflow is probable.

2.2.15 Investment income

- a) Investment income consists of interest income on funds invested, dividend income and gains on the disposal of FVTPL financial assets.
- b) Interest income on bond is recognised as it accrues in the statement of Profit or Loss, using the effective interest method and interest income on deposits with banks is recognised on a time proportion accrual basis taking into account the amount outstanding and the rate applicable.
- c) Dividend income is recognised in the Profit or Loss on the date that the Company's right to receive payment is established.

2.2.16 Income tax

- a) Income tax comprises current and deferred tax. Income tax expense is recognized in profit or loss except to the extent it relates to items directly recognized in equity or in other comprehensive income.

i. Current income tax

Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for the period. The tax rates and tax laws used to compute the current tax amount are those that are enacted at the reporting date and applicable for the period. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognised amounts and where it intends either to settle on a net basis or to realize the asset and liability simultaneously.

ii. Deferred tax

Deferred tax is recognised using the balance sheet approach. Deferred tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in standalone financial statements, except when the deferred tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

The Company recognises interest levied and penalties related to income tax assessments in income tax expenses.

2.2.17 Earnings per share

- a) The Company reports basic and diluted earnings per share in accordance with Ind AS 33 on Earnings per share. Basic earnings per share is computed using the weighted average number of equity shares outstanding during the period.
- b) Diluted EPS is computed by dividing the net profit after tax by the weighted average number of equity shares considered for deriving basic EPS and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period

presented. The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares, as appropriate.

2.2.18 Current / Non-current classification

- a) The Company present assets and liabilities in the balance sheet based on current/non-current classification.
- b) **Assets:** An asset is classified as current when it satisfies any of the following criteria:
 - i. it is expected to be realised 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 realised within twelve months after the balance sheet date
 - 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

All other assets are classified as non-current.

- c) **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;
 - iii. it is due to be settled within twelve months after the balance sheet date;
 - iv. the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the balance sheet date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.



Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

2.2.19 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.

2.2.20 Non-current assets held for sale and discontinued operations

The company classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use.

Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset (disposal group), excluding finance costs and income tax expense.

The criteria for held for sale classification is regarded as met only when the sale is highly probable, and the asset or disposal group is available for immediate sale in its present condition. Actions required to complete the sale/ distribution should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale and the sale expected within one year from the date of classification.

For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. The criteria for held for sale classification is regarded met only when the assets or disposal group is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets (or disposal groups), its sale is highly probable; and it will genuinely be sold, not abandoned. The group treats sale of the asset or disposal group to be highly probable when:

- a. The appropriate level of management is committed to a plan to sell the asset (or disposal group),
- b. An active programme to locate a buyer and complete the plan has been initiated (if applicable),
- c. The asset (or disposal group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- d. The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- e. Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Property, plant and equipment and intangible assets are not depreciated, or amortised once classified as held for sale.

Assets and liabilities classified as held for sale are presented separately from other items in the balance sheet.

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

3. Property, plant and equipment, Intangible assets and Right of Use Assets

As at March 31, 2023

(₹ in Lakh)

Particulars	Gross Block			Depreciation / Amortisation				Net Book Value	
	Balance as at April 1, 2022	Additions during the year	Deductions / adjustments during the year	Balance as at March 31, 2023	Balance as at April 1, 2022	Depreciation / amortisation for the year	Deductions / adjustments during the year	Balance as at March 31, 2023	As at March 31, 2023
Property, plant and equipment									
Freehold Office	6,338.46	-	-	6,338.46	497.70	105.85	-	603.55	5,734.91
Freehold Office improvement	250.22	-	-	250.22	110.43	25.02	-	135.45	114.77
Freehold-Building	0.01	-	-	0.01	-	-	-	-	0.01
Leasehold-Building	169.10	-	-	169.10	168.10	1.00	-	169.10	-
Plant and equipment	3,743.65	1,200.88	116.96	4,827.57	1,632.07	455.01	114.67	1,972.41	2,855.16
Computers	339.17	57.76	46.24	350.69	210.44	75.30	42.36	243.38	107.31
Furniture and fixtures	332.27	13.15	0.96	344.46	293.33	31.34	0.93	323.74	20.72
Office equipment	336.76	10.81	2.58	344.99	247.68	44.59	2.57	289.70	55.29
Motor vehicles	116.98	-	45.68	71.30	68.58	17.76	44.90	41.44	29.86
Total	11,626.62	1,282.60	212.42	12,696.80	3,228.33	755.87	205.43	3,778.77	8,918.03
Intangible assets									
Computer Software	3,170.43	960.41	-	4,130.84	1,304.43	827.98	-	2,132.41	1,998.43
Right of Use Assets									
Right of Use Assets	11.89	0.40	-	12.29	0.59	2.48	-	3.07	9.22

As on March 31, 2022

(₹ in Lakh)

Particulars	Gross Block			Depreciation / Amortisation				Net Book Value	
	Balance as at April 1, 2021	Additions during the year	Deductions / adjustments during the year	Balance as at March 31, 2022	Balance as at April 1, 2021	Depreciation / amortisation for the year	Deductions / adjustments during the year	Balance as at Mar 31, 2022	As at March 31, 2022
Property, plant and equipment									
Freehold Office	6,325.27	13.19	-	6,338.46	391.85	105.85	-	497.70	5,840.76
Freehold Office improvement	250.22	-	-	250.22	85.41	25.02	-	110.43	139.79
Freehold-Building	0.01	-	-	0.01	-	-	-	-	0.01
Leasehold-Building	169.10	-	-	169.10	165.93	2.17	-	168.10	1.00
Plant and equipment	1,734.10	2,010.39	0.84	3,743.65	1,383.55	249.36	0.84	1,632.07	2,111.58
Computers	246.43	102.56	9.82	339.17	160.13	58.58	8.27	210.44	128.73
Furniture and fixtures	328.25	12.31	8.29	332.27	247.19	48.95	2.81	293.33	38.94
Office equipment	294.66	65.96	23.86	336.76	206.74	60.35	19.41	247.68	89.08
Motor vehicles	94.13	51.46	28.61	116.98	79.51	17.68	28.61	68.58	48.40
Total	9,442.17	2,255.87	71.42	11,626.62	2,720.31	567.96	59.94	3,228.33	8,398.29
Intangible assets									
Computer Software	1,212.16	1,958.27	-	3,170.43	866.66	437.77	-	1,304.43	1,866.00
Right of Use Assets									
Right of Use Assets	48.50	11.89	48.50	11.89	22.19	4.29	25.89	0.59	11.30

Note: On transition to Ind AS, the company had elected to continue with the carrying value of all Property, plant and equipment measured as per the previous GAAP and used that carrying value as the deemed cost of Property, plant and equipment.



Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

3.1 Intangible assets under development

(₹ in Lakh)

Particulars	As at March 31, 2023	As at March 31, 2022
Software under development	113.10	379.91
Total	113.10	379.91

3.2 Capital work in Progress

(₹ in Lakh)

Particulars	As at March 31, 2023	As at March 31, 2022
Office premises	17,297.82	-
Office equipment	18.50	-
Total	17,316.32	-

Intangible assets under development ageing schedule as at March 31, 2023

(₹ in Lakh)

Particulars	Amount for the period				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	113.10	-	-	-	113.10
Projects temporarily suspended	-	-	-	-	-

Intangible assets under development ageing schedule as at March 31, 2022

(₹ in Lakh)

Particulars	Amount for the period				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	332.97	46.94	-	-	379.91
Projects temporarily suspended	-	-	-	-	-

Intangible assets under development estimated completion schedule for overdue projects as at March 31, 2023

(₹ in Lakh)

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project	-	-	-	-	-

Intangible assets under development estimated completion schedule for overdue projects as at March 31, 2022

(₹ in Lakh)

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
CDSL 2.0 Project for Technology Transformation	138.93	-	-	-	138.93
Technology transformation of CDSL App Development in Linux	53.31	-	-	-	53.31

Tangible assets under development ageing schedule as at March 31, 2023

(₹ in Lakh)

Particulars	Amount for the period				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	17,316.32	-	-	-	17,316.32
Projects temporarily suspended	-	-	-	-	-

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

Tangible assets under development ageing schedule as at March 31, 2022

(₹ in Lakh)

Particulars	Amount for the period				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

Tangible assets under development estimated completion schedule for overdue projects as at March 31, 2023

(₹ in Lakh)

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project	-	-	-	-	-

Tangible assets under development estimated completion schedule for overdue projects as at March 31, 2022

(₹ in Lakh)

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project	-	-	-	-	-

4. Investments in subsidiaries and associate

(₹ in Lakh)

Particulars	As at March 31, 2023	As at March 31, 2022
Un-quoted investments (measured at cost)		
a. Investments in equity instruments (Subsidiaries)		
CDSL Ventures Limited (Fully paid equity shares of ₹ 10 each)	2,100.00	2,100.00
CDSL Insurance Repository Limited (Fully paid equity shares of ₹ 10 each)	1,530.00	1,530.00
CDSL Commodity Repository Limited (Fully paid equity shares of ₹ 10 each)	2,600.00	2,600.00
Total Investments in equity instruments (Subsidiaries) (A)	6,230.00	6,230.00
b. Investments in equity instruments (Associate)		
India International Bullion Holding IFSC Limited (IIBHIL) (Fully paid equity shares of ₹ 1 each)	3,000.00	2,000.00
Total Investments in equity instruments (Associate) (B)	3,000.00	2,000.00
Total unquoted investments (A+B)	9,230.00	8,230.00
Aggregate carrying value of unquoted investments	9,230.00	8,230.00
Aggregate amount of impairment in value of investments in subsidiaries and Associate	-	-

4.1. Asset classified as held for sale

(₹ in Lakh)

Particulars	As at March 31, 2023	As at March 31, 2022
Investment in India International Depository IFSC Limited (formerly CDSL IFSC Limited)	-	2,000.00
Total	-	2,000.00

The Company had divested 92.5% stake in its subsidiary i.e India International Depository IFSC Limited (IIDIL) (formerly, CDSL IFSC Limited) to its associate India International Bullion Holding IFSC Limited (IIBHIL), thus resulting in a loss of control on May 02, 2022. Further, the balance stake of 7.5% in IIDIL was reduced to 5% stake due to renunciation of rights issue of IIDIL to IIBHIL. The said stake has also been divested on October 25, 2022. As the sale was concluded at the par value of the investment, there was no impact on the profit or earnings.



Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

5. Other investments

(₹ in Lakh)

Particulars	As at March 31, 2023	As at March 31, 2022
Non-current investments - Unquoted		
a. Investments in equity instruments measured at FVTPL		
Belapur Railway Station Commercial Company Limited (BRSCCL) (Fully paid equity shares of ₹ 10 each)	0.50	0.50
National E-Governance Services Limited (NESL) (Fully paid equity shares of ₹ 10 each)	492.27	435.99
Open Network for Digital Commerce (ONDC) (Fully paid equity shares of ₹ 100 each)	1,000.00	1,000.00
Sub Total (A)	1,492.77	1,436.49
b. Investments in Government Securities measured at amortised cost		
Investment in Separate Trading of Registered Interest and Principal of Securities (STRIPS)	11,418.74	-
Sub Total (B)	11,418.74	-
Non-current investments - Quoted		
a. Investments in bonds / debentures measured at amortised cost		
Investment in Tax free bonds	1,500.37	4,448.46
Investment in Non convertible debentures	6,857.17	-
Sub Total (C)	8,357.54	4,448.46
Total Non-current investments (A+B+C)	21,269.05	5,884.95
Aggregate value of quoted investments	8,357.54	4,448.46
Aggregate Market value of quoted investments	8,357.54	4,448.46
Aggregate value of unquoted investments	12,911.51	1,436.49
Aggregate amount of impairment in value of investments	-	-
Current investments - Unquoted		
a. Investments in mutual funds measured at FVTPL		
Units of growth oriented schemes of mutual funds	37,309.53	47,897.52
Sub Total (A)	37,309.53	47,897.52
b. Investments in Government securities measured at amortised cost		
Investment in Separate Trading of Registered Interest and Principal of Securities (STRIPS)	2,060.58	-
Sub Total (B)	2,060.58	-
Total of Unquoted investments (A+B)	39,370.11	47,897.52
Current investments - Quoted		
a. Investments in bonds / debentures measured at amortised cost		
Investment in Tax free bonds	2,943.37	2,801.28
Investment in Non convertible debentures	506.27	-
Sub Total (C)	3,449.64	2,801.28
b. Investments in mutual funds measured at FVTPL		
Units of growth oriented schemes of mutual funds	-	6,839.20
Sub Total (D)	-	6,839.20
c. Investments in units of ETF measured at FVTPL		
Investments in units of ETF (Exchange Traded Fund)	641.16	-
Sub Total (E)	641.16	-
Total of Quoted investments (C+D+E)	4,090.80	9,640.48
Total current investments (A+B+C+D+E)	43,460.91	57,538.00
Aggregate value of quoted investments	4,090.80	9,640.48
Aggregate Market value of quoted investments	4,090.80	9,640.48
Aggregate value of unquoted investments	39,370.11	47,897.52
Aggregate amount of impairment in value of investments	-	-

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

5 A. Investments

Type	Name of the Body Corporate	No. of Shares / Units		₹ In Lakh	
		As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Details of Non current investments					
Investment in subsidiaries					
a) Investment in equity shares					
Unquoted	CDSL Ventures Limited (FV – ₹ 10 Fully paid up)	50,00,000	50,00,000	2,100.00	2,100.00
Unquoted	CDSL Insurance Repository Limited (FV – ₹ 10 Fully paid up)	1,52,99,999	1,52,99,999	1,530.00	1,530.00
Unquoted	CDSL Commodity Repository Limited (FV – ₹ 10 Fully paid up)	2,60,00,000	2,60,00,000	2,600.00	2,600.00
				6,230.00	6,230.00
Investment in Associate					
b) Investment in equity shares					
Unquoted	India International Bullion Holding IFSC Limited (IIBHIL) (FV – ₹ 1 Fully paid up)	30,00,00,000	20,00,00,000	3,000.00	2,000.00
				3,000.00	2,000.00
Investment in others					
c) Investments in equity shares					
Unquoted	Belapur Railway Station Commercial Company Limited (BRSCCL) (Fully paid equity shares of ₹ 10 each)	5,000	5,000	0.50	0.50
Unquoted	National E-Governance Services Limited (NESL) (Fully paid equity shares of ₹ 10 each)	30,00,000	30,00,000	492.27	435.99
Unquoted	Open Network for Digital Commerce (ONDC) (Fully paid equity shares of ₹ 100 each)	10,00,000	10,00,000	1,000.00	1,000.00
				1,492.77	1,436.49
Asset classified as held for sale					
d) Investment in equity shares					
Unquoted	India International Depository IFSC Limited (formerly, CDSL IFSC Limited)(FV ₹ 1 Fully paid up)	-	20,00,00,000	-	2,000.00
				-	2,000.00
e) Investment in tax free bonds					
Quoted	7.19% Indian Railway Finance Corp Ltd Tax Free Bond 310725	50	50	500.16	500.23
Quoted	8.01% National Housing Bank Tax Free Bonds 300823	-	70	-	700.04
Quoted	8.35% National Highways Auth of India Tax Free Bonds 221123	-	70	-	700.05
Quoted	8.18% NHPC Limited Tax Free Bonds 021123	-	22,547	-	225.47
Quoted	8.19% NTPC Limited Tax Free Bonds 040324	-	50	-	500.01
Quoted	8.41% NTPC Limited Tax Free Bonds 161223	-	31,665	-	316.65
Quoted	7.15% NTPC Limited Tax Free Bond 210825	50	50	500.08	500.12
Quoted	7.17% REC Ltd Tax Free Bond 230725	50	50	500.13	500.18
Quoted	8.18% REC Ltd Tax Free Bonds 111023	-	50	-	505.71
				1,500.37	4,448.46
f) Investment in Non convertible debentures					
Quoted	6.00% HDFC Ltd Taxable NCD 290626	100	-	952.10	-
Quoted	7.32% REC Taxable Bond 27 Feb 2026	100	-	997.04	-
Quoted	7.89% Tata Cap Fin Serv 26 July 2027	100	-	1,005.63	-
Quoted	7.40% NABARD Ltd Taxable Bond 30 Jan 2026	100	-	994.11	-
Quoted	7.9873% TATA Cap Fin Serv Taxable Bond 17 April 2026	100	-	1,000.46	-
Quoted	6.44% NABARD Ltd Taxable Bond 4 Dec 2030	100	-	939.42	-
Quoted	6.39% NABARD Ltd Taxable Bond 19 Nov 2030	50	-	467.34	-
Quoted	7.82% DME Development Ltd Taxable Bond 24 Feb 2033	500	-	501.07	-
				6,857.17	-



Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

Type	Name of the Body Corporate	No. of Shares / Units		(₹) In Lakh	
		As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
g)	Investment in Government Securities				
Unquoted	CSTRIP-GS 23-JUN-2027 C	5,00,000	-	369.64	-
Unquoted	CSTRIP-GS 16-JUN-2025 C	5,00,000	-	431.55	-
Unquoted	CSTRIP-GS 16-DEC-2025 C	20,00,000	-	1,665.57	-
Unquoted	CSTRIP-GS 15-DEC-2025 C	5,59,200	-	464.58	-
Unquoted	CSTRIP-GS 15-JUN-2026 C	5,59,200	-	448.24	-
Unquoted	CSTRIP-GS 15-DEC-2026 C	5,59,200	-	432.35	-
Unquoted	CSTRIP-GS 17-JUN-2026 C	5,34,100	-	427.31	-
Unquoted	CSTRIP-GS 17-DEC-2026 C	5,34,100	-	412.07	-
Unquoted	CSTRIP-GS 17-JUN-2025 C	5,34,100	-	457.50	-
Unquoted	CSTRIP-GS 17-DEC-2025 C	5,34,100	-	441.79	-
Unquoted	CSTRIP-GS 17-JUN-2027 C	5,34,100	-	394.02	-
Unquoted	CSTRIP-GS 15-JUN-2027 C	5,92,000	-	440.01	-
Unquoted	CSTRIP-GS 16-JUN-2027 C	5,00,000	-	371.52	-
Unquoted	CSTRIP-GS 15-DEC-2027 C	5,97,000	-	429.27	-
Unquoted	CSTRIP-GS 16-DEC-2027 C	15,31,900	-	1,089.55	-
Unquoted	CSTRIP-GS 12-SEPT-2027 C	24,30,400	-	1,760.41	-
Unquoted	CSTRIP-GS 12-SEPT-2028 C	20,60,800	-	1,383.36	-
				11,418.74	-
	Total of Non current investments (a+b+c+d+e+f+g)			30,499.05	16,114.95
	Details of Current portion of Long term investments				
h)	Investment in Non convertible debentures				
Quoted	8.75% LIC HSG FIN Ltd Taxable NCD 081223	50	-	506.27	-
				506.27	-
i)	Investment in tax free bonds				
Quoted	7.21% REC Ltd Tax Free bonds 211122	-	500	-	500.00
Quoted	8.01% National Housing Bank Tax Free Bonds 300823	70	-	699.99	-
Quoted	8.35% National Highways Auth of India Tax Free Bonds 221123	70	-	700.02	-
Quoted	8.18% NHPC Limited Tax Free Bonds 021123	22,547	-	225.47	-
Quoted	8.41% NTPC Limited Tax Free Bonds 161223	31,665	-	316.65	-
Quoted	8.18% REC Ltd Tax Free Bonds 111023	50	-	501.24	-
Quoted	8.19% NTPC Limited Tax Free Bonds 040324	50	-	500.01	-
Quoted	7.22% Power Finance Corporation Ltd Tax Free Bond Series 95 291122	-	500	-	500.00
Quoted	7.17% National Housing Bank Tax Free Bonds 010123	-	500	-	500.38
Quoted	7.18% Indian Railway Finance Corp Ltd Tax Free Bonds 190223	-	1,301	-	1,300.90
				2,943.38	2,801.28
j)	Investment in Government Securities				
Unquoted	CSTRIP-GS 16-JUN-2023 C	20,85,000	-	2,060.58	-
				2,060.58	-
	Total of Current portion of Long term investments			5,510.23	2,801.28

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

Type	Name of the Body Corporate	No. of Shares / Units		(₹) In Lakh	
		As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Details of Current Investments					
k)	Investment in Units of growth oriented schemes of mutual funds				
Quoted	Aditya Birla Sunlife Fixed Term Plan - Series SI - Direct - Growth	-	40,00,000.00	-	505.20
Quoted	Axis Fixed Term Plan - Sr102 - Direct- Growth	-	40,00,000.00	-	505.00
Quoted	DSP Fixed Maturity Plan - Sr 250 -39M -Direct-Growth	-	52,61,412.88	-	664.42
Quoted	HDFC Fixed Maturity Plan- 1274D Oct 2018 (1) Sr 43 Direct- Growth	-	50,00,000.00	-	660.43
Quoted	HSBC Fixed Term Series 139 - Direct -Growth	-	35,00,000.00	-	443.51
Quoted	ICICI Prudential Fixed Maturity Plan - Sr 84 - 1254 Days Plan U - Direct - Cum	-	40,00,000.00	-	514.08
Quoted	ICICI Prudential Fixed Maturity Plan - Sr 84 - 1188 Days Plan Z - Direct - Cum	-	40,00,000.00	-	515.34
Quoted	Kotak Fixed Maturity Plan - Series 250 – 1314 Days-Direct-Growth	-	42,50,000.00	-	563.60
Quoted	Kotak Fixed Maturity Plan - Series 255 – 1250 Days-Direct-Growth	-	40,00,000.00	-	514.88
Quoted	Nippon India Fixed Horizon Fund XXXX Series 6 - Direct - Growth	-	40,00,000.00	-	516.11
Quoted	PGIM India Fixed Duration Fund Sr AY- Direct-Growth	-	40,000.00	-	543.52
Quoted	SBI Debt Fund Series C – 33 (1216 Days) – Direct- Growth	-	40,00,000.00	-	516.30
Quoted	Sundaram Fixed Term Plan - IS - Direct - Growth	-	30,00,000.00	-	376.81
	Total			-	6,839.20
l)	Investment in Units of growth oriented schemes of mutual funds				
Unquoted	Aditya Birla Sunlife Floating Rate Fund - Direct -Growth	20,57,556.89	13,52,122.61	6,164.17	3,833.93
Unquoted	Axis Banking & PSU Debt Fund - Direct - Growth	56,793.37	56,793.37	1,299.76	1,242.10
Unquoted	Axis Corporate Debt Fund - Direct - Growth	-	1,86,89,959.12	-	2,665.19
Unquoted	Axis Money Market Fund - Direct-Growth	-	-	-	-
Unquoted	DSP Banking & PSU Debt Fund - Direct - Growth	41,85,577.05	41,85,577.05	871.54	835.94
Unquoted	DSP Floater Fund - Direct - Growth	-	74,57,964.14	-	782.94
Unquoted	HDFC Corporate Bond Fund - Direct - Growth	93,30,794.39	1,33,92,502.82	2,577.10	3,546.52
Unquoted	HSBC Ultra Short Duration Fund-Direct-Growth	-	82,263.56	-	906.80
Unquoted	HSBC CRISIL IBX 50:50 Gilt Plus SDL Apr 2028 Index Fund-Direct-Growth	49,99,750.01	49,99,750.01	522.00	499.98
Unquoted	HSBC CRISIL IBX Gilt June 2027 Index Fund-Direct-Growth	34,99,825.01	-	351.16	-
Unquoted	ICICI Bond Fund - Direct - Growth	57,69,152.66	73,87,708.97	2,021.22	2,457.99
Unquoted	ICICI Corporate Bond Fund - Direct - Growth	38,76,720.59	1,31,72,366.53	1,009.03	3,238.60
Unquoted	ICICI Short Term Fund - Direct - Growth	12,94,666.28	12,94,666.28	703.89	660.86
Unquoted	IDFC Banking & PSU Debt Fund -Direct -Growth	82,62,232.24	82,62,232.23	1,764.23	1,685.43
Unquoted	Invesco India Corporate Bond Fund (Active India Fund) - Direct - Growth	1,38,626.86	1,38,626.86	3,938.32	3,791.40
Unquoted	Invesco India Treasury Advantage Fund - Direct - Growth	-	12,177.52	-	386.36
Unquoted	Invesco India Money Market Fund - Direct -Growth	35,769.81	59,307.23	954.76	1,506.98
Unquoted	Invesco India Nifty G-sec Jul 2027 Index Fund - Direct -Growth	49,997.50	-	501.25	-
Unquoted	Kotak Banking & PSU Debt Fund - Direct - Growth	-	17,55,758.52	-	953.05
Unquoted	Kotak Bond Short Term Fund - Direct - Growth	45,32,615.79	45,32,615.79	2,163.12	2,071.22
Unquoted	L & T Triple Ace Bond Fund - Direct- Growth	16,06,896.56	26,39,734.50	1,045.41	1,659.33
Unquoted	Nippon Banking & PSU Debt Fund - Direct - Growth	-	83,65,134.96	-	1,443.37
Unquoted	Nippon India Floating Rate Fund_Short Term Plan - Direct - Growth	66,34,079.73	66,34,079.73	2,621.49	2,503.99
Unquoted	Nippon India Nivesh Lakshya Fund - Direct - Growth	1,18,61,367.46	1,18,61,367.46	1,774.95	1,691.50
Unquoted	SBI Banking & PSU Debt Fund - Direct - Growth	73,553.13	73,553.13	2,041.10	1,962.42
Unquoted	SBI CPSE Bond Plus SDL Sep 2026 50:50 Index Fund-Direct- Growth	69,99,650.02	69,99,650.02	729.03	708.74
Unquoted	Sundaram Money Market Fund - Direct - Growth	-	97,59,340.80	-	1,183.01
Unquoted	TATA Banking & PSU Debt Fund - Direct - Growth	-	50,00,000.00	-	593.91
Unquoted	TATA Short Term Bond Fund - Direct - Growth	25,04,564.20	25,04,564.20	1,110.34	1,059.27
Unquoted	TATA Treasury Advantage Fund - Direct - Growth	-	31,273.60	-	1,016.26
Unquoted	Tata Nifty SDL Plus AAA PSU Bond Dec 2027 60:40 Index Fund – Direct – Growth	49,99,750.01	49,99,750.01	523.24	499.98
Unquoted	UTI Corporate Bond Fund - Direct - Growth	1,87,30,646.30	1,87,30,646.30	2,622.42	2,510.45
				37,309.53	47,897.52
m)	Investment in Units of ETF				
Quoted	ICICI Prudential S&P BSE Sensex ETF	21,712.00	-	141.19	-
Quoted	Mirae Asset Nifty 8-13 Year G-SEC ETF Fund	21,02,572.00	-	499.97	-
				641.16	-
	Total of Current Investments (h+i+j+k+l+m)			43,460.92	57,538.00
	Total Investments			73,959.97	73,652.95



Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

6. Loans (at amortised cost)

Particulars	(₹ in Lakh)	
	As at March 31, 2023	As at March 31, 2022
Non-current		
Loans to staff - Unsecured, considered good	5.64	3.50
Total	5.64	3.50
Current		
Loans to staff - Unsecured, considered good	4.25	4.66
Total	4.25	4.66

7. Other financial assets (at amortised cost)

Particulars	(₹ in Lakh)	
	As at March 31, 2023	As at March 31, 2022
Non-current		
Sundry deposits - Unsecured, considered good	7.52	5.85
Bank balance in deposit accounts (Earmarked ₹ 437.78 Lakh (Previous year ₹ 218.97 Lakh)) (Refer Note 45)	437.78	218.97
Accrued interest - Bank Deposits (Earmarked ₹ 19.88 Lakh (Previous year ₹ 9.05 Lakh)) (Refer Note 45)	44.16	27.95
Total	489.46	252.77
Current		
Other Receivable (From related party ₹ 26.09 Lakh (previous year ₹ 1.82 Lakh))	29.29	3.33
Sundry deposits - Unsecured, considered good	297.82	45.05
Interest accrued but not due on bonds	341.16	229.38
Total	668.27	277.76

8. Deferred tax liabilities (Net)

Particulars	(₹ in Lakh)	
	As at March 31, 2023	As at March 31, 2022
Deferred tax liabilities	1,670.67	1,439.97
Deferred tax assets	1,424.97	1,066.17
Deferred tax liabilities (Net)	245.70	373.80

Deferred tax assets / (liabilities) in relation to:

Particulars	(₹ in Lakh)						
	Opening balance as at April 01, 2021	Recognised in Profit or loss for year ended March 31, 2022	Recognised in Other Comprehensive Income for the year ended March 31, 2022	Closing balance as at March 31, 2022	Recognised in Profit or loss for year ended March 31, 2023	Recognised in Other Comprehensive Income for the year ended March 31, 2023	Closing balance as at March 31, 2023
a. Deferred tax liabilities							
i. Unrealised gain on securities carried at fair value through profit or loss	683.73	227.16	-	910.89	6.45	-	917.34
ii. Financial Assets measured at amortised cost	(6.98)	(3.81)	-	(10.79)	(0.02)	-	(10.81)
iii. Property plant and equipment and intangible assets	211.16	328.71	-	539.87	224.27	-	764.14
Total (A)	887.91	552.06	-	1,439.97	230.70	-	1,670.67
b. Deferred tax assets							
i. Provision for employee Benefit obligations	241.85	89.14	73.31	404.30	304.23	(13.35)	695.18
ii. Provision for incentive scheme for DPs	286.63	90.26	-	376.89	17.94	-	394.83
iii. Allowance for doubtful debts (expected credit loss allowance)	283.79	1.19	-	284.98	49.83	-	334.81
iv. Lease Liabilities and ROU Assets	-	-	-	-	0.15	-	0.15
Total (B)	812.27	180.59	73.31	1,066.17	372.15	(13.35)	1,424.97
Net Asset / (Liabilities) (A-B)	75.64	371.47	(73.31)	373.80	(141.45)	13.35	245.70

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

9. Income tax asset and liabilities

Particulars	(₹ in Lakh)	
	As at March 31, 2023	As at March 31, 2022
Non-current tax assets		
Advance income tax (net off provision for tax ₹ 26,068.62 lakh (Previous year ₹ 21,197.00 Lakh))	1,742.80	1,529.02
Total	1,742.80	1,529.02
Current tax liabilities		
Income tax payable (net off advance tax ₹ 10,600.84 lakh (previous year ₹ 9,619.57 Lakh))	239.17	224.30
Total	239.17	224.30

10. Other assets

Particulars	(₹ in Lakh)	
	As at March 31, 2023	As at March 31, 2022
Non-current		
Prepaid expenses	182.33	134.40
Total	182.33	134.40
Current		
Prepaid expenses	539.36	508.84
GST Input credit receivable	424.11	247.09
Advances to creditors	262.52	11.08
Total	1,225.99	767.01

11. Trade receivables(at amortised cost)

Particulars	(₹ in Lakh)	
	As at March 31, 2023	As at March 31, 2022
Secured, considered good	-	-
Unsecured, considered good (receivable from related party ₹ 105.47 Lakh (previous year ₹ 123.74 Lakh))	1,161.45	781.71
Unsecured, considered doubtful (expected credit loss allowance)	295.21	236.89
Trade Receivable – which have significant increase in credit risk	7.60	22.43
Trade Receivable – credit impaired	1,027.38	872.88
Total	2,491.64	1,913.91
Less: Allowance for doubtful debts (refer below table for movement in expected credit loss allowance)	(1,330.19)	(1,132.22)
Add: Unbilled revenue (receivable from related party ₹ 6.54 Lakh (previous year ₹ Nil))	1,182.03	1,993.44
Total	2,343.48	2,775.13

- Trade receivables are dues in respect of services rendered in the normal course of business.
- The average credit period on sale of services is 25 days. No interest is charged on trade receivables for the first 25 days from the date of invoice. Thereafter, interest is charged at 13% per annum on the outstanding balance.
- 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	(₹ in Lakh)	
	As at March 31, 2023	As at March 31, 2022
Opening Balance	1,132.22	1,127.50
Movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses (net off bad debts)	197.97	4.72
Closing Balance	1,330.19	1,132.22



Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

Trade receivables ageing schedule as at March 31, 2023

(₹ in Lakh)

Particulars*	Outstanding for following periods from due date of payment						Total
	Current but not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables							
i. considered good and doubtful	327.09	836.28	245.89	-	47.40	-	1,456.66
ii. which have significant increase in credit risk	0.22	0.20	2.00	5.18	-	-	7.60
iii. Credit impaired	-	-	2.27	931.34	70.52	23.25	1,027.38
Disputed trade receivables							
i. considered good and doubtful	-	-	-	-	-	-	-
ii. which have significant increase in credit risk	-	-	-	-	-	-	-
iii. Credit impaired	-	-	-	-	-	-	-
Total	327.31	836.48	250.16	936.52	117.92	23.25	2,491.64

* The above ageing schedule does not contain unbilled revenue.

Trade receivables ageing schedule as at March 31, 2022

(₹ in Lakh)

Particulars*	Outstanding for following periods from due date of payment						Total
	Current but not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables							
i. considered good and doubtful	232.23	570.31	168.66	47.40	-	-	1,018.60
ii. which have significant increase in credit risk	0.22	0.29	0.88	21.04	-	-	22.43
iii. Credit impaired	-	0.28	6.27	843.55	22.43	0.35	872.88
Disputed trade receivables							
i. considered good and doubtful	-	-	-	-	-	-	-
ii. which have significant increase in credit risk	-	-	-	-	-	-	-
iii. Credit impaired	-	-	-	-	-	-	-
Total	232.45	570.88	175.81	911.99	22.43	0.35	1,913.91

* The above ageing schedule does not contain unbilled revenue.

12. Cash and cash equivalents and other bank balances

(₹ in Lakh)

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Cash and Cash equivalents		
a. Balance with Banks - Owned fund		
i. In current accounts	249.95	2,214.76
b. Balance with Banks - Earmarked fund (Refer Note 45)		
i. In current accounts - Unpaid Dividend	102.48	59.38
ii. In current accounts - G Sec	222.11	66.74
iii. In current accounts - Stamp Duty	517.34	500.55
iv. In current accounts - Auction proceeds	3,667.14	3,678.41
Total	4,759.02	6,519.84
Bank Balances other than above		
Balances with Banks - Owned fund		
i. In deposit accounts (Earmarked ₹ 54.91 Lakh (previous year ₹ 75.48 Lakh)) (refer note 45)	1,029.92	5,925.48
ii. Accrued interest - Bank Deposits (Earmarked ₹ 8.61 Lakh (previous year ₹ 14.86)) (refer note 45)	51.04	154.33
Total	1,080.96	6,079.81

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

13. Equity Share capital

Particulars	As at	As at	As at	As at
	March 31, 2023	March 31, 2023	March 31, 2022	March 31, 2022
	Number	(₹ in Lakh)	Number	(₹ in Lakh)
Equity Share capital				
Authorised share capital:				
Equity Shares of ₹ 10/- each with voting rights	15,00,00,000	15,000.00	15,00,00,000	15,000.00
Issued share capital:				
Equity Shares of ₹ 10/- each with voting rights	10,45,00,000	10,450.00	10,45,00,000	10,450.00
Subscribed and Paid-up share capital				
Equity Shares of ₹ 10/- each with voting rights	10,45,00,000	10,450.00	10,45,00,000	10,450.00
Total	10,45,00,000	10,450.00	10,45,00,000	10,450.00

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

Particulars	Opening Balance	Fresh issue	Closing Balance
Equity shares with voting rights			
As at March 31, 2022			
Number of shares	10,45,00,000	-	10,45,00,000
Amount (₹) In lakh	10,450	-	10,450.00
As at March 31, 2023			
Number of shares	10,45,00,000	-	10,45,00,000
Amount (₹) In lakh	10,450	-	10,450.00

Details of shares held by each shareholder holding more than 5% shares

Class of shares / Name of shareholder	As at March 31, 2023		As at March 31, 2022	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
BSE Limited (Entity having significant influence)	2,09,00,000	20.00	2,09,00,000	20.00
Standard Chartered Bank	75,00,000	7.18	75,00,000	7.18

Details of Shares held by promoters as at March 31, 2023

Sr No.	Promoters Name	As at March 31, 2023			
		No. of shares at the beginning of the year	Changes During the year	No. of shares at the end of the year	% of total shares
1.	BSE Limited (Entity having significant influence)	2,09,00,000	-	2,09,00,000	20.00

Details of Shares held by promoters as at March 31, 2022

Sr No.	Promoters Name	As at March 31, 2022			
		No. of shares at the beginning of the year	Changes During the year	No. of shares at the end of the year	% of total shares
1.	BSE Limited (Entity having significant influence)	2,09,00,000	-	2,09,00,000	20.00

- The Company has one class of equity shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held.
- The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after discharging all its liabilities, in proportion to their shareholding.
- There are no equity shares issued as bonus, no equity shares issued for consideration other than cash and no equity shares have been bought back during the period of five years immediately preceding the reporting date.



Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

14. Other Equity

Particulars	(₹ in Lakh)	
	As at March 31, 2023	As at March 31, 2022
General reserve	1,094.93	1,094.93
Retained earnings	85,177.09	73,643.92
Other Comprehensive Income	(136.48)	(176.16)
Total	86,135.54	74,562.69

14.1 General reserve

Particulars	(₹ in Lakh)	
	As at March 31, 2023	As at March 31, 2022
Balance at beginning of year	1,094.93	1,094.93
Movement during the year	-	-
Balance at end of year	1,094.93	1,094.93

The general reserve is created from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in general reserve will not be reclassified subsequently to Profit or Loss.

14.2 Retained earnings

Particulars	(₹ in Lakh)	
	As at March 31, 2023	As at March 31, 2022
Balance at beginning of year	73,643.92	56,672.68
Profit for the year	27,208.17	26,376.24
Dividend on equity shares declared and paid (refer note 14.4)	(15,675.00)	(9,405.00)
Balance at end of year	85,177.09	73,643.92

Retained earnings reflect surplus/deficit after taxes in the Statement of Profit and Loss. The amount that can be distributed by the Company as dividends to its equity shareholders is determined based on the balance in this reserve and also considering the requirements of the Companies Act, 2013.

14.3 Other Comprehensive Income

Particulars	(₹ in Lakh)	
	As at March 31, 2023	As at March 31, 2022
Balance at beginning of year	(176.16)	41.80
Movement during the year	39.68	(217.96)
Balance at end of year	(136.48)	(176.16)

14.4 Distribution made and proposed

Particulars	(₹ in Lakh)	
	As at March 31, 2023	As at March 31, 2022
Dividends on equity shares declared and paid:		
Final dividend for the year ended on March 31, 2023: ₹ 15 per share (March 31, 2022: ₹ 9 per share)	15,675.00	9,405.00
Total	15,675.00	9,405.00
Proposed dividend on Equity shares:		
Proposed dividend for the year ended on March 31, 2023: ₹ 16 per share (March 31, 2022: ₹ 15 per share)	16,720.00	15,675.00
Total	16,720.00	15,675.00

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

15. Lease liabilities

Particulars	(₹ in Lakh)	
	As at March 31, 2023	As at March 31, 2022
Non-current		
Lease Liabilities	7.46	9.39
Total	7.46	9.39
Current		
Lease Liabilities	2.20	1.83
Total	2.20	1.83

16. Other financial liabilities (at amortised cost)

Particulars	(₹ in Lakh)	
	As at March 31, 2023	As at March 31, 2022
Non-current		
Accrued employee benefits expense (Earmarked ₹ 384.88 Lakh (previous year ₹ 153.02 Lakh)) (refer note 45)	384.88	153.02
Total	384.88	153.02
Current		
Security deposits	4,150.08	3,837.82
Payable for purchase of Property, plant and equipment		
i. Micro enterprises and small enterprises	2.05	8.29
ii. Other than micro enterprises and small enterprises	28.46	-
Accrued employee benefits expense (Earmarked ₹ 64.41 Lakh (previous year ₹ 90.34 Lakh)) (refer note 45)	1,554.94	550.28
Unpaid Dividend - Earmarked against current account (refer note 45)	102.48	59.38
Advance received from India International Bullion Holding IFSC Limited	-	1,839.93
Contribution to Investor Protection Fund	1,255.11	1,360.10
Others (Earmarked ₹ 4,406.59 Lakh (previous year ₹ 4,245.70 Lakh)) (refer note 45)	4,551.14	4,354.83
Total	11,644.26	12,010.63

17. Trade payables

Particulars	(₹ in Lakh)	
	As at March 31, 2023	As at March 31, 2022
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		
i. Payable to related party	15.41	0.11
ii. Other trade payables	28.13	0.50
iii. Unbilled dues (dues to related party ₹ 12.81 Lakh (previous year ₹ 15.48 Lakh))	1,262.19	634.64
Total	1,305.73	635.25

Trade Payables ageing schedule as at March 31, 2023

Particulars*	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
	i. MSME	-	-	-	
ii. Related Party	15.41	-	-	-	15.41
iii. Others	28.13	-	-	-	28.13
iv. Disputed dues – MSME	-	-	-	-	-
v. Disputed dues – Others	-	-	-	-	-

* The above ageing schedule does not contain unbilled trade payables.



Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

Trade Payables ageing schedule as at March 31, 2022

(₹ in Lakh)

Particulars*	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
i. MSME	-	-	-	-	-
ii. Related Party	0.11	-	-	-	0.11
iii. Others	0.50	-	-	-	0.50
iv. Disputed dues – MSME	-	-	-	-	-
v. Disputed dues – Others	-	-	-	-	-

* The above ageing schedule does not contain unbilled trade payables.

18. Provisions

(₹ in Lakh)

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Non-Current		
a. Provision for employee benefits		
i. Compensated absences	244.20	219.10
ii. Provision for gratuity (net)	290.08	402.75
Total	534.28	621.85
Current		
a. Provision for employee benefits		
i. Compensated absences	171.17	174.36
ii. Provision for gratuity (net)	116.64	106.76
b. Other provisions		
i. Provision for Incentive Scheme for DPs (refer note 39)	1,568.67	1,497.38
ii. Provision for legal claims	183.47	183.47
Total	2,039.95	1,961.97

19. Other Liabilities

(₹ in Lakh)

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Non-current		
Income received in advance	0.63	-
Total	0.63	-
Current		
Income received in advance	49.80	13.23
Advance received from customers	657.81	598.18
Balances of CDSL managed DPs	280.13	262.54
Statutory remittances	839.73	773.67
Total	1,827.47	1,647.62

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

20. Revenue from contracts with customers

Particulars	(₹ in Lakh)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Sale of services comprise :		
Annual issuer charges	18,322.44	11,541.42
Transaction charges	15,864.92	19,948.35
Users facility charges	344.20	342.41
Settlement charges	137.34	139.01
Account maintenance charges	392.02	356.80
E-Voting charges	2,389.08	899.71
E-CAS and BO Statement charges	2,285.33	1,854.28
IPO/Corporate action charges	4,976.15	6,053.12
Foreign Investment Limit Monitoring charges	241.45	238.30
Others	107.03	106.93
Total	45,059.96	41,480.33

20.1 Timing of revenue recognition

Particulars	(₹ in Lakh)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Services transferred at a point in time	25,759.85	29,001.40
Services transferred over time	19,300.11	12,478.93
Total	45,059.96	41,480.33

21. Other income

Particulars	(₹ in Lakh)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
a. Interest income earned on financial assets measured at amortised cost		
Bank deposits	211.72	333.43
Investments in Debt instruments	719.06	695.33
Investments in STRIPS	681.66	-
Interest on staff loan	0.78	0.82
b. Dividend:		
Dividend from Subsidiary	4,150.00	2,350.00
Dividend from Others	30.00	-
c. Other gains or losses:		
Net gain arising on financial assets measured at FVTPL	2,387.34	2,189.32
Gain on sale / disposal of property, plant and equipment and intangible assets (Net)	19.91	17.56
d. Others		
Interest from debtors	36.54	23.19
Interest on Income tax refund	53.00	34.75
Bad debts recovered	175.84	167.31
Miscellaneous income	880.94	725.79
Total	9,346.79	6,537.50

22. Employee benefits expense

Particulars	(₹ in Lakh)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Salaries, allowances and bonus	6,240.07	3,667.25
Contribution to provident and other funds	395.68	295.61
Staff welfare expenses	219.98	144.58
Total	6,855.73	4,107.44



Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

23. Depreciation and amortisation expenses

(₹ in Lakh)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Depreciation on Property, plant and equipment, Right of Use Asset and Amortisation on Intangible Assets	1,586.33	1,010.02
Total	1,586.33	1,010.02

24. Impairment loss on financial assets

(₹ in Lakh)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Impairment loss allowance on trade receivables (Includes Bad Debts ₹ 502.26 Lakh (Previous Year ₹ 730.24 Lakh))	700.23	734.96
Total	700.23	734.96

25. Other expenses

(₹ in Lakh)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Annual SEBI fees	403.90	266.95
Auditors' remuneration:		
i. Audit fees	25.00	22.00
ii. Tax Audit	2.00	2.00
iii. Reimbursement of expenses	0.47	0.08
iv. Other Services	1.20	-
Authentication/ KYC Service Agency Expenses	50.00	73.93
Business Promotion Expenses	245.22	141.75
E-CAS and BO Statement Expenses	543.15	583.80
Evoting Expenses	480.25	214.27
Computer technology related expenses	3,324.53	2,347.45
Contribution to investor protection fund (IPF) (Refer note 38)	1,255.11	1,360.10
Corporate social responsibility Expenses (Refer note 26)	397.25	255.01
Directors' sitting fees	172.75	216.75
Fee for Depository/Exchange	17.70	11.41
Incentive scheme for DP's (Refer note 39)	967.24	586.18
Insurance Expenses	80.71	73.31
Legal Expenses	232.12	95.82
Miscellaneous expenses	269.77	164.57
Office Maintenance	193.17	160.43
Postage, telephone and communication charges	257.52	508.08
Power and fuel	61.77	51.79
Printing and stationery	13.43	8.63
Professional and consultancy fees	700.63	235.59
Rates and taxes	36.23	35.32
Recruitment Charges	12.56	8.06
SMS alert expenses	693.52	798.06
Short term lease expenses	222.78	168.69
Travelling and conveyance	155.04	39.89
Total	10,815.02	8,429.92

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

26. Corporate Social Responsibility (CSR) Expenditure

(₹ in Lakh)		
Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
a. Gross amount required to be spent by the Company during the year	397.25	255.01
b. Amount of expenditure incurred	397.25	255.01
c. (Excess) / Shortfall at the end of the year	-	-
d. Total of previous years shortfall / (Excess)	-	1.63
e. Reason for shortfall	N.A.	Unspent amount from FY 2020-21 spent in the FY 2021-22
f. Nature of CSR activities	Promoting Healthcare, education, environment sustainability, and Contribution to research and development.	Promoting Healthcare, education, environment sustainability, and Contribution to disaster relief.
g. Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	N.A.	N.A.
h. Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately	N.A.	N.A.

27. The income tax expense reconciliation with the accounting profit as follows:

(₹ in Lakh)		
Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
a. Profit before tax	34,448.89	33,734.67
b. Indian Statutory Income Tax Rate	25.17%	25.17%
c. Expected Income Tax expenses (a*b)	8,670.79	8,491.02
d. Tax Effect of adjustments to reconcile expected income tax expense reported income tax expense		
i. Effect of change in tax rate	435.58	174.22
ii. Effect of fair value of investments	(600.89)	(327.05)
iii. Effect of income that is exempt from taxation	(127.34)	(161.53)
iv. Expenses disallowed / (allowed) net	(913.24)	(497.50)
Total adjustments (d)	(1,205.89)	(811.86)
e. Tax expenses after adjustments (c+d)	7,464.90	7,679.16
f. Tax expenses recognised in statement of Profit and Loss	7,464.90	7,679.16

28. Earnings Per Share (EPS)

(₹ in Lakh)		
Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
a. Weighted average number of equity shares (issued share capital) outstanding during the year for the calculation of basic EPS	10,45,00,000	10,45,00,000
b. Effect of dilutive equity shares outstanding during the year	-	-
c. Weighted average number of equity shares (issued share capital) outstanding during the year for the calculation of dilutive EPS	10,45,00,000	10,45,00,000
d. Face Value per Share (₹)	₹10/- Each	₹10/- Each
e. Profit for the year (₹ in lakh)	27,208.17	26,376.24
f. Basic and Diluted EPS (₹ per share)	26.04	25.24



Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

29. Leases

Following are the changes in the carrying value of right of use assets during the year:

Particulars	(₹ in Lakh)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Opening Balance*	11.30	26.31
Additions during the year	0.40	11.89
Reversal / Transfer of ROU asset	-	(22.61)
Less: Depreciation	(2.48)	(4.29)
Closing Balance	9.22	11.30

*includes EIR adjustment of Security Deposit

Amounts recognised in statement of profit and loss during the year:

Particulars	(₹ in Lakh)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
a. Depreciation expense on right-of-use assets	2.48	4.29
b. Interest income accrued during the year	0.08	0.21
c. Interest expense on lease liabilities	0.55	0.82

The following is the break-up of current and non-current lease liabilities:

Particulars	(₹ in Lakh)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
a. Current Lease Liabilities	2.20	1.83
b. Non-Current Lease Liabilities	7.46	9.39
Total	9.66	11.22

The following is the movement in lease liabilities during the year:

Particulars	(₹ in Lakh)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Opening Balance	11.22	27.75
Add: Additions during the year	0.44	11.64
Add: Interest expense on lease liabilities for the year	0.55	0.82
Less: Payment / transfer of Lease Liabilities during the year	(2.55)	(28.99)
Closing Balance	9.66	11.22

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

Particulars	(₹ in Lakh)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Less than one year	2.20	1.83
One to Five years	7.46	9.39
More than Five years	-	-
Total	9.66	11.22

The following is the movement in Security Deposit during the year:

Particulars	(₹ in Lakh)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Opening Balance	0.61	8.41
Add: Additions during the year	-	0.59
Add: Interest income accrued during the year	0.08	0.21
Less: Transfer during the year	-	(8.60)
Closing Balance	0.69	0.61

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

30. Financial Instruments at Fair Value

The carrying value and fair value of financial instruments by categories:

(₹ in Lakh)

Particulars	Carrying Value		Fair Value	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
i) Financial Assets				
a) Amortised Cost				
Investment in Bonds and Debentures	11,807.19	7,249.74	11,895.73	7,633.89
Investment in Government Securities – STRIPS	13,479.32	-	13,479.32	-
Trade receivables	2,343.48	2,775.13	2,343.48	2,775.13
Cash and cash equivalents	4,759.02	6,519.84	4,759.02	6,519.84
Bank balances other than cash and cash equivalents	1,080.96	6,079.81	1,080.96	6,079.81
Loans	9.89	8.16	9.89	8.16
Other financial assets	1,157.73	530.53	1,157.73	530.53
Total (a)	34,637.59	23,163.21	34,726.13	23,547.36
b) FVTPL				
Quoted mutual funds (including ETF)	641.16	6,839.20	641.16	6,839.20
Unquoted mutual funds	37,309.53	47,897.52	37,309.53	47,897.52
Total (b)	37,950.69	54,736.72	37,950.69	54,736.72
c) FVTPL (equity instruments)				
Investment in equity instruments*	1,492.77	1,436.49	1,492.77	1,436.49
Total (c)	1,492.77	1,436.49	1,492.77	1,436.49
Total Financial Assets (a+b+c)	74,081.05	79,336.42	74,169.59	79,720.57

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

(₹ in Lakh)

Particulars	Carrying Value		Fair Value	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
ii) Financial Liabilities				
a) Amortised Cost				
Trade payables	1,305.73	635.25	1,305.73	635.25
Other financial liabilities	12,029.14	12,163.65	12,029.14	12,163.65
Lease liabilities	9.66	11.22	9.66	11.22
Total Financial Liabilities	13,344.53	12,810.12	13,344.53	12,810.12

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

(₹ in Lakh)

Financial Assets	Fair value as at		Fair Value hierarchy	Valuation technique(s) and key input(s)
	March 31, 2023	March 31, 2022		
Mutual Funds (Quoted)	-	6,839.20	Level 1	NAV declared by respective mutual funds
Mutual Funds (Unquoted)	37,309.53	47,897.52	Level 2	NAV declared by respective mutual funds
ETFs (Quoted)	641.16	-	Level 1	Quoted Price
Equity Shares (Unquoted)	1,000.00	1,000.00	Level 3	Transaction Price
Equity Shares (Unquoted)	492.77	436.49	Level 3	Net Asset Method

There were no transfers between Level 1, 2 and 3 during the years.

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



Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

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:

- i. 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.
- ii. 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.

Disclosure for Level 3

The fair values of the unquoted equity shares have been estimated based on net asset method as per latest financials available.

Fair value measurements using significant unobservable inputs (level 3)

The following table presents the changes in level 3 items for the year ended March 31, 2023 and March 31, 2022.

Particulars	(₹ in Lakh)	
		Unlisted Equity Shares
As at March 31, 2021		27.90
Gain/(loss) recognized in Statement of Profit and Loss during the year		108.09
As at March 31, 2022		135.99
Gain/(loss) recognized in Statement of Profit and Loss during the year		56.28
As at March 31, 2023		192.27

Valuation inputs and relationships to fair value : The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements

Particulars	(₹ in Lakh)	
	Fair Value March 31, 2023	Fair Value March 31, 2022
Net Assets	12,306.75	10,897.50
Total Number of equity Shares of National E-Governance Services Limited	7,50,00,000	7,50,00,000
Net Asset per share (₹)	16.41	14.53

31. 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: credit risk, liquidity risk, market risk (including foreign currency and interest rate risk) and regulatory 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.

a. 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.

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

i. 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.

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due of various types of customers (i.e. issuers, DP (Depository Participants), RTA (Registrar and Transfer agents), etc). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Company evaluates the concentration of risk with respect to trade receivables as low.

Following customers accounted for more than 10% of the receivables as at March 31, 2023 and revenue for the year ended March 31, 2023.

Particulars	₹ In Lakh	10% of the receivable and revenue
Revenue	45,059.96	No Such customer
Receivables	2,491.64	No Such customer

Following customers accounted for more than 10% of the receivables as at March 31, 2022 and revenue for the year ended March 31, 2022.

Particulars	₹ In Lakh	10% of the receivable and revenue
Revenue	41,480.33	Customer 1 – ₹ 5,202.91 Lakh (13%) Customer 2 – ₹ 4,850.64 Lakh (12%)
Receivables	1,913.91	No Such customer

ii. Investments

The Company limits its exposure to credit risk by making investment as per the investment policy. Further investment committee of the Company reviews the investment portfolio on monthly basis and recommends or provides suggestions 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.

b. 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 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 management monitors the Company's net liquidity position through forecasts on the basis of expected cash flows.



Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

The details regarding the contractual maturities of financial liabilities as at March 31, 2023 and March 31, 2022 are as below:

(₹ in Lakh)

Particulars	As at March 31, 2023			
	Less than 1 year	1 to 5 years	More than 5 years	Total
Financial liabilities				
Trade payables	1,305.73	-	-	1,305.73
Other financial liabilities	11,644.26	384.88	-	12,029.14
Lease liabilities	2.20	7.46	-	9.66
Total	12,952.19	392.34	-	13,344.53

(₹ in Lakh)

Particulars	As at March 31, 2022			
	Less than 1 year	1 to 5 years	More than 5 years	Total
Financial liabilities				
Trade payables	635.25	-	-	635.25
Other financial liabilities	12,010.63	153.02	-	12,163.65
Lease liabilities	1.83	9.39	-	11.22
Total	12,647.71	162.41	-	12,810.12

The details regarding the contractual maturities of financial assets as at March 31, 2023 and March 31, 2022 are as below:

(₹ in Lakh)

Particulars	As at March 31, 2023			
	Less than 1 year	1 to 5 years	More than 5 years	Total
Financial Assets				
Investments*	43,460.92	16,485.09	3,291.19	63,237.20
Loan	4.25	5.64	-	9.89
Other financial assets	668.27	489.46	-	1,157.73
Trade receivables	2,343.48	-	-	2,343.48
Cash and cash equivalents	4,759.02	-	-	4,759.02
Bank balances other than cash and cash equivalents	1,080.96	-	-	1,080.96
Total	52,316.90	16,980.19	3,291.19	72,588.28

(₹ in Lakh)

Particulars	As at March 31, 2022			
	Less than 1 year	1 to 5 years	More than 5 years	Total
Financial Assets				
Investments*	57,538.00	4,448.46	-	61,986.46
Loan	4.66	3.50	-	8.16
Other financial assets	277.76	252.77	-	530.53
Trade receivables	2,775.13	-	-	2,775.13
Cash and cash equivalents	6,519.84	-	-	6,519.84
Bank balances other than cash and cash equivalents	6,079.81	-	-	6,079.81
Total	73,195.20	4,704.73	-	77,899.93

* Investments does not include investments in equity instruments.

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

c. 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 trading volume on stock exchanges, the number of listed securities, the number of new listings and subsequent issuances and introduction of new services which will ease in doing business in capital markets.

In addition to the above risk, market risk also include following:

i. Foreign Currency risk

The Company's foreign currency risk arises in respect of foreign currency transactions. The Company's foreign currency expenses are insignificant, 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 expenses measured in rupees may decrease. Due to lesser quantum of expenses from foreign currencies, the Company is not much exposed to foreign currency risk.

ii. 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 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.

All investments in Debentures and Bonds are at fixed rate of Interest and does not have material interest rate risks. The Company's investments in floating rate are primarily in Fixed Maturity Plans (FMPs) of mutual funds, which do not expose it to significant interest rate risk. The Company's exposure to assets having price risk is as under:-

Particulars	(₹ in Lakh)	
	As at March 31, 2023	As at March 31, 2022
Mutual Fund (other than FMP)	37,809.50	47,897.52

Sensitivity Analysis

The table below summarises the impact of increases/ decreases of the Price on profit for the period. The analysis is based on the assumption that the instrument index has increased/ decreased by 5% with all other variables held constant.

Particulars	(₹ in Lakh)	
	Impact on profit after tax	
	March 31, 2023	March 31, 2022
Increase by 5%	1,890.48	2,394.88
Decrease by 5%	1,890.48	2,394.88

iii. Regulatory Risk

The Company requires various regulatory approvals, registrations and permissions to operate its business, including at a corporate level as well as at the level of each of its components. Some of these approvals are required to be renewed from time to time. The Company's operations are subject to continued review by regulator and these regulations may change from time to time in fast changing capital market environment. The Company's compliance team constantly monitors the compliance with these rules and regulations.



Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

32. 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 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 investments which are predominantly investments in mutual funds being far in excess of financial liabilities.

33. Information on related party transactions as required by Ind AS 24 - 'Related party disclosures' for the year ended March 31, 2023.

Description of relationship	Names of related parties
Subsidiaries	CDSL Ventures Limited
	CDSL Insurance Repository Limited
	CDSL Commodity Repository Limited
	India International Depository IFSC Limited (Erstwhile CDSL IFSC Limited) till May 2, 2022
Entity having significant influence	BSE Limited
Subsidiaries of entity having significant influence	BSE Technologies Private Limited (Erstwhile Marketplace Technologies Private Limited)
	Indian Clearing Corporation Limited
	BSE Administration & Supervision Limited
	BSE Investments Limited
	BSE Institute Limited
	BSE CSR Integrated Foundation
	India International Exchange (IFSC) Limited
	India International Clearing Corporation (IFSC) Limited
	BSE Tech Infra Services Private Limited (formerly known as Marketplace Tech Infra Services Private Limited)
	BFSI Sector Skill Council of India
	BIL - Ryerson Technology Startup Incubator Foundation
	BSE Institute of Research Development & Innovation
	BSE E-Agricultural Markets Limited
India INX Global Access IFSC Limited	
Associates having significant influence in subsidiary-CDSL Commodity Repository Limited	Multi Commodity Exchange of India Limited
	BSE Investments Limited
Associates	India International Bullion Holding IFSC Limited
	India International Bullion Exchange IFSC Limited
	India International Depository IFSC Limited (Erstwhile CDSL IFSC Limited) w.e.f. May 2, 2022
Directors	Shri Balkrishna V Chaubal, Public Interest Director
	Prof. (Dr.) Bimalkumar N Patel, Public Interest Director
	Smt. Preeti Saran, Public Interest Director (up to October 17, 2022)
	Shri Gurumoorthy Mahalingam (from March 09, 2023)
	Prof. Umesh Bellur, Public Interest Director
	Shri Sidhartha Pradhan, Public Interest Director
	Shri Masil Jeya Mohan P, Shareholder Director
	Shri Nayan Mehta, Shareholder Director
	Smt. Rajeshree Sabnavis, Public Interest Director (from November 29, 2022)
Key Managerial Personnel	Shri Nehal Vora, Managing Director & Chief Executive Officer,
	Shri Girish Amesara, Chief Financial Officer
	Smt. Amita Paunikar, Company Secretary (Upto April 05, 2021)
	Shri Nilay Shah, Company Secretary (From August 02, 2021)

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

33.1 Transactions during the year

(₹ in Lakh)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Operational Income		
CDSL Ventures Limited	0.59	0.59
CDSL Commodity Repository Limited	1.25	1.25
BSE Limited	79.12	597.76
Indian Clearing Corporation Limited	3.42	3.82
BSE Technologies Pvt Ltd (Erstwhile Marketplace Technologies Private Limited)	0.75	0.75
BSE Administration & Supervision Limited	0.07	0.19
BSE E-Agricultural Markets Limited	0.23	0.22
India INX Global Access IFSC Limited	0.23	0.23
BIL- Ryerson Technology Startup Incubator Foundation	0.05	0.05
BSE CSR Integrated Foundation	0.05	0.05
BFSI Sector Skill Council of India	0.16	-
Multi commodity Exchange Of India Limited	13.63	7.79
India International Bullion Holding IFSC Limited	0.79	0.44
India International Bullion Exchange IFSC Limited	0.09	0.28
India International Clearing Corporation (IFSC) Limited	0.75	0.79
India International Exchange (IFSC) Limited	0.75	0.80
Rent Income		
CDSL Ventures Limited	92.37	81.11
CDSL Insurance Repository Limited	12.60	14.32
CDSL Commodity Repository Limited	16.10	32.34
Rent Expense		
BSE Limited	-	1.10
Administrative and Other Expenses (Recoveries) (Income)		
CDSL Ventures Limited	363.09	282.23
CDSL Insurance Repository Limited	25.03	25.42
CDSL Commodity Repository Limited	47.81	48.47
India International Bullion Holding IFSC Limited	0.25	-
India International Depository IFSC Limited (Erstwhile CDSL IFSC Limited)	160.20	18.14
Administrative and Other Expenses (Recoveries) (Expense)		
CDSL Ventures Limited (Expense)	41.11	55.21
BSE Limited (expense)	58.01	42.40
India International Bullion Holding IFSC Limited (expense)	-	0.10
Shared Service Recovery		
CDSL Insurance Repository Limited	1.62	4.74
CDSL Commodity Repository Limited	16.83	12.65
India International Depository IFSC Limited (Erstwhile CDSL IFSC Limited)	45.08	52.33
Dividend Received		
CDSL Ventures Limited	4,150.00	2,350.00
Sale of fixed assets		
CDSL Ventures Limited	-	0.92
CDSL Commodity Repository Limited	3.95	-
India International Depository IFSC Limited (Erstwhile CDSL IFSC Limited)	-	11.53
Purchase of assets		
CDSL Commodity Repository Limited	-	75.00



Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

(₹ in Lakh)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Dividend Paid		
BSE Limited	3,135.00	1,881.00
Security deposit (Liability)		
BSE Administration & Supervision Limited	-	0.10
BFSI Sector Skill Council of India	0.10	-
India International Bullion Holding IFSC Limited (Erstwhile CDSL IFSC Limited)	-	0.10
Security Deposit (Asset)		
India International Depository IFSC Limited (Erstwhile CDSL IFSC Limited)	-	11.89
Investment in Equity Shares		
India International Bullion Holding IFSC Limited	1,000.00	2,000.00
India International Depository IFSC Limited (Erstwhile CDSL IFSC Limited)	-	2,000.00
Sale of equity shares of India International Depository IFSC Limited (Erstwhile CDSL IFSC Limited)		
India International Bullion Holding IFSC Limited	2,000.00	-
Sale of Bullion Depository Application		
India International Depository IFSC Limited (Erstwhile CDSL IFSC Limited)	200.00	-
Transfer of Employee Leave Encashment		
CDSL Ventures Limited	-	0.13
Transfer of Employee Gratuity		
CDSL Ventures Limited	-	0.26
Transfer of Employee PLB		
CDSL Ventures Limited	-	0.59
Transfer of Employee Gratuity from Subsidiary		
CDSL Insurance Repository Limited	1.81	-
CDSL Commodity Repository Limited	3.73	-
Transfer of Employee Leave Encashment from Subsidiary		
CDSL Insurance Repository Limited	0.83	-
CDSL Commodity Repository Limited	3.48	-

(₹ in Lakh)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Key Managerial Personnel		
Dividend Paid	0.40	0.24
Remuneration#		
Shri Nehal Vora, Managing Director & Chief Executive officer	368.12	287.73
Shri Girish Amesara, Chief Financial Officer	127.40	97.21
Smt. Amita Paunikar, Company Secretary (Upto April 05, 2021)	-	0.81
Shri Nilay Shah, Company Secretary (From August 02, 2021)	55.77	30.02

Includes Salary payable as per Form 16 (Income Tax Act, 1961) and Company's contribution to Provident Fund.

The sitting fees paid to non-executive directors is ₹172.75 Lakh and ₹216.75 lakh as at March 31, 2023 and 2022, respectively.

Company provides long term benefits in the form of Gratuity to Key Managerial Personnel with all employees. Cost of the same is not identifiable separately and not disclosed.

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

33.2 Balances at the end of the year

(₹ in Lakh)

Particulars	As at March 31, 2023	As at March 31, 2022
Trade Payable		
CDSL Ventures Limited	15.41	-
India International Depository IFSC Limited (Erstwhile CDSL IFSC Limited)	-	0.11
Trade Payable Unbilled		
CDSL Ventures Limited	12.81	15.48
Trade receivable		
BSE Limited	0.82	123.40
Multi Commodity Exchange of India Limited	-	0.02
India International Bullion Holding IFSC Limited	-	0.32
CDSL Commodity Repository Limited	0.05	-
India International Depository IFSC Limited (Erstwhile CDSL IFSC Limited)	104.60	-
Trade Receivable unbilled		
CDSL Ventures Limited	5.62	-
CDSL Insurance Repository Limited	0.38	-
CDSL Commodity Repository Limited	0.54	-
Advance received from Customers		
Indian Clearing Corporation Limited	-	0.04
Multi Commodity Exchange of India Limited	0.01	-
India International Bullion Exchange IFSC Limited	0.01	-
Security Deposit Received		
Indian Clearing Corporation Limited	5.00	5.00
BSE Administration & Supervision Limited	0.10	0.10
BSE E-Agricultural Markets Limited	0.10	0.10
BFSI Sector Skill Council of India	0.10	-
India INX Global Access IFSC Limited	0.45	0.45
India International Bullion Holding IFSC Limited	0.10	0.10
CDSL Ventures Limited	1.50	1.50
CDSL Commodity Repository Limited	1.50	1.50
India International Depository IFSC Limited (Erstwhile CDSL IFSC Limited)	0.90	0.90
Income Received in Advance		
India International Depository IFSC Limited (Erstwhile CDSL IFSC Limited)	33.97	-
Other Financial Assets - Other Receivable		
CDSL Commodity Repository Limited	26.09	1.82
Investment in equity shares		
CDSL Ventures Limited	2,100.00	2,100.00
CDSL Insurance Repository Limited	1,530.00	1,530.00
CDSL Commodity Repository Limited	2,600.00	2,600.00
India International Depository IFSC Limited (Erstwhile CDSL IFSC Limited)	-	2,000.00
India International Bullion Holding IFSC Limited	3,000.00	2,000.00



Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

34. Contingent Liabilities

(₹ in Lakh)

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Claims against the Company not acknowledged as debt in respect of:		
Legal Claim contingency (refer note (i))	333.00	333.00
Income tax matters (refer note (ii))	1,300.40	1,883.35
Service tax matters (refer note (ii))	77.97	77.97
Bank Guarantee (refer note (iii)) (refer note 45)	75.00	75.00

Notes:

- i. Writ petition has been filed by Swojas Energy Foods Limited & Ors. against SEBI, CDSL & Ors. pursuant to Demat accounts of the petitioners being frozen on receipt of instructions received from BSE based on a circular issued by BSE in discussion with SEBI. Petitioners have sought monetary compensation exceeding ₹ 333 Lakh for alleged illegal freezing of demat accounts as the petitioners' allege that SEBI did not delegate any such power to BSE. No hearing has taken place till date and therefore, there is no further development in the matter.
- ii. Claims against the Company not acknowledged as debt:
 - ▶ Income Tax Demand of ₹ 0.57 Lakh raised by Income Tax Department vide Assessment order u/s 143(3) of Income Tax Act, 1961 for A.Y. 2018-19 dated March 15, 2021 against which company has filed an appeal on April 12, 2021
 - ▶ Income Tax Demand of ₹ 1,882.78 Lakh raised by Income Tax Department vide Assessment order u/s 147 of Income Tax Act, 1961 for A.Y. 2014-15 dated March 30, 2022 against which company has filed rectification letter on April 13, 2022 and appeal on April 22, 2022. Income Tax refund of ₹ 582.95 Lakh for AY 2021-22 was adjusted against said demand on November 02, 2022.
 - ▶ Service Tax demand of ₹ 77.97 Lakh and interest and penalty thereon raised by Service Tax Department vide Show Cause Notice issued u/s 73(1) of Chapter V of Finance Act, 1994 for F.Y. 2016-17 dated October 23, 2021 against which company has filed response to Show Cause Notice on November 30, 2021. Hearing has taken place on March 15, 2023 wherein additional documents were sought and same has been submitted on March 20, 2023.
- iii. Bank Guarantees

As per business requirements, bank guarantees are issued by banks on behalf of the Company, against 100% margin (earmarked) on fixed deposit receipts. (Refer note 45)

35. Commitments

(₹ in Lakh)

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Estimated value of contracts remaining to be executed on capital account and not provided for:		
a. Property, plant and equipment	274.73	164.04
b. Intangible assets	586.50	371.00

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

36. Additional information to the standalone financial statements

36.1 Expenditure in foreign currency:

(₹ in Lakh)

Particulars	As at	As at
	March 31, 2023	March 31, 2022
a. Software license	11.74	3.74
b. Conference Expenses	9.40	-
c. Membership & Subscription	2.74	-

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

Based on and to the extent of information received by the Company from the suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) and relied upon by the auditors, the relevant particulars as at the year-end are furnished below:

(₹ in Lakh)

Particulars	As at	As at
	March 31, 2023	March 31, 2022
a. Principal amount and interest thereon remaining unpaid at the end of year	-	-
b. Interest paid including payment made beyond appointed day	-	-
c. Interest due and payable for delay during the year	-	-
d. Amount of interest accrued and unpaid as at year end	-	-
e. The amount of further interest due and payable even in the succeeding year	-	-

Note: No interest is due to MSME. Hence the principal amount is not disclosed.

37. Employee benefits

37.1 Defined benefits plan – Gratuity

Gratuity is administered through Gratuity Scheme with Life Insurance Corporation of India (LIC). 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 “Employee Benefits”. Hence the Company obtains separate actuarial valuation report as required under Ind AS 19 “Employee Benefits” from an independent Actuary. 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.

Such plan exposes the Company to actuarial risks such as: investment risk, interest rate risk, demographic risk and salary risk.

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to market yields at the end of the reporting period on government bond yields; if the return on plan asset is below this rate, it will create a plan deficit. Currently the plan has a relatively balanced investment in equity securities and debt instruments.
Interest rate risk	A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.
Demographic risk	This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, medical cost inflation, discount rate and vesting criteria.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Company has received the Gratuity fund statement from LIC till December 2022. The Company has not received fund statement from LIC till March 2023. Hence, for the purpose of calculation of plan asset as on March 2023 company has prepared fund movement as per the company's records and rate of return on plan asset is estimated @ 7.40% p.a. as per actuarial report.



Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

	(₹ in Lakh)	
	March 31, 2023	March 31, 2022
Reconciliation of defined benefit obligation		
Opening Defined Benefit Obligation	1,045.96	645.61
Transfer in/(out) obligation	5.55	(0.26)
Current service cost	109.58	85.74
Interest cost	70.16	40.87
Components of actuarial gain/losses on obligations:		
Due to Change in financial assumptions	(41.26)	127.10
Due to change in demographic assumption	(16.55)	(3.48)
Due to experience adjustments	12.90	164.00
Past service cost	-	-
Liabilities assumed in an amalgamation in the nature of purchase	-	-
Benefits paid	(67.79)	(13.62)
Closing Defined Benefit Obligation	1,118.55	1,045.96

	(₹ in Lakh)	
	March 31, 2023	March 31, 2022
Other Comprehensive Income for the year		
Due to Change in financial assumptions	(41.26)	127.10
Due to change in demographic assumption	(16.55)	(3.48)
Due to experience adjustments	12.90	164.00
Return on plan assets excluding amounts included in interest income	(8.12)	3.65
Amounts recognized in Other Comprehensive (Income) / Expense	(53.03)	291.27

	(₹ in Lakh)	
	March 31, 2023	March 31, 2022
Profit and loss account for the year		
Service cost:		
Current service cost	109.58	85.74
Past service cost	-	-
Net interest cost	31.88	8.80
Total included in 'Employee Benefit Expense'	141.46	94.54

	(₹ in Lakh)	
	March 31, 2023	March 31, 2022
Reconciliation of plan assets		
Opening value of plan assets	536.45	476.04
Interest Income	38.28	32.07
Return on plan assets excluding amounts included in interest income	8.12	(3.65)
Contributions by employer	196.77	45.61
Benefits paid	(67.79)	(13.62)
Closing value of plan assets	711.83	536.45

	(₹ in Lakh)	
	March 31, 2023	March 31, 2022
Funded status of the plan		
Present value of funded obligations	1,118.55	1,045.96
Fair value of plan assets	(711.83)	(536.45)
Net Liability / (Asset)	406.72	509.51

	(₹ in Lakh)	
	March 31, 2023	March 31, 2022
Reconciliation of net defined benefit liability		
Net opening provision in books of accounts	509.51	169.57
Transfer in/(out) obligation	5.55	(0.26)
Liabilities assumed in an amalgamation in the nature of purchase	-	-
Employee Benefit Expense	141.46	94.54
Amounts recognized in Other Comprehensive Income	(53.03)	291.27
Total	603.49	555.12
Benefits paid by the Company	-	-
Contributions to plan assets	(196.77)	(45.61)
Closing provision in books of accounts	406.72	509.51

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

Principle actuarial assumptions (for all employee benefits)	March 31, 2023	March 31, 2022
Discount Rate	7.40% p.a.	6.95% p.a.
Salary Growth Rate	9.00% p.a.	9.00% p.a.
Withdrawal Rates	6.14% p.a. at all ages	4.83% p.a. at all ages
Rate of Return on Plan Assets	7.40% p.a.	6.95% p.a.

Sensitivity analysis	March 31, 2023		March 31, 2022	
	Discount Rate	Salary Escalation Rate	Discount Rate	Salary Escalation Rate
Impact of increase of 1% on defined benefit obligation	(7.00%)	8.00%	(8.00%)	9.00%
Impact of decrease of 1% on defined benefit obligation	9.00%	(7.00%)	10.00%	(8.00%)

37.2 Compensated Absences

The employees of the Company are entitled to compensated absences. The employees can carry forward a portion of the unutilised accumulated compensated absences and utilise it in future periods or receive cash at retirement or termination of employment. The Company records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. The Company measures the expected cost of compensated absences as the additional amount that the Company expects to pay as a result of the unused entitlement that has accumulated at the end of the reporting period. The Company recognizes accumulated compensated absences based on actuarial valuation. Non-accumulating compensated absences are recognized in the period in which the absences occur. The Company recognizes remeasurement gains or losses immediately in the statement of profit and loss.

During the year ended March 31, 2023 an amount recognized as an expense in respect of compensated leave absences is ₹ 217.43 lakh, (Previous year ended March 31, 2022 is ₹ 184.26 lakh).

38. As per the rule the Securities and Exchange Board of India (Depositories and Participants) (Amendment) Regulations, 2018 (the "Amended Regulations") the Company has determined the IPF contribution at 5% of profit from depository operation after making such contribution according to the Amended Regulations. The profit from depository operations has been determined by reducing the other income for the year from the Net profit before exceptional items and tax for the year after making such contribution. The movement of IPF provision is given below:

Table showing movement of IPF provision:

Particulars	(₹ in Lakh)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Rate	5%	5%
Opening provision	1,360.10	823.00
Add: Provision made during the year	1,255.11	1,360.10
Less: Amount transferred to IPF Trust during the Year	1,360.10	823.00
Closing Provision	1,255.11	1,360.10



Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

39. SEBI vide its circular no. CIR/MRD/DP/18/2015 dated December 9, 2015 (the “Circular”) has revised the annual custody/ issuer charges to be collected by the depositories from the issuers with effect from financial year 2015-16. With an objective of promoting financial inclusion and expanding the reach of depository services through depository participants (DPs) in tier II and tier III towns, the Circular recommends that the Depository Participants (DPs) be incentivised by way of two schemes. In the first scheme, the depositories shall pay the DPs an incentive of ₹ 100/- for every new Basic Services Demat Accounts (BSDA) opened by their participants in specified cities mentioned in the Circular. In the second scheme, the depositories may pay ₹ 2 per folio per ISIN to the respective depository participants (DPs), in respect of the ISIN positions held in BSDA across all BSDA accounts in the depository. In order to manage the aforementioned incentive schemes, the Circular has directed the Depositories to set aside 20% of the incremental revenue received from the issuers.

Pursuant to the Circular, the Company has set aside ₹ 967.24 lakh during the year ended March 31, 2023 (₹ 586.18 lakh during the year ended March 31, 2022) being 20% of the incremental revenue received from issuers during the respective years, towards the DP incentive scheme.

Table showing movement of DP incentive provision:

Particulars	(₹ in Lakh)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Opening provision	1,497.38	1,138.78
Provision for DP incentive made during the year	967.24	586.18
DP incentive paid during the year	(895.95)	(227.58)
Closing provision	1,568.67	1,497.38

40. Chief Operating Decision Maker (CODM) as defined under Indian Accounting Standard 108 Operating Segments:

The Managing Director and Chief Executive Officer of the Company, has been identified as the CODM as defined by Indian Accounting Standard 108 “Operating Segments”. The CODM evaluates the Company’s performance, allocates resources based on analysis of the various performance indicators of the Company as a single unit.

The principal business of the Company is of “Depository Services”. All other activities of the Company revolve around its principal business. Therefore, directors have concluded that there is only one operating reportable segment as per Indian Accounting Standard 108 “Operating Segments”.

41. Option permitted under Section 115BAA of the Income-tax Act, 1961:

From the financial 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.

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

42. Relationship with Struck off Companies

Name of struck off Company	Nature of transactions with struck off Company	Balance outstanding as on March 31, 2023	Balance outstanding as on March 31, 2022	Relationship with the Struck off company, if any, to be disclosed
Punjab Anand Lamp Industries Limited	Rendering of Services	(0.01)	-	Customer
Ledo Tea Company Limited	Rendering of Services	0.21	0.06	Customer
Glenford Petroleum (India) Limited	Rendering of Services	-	0.06	Customer
BCC Fuba India Limited	Rendering of Services	-	-	Customer
Kable First Davanagere Private Limited	Rendering of Services	(0.06)	(0.16)	Customer
Rollings Aa Infrastructure Private Limited	Rendering of Services	0.06	0.06	Customer
Fine Lifestyle Brands Limited	Rendering of Services	-	0.06	Customer
PL Shipping & Logistics India Limited	Rendering of Services	0.06	0.04	Customer
Siti Godaari Digital Services Private Limited	Rendering of Services	-	0.06	Customer
DBS Capital Markets Private Limited	Rendering of Services	(4.22)	(4.22)	Customer
SPBP Tea (India) Limited	Rendering of Services	-	-	Customer
Zodiac Broking Private Limited	Rendering of Services	(0.01)	(0.01)	Customer
32Ndmilestone Organizers Private Limited	Rendering of Services	0.06	0.06	Customer
Vineet Securities Private Limited	Rendering of Services	0.53	0.53	Customer
Hermoine Securities Private Limited	Rendering of Services	-	0.01	Customer
Glittek Granites Limited	Rendering of Services	-	0.30	Customer
CC Square Films Limited	Rendering of Services	0.06	-	Customer
Coral Laboratories Limited	Rendering of Services	-	-	Customer
Magnanimous Trade And Finance Limited	Rendering of Services	(0.11)	(0.22)	Customer
Stellar Estate Developers Private Limited	Rendering of Services	0.06	0.06	Customer
Chaitanya Commodities Private Limited	Rendering of Services	-	0.06	Customer
Herbodynamic India Limited	Rendering of Services	0.06	-	Customer
Asterpetal Trade & Services Private Limited	Rendering of Services	0.64	(0.25)	Customer
Cybermedia Digitix Limited	Rendering of Services	-	-	Customer
Ranakpur Cement Limited Formerly Himachal Asbestos Cement Limited	Rendering of Services	-	-	Customer
Altico Housing Finance India Limited	Rendering of Services	-	0.01	Customer
Chamak Paintchem Limited	Rendering of Services	-	-	Customer
Chemurjy Exports Private Limited	Rendering of Services	0.06	-	Customer
Jamnagar Wastefuels Private Limited	Rendering of Services	(0.02)	(0.02)	Customer
Suhani Chemicals Limited	Rendering of Services	0.06	-	Customer
Vadodara Wastefuels Private Limited Formerly Rajkot Wastefuels Private Limited	Rendering of Services	-	-	Customer
Excel Mercantile Private Limited	Rendering of Services	-	(5.05)	Customer
Jeevandhara Multitrade Limited	Rendering of Services	0.11	0.10	Customer

(Negative amount represent advance received from customer)

43. Long term contracts including derivative contracts

The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses during the year ended March 31, 2023 and March 31, 2022

44. Interest on income tax refund and tax provision write back.

During the current year, the Company has written back an amount of ₹ 210.83 Lakh (Previous year ₹ 394.04 Lakh) in respect of earlier years. Further, an amount of ₹ 53 Lakh (Previous year ₹ 34.75 Lakh), received as interest on refund for the earlier years has been included in other income.



Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

45. Earmarked Assets and Liabilities

Particulars	Reference Note		As at	
	Asset	Liability	Mar 31, 2023	March 31, 2022
Other Financial Liabilities – Deferred Performance Linked Bonus to Key Managerial Persons	12. Current Cash and cash equivalents and other bank balances – Deposit Account	16. Current Other financial liabilities	54.91	75.48
Other Financial Liabilities – Deferred Performance Linked Bonus to Key Managerial Persons	12. Current Cash and cash equivalents and other bank balances – Accrued Interest	16. Current Other financial liabilities	9.50	14.86
	9. Income tax asset and liabilities			
		Subtotal	64.41	90.34
Bank Guarantee	7. Non-Current Other financial assets – Bank balance in deposit accounts	34. Contingent liability	75.00	75.00
Other Financial Liabilities – Deferred Performance Linked Bonus to Key Managerial Persons	7. Non-Current Other financial assets – Bank balance in deposit accounts	16. Non-Current Other financial liabilities	362.78	143.97
		Subtotal	437.78	218.97
Other Financial Liabilities – Deferred Performance Linked Bonus to Key Managerial Persons	7. Non-Current Other financial assets – Bank balance in deposit accounts	16. Non-Current Other financial liabilities	362.78	143.97
Other Financial Liabilities – Deferred Performance Linked Bonus to Key Managerial Persons	7. Non-Current Other financial assets – Bank balance in Accrued interest	16. Non-Current Other financial liabilities	22.10	9.05
	9. Income tax asset and liabilities			
		Subtotal	384.88	153.02
Unpaid Dividend	12. Current Cash and cash equivalents and other bank balances	16. Current Other financial liabilities	102.48	59.38
		Subtotal	102.48	59.38
Government Securities	12. Current Cash and cash equivalents and other bank balances	16. Current Other financial liabilities	222.11	66.74
Stamp Duty	12. Current Cash and cash equivalents and other bank balances	16. Current Other financial liabilities	517.34	500.55
Bidding Proceeds	12. Current Cash and cash equivalents and other bank balances	16. Current Other financial liabilities	3,667.14	3,678.41
		Subtotal	4,406.59	4,245.70

46. Ratio Analysis and Its elements

Ratios	Numerator	Denominator	As on March 31, 2023	As on March 31, 2022	% change
Current Ratio (times)	Current Assets	Current Liabilities	3.14	4.61	(32)
The decrease in current ratio is due to investment of surplus cash flows in non convertible debentures having a maturity of more than one year.					
Debt Equity Ratio (times)	Total Debt	Total Equity	No Borrowing as on March 31, 2023 and March 31, 2022		-
Debt Service Coverage Ratio (times)	Earnings for debt service = Net profit after taxes + Non-cash operating expenses	Debt service = Interest + Principal Repayments	No Borrowing as on March 31, 2023 and March 31, 2022		-
Return on Equity Ratio (Percentage)	Net Profit after taxes	Average Shareholder's Equity	29.97	34.42	(13)
Inventory Turnover ratio (times)	Average inventory	cost of goods sold	NA	NA	
Trade Receivable turnover Ratio (times)	Net Revenue	Average Trade Receivable	17.61	16.00	10
Trade Payable turnover Ratio (times)	Expenses other than employee benefit expense and depreciation	Average Trade Payables	11.14	12.24	(9)
Net Capital Turnover Ratio (times)	Net Revenue	Working capital = Current assets – Current liabilities	1.24	0.70	77
The increase in net capital turnover ratio is due to increase in turnover and reduction in working capital.					
Net Profit Ratio (percentage)	Net Profit	Net Revenue	60.38	63.59	(5)
Return on Capital Employed (Percentage)	Earnings before interest and taxes	Capital Employed (Total Equity+ Borrowings +Deferred tax liability)	35.58	39.51	(10)
Return on Investment Ratio (Percentage)	Investment Income (Including mark to market of investment)	Investment	5.57	5.19	7

Note: Average is calculated on opening and closing amount divided by two.

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

47. Events after the reporting period

There are no events that have occurred between the end of the reporting period and the date when the standalone financial statements are approved that provide evidence of conditions that existed at the end of the reporting period.

48. There was a disruption in the operations of the Company on November 18, 2022 caused by a malware incident. The management has assessed that the impact was temporary and had not impacted any operational database of the Company. Further, it has no direct impact on the financial statements of the Company. The necessary measures have been taken to enhance the security of the Information Technology systems. The necessary regulatory disclosure was made for the said incident.

49. Standards and amendments notified but not yet effective

Ministry of Corporate Affairs (“MCA”) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

Ind AS 1 - Presentation of Financial Statements - This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the impact of the amendment on financial statements and it is likely to be insignificant in the standalone financial statements.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors - This amendment has introduced a definition of ‘accounting estimates’ and included amendments to IndAS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company is in the process of evaluating its impact, if any.

Ind AS 12 - Income Taxes - This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and off setting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company is currently assessing the impact of the amendments.

50. Other Statutory Information

- a. The Company, for the current year as well as previous year, does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- b. The Company, for the current year as well as previous year, does not have any charges or satisfaction to be registered with ROC.
- c. The Company, for the current year as well as previous year, has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- d. The Company, for the current year as well as previous year, does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961
- e. The Company, for the current year as well as previous year, has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.



Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2023

- f. The Company, for the current year as well as previous year, has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- g. The Company has not been declared as wilful defaulter by any bank or financial Institution or other lender, since the company has not undertaken any borrowing during the current year and previous year.
- h. The company, during the current year and previous year, has not made any investment in downstream companies which are not in compliance with clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
- i. The Company has not entered into any scheme of arrangement in terms of sections 230 to 237 of the Companies Act, 2013 during the current year and previous year.
- j. The Company has not revalued its Property, Plant and Equipment or intangible assets or both during the current year and previous year.
- k. The Company has not granted/given any loans or advances during the current year and previous year to the promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are repayable on demand or without specifying any terms or period of repayment.

51. Previous year figures have been regrouped / reclassified and rearranged wherever necessary to correspond with the current year classification/ disclosure.

Signatures to Notes 1 to 51 forming part of standalone Financial Statements

In terms of our report of even date attached

For S. R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm registration No. 301003E/E300005

Per Jayesh Gandhi

Partner

Membership No. 037924

Place : Mumbai

Date : April 29, 2023

For and on behalf of the Board of Directors of Central Depository Services (India) Limited

Balkrishna V Choubal

Chairman

DIN: 06497832

Nilay Shah

Company Secretary

Membership No. A20586

Place : Mumbai

Date : April 29, 2023

Nehal Vora

Managing Director & CEO

DIN: 02769054

Girish Amesara

Chief Financial Officer



Independent Auditor's Report

To the Members of Central Depository Services (India) Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Central Depository Services (India) Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associate comprising of the consolidated Balance sheet as at March 31, 2023, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries and associate, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended ("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 consolidated state of affairs of the Group and its associate as at March 31, 2023, their consolidated profit/loss including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as 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 Consolidated Financial Statements' section of our report. We are independent of the Group and its associate 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 Act 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 consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended March 31, 2023. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to

Key audit matters	How our audit addressed the key audit matter
Valuation of investments and its impairment (as described in Note 4 of the consolidated financial statements)	
Quoted investments and unquoted investments represent the most significant amount on the balance sheet. The total of the aggregating to ₹ 93,669.22 lakhs represent 64% of the total assets of the Company as at March 31, 2023.	Our audit procedures included the following:
There is a risk that the fair value of investments is not determined appropriately. Accordingly, the valuation of investments and its impairment is considered as a key audit matter.	<ul style="list-style-type: none"> ➤ Assessed the design and implementation of controls over valuation and existence of investments ➤ Traced the quantity held from the confirmation obtained independently from Custodian and Fund houses ➤ Tested the valuation of the quoted and unquoted investments to independent price sources ➤ Assessed and tested the management procedures for performing impairment analysis of investments, wherever necessary



Key audit matters	How our audit addressed the key audit matter
<p>Information Technology (IT) systems and controls</p> <p>The reliability of IT systems plays a key role in the business operations. Since large volume of transaction are processed, the IT controls are required to ensure that systems process data as expected and that changes are made in an appropriate manner. The IT infrastructure is critical for smooth functioning of the Company's business operations as well as for timely and accurate financial accounting and reporting.</p> <p>Due to the pervasive nature and complexity of the IT environment and large volume of transactions, we have considered IT systems and controls as a key audit matter.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> ▶ Assessed the information systems used by the Company for IT General Controls (ITGCs) and Application controls; ▶ The aspects covered in the IT systems General Control audit were (i) User Access Management (ii) Program Change Management (iii) Other related ITGCs; - to understand the design and test the operating effectiveness of such controls in the system; ▶ Performed test of controls (including other compensatory controls wherever applicable) on the IT application controls and IT dependent manual controls in the system; ▶ Tested the design and operating effectiveness of compensating controls, where deficiencies were identified and, where necessary, extended the scope of our substantive audit procedures.

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

The Holding 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 consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. The Annual report is expected to be made available to us after the date of this auditor's report.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated 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.

Responsibilities of the Board of Directors for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its associate 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. The respective Board of Directors of the companies included in the Group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of their respective companies 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 the 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associate are responsible for assessing the ability of their respective companies 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 Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group and of its associate are also responsible for overseeing the financial reporting process of the Group and of its associate.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 Holding Company has adequate internal financial controls with reference to financial statements 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 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 ability of the Group and its associate 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 consolidated 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 Group and its associate to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated 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 of which we are the independent auditors and whose financial information we have audited, 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 the 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.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended March 31, 2023 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Other Matter

We did not audit the financial statements and other financial information, in respect of two subsidiaries whose financial statements include total assets of ₹ 33,397.45 lakhs as at March 31, 2023, and total revenues of ₹ 11,901.63 lakhs and net cash inflows of ₹ 121.28 lakhs for the year ended on that date. These financial statements and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. The consolidated financial statements also include the Group's share of total comprehensive loss of ₹ 310.12 lakhs for the year ended March 31, 2023, in respect of one associate, whose financial statements, other financial information have been audited by other auditors and whose reports have been furnished to us by the Management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associate, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and associate, is based solely on the reports of such other auditors.

Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. Based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiary companies and associate company incorporated in India, there are no qualifications or adverse remarks by the respective auditors in the Companies (Auditors Report) Order (CARO) reports of the companies included in the consolidated financial statements. Accordingly, the requirement to report on clause 3(xxii) of the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act is not applicable to the Holding Company.
2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other

financial information of subsidiaries and associate, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

- (a) We/the other auditors whose report we have relied upon 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 of the aforesaid consolidated financial statements;
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2023 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies and its associate, none of the directors of the Group companies and its associate, incorporated in India, is disqualified as on March 31, 2023 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 with reference to consolidated financial statements of the Holding Company, its subsidiary companies and its associate company, incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in "Annexure 1" to this report;

- (g) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries and associate, the managerial remuneration for the year ended March 31, 2023 has been paid / provided by the Holding Company, its subsidiaries and its associate incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to 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, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries and associate, as noted in the 'Other matter' paragraph:
- i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group and its associate in its consolidated financial statements – Refer Note 33 to the consolidated financial statements;
 - ii. The Group and its associate did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2023;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiaries and its associate, incorporated in India during the year ended March 31, 2023.
 - iv. a) The respective managements of the Holding Company and its subsidiaries and its associate which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries and associate respectively that, to the best of

its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries and associate to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or any of such subsidiaries and associate ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- b) The respective managements of the Holding Company and its subsidiaries and associate which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries and associate respectively that, to the best of its knowledge and belief, no funds have been received by the respective Holding Company or any of such subsidiaries and associate from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries and associate shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and



- c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries and associate which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.
- v) The final dividend paid by the Holding Company and one of its subsidiary company incorporated in India during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

The respective Board of Directors of the Holding Company and one of its subsidiary, incorporated in India have proposed final dividend for the year which is subject to the approval of the members of the respective companies at the respective ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

- vi) As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable only w.e.f. April 1, 2023, hence reporting under this clause is not applicable.

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

per Jayesh Gandhi

Partner

Membership Number: 037924

UDIN: 23037924BGXTZQ7037

Place: Mumbai

Date: April 29, 2023

Annexure 1 referred to in paragraph 1(f) under the heading “Report on other legal and regulatory requirements” of our report of even date in respect of consolidated financial statements of Central Depository Services (India) Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

In conjunction with our audit of the consolidated financial statements of Central Depository Services (India) Limited (hereinafter referred to as (“the Holding Company”) as of and for the year ended March 31, 2023, we have audited the internal financial controls with reference to the consolidated financial statements of the Holding Company and its subsidiaries (the Holding Company and its subsidiaries, together referred to as “the Group”) and its associate, which are companies incorporated in India, as of that date.

Management’s Responsibility for Internal Financial Controls

The respective Board of Directors of the Group and its associate, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective companies 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 the respective companies’ 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 Companies Act, 2013.

Auditor’s Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Group and its associate, which are companies incorporated in India, 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, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by 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 with reference to these consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to these consolidated financial statements, 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.

We believe that the audit evidence we have obtained, and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to the consolidated financial statements.

Meaning of Internal Financial Controls with reference to these Consolidated Financial Statements

A company’s internal financial controls with reference to consolidated financial statements 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 controls with reference to consolidated financial statements 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.



Inherent Limitations of Internal Financial Controls with reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, 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 with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Group and its associate, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at

March 31, 2023, based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other matter

Our report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls, with reference to the consolidated financial statements of the Holding company, in so far as it relates to these two subsidiaries and one associate which are companies incorporated in India, is based on the corresponding reports of the auditors of these subsidiaries and associate.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Jayesh Gandhi

Partner

Membership Number: 037924

UDIN: 23037924BGXTZQ7037

Place: Mumbai

Date: April 29, 2023

Consolidated Balance Sheet

as at March 31, 2023

Particulars	Note No.	As at March 31, 2023	As at March 31, 2022
ASSETS			
1. Non-current assets			
a. Property, plant and equipment	3	9,793.79	8,573.13
b. Capital work in progress	3.2	17,316.32	-
c. Intangible assets	3	2,439.03	2,015.45
d. Intangible asset under development	3.1	113.10	379.91
e. Right-of-use assets	3	226.47	29.04
f. Financial Assets:			
i. Investments			
Investments in associates	4	2,571.44	1,909.01
Other investments	4	44,192.81	26,684.40
ii. Loans	5	7.91	3.50
iii. Other financial assets	6	1,188.51	391.41
g. Deferred tax assets (net)	7	26.46	-
h. Non current tax assets	8	1,960.87	1,686.82
i. Other assets	9	258.28	149.05
Total Non-Current Assets		80,094.99	41,821.72
2. Current assets			
a. Financial Assets			
i. Other investments	4	46,904.97	63,955.62
ii. Trade receivables	10	3,766.59	4,582.68
iii. Cash and cash equivalents	11	5,036.31	8,559.04
iv. Bank balances other than (iii) above	11	7,314.44	12,026.35
v. Loans	5	5.86	6.52
vi. Other financial assets	6	883.18	335.93
b. Other assets	9	1,710.66	1,267.98
Total Current Assets		65,622.01	90,734.12
Total Assets (1+2)		1,45,717.00	1,32,555.84
EQUITY AND LIABILITIES			
1. Equity			
a. Equity Share capital	12	10,450.00	10,450.00
b. Other Equity	13	1,10,922.99	98,841.84
Equity attributable to owners of the Company		1,21,372.99	1,09,291.84
c. Non-controlling Interests		4,340.76	4,338.43
Total Equity		1,25,713.75	1,13,630.27
LIABILITIES			
2. Non-current liabilities			
a. Financial Liabilities			
i. Lease liabilities	14	116.13	14.67
ii. Other financial liabilities	15	384.88	153.02
b. Deferred tax liabilities (Net)	7	483.78	583.79
c. Other liabilities	18	0.92	-
d. Provisions	17	596.53	689.29
Total Non-current Liabilities		1,582.24	1,440.77
3. Current liabilities			
a. Financial Liabilities			
i. Lease liabilities	14	120.92	14.42
ii. Trade payables	16	-	0.15
Total outstanding dues of micro enterprises and small enterprises		-	0.15
Total outstanding dues of creditors other than micro enterprises and small enterprises		1,961.69	1,058.45
iii. Other financial liabilities	15	11,833.51	12,091.30
b. Provisions	17	2,101.08	2,026.08
c. Other liabilities	18	2,164.64	2,070.10
d. Current tax liabilities	8	239.17	224.30
Total Current Liabilities		18,421.01	17,484.80
4. Total Liabilities (2+3)		20,003.25	18,925.57
Total Equity and Liabilities (1+4)		1,45,717.00	1,32,555.84

Significant accounting policies and accompanying notes form an integral part of the consolidated financial statements 1-50

In terms of our report of even date attached

For **S. R. Batliboi & Co. LLP**
 Chartered Accountants
 ICAI Firm registration No. 301003E/E300005

Per **Jayesh Gandhi**
 Partner
 Membership No. 037924

Place : Mumbai
 Date : April 29, 2023

For and on behalf of the Board of Directors of
 Central Depository Services (India) Limited

Balkrishna V Chaubal
 Chairman
 DIN: 06497832

Nilay Shah
 Company Secretary
 Membership No. A20586

Place : Mumbai
 Date : April 29, 2023

Nehal Vora
 Managing Director & CEO
 DIN: 02769054

Girish Amesara
 Chief Financial Officer



Consolidated Statement of Profit and Loss

for the year ended March 31, 2023

(₹ in Lakh)

Particulars	Note No.	For the year ended March 31, 2023	For the year ended March 31, 2022
1. Income			
Revenue From Contracts with Customers	19	55,508.68	55,133.08
Other Income	20	6,584.83	5,456.88
Total Income		62,093.51	60,589.96
2. Expenses			
Employee benefits expense	21	8,099.07	5,053.90
Depreciation and amortisation expense	22	1,948.04	1,146.28
Finance Cost	28	13.35	0.99
Impairment loss on financial assets	23	708.86	741.75
Other expenses	24	14,366.42	12,651.12
Total expenses		25,135.74	19,594.04
3. Profit before share of net profits of investments accounted for using equity method and tax (1-2)		36,957.77	40,995.92
4. Share of net profits of investments accounted for using equity method			
Share of profit/(Loss) of associates		(442.34)	(141.20)
5. Profit before tax (3+4)		36,515.43	40,854.72
6. Tax expense:			
Current tax		9,260.14	9,675.98
Deferred tax	7	(137.53)	437.86
Provision for Income Tax Written Back		(203.19)	(439.93)
Total tax expense		8,919.42	9,673.91
7. Net Profit after tax (5-6)		27,596.01	31,180.81
Attributable to			
Shareholders of the Company		27,593.90	31,118.12
Non-controlling Interests		2.11	62.69
8. Other Comprehensive Income / (Loss)			
a. Items that will not be reclassified to profit or loss			
i. Remeasurements of the defined benefit plans		43.94	(319.35)
ii. Income tax on above		(11.06)	80.39
b. Items that will be reclassified to profit or loss			
i. Foreign Currency translation reserve		(45.07)	45.36
ii. Share of profit/(loss) in Associates		174.44	50.21
Total other comprehensive income / (loss) (net of tax) (a+b)		162.25	(143.39)
9. Total Comprehensive Income (7+8)		27,758.26	31,037.42
Attributable to			
Shareholders of the Company		27,755.93	30,977.33
Non-controlling Interests		2.33	60.09
10. Earnings per equity share (EPS) :			
Basic and Diluted EPS (₹)		26.41	29.78
Face value of share (₹)		10.00	10.00
Weighted average number of shares		10,45,00,000	10,45,00,000

Significant accounting policies and accompanying notes form an integral part of the consolidated financial statements 1-50

In terms of our report of even date attached

For **S. R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm registration No. 301003E/E300005

Per **Jayesh Gandhi**
Partner
Membership No. 037924

Place : Mumbai
Date : April 29, 2023

For and on behalf of the Board of Directors of
Central Depository Services (India) Limited

Balkrishna V Chaubal
Chairman
DIN: 06497832

Nilay Shah
Company Secretary
Membership No. A20586

Place : Mumbai
Date : April 29, 2023

Nehal Vora
Managing Director & CEO
DIN: 02769054

Girish Amesara
Chief Financial Officer

Consolidated Statement of Changes in Equity

for the year ended March 31, 2023

A. Equity Share Capital (refer note 12)

Particulars	(₹ in Lakh)	
	No. in lakh	Amount
Balance as at April 01, 2021	1,045.00	10,450.00
Changes in Equity Share Capital due to prior period errors	-	-
Restated Balance as at April 01, 2021	1,045.00	10,450.00
Changes in equity share capital during the year	-	-
Balance as at March 31, 2022	1,045.00	10,450.00
Changes in Equity Share Capital due to prior period errors	-	-
Restated Balance as at April 01, 2022	1,045.00	10,450.00
Changes in equity share capital during the year	-	-
Balance as at March 31, 2023	1,045.00	10,450.00

B. Other Equity (refer note 13)

Particulars	Other Equity		Other Comprehensive Income		Equity attributable to shareholders of the Company	Non Controlling Interest	Total
	General Reserve	Retained Earnings	Remeasurement of defined benefit obligation	Foreign currency translation reserve			
Balance as at April 01, 2021	1,094.93	76,144.99	32.48	(0.29)	77,272.11	4,278.34	81,550.45
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-
Restated Balance as at April 01, 2021	1,094.93	76,144.99	32.48	(0.29)	77,272.11	4,278.34	81,550.45
Profit for the year	-	31,118.12	-	-	31,118.12	60.09	31,178.21
Remeasurement of defined benefit plan (net of tax)	-	-	(238.96)	-	(238.96)	-	(238.96)
Foreign Currency translation reserve	-	-	-	45.36	45.36	-	45.36
Share of profit/(loss) in Associates	-	-	-	50.21	50.21	-	50.21
Payment of dividend during the year	-	(9,405.00)	-	-	(9,405.00)	-	(9,405.00)
Balance as at March 31, 2022	1,094.93	97,858.11	(206.48)	95.28	98,841.84	4,338.43	1,03,180.27
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-
Restated Balance as at April 01, 2022	1,094.93	97,858.11	(206.48)	95.28	98,841.84	4,338.43	1,03,180.27
Profit for the year	-	27,593.90	-	-	27,593.90	2.33	27,596.23
Remeasurement of defined benefit plan (net of tax)	-	-	32.88	-	32.88	-	32.88
Foreign Currency translation reserve	-	-	-	(45.07)	(45.07)	-	(45.07)
Share of profit/(loss) in Associates	-	-	-	174.44	174.44	-	174.44
Payment of dividend during the year	-	(15,675.00)	-	-	(15,675.00)	-	(15,675.00)
Balance as at March 31, 2023	1,094.93	1,09,777.01	(173.60)	224.65	1,10,922.99	4,340.76	1,15,263.75

Significant accounting policies and accompanying notes form an integral part of the consolidated financial statements

1-50

In terms of our report of even date attached

For **S. R. Batliboi & Co. LLP**
 Chartered Accountants
 ICAI Firm registration No. 301003E/E300005

Per **Jayesh Gandhi**
 Partner
 Membership No. 037924

Place : Mumbai
 Date : April 29, 2023

For and on behalf of the Board of Directors of
 Central Depository Services (India) Limited

Balkrishna V Chaubal
 Chairman
 DIN: 06497832

Nilay Shah
 Company Secretary
 Membership No. A20586

Place : Mumbai
 Date : April 29, 2023

Nehal Vora
 Managing Director & CEO
 DIN: 02769054

Girish Amesara
 Chief Financial Officer



Consolidated Cash Flow Statement

for the year ended March 31, 2023

(₹ in Lakh)

Particulars	For the year ended March 31, 2023	For the year ended Mar 31, 2022
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	36,515.43	40,854.72
Adjustments for		
Depreciation and Amortisation expenses	1,948.04	1,146.28
Gain on sale / disposal of Property, plant and equipment and Intangible assets (Net)	(28.80)	(20.06)
Advances written back	(109.72)	(168.26)
Amortisation of premium on Bonds	0.25	15.12
Interest cost	13.35	0.99
Dividend received from Others	(30.00)	-
Interest income recognised on fixed deposit and bonds in profit or loss	(2,418.93)	(1,492.74)
Net gain arising on financial assets measured at FVTPL	(3,227.42)	(3,165.15)
Impairment loss on financial assets	708.86	741.75
Share of profit/(loss) in Associate	484.56	141.20
Foreign currency translation reserve	(192.06)	(196.20)
Operating cash flows before working capital changes	33,663.56	37,857.65
Movements in working capital		
(Increase) / Decrease in trade receivables	107.45	(1,576.18)
(Increase) / Decrease in loans	(3.75)	(3.15)
(Increase) / Decrease in other financial assets	(299.68)	(362.44)
(Increase) / Decrease in other assets	(551.91)	18.77
Increase / (Decrease) in trade payables	903.09	(27.82)
Increase / (Decrease) in provisions	200.62	881.29
Increase / (Decrease) in other financial liabilities	(25.93)	2,060.56
Increase / (Decrease) in other liabilities	205.18	(490.66)
Total working capital changes	535.07	500.37
Cash flows generated from operations	34,198.63	38,358.02
Direct taxes paid (net of refunds)	(9,316.13)	(10,016.60)
Net Cash flows generated from operating Activities (A)	24,882.50	28,341.42
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment and capital advances	(19,728.62)	(1,384.54)
Purchase of intangible assets	(1,127.47)	(1,139.36)
Proceeds from sale of property, plant and equipment	45.67	21.69
Purchase of investments	(58,605.18)	(44,429.26)
Proceeds from sale of investments	62,234.91	27,693.10
Investment in fixed deposits with banks	(10,895.94)	(13,380.32)
Proceeds from maturity of fixed deposits with banks	14,812.48	18,137.29
Dividend received from others	30.00	-
Investment in Associate	(1,000.00)	(2,000.00)
Interest received	1,309.31	1,928.13
Net cash flows (used in) / generated from investing activities (B)	(12,924.84)	(14,553.27)

Consolidated Cash Flow Statement

for the year ended March 31, 2023

(₹ in Lakh)

Particulars	For the year ended March 31, 2023	For the year ended Mar 31, 2022
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid	(15,675.00)	(9,405.00)
Payment of lease rental	194.61	(12.89)
Net cash flows in financing activities (C)	(15,480.39)	(9,417.89)
Net increase in cash and cash equivalents (A+B+C)	(3,522.73)	4,370.26
Cash and cash equivalents at the beginning of the year	8,559.04	4,188.78
Cash and cash equivalents at the end of the year	5,036.31	8,559.04
Cash and cash equivalents at the end of the year comprises		
i) Cash on hand	-	-
ii) Balances with banks		
- In unpaid dividend account (Refer note 2 below)	102.48	59.38
- In current account (Earmarked against liability) (Refer note 2 below)	4,509.07	4,305.08
- In Current Accounts	527.24	4,253.96
Significant accounting policies and accompanying notes form an integral part of the consolidated financial statements	1-50	

- The Cash Flow Statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard - 7 "Statement of Cash Flows".
- The balances are not available for use by the Group as those are towards earmarked liabilities.
- Previous year figures have been regrouped wherever necessary, to confirm with current year classification.

In terms of our report of even date attached

For **S. R. Batliboi & Co. LLP**
 Chartered Accountants
 ICAI Firm registration No. 301003E/E300005

Per Jayesh Gandhi
 Partner
 Membership No. 037924

Place : Mumbai
 Date : April 29, 2023

For and on behalf of the Board of Directors of
 Central Depository Services (India) Limited

Balkrishna V Chaul
 Chairman
 DIN: 06497832

Nilay Shah
 Company Secretary
 Membership No. A20586

Place : Mumbai
 Date : April 29, 2023

Nehal Vora
 Managing Director & CEO
 DIN: 02769054

Girish Amesara
 Chief Financial Officer



Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

1 Company Overview

1.1 Central Depository Services (India) Limited ("CDSL") herein after referred to as "the Parent Company or Company" is a limited company incorporated in India. The Parent Company is a Depository registered with Securities and Exchange Board of India ("SEBI") under the provisions of Depositories Act, 1996, and Rules and Regulations framed thereunder. The registered office of the Company is at A-2501, Marathon Futurex, N. M. Joshi Marg, Lower Parel, Mumbai – 400 013. CDSL was set up with the objective of providing convenient, dependable and secure depository services at affordable cost to all market participants. A depository facilitates holding of securities in the electronic form and enables securities transactions to be processed by book entry by a Depository Participant (DP) who acts as an agent of the depository, offers depository services to investors.

1.2 The equity shares of the Parent Company are listed on the National Stock Exchange of India Limited.

1.3 The consolidated financial statements were authorized for issue by the Parent Company's Board of Directors on April 29, 2023.

2 Significant Accounting Policies

2.1 Basis of preparation and presentation

2.1.1 Statement of compliance

- a) The Consolidated financial statements as at and for the year ended March 31, 2023 have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under section 133 of the Companies Act 2013, read together with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 as amended time to time and the financial statements also comply with presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III).

2.1.2 Basis of measurement

- a) The Consolidated financial statements have been prepared and presented under the historical cost convention, except for certain items that have been measured at fair values at the end of each reporting period as required by the relevant Ind AS:
 - i. Financial assets and liabilities measured at fair value (refer accounting policy at 2.3.3).
 - ii. Employee benefits (Gratuity and Compensated absences) (refer accounting policy at 2.3.12).

2.2 Basis of Consolidation

2.2.1 The consolidated financial statements incorporate the financial statements of the Parent Company, its subsidiaries and associates (the Group). Control is achieved when the Parent Company:

- a) has power over the investee;
- b) is exposed, or has rights, to variable returns from its involvement with the investee; and
- c) has the ability to use its power to affect its returns.

2.2.2 The Parent Company reassesses whether or not it controls an investee, if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

2.2.3 When the Parent Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Parent Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- a) the size of the Parent Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- b) potential voting rights held by the Parent Company, other vote holders or other parties;
- c) rights arising from other contractual arrangements; and
- d) any additional facts and circumstances that indicate that the Parent Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

2.2.4 Consolidation of a subsidiary begins when the Parent Company obtains control over the subsidiary and ceases when the Parent Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit and loss from the date the Parent Company gains control until the date when the Parent Company ceases to control the subsidiary.

2.2.5 Profit or loss and each component of other comprehensive income are attributed to the owners of the Parent Company and to the non-controlling interests. Total comprehensive income of subsidiaries

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

is attributed to the owners of the Parent Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

2.2.6 Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the

consolidated financial statements to ensure conformity with the Group's accounting policies. The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on March 31, 2023.

2.2.7 All intragroup assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

2.2.8 The subsidiary and associate companies considered in the consolidated financial statements are:-

Name of Subsidiary/ Associate	Country of Incorporation	Principal Activity	Proportion of Ownership Interest as on March 31, 2023	Proportion of Ownership Interest as on March 31, 2022
CDSL Ventures Limited (CVL)	India	KYC Registration	100.00%	100.00%
CDSL Insurance Repository Limited (CIRL)	India	Holding insurance policies in electronic mode	54.25%	54.25%
- On its own name			51.00%	51.00%
- Through CDSL Ventures Limited.			3.25%	3.25%
CDSL Commodity Repository Limited (CCRL)	India	Commodity Repository	52.00%	52.00%
India International Depository IFSC Limited (Erstwhile CDSL IFSC Limited) (IIDIL)	India	Depository	Refer note below	100.00%
India International Bullion holding IFSC Limited (IIBHIL)	India	Finance company undertaking specialized activity - Holding Company for Bullion Project	20.00%	20.00%

The Parent Company had divested 92.5% stake in its subsidiary i.e India International Depository IFSC Limited (IIDIL) (formerly, CDSL IFSC Limited) to its associate India International Bullion Holding IFSC Limited (IIBHIL), thus resulting in a loss of control on May 02, 2022. Further, the balance stake of 7.5% in IIDIL was reduced to 5% stake due to renunciation of rights issue of IIDIL to IIBHIL. The said stake has also been divested on October 25, 2022.

2.2.9 A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Recognise that distribution of shares of subsidiary to Group in Group's capacity as owners

h) Reclassifies the parent's share of components previously recognised in OCI to profit or loss or transferred directly to retained earnings, if required by other Ind ASs as would be required if the Group had directly disposed of the related assets or liabilities.

2.2.10 Non-Controlling interest in the net assets of the consolidated subsidiaries consist of the amount of equity attributable to the minority shareholders at the date on which investments in the subsidiary companies were made and further movements in their share in the equity, subsequent to the dates of investments. Net profit / loss for the year of the subsidiaries attributable to Non-Controlling interest is identified and adjusted against the profit after tax of the Group in order to arrive at the income attributable to shareholders of the Parent Company.



Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

2.2.11 Consolidation procedure:

- a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.
- b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.
- c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

2.2.12 Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

2.2.13 Functional and presentation currency

The consolidated financial statements of the Group are presented in Indian rupees, the national currency of India, which is the functional currency of the Group and the currency of the primary economic environment in which the Group operates. All financial information presented in Indian rupees has been rounded to the nearest lakh upto two decimal except share and per share data in terms of Schedule III unless otherwise stated.

2.2.14 Use of estimates and judgment

- a) The preparation of consolidated financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses, disclosure of contingent assets and disclosure of contingent liabilities. Actual results may differ from these estimates.
- b) Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the following notes:
 - i. Income taxes: The Group's tax jurisdiction is in India. Significant judgments are involved in determining the provision for income taxes, deferred tax assets and liabilities including the amount expected to be paid or recovered in connection with uncertain tax positions.
 - ii. Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that in the separate financial statements of the subsidiary there will be normal income tax payable. Accordingly, MAT is recognised as a deferred tax asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow within permissible time limit under Income Tax Act, 1961 to the extent MAT asset recognised.
 - iii. Employee Benefits: Defined employee benefit assets / liabilities determined based on the present value of future obligations using assumptions determined by the Group with advice from an independent qualified actuary.
 - iv. Property plant and equipment and Intangible assets: The charge in respect of periodic depreciation / amortization is derived after

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of the Group assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

- v. Impairment of trade receivables: The Group estimates the probability of collection of accounts receivable by analyzing historical payment patterns, customer status, customer credit-worthiness and current economic trends. If the financial condition of a customer deteriorates, additional allowances may be required
- vi. Fair value measurement of financial instruments: The Group estimates fair values of the unquoted equity shares using discounted cash flow model. The valuation requires 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 management's estimate of fair value for these unquoted equity investments (refer note 29).

2.3 Summary of significant accounting policies

2.3.1 Revenue

- a) The Group has applied Ind AS 115 Revenue from Contracts with Customers which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue. The Group has adopted Ind AS 115 using the cumulative effect method. The effect of initially applying this standard is recognised at the date of initial application (i.e. April 1, 2018). There was no impact on the adoption of the standard on the consolidated financial statements of the Group.

- b) The Group derives revenue primarily from services to corporates and capital market intermediary services. The Group recognises revenue when the significant terms of the arrangement are enforceable, services have been delivered and the collectability is reasonably assured. The method for recognizing revenues and costs depends on the nature of the services rendered:

- i. **Time and service contracts:** Revenues and costs relating to time and service contracts are recognised as the related services are rendered.
- ii. **Annual /monthly fee contracts:** Revenue from annual fee contracts is recognised proportionately over the period of the contract. When services are performed through an indefinite number of repetitive acts over a specified period of time, revenue is recognised on a straight line basis over the specified period or under some other method that better represents the stage of completion.

- c) The Group accounts for volume discounts and pricing incentives to customers by reducing the amount of revenue.
- d) Interest Income is recognized on a time proportionate basis taking into account the amount outstanding and the rate applicable.

2.3.2 Foreign currency transactions and balances

- a) In preparing the financial statements of each individual group entity, transactions in foreign currency are translated into the respective functional currencies using the exchange rates prevailing at the dates of the respective transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the exchange rates prevailing at reporting date of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Profit and Loss and reported within foreign exchange gains/ (losses).



Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

2.3.3 Financial instruments

- a) Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instruments.
- b) All Financial instruments 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 recognised immediately in profit or loss.
- c) Purchase or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trade) are recognised on trade date.
- d) For the purpose of subsequent measurement, financial instruments of the Group are classified in the following categories: financial assets (debt instrument) comprising amortised cost, financial assets (debt instrument) comprising Fair Value Through Other Comprehensive Income ("FVTOCI"), financial asset (equity instruments) at Fair value Through Profit and Loss account ("FVTPL") and FVTOCI and financial liabilities at amortised cost or FVTPL.
- e) The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognised from the Group's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.
- f) The classification of financial instruments depends on the objective of the business model for which it is held. Management determines the classification of its financial instruments at initial recognition.
- g) All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised 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 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

2.3.4 Financial Assets

a) Financial assets (debt instruments) at amortised cost

- i. A financial asset shall be measured at amortised cost if both of the following conditions are met:
 - the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
 - the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding (SPPI).
- ii. They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. Financial assets are measured initially at fair value plus transaction costs and subsequently carried at amortized cost using the effective interest method, less any impairment loss.
- iii. Financial assets measured at amortised cost are represented by investment in interest bearing debt instruments, trade receivables, security deposits, cash and cash equivalents, employee and other advances and eligible current and non-current assets.
- iv. Cash and cash equivalents comprise cash on hand and in banks and demand deposits with banks with original maturity less than 3 months which can be withdrawn at any time without prior notice or penalty on the principal.

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

- v. For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, in banks and demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand, book overdraft and are considered part of the Group's cash management system.

b) Financial assets (debt instruments) at FVTOCI

- i. A debt instrument shall be measured at fair value through other comprehensive income if both of the following conditions are met:
 - The objective of the business model is achieved by both collecting contractual cash flows and selling financial assets and
 - The asset's contractual cash flow represents Solely Payment of principal and interest (SPPI). Debt instruments included within FVTOCI category are measured initially as well as at each reporting period at fair value plus transaction costs.
- ii. Fair value movements are recognised in other comprehensive income (OCI). However, the Group recognises interest income, impairment losses and reversals and foreign exchange gain or loss in profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from equity to profit and loss. Interest earned is recognised under the effective interest rate (EIR) model.
- iii. Currently the Group has not classified any interest bearing debt instruments under this category.

c) Equity instruments at FVTOCI and FVTPL

- i. All equity instruments are measured at fair value other than investments in unquoted equity shares including investment in subsidiaries. Equity instruments held for trading is classified as FVTPL. For all other equity instruments, the Group may make an irrevocable election to present subsequent changes in the fair value in OCI. The Group makes such election on an instrument-by-instrument basis.
- ii. If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividend are recognised in OCI which is not subsequently reclassified to profit or loss.

- iii. Currently the Group has not classified any equity instrument at FVTOCI.

- iv. If the Group decides to classify an equity instrument as at FVTPL, then all fair value changes on the instrument and dividend are recognised in Profit or Loss.

d) Financial assets at FVTPL

FVTPL is a residual category for financial assets. Any financial asset which does not meet the criteria for categorization as at amortised cost or as FVTOCI, is classified as FVTPL. In addition the Group may elect to designate the financial asset, which otherwise meets amortised cost or FVTOCI criteria, as FVTPL if doing so eliminates or significantly reduces a measurement or recognition inconsistency.

e) Earmarked Funds

Earmarked Fund is in respect of bonus payable to Key Management Personnel of the Parent Company, held for specific purposes as per the SEBI (Depositories and Participants) Regulations 2018, Security against Bank Guarantees, Amount Unpaid against Dividend, Government Securities, Stamp duty collected and Proceeds received for auction of demat accounts. These amounts are invested in mutual fund units / bank fixed deposits and the same are earmarked in the Balance Sheet. Investment income earned on financial instrument is credited to respective liabilities and not credited to the Statement of Profit or Loss.

2.3.5 Financial liabilities

a) Financial liabilities at amortised cost

Financial liabilities at amortised cost represented by trade and other payables are initially recognized at fair value, and subsequently carried at amortized cost using the effective interest method.

b) Financial liabilities at FVTPL

Financial liabilities at FVTPL represented by contingent consideration are measured at fair value with all changes recognised in the profit or loss.

c) Fair value of Financial Instruments

In determining the fair value of its financial instruments, the Group uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting



Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

d) Equity Instruments

Ordinary shares: Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are recognised as a deduction from equity, net of any tax effect (if any).

2.3.6 Property, plant and equipment (PPE)

a) Recognition and measurement:

- i. Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Cost includes expenditures directly attributable to the acquisition of the asset.
- ii. The Group had elected to consider the carrying value of all its property, plant and equipment appearing in the consolidated financial statements prepared in accordance with Accounting Standards notified under the section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014 and used the same as deemed cost in opening Ind AS Balance sheet prepared on April 1, 2016.

b) Derecognition of PPE:

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

2.3.7 Intangible assets

- a) Intangible assets purchased are measured at cost as of the date of acquisition less accumulated amortization and accumulated impairment losses, if any.
- b) Amortisation has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

- c) Intangible assets consist of computer software.
- d) Amortisation methods, useful lives and residual values are reviewed at each reporting date, with the effect of any changes in estimate accounted for on a prospective basis.

2.3.8 Derecognition of intangible assets

- a) An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognised in profit or loss when the asset is derecognised.

2.3.9 Depreciation / Amortisation:

- a) Depreciation / Amortisation 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.

Name of Asset	Useful life as per Company's Act 2013 (Years)	Useful Life as per Company Policy (Years)
Computer software - Subscription License	3	As per license period
Furniture and Fixtures	10	5
Vehicle	8	4

- b) Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.
- c) Depreciation / Amortisation methods, useful life and residual values are reviewed at each reporting date, with the effect of any changes in estimate accounted for on a prospective basis.
- d) When parts of an item of property, plant and equipment have different useful life, they are accounted for as separate items (major components) of property, plant and equipment. Subsequent expenditure relating to property,

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Group and the cost of the item can be measured reliably. Repairs and maintenance costs are recognised in the Statement of Profit and Loss when incurred. The cost and related accumulated depreciation are eliminated from the consolidated financial statements upon sale or disposition of the asset and the resultant gains or losses are recognised in the Profit or Loss.

- e) Amounts paid towards the acquisition of property, plant and equipment outstanding as of each reporting date and the cost of property, plant and equipment not ready for intended use before such date are disclosed under capital work- in-progress. Depreciation is not recorded on capital work-in-progress until construction and installation are complete and the asset is ready for its intended use.

2.3.10 Leases

a) As a Lessee:

- i. The Group 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.
- ii. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:
 - the contract involves the use of an identified asset;
 - the Group has substantially all of the economic benefits from use of the asset through the period of the lease; and
 - the Group has the right to direct the use of the asset.
- iii. At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.
- iv. 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.

- v. 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.
- vi. 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.
- vii. 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 Group changes its assessment if whether it will exercise an extension or a termination option.
- viii. For short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

b) As a Lessor:

Lease income from operating leases where the Group 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.



Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

2.3.11 Impairment

a) Financial assets carried at amortised cost and FVTOCI

- i. In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss. The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables.
- ii. The application of simplified approach does not require the Group 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.
- iii. For recognition of impairment loss on other financial assets and risk exposure, the Group 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 Group 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:
 - 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.
 - Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

- iv. The Group has used a practical expedient by computing the expected credit loss allowance for trade receivable based on a detailed analysis of trade receivable by individual departments.
- v. ECL impairment loss allowance (or reversal) recognised during the year is recognised as expense / income in the Statement of Profit and Loss.
- vi. 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 Group does not reduce impairment allowance from the gross carrying amount.

b) Non-financial assets

- i. The Group assesses at each reporting date whether there is any observable evidence that a non-financial asset or a group of non-financial assets is impaired. If any such indication exists, the Group estimates the amount of impairment loss. An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognised in Statement of profit and loss and reflected in an allowance account. When the Group considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment loss was recognised, then the previously recognised impairment loss is reversed through statement of profit and loss.
- ii. The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

2.3.12 Employee benefits

- a) The Group participates in various employee benefit plans. Post-employment benefits are classified as either defined contribution plans or defined benefit plans. Under a defined contribution plan, the Group's only obligation is to pay a fixed amount with no obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits. The related actuarial and investment risks fall on the employee. The expenditure for defined contribution plans is recognized as expense during the period when the employee provides service. Under a defined benefit plan, it is the Group's obligation to provide agreed benefits to the employees. The related actuarial and investment risks fall on the Group. The present value of the defined benefit obligations is calculated using the projected unit credit method.
- i. Short term employee benefits: Performance linked bonus is provided as and when the same is approved by the management.
 - ii. Post-employment benefits and other long term employee benefits are treated as follows:

➤ 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 profit or loss for the respective financial year as and when services are rendered by the employees.

➤ Defined Benefits Plans

Gratuity: In accordance with the Payment of Gratuity Act, 1972, the Group provides for a lump sum payment to eligible employees, at retirement or termination of employment based on the last drawn salary and years of employment with the Group. Gratuity for employees is covered by Gratuity Scheme with Life Insurance Corporation of India except for CDSL Commodity Repository Limited and the contribution thereof is paid / provided for. Provision for gratuity

is made on the basis of actuarial valuation on Projected Unit Credit Method as at the end of the year.

Remeasurement gains or losses are recognised in other comprehensive income. Further, the profit or loss does not include an expected return on plan assets. Instead net interest recognised in profit or loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. The actual return on the plan assets above or below the discount rate is recognised as part of re-measurement of net defined liability or asset through Other Comprehensive Income.

Remeasurements comprising gains or losses and return on plan assets (excluding amounts included in net interest on the net defined benefit liability) are not reclassified to profit or loss in subsequent periods.

Compensated absences: Accumulated compensated absences, which are expected to be availed or encashed 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 encashed beyond 12 months from the end of the year are treated as non-current employee benefits. The Group's liability is actuarially determined (using the Projected Unit Credit method) at the end of year.

2.3.13 Provisions

- a) Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.



Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

- b) The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.
- c) When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset, if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.
- d) Provisions for onerous contracts are recognised when the expected benefits to be derived by the Group from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. Provisions for onerous contracts are measured at the present value of lower of the expected net cost of fulfilling the contract and the expected cost of terminating the contract.
 - i. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability.
 - ii. Provisions are reviewed at each balance sheet date adjusted to reflect the current best estimates. Contingent assets and contingent liabilities are not recognised but disclosed in the Consolidated Financial Statements when economic inflow is probable.

2.3.14 Investment income

- a) Investment income consists of interest income on funds invested, dividend income and gains on the disposal of FVTPL financial assets.
- b) Interest income on bond is recognised as it accrues in the statement of Profit or Loss, using the effective interest method and interest income on deposits with banks is recognised on a time proportion accrual basis taking into account the amount outstanding and the rate applicable.
- c) Dividend income is recognised in the Profit or Loss on the date that the Group's right to receive payment is established.

2.3.15 Income tax

- a) Income tax comprises current and deferred tax. Income tax expense is recognized in profit or loss except to the extent it relates to items directly recognized in equity or in other comprehensive income.

i. Current income tax

Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for the period. The tax rates and tax laws used to compute the current tax amount are those that are enacted at the reporting date and applicable for the period. The Group offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognised amounts and where it intends either to settle on a net basis or to realize the asset and liability simultaneously.

ii. Deferred tax

Deferred tax is recognised using the balance sheet approach. Deferred tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in consolidated financial statements, except when the deferred tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

Deferred tax asset are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

The Group recognises interest levied and penalties related to income tax assessments in income tax expenses.

2.3.16 Earnings per share

- a) The Group reports basic and diluted earnings per share in accordance with Ind AS 33 on Earnings per share. Basic earnings per share is computed using the weighted average number of equity shares outstanding during the period.
- b) Diluted EPS is computed by dividing the net profit after tax by the weighted average number of equity shares considered for deriving basic EPS and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period

presented. The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares, as appropriate.

2.3.17 Current / Non-current classification

- a) The Group present assets and liabilities in the balance sheet based on current/non-current classification.
- b) **Assets:** An asset is classified as current when it satisfies any of the following criteria:
 - i. it is expected to be realised 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 realised within twelve months after the balance sheet date
 - 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

All other assets are classified as non-current.

- c) **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;
 - iii. it is due to be settled within twelve months after the balance sheet date;
 - iv. the Group does not have an unconditional right to defer settlement of the liability for at least twelve months after the balance sheet date. The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.



Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

2.3.18 Operating Cycle

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

2.3.19 Non-current assets held for sale and discontinued operations

The Group classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use.

Non Current Assets and Disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset (disposal group), excluding finance costs and income tax expense.

The criteria for held for sale classification is regarded as met only when the sale is highly probable, and the asset or disposal group is available for immediate sale in its present condition. Actions required to complete the sale/ distribution should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale and the sale expected within one year from the date of classification.

For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. The criteria for held for sale classification is regarded met only when the assets or disposal group is available for immediate sale in its present condition, subject

only to terms that are usual and customary for sales of such assets (or disposal groups), its sale is highly probable; and it will genuinely be sold, not abandoned. The group treats sale of the asset or disposal group to be highly probable when:

- a) The appropriate level of management is committed to a plan to sell the asset (or disposal group),
- b) An active programme to locate a buyer and complete the plan has been initiated (if applicable),
- c) The asset (or disposal group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- d) The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- e) Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Property, plant and equipment and intangible assets are not depreciated, or amortised once classified as held for sale.

Assets and liabilities classified as held for sale are presented separately from other items in the balance sheet.

2.3.20 Dividend:

The Parent Company recognises a liability to pay dividend to equity holders of the parent when the distribution is authorised, and the distribution is no longer at the discretion of the Parent Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.



Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

3.1 Intangible assets under development

(₹ in Lakh)

Intangible assets under development	As at March 31, 2023	As at March 31, 2022
Software under development	113.10	379.91
Total	113.10	379.91

3.2 Capital work in Progress

(₹ in Lakh)

Particulars	As at March 31, 2023	As at March 31, 2022
Office premises	17,297.82	-
Office equipment	18.50	-
Total	17,316.32	-

Intangible assets under development ageing schedule as at March 31, 2023

(₹ in Lakh)

Particulars	Amount for the period				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	113.10	-	-	-	113.10
Projects temporarily suspended	-	-	-	-	-

Intangible assets under development ageing schedule as at March 31, 2022

(₹ in Lakh)

Particulars	Amount for the period				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	332.97	46.94	-	-	379.91
Projects temporarily suspended	-	-	-	-	-

Intangible assets under development estimated completion schedule for overdue projects as at March 31, 2023

(₹ in Lakh)

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project 1	-	-	-	-	-

Intangible assets under development estimated completion schedule for overdue projects as at March 31, 2022

(₹ in Lakh)

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
CDSL 2.0 Project for Technology Transformation	138.93	-	-	-	138.93
Technology transformation of CDSL App Development in Linux	53.31	-	-	-	53.31

Tangible assets under development ageing schedule as at March 31, 2023

(₹ in Lakh)

Particulars	Amount for the period				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	17,316.32	-	-	-	17,316.32
Projects temporarily suspended	-	-	-	-	-

Tangible assets under development ageing schedule as at March 31, 2022

(₹ in Lakh)

Particulars	Amount for the period				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

Tangible assets under development estimated completion schedule for overdue projects as at March 31, 2023

(₹ in Lakh)

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project	-	-	-	-	-

Tangible assets under development estimated completion schedule for overdue projects as at March 31, 2022

(₹ in Lakh)

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project	-	-	-	-	-

4. Investments

(₹ in Lakh)

Particulars	As at March 31, 2023	As at March 31, 2022
Non-current Investments - Unquoted		
a. Investments in Equity Instruments measured at FVTPL		
Belapur Railway Station Commercial Company Limited (BRSCCL) (Fully paid equity shares of ₹ 10 each)	0.50	0.50
National E-Governance Services Limited (NESL) (Fully paid equity shares of ₹ 10 each)	492.27	435.99
Open network for digital commerce (ONDC) (Fully paid equity shares of ₹ 100 each)	1,000.00	1,000.00
Sub Total (A)	1,492.77	1,436.49
b. Investments in Equity Instruments measured at Cost (using equity method)		
India International Bullion Holding IFSC Limited (IIBHIL) (Fully paid equity shares of ₹ 10 each)	2,571.44	1,909.01
Sub Total (B)	2,571.44	1,909.01
Total Unquoted Investment in Equity Instruments (A+B)	4,064.21	3,345.50
c. Investments in Government Securities measured at amortised cost		
Investment in Government Securities - Separate Trading of Registered Interest and Principal of Securities (STRIPS)	14,863.45	-
Sub Total (C)	14,863.45	-
Total Unquoted investments (A+B+C)	18,927.66	3,345.50
Non-current Investments - Quoted		
a. Investments in bonds / debentures measured at amortised cost - Owned		
Investment in Tax free bonds	2,800.56	5,748.74
Investment in Non convertible debentures	12,354.00	-
b. Investments in Mutual Funds measured at FVTPL		
Units of growth oriented schemes of mutual funds - Owned	12,682.03	19,499.17
Total of Quoted Investments (D)	27,836.59	25,247.91
Total Non-current Investments (A+B+C+D)	46,764.25	28,593.41
Aggregate amount of quoted investments	27,836.59	25,247.91
Market value of quoted investments	27,836.59	25,247.91
Aggregate amount of unquoted investments	18,927.66	3,345.50



Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

(₹ in Lakh)

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Current Investments - Unquoted		
a. Investments in Mutual Funds measured at FVTPL		
Units of growth oriented schemes of mutual funds	40,753.58	53,054.38
Total of Unquoted investments (A)	40,753.58	53,054.38
Current Investments - Quoted		
a. Investments in Non convertible debentures measured at amortised cost		
Investment in Non convertible debentures	506.27	-
Investment in Government Securities - Separate Trading of Registered Interest and Principal of Securities (STRIPS)	2,060.58	-
b. Investments in Tax free bonds measured at amortised cost		
Investment in Tax free bonds	2,943.38	2,801.28
c. Investments in Mutual Funds measured at FVTPL		
Units of growth oriented schemes of mutual funds	-	8,099.96
d. Investments in units of ETF measured at FVTPL		
Investments in units of ETF (Exchange Traded Fund)	641.16	-
Total of Quoted Investments (B)	6,151.39	10,901.24
Total Current Investments (A+B)	46,904.97	63,955.62
Aggregate amount of quoted investments	6,151.39	10,901.24
Market value of quoted investments	6,151.39	10,901.24
Aggregate amount of unquoted investments	40,753.58	53,054.38

4 A. Investments

Type	Name of the Body Corporate	No. of Shares / Units		(₹) In Lakh	
		As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Details of Non current investments					
Investment in Others					
a) Investment in Equity shares					
Unquoted	Belapur Railway Station Commercial Company Limited (BRSCCL) (Fully paid up)	5,000	5,000	0.50	0.50
Unquoted	National E-Governance Services Limited (NESL) (Fully paid up)	30,00,000	30,00,000	492.27	435.99
Unquoted	Open network for digital commerce	10,00,000	10,00,000	1,000.00	1,000.00
				1,492.77	1,436.49
Investment in Associate					
b) Investment in equity shares					
Unquoted	India International Bullion Holding IFSC Limited (IIBHIL) (Fully paid up)	20,00,00,000	20,00,00,000	1,909.01	2,000.00
	Add - Investment during the year			1,000.00	-
	Add - Share of profit			(484.56)	(141.20)
	Add - Share of Other comprehensive Income			174.44	50.21
	Less - Elimination of profit on sale of stake in IIDIL			(27.45)	-
				2,571.44	1,909.01
				4,064.21	3,345.50

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2023

Type	Name of the Body Corporate	No. of Shares / Units		(₹) In Lakh	
		As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
c)	Investment in tax free bonds				
Quoted	7.19% Indian Railway Finance Corp Ltd Tax Free Bond 31072025	50	50	500.16	500.23
Quoted	8.01% National Housing Bank Tax Free Bonds 30082023	-	70	-	700.04
Quoted	8.35% National Highways Auth of India Tax Free Bonds 22112023	-	70	-	700.05
Quoted	8.18% NHPC Limited Tax Free Bonds 02112023	-	22,547	-	225.47
Quoted	8.19% NTPC Limited Tax Free Bonds 04032024	-	50	-	500.01
Quoted	8.41% NTPC Limited Tax Free Bonds 16122023	-	31,665	-	316.65
Quoted	7.15% NTPC Limited Tax Free Bond 21082025	50	50	500.08	500.12
Quoted	7.17% REC Ltd Tax Free Bond 23072023	50	50	500.13	500.18
Quoted	8.18% REC Ltd Tax Free Bonds 11102023	-	50	-	505.71
Quoted	7.11% NHAI Tax Free Bonds 18.09.2025	30	30	300.01	300.01
Quoted	7.16% PFC Tax Free Bonds 17.07.2025	50	50	500.08	500.12
Quoted	7.17% REC Tax Free Bonds 23.07.2025	50	50	500.10	500.15
				2,800.56	5,748.74
d)	Investment in Non convertible debentures				
Quoted	6.00% HDFC Ltd Taxable NCD 29062026	100	-	952.10	-
Quoted	7.32% REC Taxable Bond 27 Feb 2026	100	-	997.04	-
Quoted	7.89% Tata Cap Fin Serv 26 July 2027	100	-	1,005.63	-
Quoted	7.40% NABARD Ltd Taxable Bond 30 Jan 2026	100	-	994.11	-
Quoted	7.9873% TATA Cap Fin Serv Taxable Bond 17 April 2026	100	-	1,000.46	-
Quoted	6.44% NABARD Ltd Taxable Bond 4 Dec 2030	100	-	939.42	-
Quoted	6.39% NABARD Ltd Taxable Bond 19 Nov 2030	50	-	467.34	-
Quoted	7.82% DME Development Ltd Taxable Bond 24 Feb 2033	500	-	501.07	-
Quoted	7.90% LIC Hsg Fin Ltd taxable NCD 23062027	50	-	500.00	-
Quoted	7.75% Tata Hsg Fin Ltd NCD 18052027	50	-	497.25	-
Quoted	7.80% HDFC Ltd. NCD 06092032	50	-	502.33	-
Quoted	8.07% HDFC Ltd. NCD 12102032	50	-	500.48	-
Quoted	7.72% BSNL Ltd. NCD 22122032	50	-	500.34	-
Quoted	7.77% HDFC Ltd Taxable NCD 28.06.2027	50	-	500.43	-
Quoted	7.89% TCFS Ltd Taxable NCD 26.07.2027	50	-	502.77	-
Quoted	7.32% REC Taxable Bonds 27.02.2026	50	-	498.51	-
Quoted	7.40% Nabard Taxable Bond 30.01.2026	50	-	497.07	-
Quoted	7.82% DME Taxable Bond 24.02.2033	500	-	500.99	-
Quoted	7.58% Nabard Taxable Bond 31.07.2026	500	-	496.66	-
				12,354.00	-
e)	Investment in taxable STRIPS				
Unquoted	CSTRIP-GS 23-JUN-2027 C	5,00,000		369.64	-
Unquoted	CSTRIP-GS 16-JUN-2025 C	5,00,000		431.55	-
Unquoted	CSTRIP-GS 16-DEC-2025 C	20,00,000		1,665.57	-
Unquoted	CSTRIP-GS 15-DEC-2025 C	5,59,200		464.58	-
Unquoted	CSTRIP-GS 15-JUN-2026 C	5,59,200		448.24	-
Unquoted	CSTRIP-GS 15-DEC-2026 C	5,59,200		432.35	-
Unquoted	CSTRIP-GS 17-JUN-2026 C	5,34,100		427.31	-
Unquoted	CSTRIP-GS 17-DEC-2026 C	5,34,100		412.07	-
Unquoted	CSTRIP-GS 17-JUN-2025 C	5,34,100		457.50	-
Unquoted	CSTRIP-GS 17-DEC-2025 C	5,34,100		441.79	-
Unquoted	CSTRIP-GS 17-JUN-2027 C	5,34,100		394.02	-
Unquoted	CSTRIP-GS 15-JUN-2027 C	5,92,000		440.01	-
Unquoted	CSTRIP-GS 16-JUN-2027 C	5,00,000		371.52	-
Unquoted	CSTRIP-GS 15-DEC-2027 C	5,97,000		429.27	-
Unquoted	CSTRIP-GS 16-DEC-2027 C	15,31,900		1,089.55	-
Unquoted	CSTRIP-GS 12-SEPT-2027 C	24,30,400		1,760.41	-
Unquoted	CSTRIP-GS 12-SEPT-2028 C	20,60,800		1,383.36	-
Unquoted	CSTRIP-GS 15-JUN-2027 C	5,00,000		369.87	-
Unquoted	CSTRIP-GS 15-DEC-2027 C	5,59,200		398.50	-
Unquoted	CSTRIP-GS 16-JUN-2027 C	36,04,900		2,676.34	-
				14,863.45	-



Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

Type	Name of the Body Corporate	No. of Shares / Units		(₹) In Lakh	
		As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
f)	Investment in Units of growth oriented schemes of mutual funds				
Unquoted	Aditya Birla Sunlife Savings Fund – Direct – Growth	-	2,11,998	-	944.05
Unquoted	Aditya Birla Sunlife Floating Rate Fund – Direct – Growth	-	10,82,378	-	3,069.08
Unquoted	DSP Banking and PSU Debt Fund – Direct – Growth	50,08,487	50,08,487	1,042.89	1,000.28
Unquoted	DSP Floater Fund – Direct – Growth	-	1,38,86,133	-	1,457.78
Unquoted	Invesco India Money Market Fund – Direct – Growth	41,782	47,446	1,115.23	1,205.59
Unquoted	Kotak Banking and PSU Debt Fund – Direct – Growth	-	4,86,541	-	264.10
Unquoted	Kotak Corporate Bond Fund – Direct – Growth	84,249	77,205	2,760.19	2,418.73
Unquoted	Kotak Bond Short Term Fund – Direct – Growth	17,79,458	17,79,458	849.22	813.14
Unquoted	L & T Triple Ace Bond Fund – Direct – Growth	18,79,188	27,67,586	1,222.56	1,739.70
Unquoted	Nippon India Banking and PSU Debt Fund – Direct Growth	-	65,88,959	-	1,136.90
Unquoted	Nippon India Floating Rate Fund – Direct Growth	94,21,370	94,21,370	3,722.90	3,556.04
Unquoted	SBI Banking and PSU Debt Fund – Direct – Growth	28,058	28,058	778.61	748.60
Unquoted	SBI Corporate Bond Fund – Direct – Growth	50,47,703	50,47,703	672.66	644.85
Unquoted	Mirae Asset Nifty SDL Jun 2027 Index Fund – Direct – Growth	49,99,750	49,99,750	517.77	500.33
				12,682.03	19,499.17
	Total of Non current investments (a+b+c+d+e+f)			46,764.25	28,593.41
	Details of Current portion of Long term investments				
g)	Investment in Non-convertible debentures				
Quoted	8.75% LIC HSG FIN Ltd Taxable NCD 081223	50	-	506.27	-
				506.27	-
h)	Investment in tax free bonds				
Quoted	7.21% REC Ltd Tax Free bonds 211122	-	500	-	500.00
Quoted	8.01% National Housing Bank Tax Free Bonds 300823	70	-	699.99	-
Quoted	8.35% National Highways Auth of India Tax Free Bonds 221123	70	-	700.02	-
Quoted	8.18% NHPC Limited Tax Free Bonds 021123	22,547	-	225.47	-
Quoted	8.41% NTPC Limited Tax Free Bonds 161223	31,665	-	316.65	-
Quoted	8.18% REC Ltd Tax Free Bonds 111023	50	-	501.24	-
Quoted	8.19% NTPC Limited Tax Free Bonds 040324	50	-	500.01	-
Quoted	7.22% Power Finance Corporation Ltd Tax Free Bond Series 95 291122	-	500	-	500.00
Quoted	7.17% National Housing Bank Tax Free Bonds 010123	-	500	-	500.38
Quoted	7.18% Indian Railway Finance Corp Ltd Tax Free Bonds 190223	-	1,301	-	1,300.90
				2,943.38	2,801.28
i)	Investment in taxable STRIPS				
Unquoted	CSTRIP-GS 16-JUN-2023 C	20,85,000	-	2,060.58	-
				2,060.58	-
	Total of Current portion of Long term mutual fund (g+h+i)			5,510.23	2,801.28
	Details of Current Investments				
j)	Investment in Units of growth oriented schemes of mutual funds				
Quoted	Aditya Birla Sunlife Fixed Term Plan – Series SI – Direct – Growth	-	40,00,000	-	505.20
Quoted	Axis Fixed Term Plan – Sr102 – Direct – Growth	-	40,00,000	-	505.00
Quoted	DSP Fixed Maturity Plan – Sr 250 – 39M – Direct-Growth	-	52,61,413	-	664.42
Quoted	HDFC Fixed Maturity Plan – 1274D Oct 2018 (1) Sr 43 Direct – Growth	-	50,00,000	-	660.43
Quoted	HSBC Fixed Term Series 139 – Direct – Growth	-	35,00,000	-	443.51
Quoted	ICICI Prudential Fixed Maturity Plan – Sr 84 – 1254 Days-Plan U-Direct-Cum	-	40,00,000	-	514.08
Quoted	ICICI Prudential Fixed Maturity Plan – Sr 84 – 1188 Days Plan Z -Direct-Cum	-	40,00,000	-	515.34
Quoted	Kotak Fixed Maturity Plan – Series 250 – 1314 Days-Direct-Growth	-	42,50,000	-	563.60
Quoted	Kotak Fixed Maturity Plan – Series 255 – 1250 Days-Direct-Growth	-	40,00,000	-	514.88
Quoted	Nippon India Fixed Horizon Fund XXXX Series 6 – Direct – Growth	-	40,00,000	-	516.11
Quoted	PGIM India Fixed Duration Fund Sr AY – Direct-Growth	-	40,000	-	543.52
Quoted	SBI Debt Fund Series C – 33 (1216 Days) – Direct – Growth	-	40,00,000	-	516.30
Quoted	Sundaram Fixed Term Plan – IS – Direct – Growth	-	30,00,000	-	376.81
Quoted	Nippon India Fixed Horizon Fund XXXX Sr17 – Direct – Growth	-	50,00,000	-	633.43
Quoted	Nippon India Fixed Horizon Fund XLI Sr1 – Direct – Growth	-	50,00,000	-	627.33
				-	8,099.96

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2023

Type	Name of the Body Corporate	No. of Shares / Units		(₹) In Lakh	
		As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
k)	Investment in Units of growth oriented schemes of mutual funds				
Unquoted	Aditya Birla Sunlife Floating Rate Fund – Direct – Growth	20,57,557	13,52,123	6,164.17	3,833.93
Unquoted	Axis Banking & PSU Debt Fund – Direct – Growth	56,793	56,793	1,299.76	1,242.10
Unquoted	Axis Corporate Debt Fund – Direct – Growth	-	1,86,89,959	-	2,665.19
Unquoted	Axis Money Market Fund – Direct-Growth	-	-	-	-
Unquoted	DSP Banking & PSU Debt Fund – Direct – Growth	41,85,577	41,85,577	871.54	835.94
Unquoted	DSP Floater Fund – Direct – Growth	-	74,57,964	-	782.94
Unquoted	HDFC Corporate Bond Fund – Direct – Growth	93,30,794	1,33,92,503	2,577.10	3,546.52
Unquoted	HSBC Ultra Short Duration Fund-Direct-Growth	-	82,264	-	906.80
Unquoted	HSBC CRISIL IBX 50:50 Gilt Plus SDL Apr 2028 Index Fund-Direct-Growth	49,99,750	49,99,750	522.00	499.98
Unquoted	HSBC CRISIL IBX Gilt June 2027 Index Fund-Direct-Growth	34,99,825	-	351.16	-
Unquoted	ICICI Bond Fund – Direct – Growth	57,69,153	73,87,709	2,021.22	2,457.99
Unquoted	ICICI Corporate Bond Fund – Direct – Growth	38,76,721	1,31,72,367	1,009.03	3,238.60
Unquoted	ICICI Short Term Fund – Direct – Growth	12,94,666	12,94,666	703.89	660.86
Unquoted	IDFC Banking & PSU Debt Fund – Direct – Growth	82,62,232	82,62,232	1,764.23	1,685.43
Unquoted	Invesco India Corporate Bond Fund (Active India Fund) – Direct – Growth	1,38,627	1,38,627	3,938.32	3,791.40
Unquoted	Invesco India Treasury Advantage Fund – Direct – Growth	-	12,178	-	386.36
Unquoted	Invesco India Money Market Fund – Direct – Growth	35,770	59,307	954.76	1,506.98
Unquoted	Invesco India Nifty G-sec Jul 2027 Index Fund – Direct – Growth	49,998	-	501.25	-
Unquoted	Kotak Banking & PSU Debt Fund – Direct – Growth	-	17,55,759	-	953.05
Unquoted	Kotak Bond Short Term Fund – Direct – Growth	45,32,616	45,32,616	2,163.12	2,071.22
Unquoted	L & T Triple Ace Bond Fund – Direct – Growth	16,06,897	26,39,735	1,045.41	1,659.33
Unquoted	Nippon Banking & PSU Debt Fund – Direct – Growth	-	83,65,135	-	1,443.37
Unquoted	Nippon India Floating Rate Fund_Short Term Plan – Direct – Growth	66,34,080	66,34,080	2,621.49	2,503.99
Unquoted	Nippon India Nivesh Lakshya Fund – Direct – Growth	1,18,61,367	1,18,61,367	1,774.95	1,691.50
Unquoted	SBI Banking & PSU Debt Fund – Direct – Growth	73,553	73,553	2,041.10	1,962.42
Unquoted	SBI CPSE Bond Plus SDL Sep 2026 50:50 Index Fund-Direct – Growth	69,99,650	69,99,650	729.03	708.74
Unquoted	Sundaram Money Market Fund – Direct – Growth	-	97,59,341	-	1,183.01
Unquoted	TATA Banking & PSU Debt Fund – Direct – Growth	-	50,00,000	-	593.91
Unquoted	TATA Short Term Bond Fund – Direct – Growth	25,04,564	25,04,564	1,110.34	1,059.27
Unquoted	TATA Treasury Advantage Fund – Direct – Growth	-	31,274	-	1,016.26
Unquoted	Tata Nifty SDL Plus AAA PSU Bond Dec 2027 60:40 Index Fund – Direct – Growth	49,99,750	49,99,750	523.24	499.98
Unquoted	UTI Corporate Bond Fund – Direct – Growth	1,87,30,646	1,87,30,646	2,622.42	2,510.45
Unquoted	DSP Low Duration Fund – Direct – Growth	11,85,198	11,85,198	205.21	195.08
Unquoted	DSP Floater Fund – Direct – Growth	17,37,765	19,65,948	190.77	206.39
Unquoted	ICICI Prudential Banking and PSU Debt Fund – Direct – Growth	42,09,448	42,09,448	1,199.51	1,133.20
Unquoted	Nippon India Banking & PSU Debt Fund – Direct – Growth	-	60,00,042	-	1,035.28
Unquoted	Axis Banking & PSU Debt Fund – Direct – Growth	49,467	49,467	1,132.08	1,081.86
Unquoted	HDFC Floating Rate Income Fund-Short Term Plan – Direct – Growth	7,15,889	13,10,916	303.32	525.61
Unquoted	HDFC Corporate Bond Fund – Direct – Growth	-	5,33,880	-	141.38
Unquoted	Kotak Corporate Bond Fund – Direct – Growth	-	14,183	-	444.33
Unquoted	Nippon India Nivesh Lakshya Fund – Direct – Growth	27,60,999	27,60,999	413.16	393.73
	Total of Investment in Units of growth oriented schemes of mutual funds (k)			40,753.58	53,054.38
l)	Investment in Units of ETF				
Quoted	ICICI Prudential S&P BSE Sensex ETF	21,712	-	141.19	-
Quoted	Mirae Asset Nifty 8-13 Year G-SEC ETF Fund	21,02,572	-	499.97	-
				641.16	-
	Total of Current Investments (g+h+i+j+k+l)			46,904.97	63,955.62
	Total Investments			93,669.22	92,549.03



Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

5. Loans (at amortised cost)

(₹ in Lakh)

Particulars	As at March 31, 2023	As at March 31, 2022
Non-Current		
Loans to staff - Unsecured, considered good	7.91	3.50
Total	7.91	3.50
Current		
Loans to staff - Unsecured, considered good	5.86	6.52
Total	5.86	6.52

6. Other financial assets (at amortised cost)

(₹ in Lakh)

Particulars	As at March 31, 2023	As at March 31, 2022
Non-current		
Security deposits (Unsecured, considered good)	64.78	21.03
Bank balance in deposit accounts (Earmarked ₹ 1,037.78 Lakh (Previous year ₹ 324.41 Lakh)) (Refer Note 44)	1,038.65	324.41
Accrued interest - bank deposits (Earmarked ₹ 19.88 Lakh (Previous year ₹ 9.05 Lakh))(Refer Note 44)	85.08	45.97
Total	1,188.51	391.41
Current		
Other Receivable	3.31	0.15
Receivable from CIRL Group Gratuity Trust*	2.89	2.89
Sundry deposits (Unsecured, considered good)	297.82	45.05
Interest accrued but not due on bonds	579.16	287.84
Total	883.18	335.93

* represents amount receivable from insurance company in respect of gratuity benefits paid by one Subsidiary to its retiring employee.

7. Deferred tax liabilities (Net)

(₹ in Lakh)

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred tax assets (net)		
Deferred tax assets	75.95	-
Deferred tax liabilities	49.49	-
Deferred tax assets (net)	26.46	-
Deferred tax liabilities (net)		
Deferred tax liabilities	1,928.20	1,772.21
Deferred tax assets	(1,444.42)	(1,188.42)
Deferred tax liabilities (net)	483.78	583.79

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

Deferred tax assets (net)

(₹ in Lakh)

Particulars	Opening balance as at April 01, 2022	Recognised in Profit or loss for year ended March 31, 2022	Recognised in Other Comprehensive Income for the year ended March 31, 2022	Closing balance as at March 31, 2022	Recognised in Profit or loss for year ended March 31, 2023	Recognised in Other Comprehensive Income for the year ended March 31, 2023	Closing balance as at March 31, 2023
1. Deferred tax Assets							
Provision for compensated absences, gratuity and other employee benefits	241.85	89.14	73.31	404.30	304.23	(13.35)	695.18
Provision for incentive scheme for DPs	286.63	90.26	-	376.89	17.94	-	394.83
Allowance for doubtful debts (expected credit loss allowance)	283.79	1.19	-	284.98	49.83	-	334.81
On difference between rent expense and lease adjustment	-	-	-	-	0.15	-	0.15
Total (A)	812.27	180.59	73.31	1,066.17	372.15	(13.35)	1,424.97
2. Deferred Tax Liabilities							
On Changes in Fair Value of Investment	683.73	227.16	-	910.89	6.45	-	917.34
Impact on account of amortised cost accounting of financial assets	(6.98)	(3.81)	-	(10.79)	(0.02)	-	(10.81)
On difference between book balance and tax balance of Property, plant and equipment	211.16	328.71	-	539.87	224.27	-	764.14
Total (B)	887.91	552.06	-	1,439.97	230.70	-	1,670.67
Net Asset / (Liabilities) (A-B)	(75.64)	(371.47)	73.31	(373.80)	141.45	(13.35)	(245.70)

Deferred tax assets (net)

(₹ in Lakh)

Particulars	Opening balance as at April 01, 2022	Recognised in Profit or loss for year ended March 31, 2022	Recognised in Other Comprehensive Income for the year ended March 31, 2022	Closing balance as at March 31, 2022	Recognised in Profit or loss for year ended March 31, 2023	Recognised in Other Comprehensive Income for the year ended March 31, 2023	Closing balance as at March 31, 2023
1. Deferred tax Assets							
Provision for compensated absences, gratuity and other employee benefits	52.19	(2.04)	7.08	57.23	18.75	2.29	78.27
On difference between book balance and tax balance of Property, plant and equipment	29.03	(17.25)	-	11.78	(49.83)	-	(38.05)
Allowance for doubtful debts (expected credit loss allowance)	-	0.44	-	0.44	0.70	-	1.14
Impact of Ind AS 116	-	-	-	-	1.12	-	1.12
MAT credit	52.80	-	-	52.80	-	-	52.80
Total (C)	134.02	(18.85)	7.08	122.25	(29.26)	2.29	95.28
2. Deferred Tax Liabilities							
On Changes in Fair Value of Investment	284.70	47.54	-	332.24	(25.34)	-	306.90
Total (D)	284.70	47.54	-	332.24	(25.34)	-	306.90
Net deferred tax assets / (liabilities) (C-D)	(150.68)	(66.39)	7.08	(209.99)	(3.92)	2.29	(211.62)
Total deferred tax assets (E=A+C)	946.29	161.74	80.39	1,188.42	342.89	-11.06	1,520.25
Total deferred tax Liabilities (F=B+D)	1,172.61	599.60	-	1,772.21	205.36	-	1,977.57
Net Deferred Tax (F-E)	226.32	437.86	(80.39)	583.79	(137.53)	11.06	457.32

Unused tax losses for which no deferred tax assets have been recognised are attributable to the following:

(₹ in Lakh)

Particulars	As at March 31, 2023	As at March 31, 2022
Business Loss (including unabsorbed depreciation)	557.17	526.74
Total	557.17	526.74



Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

8. Income tax asset and liabilities

(₹ in Lakh)

Particulars	As at March 31, 2023	As at March 31, 2022
Non-Current tax assets		
Advance Income Tax (net off provision for tax ₹ 33,621.44 lakh (previous year ₹ 27,129.05 Lakh))	1,960.87	1,686.82
Total	1,960.87	1,686.82
Current tax liabilities		
Income Tax payable (net off advance tax ₹ 10,600.84 lakh (previous year ₹ 9,823.82 Lakh))	239.17	224.30
Total	239.17	224.30

9. Other assets

(₹ in Lakh)

Particulars	As at March 31, 2023	As at March 31, 2022
Non Current		
Prepaid Expenses	258.28	149.05
Total	258.28	149.05
Current		
Prepaid Expenses	687.43	620.20
GST Credit Receivable	747.90	620.65
Advances to creditors	275.33	27.13
Total	1,710.66	1,267.98

10. Trade receivables (at amortised cost)

(₹ in Lakh)

Particulars	As at March 31, 2023	As at March 31, 2022
Trade Receivables		
Secured, considered good		
Unsecured, considered good (receivable from related party ₹ 105.54 Lakh (previous year ₹ 123.74 Lakh))	1,732.59	1,525.70
Unsecured, considered doubtful (expected credit loss allowance)	295.21	236.89
Trade Receivable which have Significant Increase in credit risk	7.60	22.43
Trade Receivable – credit impaired	1,039.29	876.82
Total	3,074.69	2,661.84
Less: Allowance for doubtful debts (refer below table for movement in expected credit loss allowance)	(1,335.53)	(1,136.14)
Add: Unbilled Revenue	2,027.43	3,056.98
Total	3,766.59	4,582.68

- Trade receivables are dues in respect of services rendered in the normal course of business.
- The average credit period on sale of services is 25 days. No interest is charged on trade receivables for the first 25 days from the date of invoice. Thereafter, interest is charged at 13% per annum on the outstanding balance by the Parent company. The average credit period on sale of services is 30 days. No interest is charged on trade receivables for the first 30 days from the date of invoice. Thereafter, interest is charged at 15% per annum on the outstanding balance by CDSL Commodity Repository Limited.
- There are no dues by directors or other officers of the Group 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

(₹ in Lakh)

Particulars	As at March 31, 2023	As at March 31, 2022
Opening Balance	1,136.14	1,132.99
Movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses (net off bad debts)	199.39	3.15
Closing Balance	1,335.53	1,136.14

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

Trade receivables ageing schedule as at March 31, 2023

(₹ in Lakh)

Particulars*	Outstanding for following periods from due date of payment						Total
	Current but not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables							
i. considered good and doubtful	329.20	1,379.44	271.15	0.34	47.65	0.02	2,027.80
ii. which have significant increase in credit risk	0.22	0.20	2.00	5.18	-	-	7.60
iii. Credit impaired	-	0.22	4.49	940.08	70.91	23.52	1,039.22
Disputed trade receivables							
i. considered good and doubtful	-	-	-	-	-	-	-
ii. which have significant increase in credit risk	-	-	-	-	-	-	-
iii. Credit impaired	-	-	-	-	0.07	-	0.07
Total	329.42	1,379.86	277.64	945.60	118.63	23.54	3,074.69

* The above ageing schedule does not contain unbilled revenue.

Trade receivables ageing schedule as at March 31, 2022

(₹ in Lakh)

Particulars*	Outstanding for following periods from due date of payment						Total
	Current but not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables							
i. considered good and doubtful	627.16	893.46	194.52	47.45	-	-	1,762.59
ii. which have significant increase in credit risk	0.22	0.29	0.88	21.04	-	-	22.43
iii. Credit impaired	-	0.29	6.28	845.38	23.56	0.71	876.22
Disputed trade receivables							
i. considered good and doubtful	-	-	-	-	-	-	-
ii. which have significant increase in credit risk	-	-	-	-	-	-	-
iii. Credit impaired	-	-	-	0.07	0.53	-	0.60
Total	627.38	894.04	201.68	913.94	24.09	0.71	2,661.84

* The above ageing schedule does not contain unbilled revenue.

11. Cash and cash equivalents and other bank balances

For the purpose of cash flow statement, cash and cash equivalents includes cash on hand, in banks and cheques in hand. Cash and cash equivalents at the end of the reporting period as shown in the cashflow statement can be reconciled to the related items on the balance sheet as follows:

(₹ in Lakh)

Particulars	As at March 31, 2023	As at March 31, 2022
Cash and cash equivalents		
a. Balance with Banks - Owned fund		
i. In Current Accounts	527.24	4,253.96
b. Balance with Banks - Earmarked fund (refer note 44)		
i. In current account (unpaid dividend)	102.48	59.38
ii. In Current Accounts (G. Sec)	222.11	66.74
iii. In current accounts - Stamp Duty	517.34	500.55
iv. In current accounts - Auction proceeds	3,667.14	3,678.41
Cash and cash equivalents	5,036.31	8,559.04
Bank Balances other than above		
a. Balances with Banks - Owned fund		
i. In deposit accounts (Earmarked ₹ 63.18 (previous year ₹ 578.31 Lakh)) (refer note 44)	7,058.18	11,688.96
ii. Accrued interest - bank deposits (Earmarked ₹ 8.61 Lakh (previous year ₹ 14.86)) (refer note 44)	256.26	337.39
Total	7,314.44	12,026.35



Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

12. Equity Share capital

Particulars	As at	As at	As at	As at
	March 31, 2023	March 31, 2023	March 31, 2022	March 31, 2022
	Number	(₹ in Lakh)	Number	(₹ in Lakh)
Equity Share capital				
Authorised share capital:				
Equity Shares of ₹ 10/- each with voting rights	15,00,00,000	15,000.00	15,00,00,000	15,000.00
Issued share capital:				
Equity Shares of ₹ 10/- each with voting rights	10,45,00,000	10,450.00	10,45,00,000	10,450.00
Subscribed and Paid-up share capital				
Equity Shares of ₹ 10/- each with voting rights	10,45,00,000	10,450.00	10,45,00,000	10,450.00
Total	10,45,00,000	10,450.00	10,45,00,000	10,450.00

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

Particulars	Opening Balance	Fresh issue	Closing Balance
Equity shares with voting rights			
As at March 31, 2022			
Number of shares	10,45,00,000	-	10,45,00,000
Amount (₹) In lakh	10,450.00	-	10,450.00
As at March 31, 2023			
Number of shares	10,45,00,000	-	10,45,00,000
Amount (₹) In lakh	10,450.00	-	10,450.00

Note: There are no equity shares issued as bonus, no equity shares issued for consideration other than cash and no equity shares have been bought back during the period of five years immediately preceding the reporting date.

Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at March 31, 2023		As at March 31, 2022	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
BSE Limited (Entity having significant influence)	2,09,00,000	20.00	2,09,00,000	20.00
Standard Chartered Bank	75,00,000	7.18	75,00,000	7.18

Details of Shares held by promoters as at March 31, 2023

Sr No.	Promoters Name	As at March 31, 2023			
		No. of shares at the beginning of the year	Changes During the year	No. of shares at the end of the year	% of total shares
1.	BSE Limited (Entity having significant influence)	2,09,00,000	-	2,09,00,000	20.00

Details of Shares held by promoters as at March 31, 2022

Sr No.	Promoters Name	As at March 31, 2022			
		No. of shares at the beginning of the year	Changes During the year	No. of shares at the end of the year	% of total shares
1.	BSE Limited (Entity having significant influence)	2,09,00,000	-	2,09,00,000	20.00

The Parent Company has one class of equity shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held.

The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Parent Company after discharging all its liabilities, in proportion to their shareholding.

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

13. Other Equity

Particulars	(₹ in Lakh)	
	As at March 31, 2023	As at March 31, 2022
General reserve	1,094.93	1,094.93
Retained earnings	1,09,777.01	97,858.11
Other Comprehensive Income	51.05	(111.20)
Total	1,10,922.99	98,841.84

13.1 General reserve

Particulars	(₹ in Lakh)	
	As at March 31, 2023	As at March 31, 2022
Opening balance as at March 31, 2022	1,094.93	1,094.93
Movement during the year	-	-
Closing balance as at March 31, 2023	1,094.93	1,094.93

The general reserve is created from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in general reserve will not be reclassified subsequently to Profit or Loss.

13.2 Retained earnings

Particulars	(₹ in Lakh)	
	As at March 31, 2023	As at March 31, 2022
Opening balance as at March 31, 2022	97,858.11	76,144.99
Profit attributable to owners of the Company	27,593.90	31,118.12
Dividend on equity shares declared and paid (refer note 13.4)	(15,675.00)	(9,405.00)
Closing balance as at March 31, 2023	1,09,777.01	97,858.11

Retained earnings reflect surplus/deficit after taxes in the Statement of Profit and Loss. The amount that can be distributed by the Company as dividends to its equity shareholders is determined based on the balance in this reserve and also considering the requirements of the Companies Act, 2013.

13.3 Other Comprehensive Income

Particulars	(₹ in Lakh)	
	As at March 31, 2023	As at March 31, 2022
Balance at beginning of year	(111.20)	32.19
Movement during the year	162.25	(143.39)
Balance at end of year	51.05	(111.20)

13.4 Distribution made and proposed

Particulars	(₹ in Lakh)	
	As at March 31, 2023	As at March 31, 2022
Dividends on equity shares declared and paid:		
Final dividend for the year ended on March 31, 2023: ₹ 15 per share (March 31, 2023: ₹ 9 per share)	15,675.00	9,405.00
Balance at end of year	15,675.00	9,405.00
Proposed dividend on Equity shares:		
Proposed dividend for the year ended on March 31, 2023: ₹ 16 per share (March 31, 2022: ₹ 15 per share)	16,720.00	15,675.00
Balance at end of year	16,720.00	15,675.00



Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

14. Lease liabilities

Particulars	(₹ in Lakh)	
	As at March 31, 2023	As at March 31, 2022
Non-Current		
Lease liabilities	116.13	14.67
Total	116.13	14.67
Current		
Lease liabilities	120.92	14.42
Total	120.92	14.42

15. Other financial liabilities (at amortised cost)

Particulars	(₹ in Lakh)	
	As at March 31, 2023	As at March 31, 2022
Non Current		
Accrued employee benefits expense (Earmarked ₹ 384.88 Lakh (previous year ₹ 153.02 Lakh)) (refer note 44)	384.88	153.02
Total	384.88	153.02
Current		
Security Deposits	4,147.08	3,849.07
Payable for purchase of Property, plant and equipment		
i. Micro enterprises and small enterprises	2.05	8.29
ii. Other than micro enterprises and small enterprises	28.46	-
Accrued employee benefits expense (Earmarked ₹ 64.41 Lakh (previous year ₹ 90.34 Lakh))(refer note 44)	1,744.19	644.05
Unpaid Dividend - Earmarked against current account	102.48	59.38
Advance received from India International Bullion Holding IFSC Limited	-	1,839.93
Contribution to Investor Protection Fund	1,255.11	1,360.10
Others (Earmarked ₹ 4,406.59 Lakh (previous year ₹ 4,245.70 Lakh))(refer note 44)	4,554.14	4,330.48
Total	11,833.51	12,091.30

16. Trade payables

Particulars	(₹ in Lakh)	
	As at March 31, 2023	As at March 31, 2022
a. Total outstanding dues of micro enterprises and small enterprises	-	0.15
b. Total outstanding dues of creditors other than micro enterprises and small enterprises		
i. Payable to related party	-	-
ii. Other trade payables	44.10	0.54
iii. Unbilled dues	1,917.59	1,057.91
Total	1,961.69	1,058.60

Trade Payables ageing schedule as at March 31, 2023

Particulars*	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
	i. MSME	-	-	-	
ii. Others	44.10	-	-	-	44.10
iii. Disputed dues – MSME	-	-	-	-	-
iv. Disputed dues – Others	-	-	-	-	-

* The above ageing schedule does not contain unbilled trade payables.

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

Trade Payables ageing schedule as at March 31, 2022

(₹ in Lakh)

Particulars*	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
i. MSME	0.15	-	-	-	0.15
ii. Others	0.54	-	-	-	0.54
iii. Disputed dues – MSME	-	-	-	-	-
iv. Disputed dues – Others	-	-	-	-	-

* The above ageing schedule does not contain unbilled trade payables.

17. Provisions

(₹ in Lakh)

Particulars	As at March 31, 2023	As at March 31, 2022
Non Current		
a. Provision for employee benefits		
i. Compensated absences	289.54	260.60
ii. Provision for gratuity (net)	306.99	428.69
Total	596.53	689.29
Current		
a. Provision for employee benefits		
i. Compensated absences	204.10	209.90
ii. Provision for gratuity (net)	144.84	135.33
Other provisions		
i. Provision for Incentive Scheme for DPs (refer note 39)	1,568.67	1,497.38
ii. Provision for legal claims	183.47	183.47
Total	2,101.08	2,026.08

18. Other Liabilities

(₹ in Lakh)

Particulars	As at March 31, 2023	As at March 31, 2022
Non-current		
Income received in advance	0.92	-
Total	0.92	-
Current		
Income received in advance	69.56	25.96
Advance received from customers	695.47	627.65
Balances of CDSL managed DPs	280.13	262.54
Statutory remittances	1,119.48	1,153.95
Total	2,164.64	2,070.10



Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

19. Revenue from contracts with customers

(₹ in Lakh)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Sale of services comprise :		
Annual Issuer charges	18,321.51	11,540.21
Transaction charges	15,864.92	19,948.35
Users Facility charges	343.20	341.41
Settlement charges	137.34	139.01
Account Maintenance charges	392.02	356.80
E-Voting charges	2,389.03	899.71
E-CAS and BO Statement charges	2,285.33	1,854.28
IPO/Corporate Action charges	4,976.15	6,053.12
Foreign Investment Limit Monitoring charges	241.45	238.30
On Line Data charges	8,680.24	11,997.96
Documents Storage charges	483.35	518.70
Inter KRA charges	500.30	427.09
SEBI PACL Project	47.25	0.13
OLAO Project	13.76	13.90
E-KYC/C-KYC & Other	408.79	383.46
eSign Project	14.76	0.08
Insurance Repository charges	50.90	35.34
Commodity Repository charges	146.41	180.87
Others	211.97	204.36
Total	55,508.68	55,133.08

19.1 Timing of revenue recognition

(₹ in Lakh)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Services transferred at a point in time	36,173.54	42,593.63
Services transferred over time	19,335.14	12,539.45
Total	55,508.68	55,133.08

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

20. Other income

Particulars	(₹ in Lakh)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest income earned on financial assets measured at amortised cost		
Bank deposits	564.06	666.22
Investments in debt instruments	993.47	809.56
Investments in STRIPS (Separate Trading of Registered Interest and Principal of Securities)	860.32	-
Interest on staff loan	1.08	0.88
Dividend		
Dividend from Others	30.00	-
Other gains or losses		
Net gain arising on financial assets measured at FVTPL	3,227.42	3,165.15
Gain / (Loss) on Sale / Disposal of Property, plant and equipments and intangible assets (Net)	28.80	20.06
Gain / (Loss) on Sale of Investment in IIDIL	169.64	-
Other non-operating income		
Interest from debtors	39.73	23.19
Excess provision reversed	-	209.68
Interest on Income tax refund	67.53	41.11
Bad debts recovered	177.21	168.26
Intellectual Property Rights	-	75.00
Miscellaneous Income	425.57	277.77
Total	6,584.83	5,456.88

21. Employee benefits expense

Particulars	(₹ in Lakh)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Salaries, allowances and bonus	7,375.64	4,532.17
Contribution to provident and other Funds	468.91	358.21
Staff welfare expenses	254.52	163.52
Total	8,099.07	5,053.90

22. Depreciation and amortisation expenses

Particulars	(₹ in Lakh)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Depreciation on Property, plant and equipment, Right of Use Asset and Amortisation on Intangible Assets	1,948.04	1,146.28
Total	1,948.04	1,146.28

23. Impairment loss on financial assets

Particulars	(₹ in Lakh)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Impairment loss allowance on trade receivables (includes bad debts ₹ 508.86 Lakh (Previous Year ₹ 737.69 Lakh))	708.86	741.75
Total	708.86	741.75



Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

24. Other expenses

(₹ in Lakh)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
AADHAR Authentication Expenses	61.32	84.12
Aadhar Masking Charges	42.82	42.79
Annual SEBI fees	404.98	267.95
Auditors' remuneration		
Audit Fees	29.58	27.95
Tax Audit Fees	2.50	2.50
Reimbursement of expenses	0.59	0.21
Other Services	1.20	-
Business promotion expenses	241.71	136.89
Computer technology related expenses	3,839.55	2,642.69
Contribution to investor protection fund (IPF)	1,255.11	1,360.10
Corporate social responsibility Expenses (refer note 25)	521.20	332.49
Directors' sitting fees	232.09	259.16
E-CAS and BO Statement Expenses	543.15	583.80
Evoting Expenses	480.25	214.27
E-sign Project Expenses	1.16	-
Expenses for GST Suvidha Provider	17.40	17.85
Fee for Depository/Exchange	17.70	11.41
Incentive scheme for DP's (refer note 39)	967.24	586.18
Insurance expenses	94.89	90.29
Inter KRA Charges Expenses	1,711.04	2,720.58
Legal charges	235.94	125.52
Lease expenses	265.60	201.41
Miscellaneous expenses	297.59	204.21
Office Maintenance expenses	268.23	175.40
Point of Service (POS) charges	646.53	705.73
Postage, telephone and communication charges	279.10	521.36
Power and fuel	98.83	54.80
Printing and stationery	17.70	10.35
Professional and consultancy fees	806.29	324.77
Preliminary Expenses	-	13.75
Rates and taxes	42.36	42.48
Recruitment Charges	24.19	17.31
SMS Alert Expenses	722.45	803.89
Travelling and conveyance	186.13	58.92
WDRA Annual Fees	10.00	9.99
Total	14,366.42	12,651.12

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

25. Corporate Social Responsibility (CSR) Expenditure

Particulars	(₹ in Lakh)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
a. Gross amount required to be spent by the Company during the year	515.89	332.49
b. Amount of expenditure incurred	521.20	332.49
c. (Excess) / Shortfall at the end of the year	(5.31)	-
d. Total of previous years shortfall / (Excess)	-	1.63
e. Reason for shortfall	N.A.	Unspent amount from FY 2020-21 spent in the FY 2021-22
f. Nature of CSR activities	Promoting Healthcare, education, environment sustainability, and Contribution to research and development.	Promoting Healthcare, education, environment sustainability, and Contribution to disaster relief.
g. Details of related party transactions, e.g., contribution to a trust controlled by the Group in relation to CSR expenditure as per relevant Accounting Standard	N.A.	N.A.
h. Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately	N.A.	N.A.

26. The income tax expense reconciliation with the accounting profit as follows:

Particulars	(₹ in Lakh)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
(A) Profit before tax	36,957.77	40,995.92
(B) Indian Statutory Income Tax Rate	25.17%	25.17%
(C) Expected Income Tax expenses (A*B)	9,302.27	10,318.67
(D) Tax Effect of adjustments to reconcile expected income tax expense reported income tax expense		
Effect of change in tax rate	433.75	73.25
Effect of fair value of investments	(635.79)	(349.58)
Effect of income that is exempt from taxation	693.99	461.60
Expenses disallowed / (allowed) net	(871.26)	(470.49)
Prior period tax adjustments	7.52	(439.93)
Total adjustments (D)	(371.79)	(725.15)
(E) Tax expenses after adjustments (C+D)	8,930.48	9,593.52
(F) Tax expenses recognised in statement of Profit and Loss	8,930.48	9,593.52

27. Earnings Per Share (EPS)

Particulars	(₹ in Lakh)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Weighted average number of equity shares (issued share capital) outstanding during the year for the calculation of basic EPS	10,45,00,000	10,45,00,000
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	10,45,00,000	10,45,00,000
Face Value per Share (₹)	₹ 10/- Each	₹ 10/- Each
Profit for the year (₹ in lakh)	27,593.90	31,118.12
Basic and Diluted EPS (₹ per share)	26.41	29.78



Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

28. Leases

Following are the changes in the carrying value of right of use assets:

Particulars	(₹ in Lakh)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Opening Balance*	29.04	26.31
Additions during the year	323.40	37.97
Reversal / Transfer of ROU asset	(16.69)	(22.61)
Less: Depreciation	(109.28)	(12.87)
Currency Fluctuation	-	0.24
Closing Balance	226.47	29.04

*includes EIR adjustment of Security Deposit

Amounts recognised in statement of profit and loss:

Particulars	(₹ in Lakh)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Depreciation expense on right-of-use assets	109.28	12.87
Currency Fluctuation	-	(0.09)
Interest income on security deposit	2.66	0.29
Interest expense on lease liabilities	13.35	0.99

The following is the break-up of current and non-current lease liabilities:

Particulars	(₹ in Lakh)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Current Lease Liabilities	120.92	14.42
Non-Current Lease Liabilities	116.13	14.67
Total	237.05	29.09

The following is the movement in lease liabilities:

Particulars	(₹ in Lakh)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Opening Balance	29.09	27.75
Add: Additions during the year	315.28	37.72
Add: Interest expense accrued during the year	13.35	0.99
Less: Reversal during the year	(17.88)	-
Less: Payment / transfer of Lease Liabilities	(102.79)	(37.37)
Closing Balance	237.05	29.09

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

Particulars	(₹ in Lakh)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Less than one year	120.92	14.42
One to Five years	116.13	14.67
More than Five years	-	-
Total	237.05	29.09

The following is the movement in Security Deposit:

Particulars	(₹ in Lakh)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Opening Balance	12.23	8.41
Add: Additions during the year	8.16	12.13
Add: Interest income	2.66	0.29
Less: Transfer during the year	(11.62)	(8.60)
Closing Balance	11.43	12.23

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

29. Financial Instruments at Fair Value

The carrying value and fair value of financial instruments by categories:

(₹ in Lakh)

Particulars	Carrying Value		Fair Value	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
i) Financial Assets				
a) Amortised Cost				
Investment in Bonds and Debentures	18,604.21	8,550.02	18,717.38	8,934.17
Investment in Government Securities – STRIPS	16,924.03	-	16,924.03	-
Trade receivables	3,766.59	4,582.68	3,766.59	4,582.68
Cash and cash equivalents	5,036.31	8,559.04	5,036.31	8,559.04
Bank balances other than cash and cash equivalents	7,314.44	12,026.35	7,314.44	12,026.35
Loans	13.77	10.02	13.77	10.02
Other financial assets	2,071.69	727.34	2,071.69	727.34
Total (a)	53,731.04	34,455.45	53,844.21	34,839.60
b) FVTPL				
Quoted mutual funds	641.16	8,099.96	641.16	8,099.96
Unquoted mutual funds	53,435.61	72,553.55	53,435.61	72,553.55
Total (b)	54,076.77	80,653.51	54,076.77	80,653.51
c) FVTPL (equity instruments)				
Investment in equity instruments*	1,492.77	1,436.49	1,492.77	1,436.49
Total (c)	1,492.77	1,436.49	1,492.77	1,436.49
Total Financial Assets (a+b+c)	1,09,300.58	116,545.45	1,09,413.75	116,929.60

* Investment does not include investments in equity instruments of associates.

(₹ in Lakh)

Particulars	Carrying Value		Fair Value	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
ii) Financial Liabilities				
a) Amortised Cost				
Trade payables	1,961.69	1,058.60	1,961.69	1,058.60
Other financial liabilities	12,218.39	12,244.32	12,218.39	12,244.32
Lease liabilities	237.05	29.09	237.05	29.09
Total Financial Liabilities	14,417.13	13,332.01	14,417.13	13,332.01

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 Group's financial assets that are measured at fair value on a recurring basis

(₹ in Lakh)

Financial Assets	Fair value as at		Fair Value hierarchy	Valuation technique(s) and key input(s)
	March 31, 2023	March 31, 2022		
Mutual Funds (Quoted)	-	8,099.96	Level 1	NAV declared by respective mutual funds
Mutual Funds (Unquoted)	53,435.61	72,553.55	Level 2	NAV declared by respective mutual funds
ETF's (Quoted)	641.16	-	Level 1	Quoted price
Equity Shares (Unquoted)	1,000.00	1,000.00	Level 3	Transaction Price
Equity Shares (Unquoted)	492.77	436.49	Level 3	Net Asset Method

There were no transfers between Level 1, 2 and 3 during the years.

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



Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

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:

- i. 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.
- ii. 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.

Disclosure for Level 3

The fair values of the unquoted equity shares have been estimated based on net asset method as per latest financials available.

Fair value measurements using significant unobservable inputs (level 3)

- A. The following table presents the changes in level 3 items for the year ended March 31, 2023 and March 31, 2022.

Particulars	(₹ in Lakh)	
		Unlisted Equity Shares
As at March 31, 2021		27.90
Gain/(loss) recognized in Statement of Profit and Loss during the year		108.09
As at March 31, 2022		135.99
Gain/(loss) recognized in Statement of Profit and Loss during the year		56.28
As at March 31, 2023		192.27

- B. Valuation inputs and relationships to fair value : The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements

Particulars	(₹ in Lakh)	
	Fair Value March 31, 2023	Fair Value March 31, 2022
Net Assets	12,306.75	10,897.50
Total Number of equity Shares of National E-Governance Services Limited	7,50,00,000	7,50,00,000
Net Asset per share (₹)	16.41	14.53

30. Financial Risk Management

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

The Group's activities expose it to a variety of financial risks: credit risk, liquidity risk, market risk (including foreign currency and interest rate risk) and regulatory risk. The Group's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Group'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.

a. Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group'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 Group assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

► Trade and other receivables

The Group'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.

Following customers accounted for more than 10% of the receivables as at March 31, 2023 and revenue for the year ended March 31, 2023.

Central Depository Services (India) Limited

Particulars	₹ In Lakh	10% of the receivable and revenue
Revenue	45,059.96	No Such customer
Receivables	2,491.64	No Such customer

CDSL Ventures Limited

Particulars	₹ In Lakh	10% of the receivable and revenue
Revenue	10,294.56	No such customer
Receivables	561.99	Customer 1 – 85.94 Lakh (15%) Customer 2 – 68.41 Lakh (12%)

CDSL Insurance Repository Limited

Particulars	₹ In Lakh	10% of the receivable and revenue
Revenue	50.90	Customer 1 – 17.98 Lakh (35%) Customer 2 – 6.58 Lakh (13%) Customer 3 – 5.91 Lakh (12%)
Receivables	8.29	Customer 1 – 3.06 Lakh (37%) Customer 2 – 1.83 Lakh (22%)

CDSL Commodity Repository Limited

Particulars	₹ In Lakh	10% of the receivable and revenue
Revenue	146.41	No such customer
Receivables	30.14	Customer 1 – 3.6 lakh (11.96%) Customer 2 – 3.19 lakh (10.59%)

Following customers accounted for more than 10% of the receivables as at March 31, 2022 and revenue for the year ended March 31, 2022.

Central Depository Services (India) Limited

Particulars	₹ In Lakh	10% of the receivable and revenue
Revenue	41,480.33	Customer 1 – 5,202.91 Lakh (13%) Customer 2 – 4850.64 Lakh (12%)
Receivables	1,913.91	No Such customer

CDSL Ventures Limited

Particulars	₹ In Lakh	10% of the receivable and revenue
Revenue	13,493.07	Customer 1 – 1532.35 Lakh (11%)
Receivables	679.32	Customer 1 – 137.91 Lakh (20%) Customer 2 – 136.84 Lakh (20%)

CDSL Insurance Repository Limited

Particulars	₹ In Lakh	10% of the receivable and revenue
Revenue	35.34	Customer 1 – 11.59 Lakh (33%) Customer 2 – 4.63 Lakh (13%) Customer 3 – 3.61 Lakh (10%)
Receivables	9.60	Customer 1 – 3.51 Lakh (37%) Customer 2 – 2.66 Lakh (28%)



Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

CDSL Commodity Repository Limited

Particulars	₹ In Lakh	10% of the receivable and revenue
Revenue	180.87	Customer 1 – 25.33 lakh (15%) Customer 2 – 20.09 lakh (12%) Customer 3 – 19.06 lakh (11%) Customer 4 – 17.38 lakh (10%)
Receivables	61.26	Customer 1 – 19.41 lakh (31.68%)

► Investments

The Group limits its exposure to credit risk by making investment as per the investment policy. Further investment committee of the Group reviews the investment portfolio on monthly basis and recommends or provides suggestions to the management. The Group 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 Group will not be able to meet its financial obligations as they become due. The Group manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.

The Group's 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 management monitors the Group's net liquidity position through forecasts on the basis of expected cash flows.

The table below provides details regarding the contractual maturities of financial liabilities as at March 31, 2023 and March 31, 2022.

(₹ in Lakh)

Particulars	As at March 31, 2023			
	Less than 1 year	1 to 5 years	More than 5 years	Total
Trade payables	1,961.69	-	-	1,961.69
Other financial liabilities	11,833.51	384.88	-	12,218.39
Lease liabilities	120.92	116.13	-	237.05
Total	13,916.12	501.01	-	14,417.13

(₹ in Lakh)

Particulars	As at March 31, 2022			
	Less than 1 year	1 to 5 years	More than 5 years	Total
Trade payables	1,058.60	-	-	1,058.60
Other financial liabilities	12,091.30	153.02	-	12,244.32
Lease liabilities	14.42	14.67	-	29.09
Total	13,164.32	167.69	-	13,332.01

The table below provides details regarding the contractual maturities of financial assets as at March 31, 2023 and March 31, 2022.

(₹ in Lakh)

Particulars	As at March 31, 2023			
	Less than 1 year	1 to 5 years	More than 5 years	Total
Investments*	46,904.97	37,404.71	5,295.33	89,605.01
Loan	5.86	7.91	-	13.77
Other financial assets	883.18	1,188.51	-	2,071.69
Trade receivables	3,766.59	-	-	3,766.59
Cash and cash equivalents	5,036.31	-	-	5,036.31
Bank balances other than cash and cash equivalents	7,314.44	-	-	7,314.44
Total	63,911.35	38,601.13	5,295.33	1,07,807.81

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

(₹ in Lakh)

Particulars	As at March 31, 2022			
	Less than 1 year	1 to 5 years	More than 5 years	Total
Financial Assets				
Investments*	63,955.62	25,247.91	-	89,203.53
Loan	6.52	3.50	-	10.02
Other financial assets	335.93	391.41	-	727.34
Trade receivables	4,582.68	-	-	4,582.68
Cash and cash equivalents	8,559.04	-	-	8,559.04
Bank balances other than cash and cash equivalents	12,026.35	-	-	12,026.35
Total	89,466.14	25,642.82	-	1,15,108.96

* Investments does not include investment in equity instruments.

Market risk

The Group'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 trading volume on stock exchanges, the number of listed securities, the number of new listings and subsequent issuances and introduction of new services which will ease in doing business in capital markets.

In addition to the above risk, market risk also include following:

► Foreign Currency risk

The Group's foreign currency risk arises in respect of foreign currency transactions. The Group's foreign currency expenses is insignificant, 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 Group's expenses measured in rupees may decrease. Due to lessor quantum of expenses from foreign currencies, the Group 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 interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term / short- term investment with floating interest rates.

All investments in Debentures and Bonds are at fixed rate of Interest and does not have material interest rate risks. The Group's investments in floating rate are primarily in Fixed maturity plans (FMPs) of mutual funds, which do not expose it to significant interest rate risk. The Group's exposure to assets having price risk is as under:-

(₹ in Lakh)

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Mutual Fund (other than FMP)	53,935.58	72,553.55

Sensitivity

The table below summarises the impact of increases/ decreases of the Price on profit for the period. The analysis is based on the assumption that the instrument index has increased/ decreased by 5% with all other variables held constant.

(₹ in Lakh)

Particulars	Impact on profit after tax	
	March 31, 2023	March 31, 2022
Increase by 5%	2,696.78	3,627.68
Decrease by 5%	2,696.78	3,627.68

Regulatory Risk

The Group requires various regulatory approvals, registrations and permissions to operate its business, including at a corporate level as well as at the level of each of its components. Some of these approvals are required to be renewed from time to time. The Group's operations are subject to continued review by regulator and these regulations may change from time to time in fast changing capital market environment. The Group's compliance team constantly monitors the compliance with these rules and regulations.



Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

31. Capital Management

The Group'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 Group monitors the return on capital as well as the level of dividends on its equity shares. The Group's objective when managing capital is to maintain an optimal structure so as to maximize shareholder value.

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

32. Information on related party transactions as required by Ind AS 24 - 'Related party disclosures' for the year ended March 31, 2023.

Description of relationship	Names of related parties
Entity having significant influence	BSE Limited
Subsidiaries of entity having significant influence	BSE Technologies Private Limited (Erstwhile Marketplace Technologies Private Limited) Indian Clearing Corporation Limited BSE Administration & Supervision Limited BSE Investments Limited BSE Institute Limited BSE CSR Integrated Foundation India International Exchange (IFSC) Limited India International Clearing Corporation (IFSC) Limited BSE Tech Infra Services Private Limited (formerly known as Marketplace Tech Infra Services Private Limited) BFSI Sector Skill Council of India BIL - Ryerson Technology Startup Incubator Foundation BSE Institute of Research Development & Innovation BSE E-Agricultural Markets Limited India INX Global Access IFSC Limited
Associates having significant influence in subsidiary-CDSL Commodity Repository Limited	Multi Commodity Exchange of India Limited BSE Investments Limited
Associates	India International Bullion Holding IFSC Limited India International Bullion Exchange IFSC Limited India International Depository IFSC Limited (Erstwhile CDSL IFSC Limited) w.e.f. May 2, 2022
Directors	Shri Balkrishna V Chaubal, Public Interest Director Prof. (Dr.) Bimalkumar N Patel, Public Interest Director Smt. Preeti Saran, Public Interest Director (up to October 17, 2022) Prof. Umesh Bellur, Public Interest Director Shri. Sidhartha Pradhan, Public Interest Director Shri. Masil Jeya Mohan P, Shareholder Director Shri Nayan Mehta, Shareholder Director Smt. Rajeshree Sabnavis, Public Interest Director (from November 29, 2022) Shri. Gurumoorthy Mahalingam, Public Interest Director (from March 9, 2023)
Key Managerial Personnel	Shri Nehal Vora, Managing Director & Chief Executive Officer Shri Girish Amesara, Chief Financial Officer Smt. Amita Paunikar, Company Secretary (Upto April 05, 2021) Shri. Nilay Shah, Company Secretary (From August 02, 2021)

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

32.1 Transactions during the year

Particulars	(₹ in Lakh)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Operational Income		
BSE Limited	79.48	598.22
Indian Clearing Corporation Limited	3.42	3.82
BSE Technologies Pvt Ltd (Erstwhile Marketplace Technologies Private Limited)	0.75	0.75
BSE Administration & Supervision Limited	0.07	0.19
BSE E-Agricultural Markets Limited	0.23	0.22
India INX Global Access Ifsc Limited	0.23	0.23
BIL- Ryerson Technology Startup Incubator Foundation	0.05	0.05
BSE CSR Integrated Foundation	0.05	0.05
BFSI Sector Skill Council of India	0.16	-
India INX Global Access IFSC Limited	0.05	-
Multi commodity Exchange Of India Limited	13.63	7.79
India International Bullion Holding IFSC Limited	0.79	0.44
India International Bullion Exchange Ifsc Limited	0.09	0.28
India International Clearing Corporation (IFSC) Limited	0.75	0.79
India International Exchange (IFSC) Limited	0.75	0.80
Administrative and Other Expenses (Recoveries) (Income)		
India International Bullion Holding IFSC Limited	0.25	-
India International Depository IFSC Limited (Erstwhile CDSL IFSC Limited)	80.20	18.14
Rent Expense		
BSE Limited	-	1.10
Administrative and Other Expenses (Recoveries) (Expense)		
BSE Limited (expense)	64.51	46.15
India International Bullion Holding IFSC Limited (expense)	-	0.10
BSE Investments Limited	4.40	3.30
Shared Service Recovery		
India International Depository IFSC Limited (Erstwhile CDSL IFSC Limited)	45.08	52.33
Dividend Paid		
BSE Limited	3,135.00	1,881.00
Security deposit (Liability)		
BSE Administration & Supervision Limited	-	0.10
BFSI Sector Skill Council of India	0.10	-
India International Bullion Holding IFSC Limited (Erstwhile CDSL IFSC Limited)	-	0.10
Security Deposit (Asset)		
India International Depository IFSC Limited (Erstwhile CDSL IFSC Limited)	-	11.89
Investment in Equity Shares		
India International Bullion Holding IFSC Limited	1,000.00	2,000.00
India International Depository IFSC Limited (Erstwhile CDSL IFSC Limited)	-	2,000.00
Sale of equity shares of India International Depository IFSC Limited (Erstwhile CDSL IFSC Limited)		
India International Bullion Holding IFSC Limited	2,000.00	-
Sale of Fixed Asset		
India International Depository IFSC Limited (Erstwhile CDSL IFSC Limited)	-	11.53
Sale of Bullion Depository Application		
India International Depository IFSC Limited (Erstwhile CDSL IFSC Limited)	200.00	-
AMC of Bullion Depository Application		
India International Depository IFSC Limited (Erstwhile CDSL IFSC Limited)	80.00	-
Director of Parent Company (other than independent director)		
Masil Jeya Mohan P.		
Administrative and Other Expenses – Meeting expenses	0.25	-



Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

(₹ in Lakh)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Key Managerial Personnel		
Dividend Paid	0.40	0.24
Remuneration[#]		
Shri Nehal Vora, Managing Director & Chief Executive officer	368.12	287.73
Shri Girish Amesara, Chief Financial Officer	127.40	97.21
Smt. Amita Paunikar, Company Secretary (Upto April 05, 2021)	-	0.81
Shri Nilay Shah, Company Secretary (From August 02, 2021)	55.77	30.02

[#]Includes Salary payable as per Form 16 (Income Tax Act 1961) and Parent Company's contribution to Provident Fund.

The sitting fees paid to Non-Executive Directors is ₹ 172.75 Lakh and ₹ 216.75 lakh as at March 31, 2023 and 2022, respectively.

Company provides long term benefits in the form of Gratuity to Key Managerial Personnel with all employees. Cost of the same is not identifiable separately and not disclosed.

32.2 Balances at the end of the year

(₹ in Lakh)

Particulars	As at March 31, 2023	As at March 31, 2022
Trade receivable		
BSE Limited	0.94	123.40
Multi Commodity Exchange of India Limited -	-	0.02
India International Bullion Holding IFSC Limited	-	0.32
India International Depository IFSC Limited (Erstwhile CDSL IFSC Limited)	104.60	-
Advance received from Customers		
Indian Clearing Corporation Limited	-	0.04
Multi Commodity Exchange of India Limited -	0.01	-
India International Bullion Exchange IFSC Limited	0.01	-
Security Deposit received		
Indian Clearing Corporation Limited	5.00	5.00
BSE Administration & Supervision Limited	0.10	0.10
BSE E-Agricultural Markets Limited	0.10	0.10
BFSI Sector Skill Council of India	0.10	-
India INX Global Access Ifsc Limited	0.45	0.45
India International Bullion Holding IFSC Limited	0.10	0.10
India International Depository IFSC Limited (Erstwhile CDSL IFSC Limited)	0.90	0.90
Income Received in Advance		
India International Depository IFSC Limited (Erstwhile CDSL IFSC Limited)	33.97	-
Investment in equity shares		
India International Bullion Holding IFSC Limited	3,000.00	2,000.00

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

33. Contingent Liabilities

Particulars	(₹ in Lakh)	
	As at March 31, 2023	As at March 31, 2022
Claims against the Group not acknowledged as debt in respect of:		
Legal Claim contingency (refer note (i))	333.00	333.00
Income tax matters (refer note (ii))	1,300.40	1957.37
Service tax matters (refer note (ii))	77.97	77.97
GST Matter FY 2018-19 (refer note (ii))	11.19	-
Bank Guarantee (refer note (iii)) (refer note 44)	683.27	683.27

Notes:

- i. Writ petition has been filed by Swojas Energy Foods Limited & Ors. against SEBI, CDSL & Ors. pursuant to Demat accounts of the petitioners being frozen on receipt of instructions received from BSE based on a circular issued by BSE in discussion with SEBI. Petitioners have sought monetary compensation exceeding ₹ 333 Lakh for alleged illegal freezing of demat accounts as the petitioners' allege that SEBI did not delegate any such power to BSE. No hearing has taken place till date and therefore, there is no further development in the matter.
- ii. Claims against the Group not acknowledged as debt:
 - A) Central Depository Services (India) Limited – Parent Company
 - ▶ Income Tax Demand of ₹ 0.57 Lakh raised by Income Tax Department vide Assessment order u/s 143(3) of Income Tax Act, 1961 for A.Y. 2018-19 dated March 15, 2021 against which appeal has been filed on April 12, 2021.
 - ▶ Income Tax Demand of ₹ 1882.78 Lakh raised by Income Tax Department vide Assessment order u/s 147 of Income Tax Act, 1961 for A.Y. 2014-15 dated March 30, 2022 against which company has filed rectification letter on April 13, 2022 and appeal on April 22, 2022. Income Tax refund of ₹ 582.95 Lakh for AY 2021-22 was adjusted against said demand on November 02, 2022.
 - ▶ Service Tax demand of ₹ 77.97 Lakh and interest and penalty thereon raised by Service Tax Department vide Show Cause Notice issued u/s 73(1) of Chapter V of Finance Act, 1994 for F.Y. 2016-17 dated October 23, 2021 against which company has filed response to Show Cause Notice on November 30, 2021. Hearing has taken place on March 15, 2023 wherein additional documents were sought and same has been submitted on March 20, 2023.
 - B) CDSL Ventures Limited
 - (i) Income Tax Demand of ₹ 74.02 Lakh raised by Income Tax Department vide Assessment order u/s 143(3) of Income Tax Act, 1961 for A.Y. 2017-18 dated November 19, 2019 against which company had filed rectification letter on December 17, 2019. After rigorous follow up, rectification order was passed on February 17, 2023 determining refund of ₹ 87 Lakh including interest for AY 2017-18. The refund is pending and recognised as non-current asset in the financial statements
 - (ii) GST Demand of ₹ 11.19 Lakh (tax liability of ₹ 5.59 Lakh along with Interest of ₹ 4.97 Lakh and penalty of ₹ 0.64 Lakh) raised by GST Department vide order u/s u/s 73 of CGST Act, 2017 in Form DRC 07 for FY 2018-19 on March 29, 2023. This demand is raised for mismatch in GST credit between Form GSTR 9 and GSTR 2A. Out of this demand, the ITC amounting to ₹ 1.65 Lakh already reversed by the company in Table 4B(2) of GSTR-3B has not been considered by officer, thereby an appeal would be preferred against the said order shortly.
- iii. Bank Guarantees

As per business requirements, bank guarantees issued by banks on behalf of the Group, against 100% margin (earmarked) on fixed deposit receipts. (Refer note 44)



Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

34. Commitments

Particulars	(₹ in Lakh)	
	As at March 31, 2023	As at March 31, 2022
Estimated value of contracts remaining to be executed on capital account and not provided for		
Property, plant and equipment	282.73	241.44
Intangible assets	739.87	371.00

35. Segment information

The Managing Director and Chief Executive Officer of the Parent Company, has been identified as the Chief Operating Decision Maker (CODM) as defined by Indian Accounting Standard 108 "Operating Segments". The CODM evaluates the Group's performance, allocates resources based on analysis of the various performance indicators of the Group as a single unit.

The Group operates in three operating Segments namely Depository, Data entry and storage and Repository. These are the reportable business segment as per Indian Accounting Standard 108 "Operating Segments". The reportable business segments are in line with the segment wise information which is being presented to the CODM.

The Group has three operating and reporting segment; viz, Depository, Data entry and storage and Repository. Since there is no revenue from external customers and non-current assets outside India, no geographical segments have been identified.

Depository Segment includes providing various services to the investors like dematerialisation, rematerialisation, holding, transfer and pledge of securities in electronic form and providing e-voting services to companies.

Data Entry and Storage segment relates to Centralized record keeping of KYC document of capital market investors.

Repository's main objective to provide policyholders/warehouse receipts holder a facility to keep insurance policies/warehouse receipts in electronic form and to undertake changes, modifications and revisions in the policy/receipt with speed and accuracy in order to bring about efficiency, transparency and cost reduction in issuance and maintenance of policies/receipts.

Particulars	(₹ in Lakh)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Segment Revenue		
Depository Activity	45,059.96	41,480.33
Data Entry and Storage	10,294.56	13,493.07
Repository	197.31	216.21
Total	55,551.83	55,189.61
Less : Inter Segment Revenue	43.15	56.53
Total Income	55,508.68	55,133.08
Segment Results		
Depository Activity	24,946.82	27,101.51
Data Entry and Storage	5,767.83	8,687.15
Repository	(341.71)	(249.62)
Total	30,372.94	35,539.04
Add/(Less) : other unallocable income **	6,142.49	5,315.68
Profit before taxation	36,515.43	40,854.72
Less : Provision for taxation	8,919.42	9,673.91
Profit after taxation	27,596.01	31,180.81

**Other unallocable income mainly includes interest income, dividend income, income from investments and other unallocable miscellaneous income.

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2023

(₹ in Lakh)

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Segment assets		
Depository Activity	30,088.76	22,088.24
Data Entry and Storage	3,371.55	2,489.02
Repository	442.54	305.77
Unallocated	1,11,814.15	1,07,672.81
Total	1,45,717.00	1,32,555.84
Segment liabilities		
Depository Activity	16,890.74	16,320.34
Data Entry and Storage	1,312.74	917.58
Repository	234.86	133.17
Unallocated	1,564.91	1,554.48
Total	20,003.25	18,925.57

36. Additional information to the financial statements

36.1 Expenditure in foreign currency:

(₹ in Lakh)

Particulars	As at	As at
	March 31, 2023	March 31, 2022
a. Software license	12.24	3.74
b. Conference Expenses	9.40	-
c. Membership & Subscription	2.74	-

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

Based on and to the extent of information received by the Group from the suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) and relied upon by the auditors, the relevant particulars as at the year-end are furnished below:

(₹ in Lakh)

Particulars	As at	As at
	March 31, 2023	March 31, 2022
a. Principal amount and interest thereon remaining unpaid at the end of year	-	-
b. Interest paid including payment made beyond appointed day	-	-
c. Interest due and payable for delay during the year	-	-
d. Amount of interest accrued and unpaid as at year end	-	-
e. The amount of further interest due and payable even in the succeeding year	-	-

Note: No interest is due to MSME. Hence the principal amount is not disclosed.

36.3 Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013

(₹ in Lakh)

Name of the entity	March 31, 2023		March 31, 2022	
	Net assets, i.e., total assets minus total liabilities			
	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount
Parent Company – Central Depository Services (India) Limited	71.53%	89,924.96	67.49%	76,689.44
CDSL Ventures Limited	21.07%	26,481.61	22.67%	25,757.16
CDSL Insurance Repository Limited	1.83%	2,304.03	1.97%	2,240.67
CDSL Commodity Repository Limited	2.12%	2,662.39	2.39%	2,717.73
India International Depository IFSC Limited (Erstwhile CDSL IFSC Limited)	0.00%	-	1.66%	1,886.84
Non-controlling Interest in subsidiary	3.45%	4,340.76	3.82%	4,338.43
Total	100%	1,25,713.75	100%	1,13,630.27



Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

(₹ in Lakh)

Name of the entity	For the year ended March 31, 2023		For the year ended March 31, 2022	
	Share in profit or loss			
	As % of consolidated net Profit and Loss	Amount	As % of consolidated net Profit and Loss	Amount
Parent Company – Central Depository Services (India) Limited	82.42%	22,743.31	76.60%	23,885.05
CDSL Ventures Limited	17.69%	4,881.70	23.44%	7,309.48
CDSL Insurance Repository Limited	0.23%	63.10	0.24%	73.29
CDSL Commodity Repository Limited	(0.20%)	(55.35)	0.00%	0.96
India International Depository IFSC Limited (Erstwhile CDSL IFSC Limited)	(0.14%)	(38.86)	(0.48%)	(150.66)
Non-controlling Interest in subsidiary	0.01%	2.11	0.20%	62.69
Total	100.00%	27,596.01	100%	31,180.81

(₹ in Lakh)

Name of the entity	For the year ended March 31, 2023		For the year ended March 31, 2022	
	Share in Other Comprehensive Income			
	As % of consolidated net Other Comprehensive Income	Amount	As % of consolidated net Other Comprehensive Income	Amount
Parent Company – Central Depository Services (India) Limited	95.10%	154.30	117.02%	(167.79)
CDSL Ventures Limited	(4.47%)	(7.26)	10.87%	(15.59)
CDSL Insurance Repository Limited	0.44%	0.72	0.07%	(0.10)
CDSL Commodity Repository Limited	(0.02%)	(0.04)	5.52%	(7.91)
India International Depository IFSC Limited (Erstwhile CDSL IFSC Limited)	9.09%	14.75	(31.66%)	45.40
Non-controlling Interest in subsidiary	(0.14%)	(0.22)	(1.81%)	2.60
Total	100%	162.25	100%	(143.39)

(₹ in Lakh)

Name of the entity	For the year ended March 31, 2023		For the year ended March 31, 2022	
	Share in Total Comprehensive Income			
	As % of consolidated net Total Comprehensive Income	Amount	As % of consolidated net Total Comprehensive Income	Amount
Parent Company – Central Depository Services (India) Limited	82.49%	22,897.61	76.42%	23,717.26
CDSL Ventures Limited	17.56%	4,874.44	23.50%	7,293.89
CDSL Insurance Repository Limited	0.23%	63.82	0.24%	73.25
CDSL Commodity Repository Limited	(0.20%)	(55.39)	(0.01%)	(1.81)
India International Depository IFSC Limited (Erstwhile CDSL IFSC Limited)	(0.09%)	(24.11)	(0.34%)	(105.26)
Non-controlling Interest in subsidiary	0.01%	1.89	0.19%	60.09
Total	100%	27,758.26	100.00%	31,037.42

37. Employee benefits

37.1 Defined benefits plan – Gratuity

Gratuity is administered through Group Gratuity Scheme with Life Insurance Corporation of India except for CDSL Commodity Repository Limited. 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 “Employee Benefits”. Hence the Group obtains separate actuarial valuation report as required under Ind AS 19 “Employee Benefits” from an independent Actuary. 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.

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

Such plan exposes the Group to actuarial risks such as: investment risk, interest rate risk, demographic risk and salary risk.

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to market yields at the end of the reporting period on government bond yields; if the return on plan asset is below this rate, it will create a plan deficit. Currently the plan has a relatively balanced investment in equity securities and debt instruments.
Interest rate risk	A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.
Demographic risk	This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, medical cost inflation, discount rate and vesting criteria.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Group has received the Gratuity fund statement from LIC till December 2022. The Group has not received fund statement from LIC till March 2023. Hence, for the purpose of calculation of plan asset as on March 2023 group has prepared fund movement as per the Group's records and rate of return on plan asset is estimated @ 7.40% p.a. as per actuarial report.

(₹ in Lakh)

Reconciliation of defined benefit obligation	March 31, 2023	March 31, 2022
Opening Defined Benefit Obligation	1,205.45	753.04
Transfer in/(out) obligation	-	-
Current service cost	128.75	100.55
Interest cost	80.51	47.58
Due to Change in financial assumptions	(47.50)	134.65
Due to change in demographic assumption	(17.12)	(4.40)
Due to experience adjustments	29.38	188.26
Past service cost	-	-
Liabilities assumed in an amalgamation in the nature of purchase	-	-
Benefit paid from fund	(70.06)	(14.23)
Benefits paid by group	(5.67)	-
Closing Defined Benefit Obligation	1,303.74	1,205.45

(₹ in Lakh)

Other Comprehensive Income for the year	March 31, 2023	March 31, 2022
Due to Change in financial assumptions	(47.50)	134.65
Due to change in demographic assumption	(17.12)	(4.40)
Due to experience adjustments	29.38	188.26
Return on plan assets excluding amounts included in interest income	(8.70)	0.84
Amounts recognized in Other Comprehensive (Income) / Expense	(43.94)	319.35

(₹ in Lakh)

Profit and loss account for the year	March 31, 2023	March 31, 2022
Service cost:		
Current service cost	128.75	100.55
Past service cost	-	-
Net interest cost	35.21	14.31
Total included in 'Employee Benefit Expense'	163.96	114.86

(₹ in Lakh)

Reconciliation of plan assets	March 31, 2023	March 31, 2022
Opening value of plan assets	641.43	490.61
Interest Income	45.30	33.27
Return on plan assets excluding amounts included in interest income	8.70	(0.84)
Contributions by employer	226.54	132.62
Benefits paid	(70.06)	(14.23)
Closing value of plan assets	851.91	641.43



Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

(₹ in Lakh)

Funded status of the plan	March 31, 2023	March 31, 2022
Present value of funded obligations	1,303.74	1,205.45
Fair value of plan assets	(851.91)	(641.43)
Net Liability (Asset)	451.83	564.02

(₹ in Lakh)

Reconciliation of net defined benefit liability	March 31, 2023	March 31, 2022
Net opening provision in books of accounts	563.75	262.44
Transfer in/(out) obligation	-	-
Adjustment to Opening Defined Benefit Obligation	-	-
Liabilities assumed in an amalgamation in the nature of purchase	-	-
Employee Benefit Expense	163.96	114.86
Amounts recognized in Other Comprehensive Income	(43.94)	319.35
Total	683.77	696.65
Benefits paid by the Group	(5.40)	-
Contributions to plan assets	(226.54)	(132.63)
Closing provision in books of accounts	451.83	564.02

Principle actuarial assumptions (for all employee benefits)	March 31, 2023	March 31, 2022
Discount Rate	7.40% p.a.	6.95% p.a.
Salary Growth Rate	9.00% p.a.	9.00% p.a.
Withdrawal Rates	6.14% p.a at all ages	4.83% p.a at all ages
Rate of Return on Plan Assets	7.40% p.a.	6.95% p.a.

Sensitivity analysis Particulars	March 31, 2023		March 31, 2022	
	Discount Rate	Salary Escalation Rate	Discount Rate	Salary Escalation Rate
Impact of increase of 1% on defined benefit obligation	(7.49%)	8.28%	(8.42%)	9.39%
Impact of decrease of 1% on defined benefit obligation	8.50%	(7.45%)	9.68%	(8.35%)

37.2 Compensated Absences

The employees of the Group are entitled to compensated absences. The employees can carry forward a portion of the unutilised accumulated compensated absences and utilise it in future periods or receive cash at retirement or termination of employment. The Group records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. The Group measures the expected cost of compensated absences as the additional amount that the Group expects to pay as a result of the unused entitlement that has accumulated at the end of the reporting period. The Group recognizes accumulated compensated absences based on actuarial valuation. Non-accumulating compensated absences are recognized in the period in which the absences occur. The Group recognizes remeasurement gains or losses immediately in the statement of profit and loss.

During the year ended March 31, 2023 an amount recognized as an expense in respect of compensated leave absences is ₹ 267.96 lakh, (Previous year ended March 31, 2022 is ₹ 220.85 lakh).

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

- 38.** As per the rule the Securities and Exchange Board of India (Depositories and Participants) (Amendment) Regulations, 2018 (the “Amended Regulations”), the Parent Company has determined the IPF contribution at 5% of profit from depository operation after making such contribution according to the Amended Regulations. The profit from depository operations has been determined by reducing the other income for the year from the Net profit before exceptional items and tax for the year after making such contribution. The movement of IPF provision is given below:

Table showing movement of IPF provision:

Particulars	(₹ in Lakh)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Rate	5%	5%
Opening provision	1,360.10	269.67
Add: Provision made during the year	1,255.11	1,360.10
Less: Amount transferred to IPF Trust during the Year	1,360.10	269.67
Closing Provision	1,255.11	1,360.10

- 39.** SEBI vide its circular no. CIR/MRD/DP/18/2015 dated December 9, 2015 (the “Circular”) has revised the annual custody/ issuer charges to be collected by the depositories from the issuers with effect from financial year 2015-16. With an objective of promoting financial inclusion and expanding the reach of depository services through depository participants (DPs) in tier II and tier III towns, the Circular recommends that the Depository Participants (DPs) be incentivised by way of two schemes. In the first scheme, the depositories shall pay the DPs an incentive of ₹ 100/- for every new Basic Services Demat Accounts (BSDA) opened by their participants in specified cities mentioned in the Circular. In the second scheme, the depositories may pay ₹ 2 per folio per ISIN to the respective depository participants (DPs), in respect of the ISIN positions held in BSDA across all BSDA accounts in the depository. In order to manage the aforementioned incentive schemes, the Circular has directed the Depositories to set aside 20% of the incremental revenue received from the issuers.

Pursuant to the Circular, the Parent Company has set aside ₹ 967.24 lakh during the year ended March 31, 2023 (₹ 586.18 lakh during the year ended March 31, 2022) being 20% of the incremental revenue received from issuers during the respective years, towards the DP incentive scheme.

Table showing movement of DP incentive provision:

Particulars	(₹ in Lakh)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Opening provision	1,497.38	1,138.78
Provision for DP incentive made during the year	967.24	586.18
Amount paid	(895.95)	(227.58)
Closing provision	1,568.67	1,497.38

40. Option permitted under Section 115BAA of the Income-tax Act, 1961:

From the financial year 2019-20, the Group 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 except for CDSL Commodity Repository Limited.



Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

41. Relationship with Struck off Companies

A) Central Depository Services (India) Limited:

Name of struck off Company	Nature of transactions with struck off Company	Balance outstanding as on March 31, 2023	Balance outstanding as on March 31, 2022	Relationship with the Struck off company, if any, to be disclosed
Punjab Anand Lamp Industries Limited	Rendering of Services	(0.01)	-	Customer
Ledo Tea Company Limited	Rendering of Services	0.21	0.06	Customer
Glenford Petroleum (India) Limited	Rendering of Services	-	0.06	Customer
BCC Fuba India Limited	Rendering of Services	-	-	Customer
Kable First Davanagere Private Limited	Rendering of Services	(0.06)	(0.16)	Customer
Rollings Aa Infrastructure Private Limited	Rendering of Services	0.06	0.06	Customer
Fine Lifestyle Brands Limited	Rendering of Services	-	0.06	Customer
PL Shipping & Logistics India Limited	Rendering of Services	0.06	0.04	Customer
Siti Godaari Digital Services Private Limited	Rendering of Services	-	0.06	Customer
DBS Capital Markets Private Limited	Rendering of Services	(4.22)	(4.22)	Customer
SPBP Tea (India) Limited	Rendering of Services	-	-	Customer
Zodiac Broking Private Limited	Rendering of Services	(0.01)	(0.01)	Customer
32Ndmilestone Organizers Private Limited	Rendering of Services	0.06	0.06	Customer
Vineet Securities Private Limited	Rendering of Services	0.53	0.53	Customer
Hermoine Securities Private Limited	Rendering of Services	-	0.01	Customer
Glittek Granites Limited	Rendering of Services	-	0.30	Customer
CC Square Films Limited	Rendering of Services	0.06	-	Customer
Coral Laboratories Limited	Rendering of Services	-	-	Customer
Magnanimous Trade And Finance Limited	Rendering of Services	(0.11)	(0.22)	Customer
Stellar Estate Developers Private Limited	Rendering of Services	0.06	0.06	Customer
Chaitanya Commodities Private Limited	Rendering of Services	-	0.06	Customer
Herbodynamic India Limited	Rendering of Services	0.06	-	Customer
Asterpetal Trade & Services Private Limited	Rendering of Services	0.64	(0.25)	Customer
Cybermedia Digitix Limited	Rendering of Services	-	-	Customer
Ranakpur Cement Limited	Rendering of Services	-	-	Customer
Formerly Himachal Asbestos Cement Limited				
Altico Housing Finance India Limited	Rendering of Services	-	0.01	Customer
Chamak Paintchem Limited	Rendering of Services	-	-	Customer
Chemurjy Exports Private Limited	Rendering of Services	0.06	-	Customer
Jamnagar Wastefuels Private Limited	Rendering of Services	(0.02)	(0.02)	Customer
Suhani Chemicals Limited	Rendering of Services	0.06	-	Customer
Vadodara Wastefuels Private Limited	Rendering of Services	-	-	Customer
Formerly Rajkot Wastefuels Private Limited				
Excel Mercantile Private Limited	Rendering of Services	-	(5.05)	Customer
Jeevandhara Multitrade Limited	Rendering of Services	0.11	0.10	Customer

B) CDSL Ventures Limited

Name of struck off Company	Nature of transactions with struck off Company	Balance outstanding as on March 31, 2023	Balance outstanding as on March 31, 2022	Relationship with the Struck off company, if any, to be disclosed
Adventures India Financial Services Limited	Rendering of Services	(0.01)	(0.01)	Customer
Bansal Finstock Pvt.Ltd.	Rendering of Services	(0.02)	(0.02)	Customer
Evolusolve Technologies Pvt Ltd.	Rendering of Services	(0.07)	(0.07)	Customer
Mayur Share Broking Pvt.Ltd.	Rendering of Services	(0.01)	(0.01)	Customer
Valuevest Technologies Pvt Ltd	Rendering of Services	(0.05)	(0.07)	Customer
Vineet Securities Private Limited	Rendering of Services	(0.05)	(0.05)	Customer

(Negative amount represent advance received from customer)

C) CDSL Insurance Repository Limited:

There are no transactions or amount outstanding with struck off companies for the year ended March 31, 2023 and March 31, 2022.

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

D) CDSL Commodity Repository Limited

There are no transactions or amount outstanding with struck off companies for the year ended March 31, 2023 and March 31, 2022.

E) India International Bullion Holding IFSC Limited

There are no transactions or amount outstanding with struck off companies for the year ended March 31, 2023 and March 31, 2022.

42. Long term contracts including derivative contracts

The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses during the year ended March 31, 2023 and March 31, 2022.

43. Interest on income tax refund and tax provision write back.

The Group has written back an amount of ₹ 203.19 Lakh (Previous Year ₹ 439.93 Lakh) in respect of earlier years. Further, an amount of ₹ 67.53 Lakh (Previous Year ₹ 41.11 Lakh), received as interest on refund for the earlier years has been included in other income.

44. Earmarked Assets and Liabilities

Particulars	Reference Note		As at	
	Asset	Liability	Mar 31, 2023	March 31, 2022
Bank Guarantee	11. Current Cash and cash equivalents and other bank balances – Deposit Account	31. Contingent liability	8.27	502.83
Other Financial Liabilities – Deferred Performance Linked Bonus to Key Managerial Persons	11. Current Cash and cash equivalents and other bank balances – Deposit Account	15. Current Other financial liabilities	54.91	75.48
		Subtotal	63.18	578.31
Other Financial Liabilities – Deferred Performance Linked Bonus to Key Managerial Persons	11. Current Cash and cash equivalents and other bank balances Deposit Account	15. Current Other financial liabilities	54.91	75.48
Other Financial Liabilities – Deferred Performance Linked Bonus to Key Managerial Persons	11. Current Cash and cash equivalents and other bank balances – Accrued Interest 8. Income tax asset and liabilities	15. Current Other financial liabilities	9.50	14.86
		Subtotal	64.41	90.34
Bank Guarantee	6. Non-Current Other financial assets – Bank balance in deposit accounts	31. Contingent liability	675.00	180.44
Other Financial Liabilities – Deferred Performance Linked Bonus to Key Managerial Persons	6. Non-Current Other financial assets – Bank balance in deposit accounts	15. Non-Current Other financial liabilities	362.78	143.97
		Subtotal	1,037.78	324.41
Other Financial Liabilities – Deferred Performance Linked Bonus to Key Managerial Persons	6. Non-Current Other financial assets – Bank balance in deposit accounts	15. Non-Current Other financial liabilities	362.78	143.97
Other Financial Liabilities – Deferred Performance Linked Bonus to Key Managerial Persons	6. Non-Current Other financial assets – Bank balance in Accrued interest 8. Income tax asset and liabilities	15. Non-Current Other financial liabilities	22.10	9.05
		Subtotal	384.88	153.02
Unpaid Dividend	11. Current Cash and cash equivalents and other bank balances	15. Current Other financial liabilities	102.48	59.38
Government Securities	11. Current Cash and cash equivalents and other bank balances	15. Current Other financial liabilities	222.11	66.74
Stamp Duty	11. Current Cash and cash equivalents and other bank balances	15. Current Other financial liabilities	517.34	500.55
Bidding Proceeds	11. Current Cash and cash equivalents and other bank balances	15. Current Other financial liabilities	3,667.14	3,678.41
		Subtotal	4,509.07	4,305.08



Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

45. Ratio Analysis and Its elements

Ratios	Numerator	Denominator	As on	As on	% change
			March 31, 2023	March 31, 2022	
Current Ratio (times)	Current Assets	Current Liabilities	3.56	5.19	(31)
The decrease in current ratio is due to investment of surplus cash flows in non convertible debentures having a maturity of more than one year.					
Debt Equity Ratio (times)	Total Debt	Total Equity	No Borrowing as on March 31, 2023 and March 31, 2022		-
Debt Service Coverage Ratio (times)	Earnings for debt service = Net profit after taxes + Non-cash operating expenses	Debt service = Interest + Principal Repayments	No Borrowing as on March 31, 2023 and March 31, 2022		-
Inventory Turnover Ratio (times)	Average inventory	Cost of goods sold	NA	NA	-
Return on Equity Ratio (percentage)	Net Income (profit after tax)	Average Shareholder's Equity	23.06	30.33	(24)
Trade Receivable turnover Ratio (times)	Net Revenue	Average Trade Receivable	13.30	13.24	-
Trade Payable turnover Ratio (times)	Expenses other than employee benefit expense and depreciation	Average Trade Payables	9.51	10.87	(13)
Net Capital Turnover Ratio (times)	Net Revenue	Working capital = Current assets - Current liabilities	1.00	0.75	33
The increase in net capital turnover ratio is due to increase in turnover and reduction in working capital.					
Net Profit Ratio (percentage)	Net Profit	Net Revenue	58.62	56.56	4
Return on Capital Employed (Percentage)	Earnings before interest and taxes	Capital Employed (Total Equity + Borrowings + Deferred tax liability)	28.95	35.77	(19)
Return on Investment Ratio (percentage)	Investment Income (Including mark to market of investment)	Investment	5.57	5.20	7

Note: Average is calculated on opening and closing amount divided by two.

46. Events after the reporting period

There are no events that have occurred between the end of the reporting period and the date when the consolidated financial statements are approved that provide evidence of conditions that existed at the end of the reporting period.

47. There was a disruption in the operations of the Parent Company on November 18, 2022 caused by a malware incident. The management of Parent Company has assessed that the impact was temporary and had not impacted any operational database of the Parent Company. Further, it has no direct impact on the financial statements of the Group. The necessary measures have been taken to enhance the security of the Information Technology systems. The necessary regulatory disclosure was made for the said incident.

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

48. Standards and amendments notified but not yet effective

Ministry of Corporate Affairs (“MCA”) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

Ind AS 1 – Presentation of Financial Statements – This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Group has evaluated the impact of the amendment on financial statements, and it is likely to be insignificant in the consolidated financial statements.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors – This amendment has introduced a definition of ‘accounting estimates’ and included amendments to IndAS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Group is in the process of evaluating its impact, if any.

Ind AS 12 – Income Taxes – This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and off setting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Group is currently assessing the impact of the amendments.

49. Other Statutory Information

- a. The Group, for the current year as well as previous year, does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- b. The Group, for the current year as well as previous year, does not have any charges or satisfaction to be registered with ROC.
- c. The Group, for the current year as well as previous year, has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- d. The Group, for the current year as well as previous year, does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961
- e. The Group, for the current year as well as previous year, has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall: directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of The Group (Ultimate Beneficiaries) or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.



Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2023

- f. The Group, for the current year as well as previous year, has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- g. The Group has not been declared as wilful defaulter by any bank or financial Institution or other lender, since The Group has not undertaken any borrowing during the current year and previous year.
- h. The Group, during the current year and previous year, has not made any investment in downstream companies which are not in compliance with clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
- i. The Group has not entered into any scheme of arrangement in terms of sections 230 to 237 of the Companies Act, 2013 during the current year and previous year.
- j. The Group has not revalued its Property, Plant and Equipment or intangible assets or both during the current year and previous year.
- k. The Group has not granted/given any loans or advances during the current year and previous year to the promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are repayable on demand or without specifying any terms or period of repayment.

50. Previous year figures have been regrouped / reclassified and rearranged wherever necessary to correspond with the current year classification/ disclosure.

Signatures to Notes 1 to 50 forming part of Consolidated Financial Statements

In terms of our report of even date attached

For S. R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm registration No. 301003E/E300005

Per Jayesh Gandhi

Partner

Membership No. 037924

Place : Mumbai

Date : April 29, 2023

For and on behalf of the Board of Directors of Central Depository Services (India) Limited

Balkrishna V Chaulal

Chairman

DIN: 06497832

Nilay Shah

Company Secretary

Membership No. A20586

Place : Mumbai

Date : April 29, 2023

Nehal Vora

Managing Director & CEO

DIN: 02769054

Girish Amesara

Chief Financial Officer

ABBREVIATIONS:

Term	Description
AGM	Annual General Meeting
F.Y. 2022-23	Financial Year 2022-23
AIF	Alternate Investment Fund
AMC	Asset Management Company
API	Application Program Interface
App	Application
AS	Accounting Standards
BCMS	Business Continuity Management System
BO	Beneficial Owner
BRSR	Business Responsibility and Sustainability Reporting
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
CAS	Consolidated Account Statement
CCID	Clearing Corporation ID
CCRL	CDSL Commodity Repository Ltd.
CFO	Chief Financial Officer
CPE Programs	Continuing Professional Education Programs
CIL	CDSL IFSC Limited.
CIN	Corporate Identification Number
CIRL	CDSL Insurance Repository Limited.
CM	Clearing Member
CMID	Clearing Member ID
CP	Commercial Paper
CPCB	Central Pollution Control Board
CPE	Continuing Professional Education
CSR	Corporate Social Responsibility
CRAs	Credit Rating Agencies
CVL	CDSL Ventures Limited.
DDPI	Demat debit and Pledge Instruction
DIN	Director Identification Number.
DLT	Distributed Ledger Technology
DP	Depository Participants
DRS	Disaster Recovery System
DTAA	Double Taxation Avoidance Agreement
E VOTING	Electronic Voting
EASI	Electronic Access to Security Information
EASIEST	Electronic Access to Security Information and Execution of Secured Transaction
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortisation
E-CAS	Electronic Consolidated Account Statement
e-IA	Electronic Insurance Accounts
ENWR	Electronic Negotiable Warehouse Receipts
EGR	Electronic Gold Receipts
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act, 1999
FII	Foreign Institutional Investors
FPI	Foreign Portfolio Investors
FPO	Farmer Producer Organizations
FVTPL	Fair Value Through Profit and Loss Account
FVTOCI	Fair Value Through Other Comprehensive Income
FY	Financial Year
GDP	Gross Domestic Product
GIFT	Gujarat International Finance Tec-City
GNL	GST Network Limited.
GSP	GST Suvidha Provider
GST	Goods and Services Tax
IAP	Investor Awareness Programme
ICAI	Institute of Chartered Accountants of India
ICC	Internal Complaints Committee

Term	Description
ICEX	Indian Commodity Exchange Limited
ICSI	Institute of Company Secretaries of India
IFSC	International Financial Services Centre
IFSCA	International Financial Services Centres Authority
INR	Indian National Rupees
IMF	International Monetary Fund
IPF	Investor Protection Fund
IPO	Initial Public Offering
IRDAI	Insurance Regulatory and Development Authority of India
ISIN	International Securities Identification Number
ISMS	Information Security Management System
IST	Indian Standard Time
IT	Information Technology
KMP	Key Managerial Personnel
KRA	KYC Registration Agency.
KYC	Know Your Client
LODR	SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015
MCA	Ministry of Corporate Affairs
MCX	Multi Commodity Exchange of India Ltd.
MF	Mutual Fund
MLI	Multilateral Instrument
MOF	Ministry of Finance
MIIs	Market Infrastructure Institutions
N.A /NA	Not Applicable
NBFC	Non-Banking Financial Company
NCLT	National Company Law Tribunal
NGO	Non-Government Organization
NISM	National Institute of Securities Market
NSDL	National Securities Depository Ltd.
NSE	National Stock Exchange Ltd.
OCI	Other Comprehensive Income
PAN	Permanent Account Number
PAT	Profit After Tax
PBT	Profit Before Tax
PCS	Practicing Company Secretary
PF	Provident Fund
PFRDA	Pension Fund Regulatory and Development Authority
PID	Public Interest Director
PIT Regulation	SEBI (Prohibition of Insider Trading) Regulation, 2015
PMS	Portfolio Management Services
RBI	Reserve Bank of India
RD	Regional Director
RI	Registered Intermediary
RMC	Risk Management Committee
RONW	Return of Net Worth
RTA	Registrar and Transfer Agent
SCRA	Securities Contracts (Regulation) Act, 1956
SEBI	Securities and Exchange Board of India constituted under the SEBI Act
SEBI (D & P) Regulations 2018	Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018
SEBI Act	Securities and Exchange Board of India Act, 1992.
SPCB	State Pollution Control Board
State Government	Government of a State of India
STR	Suspicious Transaction Reports
TDS	Tax Deducted at Source
TM	Trading Member
TMID	Trading Member ID
UIDAI	Unique Identification Authority of India
WDRA	Warehouse Development and Regulatory Authority
UCC	Unique Client Code
UNSC	United Nations Security Council



CDSL

Convenient • Dependable • Secure

25TH YEAR

Empowering Atmanirbharta

CENTRAL DEPOSITORY SERVICES (INDIA) LIMITED

Marathon Futurex, Unit No. A-2501, Mafatlal Mills Compound,
N. M. Joshi Marg, Lower Parel (E), Mumbai-400 013.
www.cdslindia.com

@cdslindia

