5th ANNUAL REPORT 2021-22

CDSL Commodity Repository Limited

Registered Office : A wing, Marathon Futurex, 25th Floor, N.M. Joshi Marg, Lower Parel, Mumbai 400 013.

www.ccrl.co.in

CCRL

CDSL Commodity Repository Limited

Annual Report 2021-22

CDSL COMMODITY REPOSITORY LIMITED

(**CIN:** U74999MH2017PLC292113)

Board of Directors

Shri Basanta Kishore Bal	Independent Director (w. e. f. 1st March, 2018)
Shri J. Balasubramanian	Independent Director (w. e. f. 20th January, 2018)
Shri S K Goel	Independent Director (w.e.f. 30th March, 2019)
Shri Pitambar Chowdhury	Chief Executive Officer & Managing Director (w.e.f. 1st November, 2019)
Shri Ramkumar K.	Shareholder Director (w.e.f. 22nd July, 2021)
Smt. Nayana Ovalekar	Shareholder Director (w.e.f. 22nd July, 2021)
Shri Sameer Patil	Shareholder Director (w.e.f. 19th January, 2022)
Shri Manoj Jain	Shareholder Director (w.e.f 2nd August, 2022)

Management

Shri Pitambar Chowdhury	Chief Executive Officer & Managing Director
Shri Arnav Datta	Vice President (Operations & Business Development)
Shri Dileep Shekhawat	Vice President (IT)
Ms. Aditi Shah	Company Secretary & Compliance Officer
Ms. Krishna Kadam	Chief Financial Officer

Auditors

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

Registered Office

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

Bankers

Axis Bank
Jeevan Prakash Building, Ground Floor,
Sir P. M. Road, Fort, Mumbai - 400001

ICICI Bank
F.P. House, Nariman Point, Mumbai branch, 215,
Free Press House, Free Press Marg, Nariman Point,
Mumbai - 400021

Directors' Report

To
All Members,
CDSL Commodity Repository Limited

Your Directors are pleased to present the Fifth Annual Report along with Audited Financial Statements of your Company for the Financial Year ended 31st March, 2022.

Financial Highlights

Particulars	Year ended 31st March, 2022 (₹ in Lakhs)	Year ended 31st March, 2021 (₹ in Lakhs)
Income	479.69	472.27
Expenditure	467.16	409.39
Profit/ (Loss) before Depreciation and Tax	12.53	62.88
Depreciation	5.27	7.27
Profit /(Loss) before Tax	7.26	55.61
Deferred Tax/Current Tax	5.41	25.43
MAT net of credit entitlement	0.00	(7.48)
Profit/ (Loss) after Tax	1.85	37.66
Other comprehensive income (Net of Tax)	(5.34)	0.70
Total comprehensive income	(3.49)	38.36

During the year under review your Company has reported a total income of ₹ 479.69 lakhs which represents a marginal growth over that of last year. This was possible in spite of a steep 20% drop in income from investments owing to a fall in bond-returns. Income from operations grew sharply by 85% to more than make up for the drop in investment revenues. Thus, operational income rose last year to account for 38% of total income and met 38% of the total costs of the Company – up from 23% and 21% respectively in 2020-21.

Transfer to Reserves

During the year the Company did not transfer any amount to the reserves.

Capital Structure

The Company was incorporated on 7th of March, 2017. The Authorized and Paid-up Equity Share Capital of your Company is ₹50 crores, while networth as on 31st March, 2022 stood at ₹ 51.58 crore. The present shareholding pattern of the Company is as tabulated below:

Shareholder	Percentage Shareholding
Central Depository Services (India) Limited (CDSL)	52%
Multi Commodity Exchange of India Ltd (MCX)	24%
BSE Investments Ltd (BSEIL)	24%

Business-review of 2021-22

In spite of a very challenging business environment owing to the pandemic- led disruptions especially, in early part of the year, we are pleased to report that your Company still managed to surpass business achievements of 2020-21 in terms of quantity and value of various commodities handled. Significantly, our non-exchange business volume (in MT) grew 145% over that of previous year. Non-exchange business thus accounted for 43% of the total business (by weight) in 2021-22, up from 21% in 2020-21. However, non-exchange business accounted for only 6% of our total operating revenue as non-exchange tariff are kept low by the regulator.

Material changes and commitments if any

There are no material changes or commitments which would affect the financial position of the Company from the end of the financial year 2021-22 till the signing of financials date of this report.

Risk management of the Company

The Company has robust framework to identify, evaluate and mitigate business risks. This strategy seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage.

Change in nature of business, if any

There was no change in the nature of business of the Company.

Maintenance of Cost records

The Company is not required to maintain the cost records as prescribed under section 148 of the Companies Act, 2013.

Board Meetings

The Board of Directors of your Company met 4 times during the Year under review as under:

Name of the Director	23/04/2021	22/07/2021	22/10/2021	19/01/2022
Mr. B. K. Bal	Yes	Yes	Yes	Yes
Mr. J. Balasubramanian	Yes	Yes	Yes	Yes
Dr. Sudhir Kumar Goel	Yes	Yes	Yes	Yes
Mr. Pitambar Chowdhury	Yes	Yes	Yes	Yes
Mr. Ajay Puri	No	No	Yes	No
Mr. Neeraj Kulshrestha	Yes	Yes	Yes	NA
Mr. Amit Mahajan	No	NA	NA	NA
Mr. Girish Amesara	Yes	NA	NA	NA
Ms. Nayana Ovalekar	NA	Yes	Yes	Yes
Mr. Ramkumar K.	NA	Yes	Yes	Yes
Mr. Sameer Patil	NA	NA	NA	No

Directors and KMP

Mr. Amit Mahajan and Mr. Girish Amesara (Directors) resigned w.e.f. 1st June 2021 and Mr. Neeraj Kulshrestha resigned w.e.f. January 18, 2022. Ms. Nayana Ovalekar and Mr. Ramkumar were appointed as Directors of the Company w.e.f. 22nd July 2021. Mr. Sameer Patil has been appointed as Director w.e.f. 19th January 2022. Mr. Manoj Jain has been appointed as Additional Director in Board meeting dated 22nd July, 2022, subject to allotment of DIN. A brief profile of the Directors appointed during the year is attached as **Annexure A**.

Annual Return

In accordance with the provisions of Section 134(3)(a) of the Companies Act, 2013 the Annual Return referred in sub-section (3) of Section 92 will be placed on the website of the Company www.ccrl.co.in

Extract of Annual Return

As per Section 92 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2013 the extract of Annual Return is in the form MGT 9 is enclosed in this report as **Annexure B**. A copy of Annual Return of the Company is placed on the website of the Company - www.ccrl.co.in

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to sub-section (5) of Section 134 of the Companies Act, 2013 and to the best of their knowledge and belief and according to the information and explanations obtained/received from the management, your Directors make the following statement and confirm that-

(a) in the preparation of the annual financial statements for the year ended 31st March, 2022, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that 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;

(c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) the Directors had prepared the annual accounts on a going concern basis; and

(e) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DECLARATION BY INDEPENDENT DIRECTORS UNDER SECTION 149(6) OF THE COMPANIES ACT, 2013

Pursuant to Section 149 (4) of the Companies Act, 2013 read with The Companies (Appointment and Qualifications of Directors) Rules, 2014 the Central Government has prescribed that your Company shall have minimum two Independent Directors.

Following is the list of Independent Directors on the Board of Company:

Sr. No.	Name of the Independent Director	Date of appointment
1.	Mr. J. Balasubramanian	20.01.2018
2.	Mr. B.K. Bal	01.03.2018
3.	Mr. Sudhir Kumar Goel	30.03.2019

All the above Independent Directors meet the criteria of 'independence' prescribed under section 149(6) and have submitted their declarations to that effect.

NOMINATION AND REMUNERATION COMMITTEE

The present constitution of the Nomination and Remuneration Committee is as under:

i. Mr. Sudhir Kumar Goel (Chairman)

ii. Mr. B. K. Bal

iii. Mr. J. Balasubramanian

iv. Mr. Sameer Patil

The Nomination and Remuneration Committee met four times during the Year under review as under:

Name of the Member	22/04/2021	21/07/2021	21/10/2021	18/01/2022
Mr. Sudhir Kumar Goel	Yes	Yes	Yes	Yes
Mr. Neeraj Kulshrestha	Yes	Yes	Yes	NA
Mr. B. K. Bal	Yes	Yes	Yes	Yes
Mr. J. Balasubramanian	Yes	Yes	Yes	Yes
Mr. Sameer Patil	NA	NA	NA	NA

In accordance with section 134(3)(e), company's policy on director's appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters is placed on the website of the Company www.ccrl.co.in.

AUDIT COMMITTEE

The present constitution of the Audit Committee is as under:

i. Shri J. Balasubramanian (Chairman)

ii. Shri Sudhir Kumar Goel

iii. Shri B. K. Bal

iv. Shri Ajay Puri

The Audit Committee met four times during the Year under review as under:

Name of the Member	23/04/2021	22/07/2021	22/10/2021	19/01/2022
Mr. J. Balasubramanian	Yes	Yes	Yes	Yes
Mr. Sudhir Kumar Goel	Yes	Yes	Yes	Yes
Mr. B. K. Bal	Yes	Yes	Yes	Yes
Mr. Ajay Puri	No	No	Yes	No

ANNUAL EVALUATION BY THE BOARD OF ITS OWN PERFORMANCE AND THAT OF ITS COMMITTEES AND INDIVIDUAL DIRECTORS

As required under section 178(2) of the Companies Act, 2013 and under Schedule IV to the Companies Act, 2013 on Code of conduct for Independent Directors, a comprehensive exercise for evaluation of the performances of every individual director, of the Board as a whole and its Committees and of the Chairperson of the Company has been carried out by your Company during the year under review.

For the purpose of carrying out performance evaluation exercise, five types of Evaluation forms were devised in which the evaluating authority has allotted appropriate rating depending upon the performance to the individual Director, the Board as a whole, its Committees and the Chairperson.

Loans and Investments

The Company has made investments in mutual funds which are within the limits as per Section 185 and Section 186 of the Companies Act, 2013. The details of the same can be referred in the note No. 4 of the financials.

Related Party Transactions

Your Company has entered into transactions with related parties and all such transactions were in the ordinary course of business and on an arm's length basis which is attached as **Annexure C**.

Dividend

The operations of your Company during the year under review have not generated adequate cash flow for consideration of declaration of Dividend for the year under review. As such, your Directors do not recommend Dividend for the year. However, it will be the endeavor of the Management of your Company to have a stable dividend policy in the future.

Deposits

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

Auditors

M/s. Lodha & Co., Chartered Accountants, Mumbai, bearing Firm Registration No. 301051E with the Institute of Chartered Accountants of India were appointed as the Statutory Auditors of the Company for a period of five years at the AGM of the Company held on August 20, 2018 at a fixed remuneration of ₹ 1,00,000/- for audit fees and ₹ 50,000/- for tax audit fees.

The Statutory Auditors have given a confirmation to the effect that they are eligible to continue with their appointment and they have not been disqualified from continuing as the Statutory Auditors.

Internal Financial Controls

The Company has adequate internal financial control in place. Refer Annexure B of the Auditors report for further details.

Secretarial Audit

Your Directors had appointed M/s Vatsal Doshi & Associates, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of your Company. They have submitted Secretarial Audit Report for the year 2021-22. 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. It may be observed that there no adverse remarks made by them except for a minor observation with respect to delay in compliance with Secretarial Standards for sending agenda notes atleast seven days before the meeting.

Conservation of Energy, Technology Absorption

Considering the nature of operations of your Company, the provisions of Section 134(3)(m) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 relating to information to be furnished on conservation of energy and technology absorption are not applicable. The Company, however, does utilize information technology for implementation of its commodity repository project.

Details of foreign exchange earnings and outgo

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

Particulars of Employees

None of the employees of the Company is drawing remuneration in excess of the limits prescribed under Rule (5)(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Human Resources

Your Company has 17 employees as on 31st March, 2022.

Report by Internal Complaints Committee

As per the Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013 and Company's Policy on Prevention of Sexual Harassment at Work Place, the Company has constituted internal Complaints Committee. During the year under review, the Internal Complaints Committee did not receive any complaint.

Secretarial Standards

The Board of Directors of the Company have devised proper systems to ensure compliance with the applicable Secretarial Standards and that such systems are adequate and operating efficiently.

Acknowledgements

Your Directors place on record their sincere gratitude for the assistance, guidance and co-operation the Company has received from Warehousing Development and Regulatory Authority (WDRA), Central Depository Services (India) Limited [CDSL], Multi Commodity Exchange of India Ltd, BSE Investments Ltd, Repository Participants (RPs) and all other stakeholders. The Board further places on record its appreciation for the dedicated services rendered by the employees of the Company.

For and on behalf of the Board of CDSL Commodity Repository Limited

Basant Kishore Bal
Chairman
DIN - 08068927

Date: 22nd July, 2022
Place: Mumbai

Annexure A

Brief Profile of the Directors appointed during the year

Mr. Sameer Patil

Mr. Sameer Patil spearheads the entire BSE group's Business Development and Marketing function which includes trading and distribution functions, as well as the strategic ventures of the exchange. He is instrumental in BSE's business expansion and leadership in newer areas such as interest rate options, and commodity derivatives markets. He played a key role in conceptualization and setting up of India's first International Exchange in GIFT CITY IFSC – "INDIA International Exchange "– where he oversees the Business Development and Marketing function. HE is also credited with the launch of first of its kind outbound trading platform – 'India INX GA' in GIFT CITY IFSC, for Indian Investors to access Global Exchanges like CME, LME, ICE etc. He has played a key role in the conceptualizing Spot Exchange for Gold in both GIFT city and India Domestic Zone and launch of World's first 'Options in Goods' contract in commodity segment.

He was earlier associated with MCX as one of the core founding team members responsible for the setup of the commodity exchange in India. He is credited for successful launch of the flagship contracts - Gold, Silver, WTI Crude Oil and Copper contracts at MCX. During his tenure at MCX, he was also instrument in successfully launching and heading business functions at domestic exchanges like MCX and MCX-SX, and International Exchanges including Dubai Gold and Commodities Exchange, Singapore Mercantile Exchange, Bahrain Financial Exchange, Global Board of Trade, and Bourse Africa (Botswana). He began his career with K J Investors Services (I) PVT LTD, an affiliate of Cargill Investors Services, Illinois, Chicago, USA as Senior Financial Analyst. He currently serves as a member of the Board of Directors of India International Exchange, India International Clearing Corporation, India INX Global Access, Indian Clearing Corporation Limited, BSE E-Agricultural Markets and CDSL Commodity Repository Limited. He is considered a credible and trusted domain expert in diverse areas ranging from commodities trading, Index development, hedging strategies, financial product design & launch, and physical market outreach. He was awarded the "India UAE business Ambassador of the year 2018" at Abu Dhabi for his achievements in financial markets globally. He is Science Graduate and MBA in Finance from Mumbai University.

Mr. Manoj Jain

Mr. Manoj Jain is the Chief Operating Officer (COO) of the exchange. He is overseeing HR, Admin, Research, ERM, Finance and Accounts, CSR and few regulatory departments of the Exchange. He has about 25 years of experience in securities markets covering regulatory affairs and policy making, capital market operations, business development, fund accounting operations and IT project management. He has been associated with MCX since November 2021; and in the past had been associated with firms like Axis Bank, IL&FS Securities, Perot Systems (now NTT Data), Wipro, ICRA and SEBI. He is MBA from FMS, University of Delhi. BTech from NIT Kurukshetra.

Annexure B

Form No. MGT-9
EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31st March, 2022

I. REGISTRATION AND OTHER DETAILS

i)	CIN:-	U74999MH2017PLC292113
ii)	Registration Date –	3/7/2017
iii)	Name of the Company -	CDSL Commodity Repository Limited
iv)	Category / Sub-Category of the Company – Company having Share capital	Public Company / Non-Government Company
v)	Address of the Registered office and contact details	A-Wing, Marathon Futurex, 25th Floor, Mafatlal Mills Compound, N.M. Joshi Marg, Lower Parel (E), Mumbai - 400 013
vi)	Whether listed company	No
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	NA

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	CCRL is set up under Warehousing Development and Regulatory Authority (WDRA) ,to carry on the business of repository for Electronic Warehousing Negotiable Receipts (eNWR) or any other instrument related to commodities related to warehouse repository, to service eNWR market.	66190	100.00%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

Sr. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
1	Central Depository Services (India) LimitedA-Wing, Marathon Futurex, 25th Floor,Mafatlal Mills Compound, N.M. Joshi Marg,Lower Parel (E), Mumbai - 400 013	L67120MH1997PLC11244	Holding	52%	2(46) of the Companies Act, 2013

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

i) Category-wise Share Holding

Category of Share holders	No. of Shares held at the beginning of the year 01.04.2021				No. of Shares held at the end of the year 31.03.2022				% Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	0	6	6		2	4	6		
b) Central Govt									
c) State Govt (s)									
d) Bodies Corp.	25999994	0	25999994	52	25999994	0	25999994	52	0
e) Banks / FI									
f) Any Other….									
Sub-total (A) (1):-	**25999994**	**6**	**26000000**	**52**	**25999996**	**4**	**26000000**	**52**	**0**
(2) Foreign									
a) NRIs - Individuals									
b) Other – Individuals									
c) Bodies Corp.									
d) Banks / FI									
a) Any Other….									
Sub-total (A) (2):-	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	25999994	6	26000000	52	25999994	4	26000000	52	0
B. Public Shareholding									
1. Institutions									
a) Mutual Funds									
b) Banks / FI									
c) Central Govt									
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIIs									
h) Foreign Venture Capital Funds									
i) Others (specify)									
Multi Commodity Exchange of India Limited	12000000	0	12000000	24	12000000	0	12000000	24	0
BSE Investments Limited	12000000	0	12000000	24	12000000	0	12000000	24	0
Sub-total (B)(1):-	**24000000**	**0**	**24000000**	**48**	**24000000**	**0**	**24000000**	**48**	**0**

Category of Share holders	No. of Shares held at the beginning of the year 01.04.2021				No. of Shares held at the end of the year 31.03.2022				% Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
2. Non-Institutions									
a) Bodies Corp.									
i) Indian									
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh									
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh									
c) Others (specify)									
Sub-total (B)(2):-	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Total Public Shareholding (B)=(B)(1)+ (B)(2)	24000000	0	24000000	48	24000000	0	24000000	48	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	**49999994**	**6**	**50000000**	**100**	**49999996**	**4**	**50000000**	**100**	**0**

(ii) Shareholding of Promoters

Sr. No.	Shareholders Name	Shareholding at the beginning of the year 01.04.2021			Share holding at the end of the year 31.03.2022		
		No. of Shares	% of total shares of Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total shares of Company	%of Shares Pledged / encumbered to total shares
1	Central Depository Services (India) Limited	25999994	52	0	25999994	52	0
2	Farokh Patel	1	Negligible	0	1	Negligible	0
3	Joydeep Dutta	1	Negligible	0	1	Negligible	0
4	Ramkumar K.	1	Negligible	0	1	Negligible	0
5	Sunil G. Alvares	1	Negligible	0	1	Negligible	0
6	Nayana Mandar Ovalekar	1	Negligible	0	1	Negligible	0
7	Bharat Sheth	1	Negligible	0	1	Negligible	0
	Total	**26000000**	**100**	**0**	**26000000**	**52**	**0**

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

Sr. No.		Shareholding at the beginning of the year 01.04.2021		Cumulative Shareholding during the year 31.03.2022	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	At the beginning of the year	26000000	52	26000000	52
	Reasons: shares transferred pursuant to share purchase agreement				
	At the End of the year	26000000	52	26000000	52

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

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year 01.04.2021		Cumulative Shareholding during the year 31.03.2022	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	Multi Commodity Exchange of India Limited	12000000	24	12000000	24
2	BSE Investments Limited	12000000	24	12000000	24

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year 01.04.2021		Cumulative Shareholding during the year 31.03.2022	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	At the beginning of the year	0	Negligible	0	NA
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):		NIL		
	At the End of the year	0	Negligible	0	NA

V. INDEBTEDNESS

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

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sr. No.	Particulars of Remuneration	Managing Director	Total Amount
		Shri Pitambar Chowdhury	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	7,749,095	7,749,095
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	51,600	51,600
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	0
2	Stock Option	-	0
3	Sweat Equity	-	0
4	Commission	-	0
	- as % of profit	-	0
	- others, specify…	-	0
5	Others, please specify	**335,796**	**335,796**
	Total (A)	**8,136,491**	**8,136,491**

Ceiling as per the Act 5% of net profit of the company

B. Remuneration to other directors:

Sr. no.	Particulars of Remuneration	Name of Directors								Total Amount
		B.K.Bal	J. Balasubramanian	Nayana Ovalekar	Neeraj Kulshrestha*	Sudhir Kumar Goel	Ajay Puri#	Ramkumar K.	Sameer Patil^	
1	Independent Directors - Fee for attending board / committee meetings - Commission - Others, please specify	610,000	520,000	0	0	610,000	0	0		1,740,000
2	Other Non-Executive Directors • Fee for attending board / committee meetings • Commission • Others, please specify	0	0	0	330,000	0	70,000	0	0	400,000
	Total (B)=(1+2)									**2,140,000**

^ Appointed as Additional Director effective 19th January 2022
* Resigned effective 18th Jaunuary 2022
# Resigned effective 20th July 2022

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

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		
		Company Secretary	Chief Financial Officer *	Total
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	904,896	1,078,154	1,983,050
2	Stock Option	0	0	0
3	Sweat Equity	0	0	0
4	Commission - as % of Profit - others, specify...	0	0	0
5	Others, please specify	127,470	211,630	339,100
	Total	**1,032,366**	**1,289,784**	**2,322,150**

* Ms. Krishna Kadam was appointed as CFO effective 14th June 2021

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

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

Annexure C

FORM NO. AOC.2

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

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

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

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

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

(a)	(b)	(c)	(d)	(e)	(f)
Name(s) of the related party	**Nature of contracts/ arrangements/ transactions**	**Duration of the contracts/ arrangements/ transactions**	**Salient terms of the contracts or arrangements or transactions including the value, if any (₹ in Lakhs)**	**Date(s) of approval by the Board, if any:**	**Amount paid as advances, if any:**
Central Depository Services (India) Limited Holding Company	Administrative and Other Expenses	As per Approval	81.59	As per Board approval dated 22nd July, 2021	
Central Depository Services (India) Limited Holding Company	Shared Service Recovery	As per Approval	12.03	As per Board approval dated 22nd July, 2021	
Central Depository Services (India) Limited Holding Company	Expenses paid on behalf of company	As per Approval	0.46	As per Board approval dated 22nd July, 2021	
Central Depository Services (India) Limited Holding Company	(Repayment) of Expenses paid on behalf of company	As per Approval	NIL		
Central Depository Services (India) Limited Holding Company	Transfer of employee gratuity	As per Approval	NIL		
BSE Investments Limited (Entity having Significant influence)	Administrative and Other Expenses	As per Approval	3.30	As per Board approval dated 22nd July, 2021	
Central Depository Services (India) Limited Holding Company	Sale of Exchange Software (Intellectual Property Rights)	As per Approval	75.00	As per Board approval dated 22nd July, 2021	

Annexure D

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022

[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 Commodity Repository Limited
A-Wing, 25th Floor, 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 Commodity Repository Limited (CIN:U74999MH2017PLC292113)** (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 Commodity Repository 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, 2022** 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, 2022 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; **(To the extent applicable to the Company for being a subsidiary of the listed entity)**

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) 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 (Buyback 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 on test-check basis, the Company has generally complied with the following laws applicable specifically to the Company:

a. The Warehousing (Development and Regulation) Act, 2007 and Guidelines issued thereunder.

I have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards (SS – 1 and SS – 2) issued by the Institute of Company Secretaries of India (ICSI).

(ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (To the extent applicable to a subsidiary of the listed Company).

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except to the extent as mentioned below:

(i) Whereas in terms of the provisions of the Secretarial Standard – 1 (SS – 1), the Company has not complied with the SS – 1 w.r.t. sending of Agenda at least seven days before the Board Meeting and Audit Committee Meeting held on January 19, 2022 and Nomination and Remuneration Committee Meeting held on January 19, 2022.

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 except as reported herein above, 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 Girish Amesara and Shri Amit Mahajan as the Directors of the Company w.e.f. June 1, 2021

(ii) Appointment of Smt. Krishna Kadam as Chief Financial Officer of the Company w.e.f. June 14, 2021.

(iii) Appointment of Shri Shri Ramkumar K. and Smt. Nayana Ovalekar as the Directors of the Company w.e.f. July 22, 2021.

(iv) Reappointment of Shri Sudhir Kumar Goel as an Independent Director (Non-Executive) of the Company for a term of three years from March 30, 2022 to March 29, 2025.

(v) Cessation of tenure of Shri Neeraj Kulshrestha as the Director of the Company w.e.f. January 18, 2022 and appointment of Shri Sameer Patil as the Director of the Company w.e.f. January 19, 2022.

For **Vatsal Doshi & Associates**

Vatsal K. Doshi
Proprietor
Membership No. : A50332
CP No. : 22976
UDIN : A050332D000084916
PR No. : 1179/2021

Place : Mumbai
Date : April 12, 2022

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 Commodity Repository Limited
A-Wing, 25th Floor, 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 and subsequent lockdown situation 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**

Vatsal K. Doshi
Proprietor
Membership No. : A50332
CP No. : 22976
UDIN : A050332D000084916
PR No. : 1179/2021

Place : Mumbai
Date : April 12, 2022

INDEPENDENT AUDITOR'S REPORT

TO,
THE MEMBERS OF
CDSL COMMODITY REPOSITORY LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of CDSL Commodity Repository Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss, Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). 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 (ICAI) together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the 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 financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the 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 are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls 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 system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period 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, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, based on our audit we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.

   d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

   e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.

   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

   g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

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

   h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company does not have any pending litigations which would impact its financial position.

      ii. The Company did not have any long-term contracts including derivative contracts for which there were material foreseeable losses.

iii. There were no amounts 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 (which are material either individually or in the aggregate) 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 the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.

v) The Company has not declared any dividend during the previous financial year and has not proposed dividend for the current financial year.

For Lodha & Co.
ICAI FRN: 301051E
Chartered Accountants

R P Baradiya
Partner
Membership No.: 44101
UDIN: 22044101AHPJUU9230

Place: Mumbai
Date : 21st April, 2022

ANNEXURE A REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF CDSL COMMODITY REPOSITORY LIMITED FOR THE YEAR ENDED 31ST MARCH, 2022

On the basis of our examination of the books and records of the Company carried out in accordance with the auditing standards generally accepted in India and according to the information and explanations given to us, we state that:

i) a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.

b) The Company has carried out physical verification of all its property, plant and equipment during the year. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

c) The Company does not own any immovable property and accordingly, reporting requirements of paragraph 3(i)(c) of the Order are not applicable to the Company.

d) The Company has not carried out revaluation of its property, plant and equipment and accordingly, reporting requirements of paragraph 3(i)(d) of the Order are not applicable to the Company.

e) No proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

ii) a) The Company does not hold any inventory and accordingly, reporting requirements of paragraph 3(ii)(a) of the Order are not applicable to the Company.

b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets accordingly, reporting requirements of paragraph 3(ii)(b) of the Order are not applicable to the Company.

iii) In our opinion and according to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the reporting requirements of clause 3(iii) of the Order are not applicable to the Company.

iv) In our opinion and according to the information and explanations given to us, the Company has not issued guarantees, given loans or issued any security to which the provisions of Section 185 and Section 186 are applicable. In respect of investments, the provisions of Section 185 and 186 of the Act have been complied with.

v) In our opinion and according to the information and explanations given to us, no deposits within the meaning of directives issued by RBI (Reserve Bank of India) and Sections 73 to 76 or any other relevant provisions of the Act and rules framed thereunder have been accepted by the Company. Accordingly, reporting requirements of paragraph 3(v) of the Order are not applicable to the Company.

vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act, in respect of the services rendered by the Company. Accordingly, reporting requirements of paragraph 3(vi) of the Order are not applicable to the Company.

vii) a) According to the information and explanations given to us and on the basis of our examination of records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and services tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues, have been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31st March, 2022 for a period of more than six months from the date they became payable.

b) According to the information and explanations given to us and the records of the Company, there are no dues of income tax or goods and services tax or sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax which have not been deposited with the appropriate authorities on account of any dispute.

viii) According to the records maintained by the Company and information and explanations given to us, there were no transactions relating previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

ix) a. The Company has not taken any loan or other borrowings from any lender during the year and accordingly, reporting requirements of paragraph 3(ix)(a) of the Order are not applicable to the Company.

b. The Company has not been declared as wilful defaulter by any bank or financial institution or government or any government authority.

c. The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and accordingly, reporting requirements of paragraph 3(ix)(c) of the Order are not applicable to the Company.

d. According to the information and explanations given to us and based on our examination of the records of the Company, the company has not raised any funds on a short-term basis and accordingly, reporting requirements of paragraph 3(ix)(d) of the Order are not applicable to the Company.

e. The Company does not have any subsidiaries and accordingly, reporting requirements of paragraph 3(ix)(e) of the Order are not applicable to the Company.

f. The Company has not raised any loans during the year and hence reporting on clause 3(ix)(f) of the order is not applicable.

x) In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year and accordingly, reporting requirements of paragraph 3(x) of the Order are not applicable to the Company.

xi) a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing standards in India and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of such case by the management.

b) No report under sub-section (12) of Section 143 of the Act has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

c) No whistle blower complaints have been received during the year by the Company.

xii) The Company is not a Nidhi Company and hence, reporting under clause 3(xii) of the Order is not applicable.

xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable, and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards. Refer Note 26 to the financial statements.

xiv) a) In our opinion, the Company has an internal audit system commensurate to the size of the Company and nature of its business.

b) We have considered, the report of the internal auditors for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non- cash transactions with directors or persons connected with them as per the provisions of Section 192 of the Act. Accordingly, reporting requirements under paragraph 3(xv) of the Order are not applicable to the Company.

xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

xvii) The Company has not incurred cash losses during the financial year and the immediately preceding financial year.

xviii) There has been no resignation of statutory auditors of the Company during the year. Accordingly, reporting requirements under paragraph 3(xviii) of the Order are not applicable to the Company.

xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and 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 as at the date of the 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, will get discharged by the Company as and when they fall due.

xx) According to the information and explanations given to us and based on our examination of the books of account of the Company, as there are no CSR projects, the provisions of Section 135 of the Act are not applicable to the Company.

xxi) As our report is not on consolidated financial statements reporting requirements under paragraph 3(xxi) of the Order are not applicable to the Company.

For Lodha & Co.
ICAI FRN: 301051E
Chartered Accountants

R P Baradiya
Partner
Membership No.: 44101
UDIN: 22044101AHPJUU9230

Place: Mumbai
Date : 21st April, 2022

ANNEXURE B REFERRED TO IN PARAGRAPH 2(f) UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF CDSL COMMODITY REPOSITORY LIMITED FOR THE YEAR ENDED 31ST MARCH, 2022

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 over financial reporting of **CDSL Commodity Repository Limited** ("the Company") as of March 31, 2022 in conjunction with our audit of the 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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting includes obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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

A Company's internal financial control over financial reporting includes those policies and procedures that

1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company;

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; and

4) also provide reasonable assurance by the internal auditors through their internal audit reports given to the Company from time to time.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, broadly in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, 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.

For Lodha & Co.
ICAI FRN: 301051E
Chartered Accountants

R P Baradiya
Partner
Membership No.: 44101
UDIN: 22044101AHPJUU9230

Place: Mumbai
Date : 21st April, 2022

CDSL COMMODITY REPOSITORY LIMITED

CIN : U74999MH2017PLC292113

Balance Sheet as at March 31, 2022

(₹ in Lakh)

Particulars	Note No.	As at Mar 31, 2022	As at Mar 31, 2021
ASSETS			
1 Non-current assets			
a. Property, Plant and Equipment	3	8.68	13.88
b. Intangible assets	3	0.05	0.12
c. Financial assets			
i. Investments			
a. Other investments	4	1,260.76	1,210.01
ii. Other financial assets	5	1.50	1.50
d. Deferred Tax Assets	6	-	2.29
Total Non-Current Assets		**1,270.99**	**1,227.80**
2 Current assets			
a. Financial assets			
i. Other investments	4	2,586.91	2,289.84
ii. Trade receivables	7	59.58	35.89
iii. Cash and cash equivalents	8	24.47	18.84
iv. Bank balances other than (iii) above	8	1,188.00	1,475.00
b. Other assets	9	161.11	223.53
Total Current Assets		**4,020.07**	**4,043.10**
Total Assets (1+2)		**5,291.05**	**5,270.90**
EQUITY AND LIABILITIES			
1 Equity			
a. Equity share capital	10	5,000.00	5,000.00
b. Other equity	11	186.02	189.51
Total Equity		**5,186.02**	**5,189.51**
LIABILITIES			
2 Non-current liabilities			
Financial Liabilities			
a. Provisions	12	9.15	3.26
b. Deferred tax liabilities (Net)	6	1.32	-
Total Non-current Liabilities		**10.47**	**3.26**
3 Current liabilities			
a. Financial liabilities			
i. Trade payables	13		
a) Total outstanding dues of micro enterprises and small enterprises		-	-
b) Total outstanding dues of creditors other than micro enterprises and small enterprises		11.98	11.62
ii. Other financial liabilities	14	43.41	36.12
b. Provisions	12	23.03	6.53
c. Other liabilities	15	16.15	23.86
Total Current Liabilities		**94.57**	**78.13**
4 Total Liabilities (2+3)		**105.04**	**81.39**
Total Equity and Liabilities (1+4)		**5,291.06**	**5,270.90**
Significant accounting policies and accompanying notes	**1-36**		

In terms of our report of even date attached

For Lodha and Company
Chartered Accountants
ICAI FRN: 301051E

R. P. Baradiya
Partner
Membership No. 44101

Place : Mumbai
Date : April 21, 2022

For and on behalf of the Board of Directors

Ramkumar K.
Director
DIN: 09129008

Pitambar Chowdhury
Managing Director & CEO
DIN: 08600785

Aditi Shah
Company Secretary
Membership No. A29109

Krishna Kadam
Chief Financial Officer

CDSL COMMODITY REPOSITORY LIMITED

CIN : U74999MH2017PLC292113

Statement of Profit and Loss for the year ended March 31, 2022

(₹ in Lakh)

PARTICULARS		Note No.	For the year ended	
			Mar 31, 2022	Mar 31, 2021
1	Revenue From Operations	16	180.87	97.62
2	Other Income	17	298.82	374.65
3	**Total Income (1+2)**		**479.69**	**472.27**
4	**Expenses**			
	a. Employee benefits expense	18	291.71	227.86
	b. Depreciation and amortisation expense	19	5.27	7.27
	c. Computer technology related expenses		51.81	41.10
	d. Administration and Other expenses	20	123.64	140.43
	Total expenses		**472.43**	**416.66**
5	**Profit before tax (3-4)**		**7.26**	**55.61**
6	**Tax expense:**	21.1.1		
	- Deferred Tax		5.41	17.95
7	**Net profit for the year (5-6)**		**1.85**	**37.66**
8	**Other comprehensive income**	21.1.2		
	Items that will not be reclassified to profit or loss			
	a) Remeasurements of the defined benefit plans		(7.14)	0.94
	b) Income tax relating to items that will not be reclassified to profit or loss		1.80	(0.24)
	Other comprehensive (loss) / income (net of tax)		**(5.34)**	**0.70**
9	**Total comprehensive income (after tax)**		**(3.49)**	**38.36**
10	**Earnings per equity share**	22		
	Paid up equity share capital (face value per share ₹ 10 each)		5,000	5,000
	Basic and diluted earnings per equity share (₹)		0.0004	0.0075
Significant accounting policies and accompanying notes		1-36		

In terms of our report of even date attached

For Lodha and Company
Chartered Accountants
ICAI FRN: 301051E

R. P. Baradiya
Partner
Membership No. 44101

Place : Mumbai
Date : April 21, 2022

For and on behalf of the Board of Directors

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CDSL COMMODITY REPOSITORY LIMITED

CIN : U74999MH2017PLC292113

Cash Flow Statement for the year ended March 31, 2022

(₹ in Lakh)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	**7.26**	**55.61**
Adjustments for		
Depreciation and Amortisation expense	5.27	7.27
Interest income recognised on fixed deposits	(65.39)	(94.23)
Net gain arising on financial assets measured at FVTPL	(156.34)	(279.68)
Provisions no longer required written back	(0.91)	-
Operating cash flow before working capital changes	**(210.11)**	**(311.03)**
Movements in working capital		
(Increase) / Decrease in trade receivables	(24.60)	3.38
(Increase) / Decrease in other assets	16.58	(22.00)
Increase / (Decrease) in trade payables	0.36	(20.27)
Increase / (Decrease) in provisions	22.39	(42.18)
Increase / (Decrease) in other financial liabilities	7.42	-
Increase / (Decrease) in other liabilities	(7.71)	-
Cash generated from operations	**(195.67)**	**(392.10)**
Direct taxes paid (net of refunds)	(5.07)	(13.17)
Net cash generated from operating activities	**(200.74)**	**(405.27)**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of investments	(430.00)	(492.47)
Proceeds from sale of investments	151.34	800.48
Investments in fixed deposits with banks	(1,135.00)	(500.00)
Proceeds from maturity of fixed deposits with banks	1,568.34	568.28
Interest received	51.69	43.91
Net cash (used in) / generated from investing activities	**206.37**	**420.20**

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
C. CASH FLOW FROM FINANCING ACTIVITIES		
Net (Decrease) / Increase in cash and cash equivalents (A+B+C)	**5.63**	**14.93**
Cash and cash equivalents at the beginning of the year	18.84	3.91
Cash and cash equivalents at the end of the year	**24.47**	**18.84**
Cash and cash equivalents at the end of the year comprises		
i) Cash in hand	-	-
ii) Balances with banks		
- In Current Accounts	24.47	18.84
Significant accounting policies and accompanying notes	1-36	

1. The Cash Flow Statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard - 7 "Cash Flow Statement".
2. The balances are not available for use by the Company as those are towards earmarked liabilities.
3. Previous period figures have been regrouped/rearranged/reclassified wherever necessary.

In terms of our report of even date attached

For Lodha and Company
Chartered Accountants
ICAI FRN: 301051E

R. P. Baradiya
Partner
Membership No. 44101

Place : Mumbai
Date : April 21, 2022

For and on behalf of the Board of Directors

Ramkumar K.
Director
DIN: 09129008

Pitambar Chowdhury
Managing Director & CEO
DIN: 08600785

Aditi Shah
Company Secretary
Membership No. A29109

Krishna Kadam
Chief Financial Officer

CDSL COMMODITY REPOSITORY LIMITED

CIN : U74999MH2017PLC292113

Statement of Changes in Equity for the year ended March 31, 2022

A. Equity Share Capital (refer note 10)

(₹ in Lakh)

Particulars	No. in lacs	Amount
Balance as at beginning of April 01, 2020	500.00	5,000.00
Changes in Equity Share Capital due to prior period errors	-	-
Restated Balance as at beginning of April 01, 2020	500.00	5,000.00
Changes in equity share capital during the year	-	-
Balance as at March 31, 2021	500.00	5,000.00
Changes in Equity Share Capital due to prior period errors	-	-
Restated Balance as at beginning of April 01, 2021	500.00	5,000.00
Changes in equity share capital during the year	-	-
Balance as at March 31, 2022	500.00	5,000.00

B. Other Equity

(₹ in Lakh)

Particulars	Reserves and Surplus			Total
	General Reserve	Retained Earnings	Other comprehensive income	
Balance as at beginning of April 01, 2020	**151.15**	**-**	**-**	**151.15**
Profit for the year	-	37.66	-	37.66
Other comprehensive income for the year (net of tax)		-	0.70	0.70
Balance as at March 31, 2021	**151.15**	**37.66**	**0.70**	**189.51**
Profit for the year	-	1.85	-	1.85
Other comprehensive income for the year (net of tax)	-	-	(5.34)	(5.34)
Balance as at March 31, 2022	**151.15**	**39.51**	**(4.64)**	**186.02**
Significant accounting policies and accompanying notes		1-36		

In terms of our report of even date attached

For Lodha and Company
Chartered Accountants
ICAI FRN: 301051E

R. P. Baradiya
Partner
Membership No. 44101

Place : Mumbai
Date : April 21, 2022

For and on behalf of the Board of Directors

Ramkumar K.
Director
DIN: 09129008

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Aditi Shah
Company Secretary
Membership No. A29109

Krishna Kadam
Chief Financial Officer

CDSL COMMODITY REPOSITORY LIMITED

CIN: U74999MH2017PLC292113

Significant Accounting Policies to the Standalone Financial Statements for the year ended March 31, 2022

(Rupees in Lakhs, except for share and per share data, unless otherwise stated)

1. Company Overview

1.1 CDSL Commodity Repository Limited. (CCRL) is a Company promoted by Central Depository Services (India) Limited [CDSL] and is currently a subsidiary of CDSL. The Company was incorporated under the provisions of Companies Act, 2013. CCRL allows the Farmer, Farmers Producer Organizations (FPOs), Manufacturers, etc., to obtain electronic warehouse receipts (negotiable or non-negotiable) [eNWRs or eNNWRs] in a demat account against deposit of commodities in any of the warehouses registered with Warehousing Development and Regulatory Authority (WDRA). The depositor/client thereafter can sell the same or pledge the commodities through the eNWR to obtain finance from the banks, NBFC's and other financial institutions. The company is registered with Warehousing Development and Regulatory Authority (WDRA) as Commodity Repository since September 26, 2017.

1.2 The financial statements were authorized for issue by the Company's Board of Directors on April 21, 2022.

2. Significant Accounting Policies

2.1 Basis of preparation and presentation

2.1.1 Statement of compliance

a) The financial statements as at and for the year ended March 31, 2022 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 financials 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 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 2.2.3).

ii. Employee benefits (Gratuity and Compensated absences) (refer accounting policy at 2.2.12).

2.1.3 Functional and presentation currency

a) The 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 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 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 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.

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 23).

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 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 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 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.

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 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

2.2.4 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. 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.

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.

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 unquoted equity shares including investment in subsidiaries. Equity instruments held for trading is 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 Funds includes bonus payable to Key Management Personnel of the Company, held for specific purposes as per the SEBI (Depositories and Participants) Regulations 2018. 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 earmarked liabilities and not credited to the Statement of Profit or Loss. The Gain / (Loss) on changes in fair value of mutual fund units of such investments are shown as liabilities / assets and are not routed through the Profit or Loss.

2.2.5 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 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.

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).

2.2.6 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 Company had elected to consider the carrying value of all its property, plant and equipment appearing in the 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.

2.2.7 Intangible assets

a) Intangible assets purchased are measured at cost as of the date of acquisition less accumulated amortization and accumulated impairment, 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 lifes and residual values are reviewed at each reporting date, with the effect of any changes in estimate accounted for on a prospective basis.

2.2.8 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.

2.2.9 Depreciation / Amortisation:

a) Depreciation 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) (Till Dec 31, 2020)	Useful Life as per Company Policy (Years) (W.e.f. Jan 1, 2021)
Computer Hardware	6	2	6
Computer software – Perpetual	3	2	3
Computer software – Subscription License	3	As per license period	As per license period
Furniture and Fixtures	10	5	5
Vehicle	8	4	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 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 of Profit and Loss when incurred. The cost and related accumulated depreciation are eliminated from the 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.

2.2.10 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. 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 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.

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

- 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) recognised during the period is recognised as income / expense 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 company 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 (as defined below) 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").

2.2.12 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 (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 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. 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 each year.

2.2.13.Provisions

a) Provisions are recognised when the Company 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.

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 Financial Statements when economic inflow is probable.

2.2.14 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 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 the 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.

2.2.15 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 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 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.

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.

2.2.16 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.

2.2.17 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

v. 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; it is due to be settled within twelve months after the balance sheet date

iii. the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the balance sheet date.

iv. All other liabilities are classified as non-current

2.2.18 Operating Cycle

a) 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.

2.3 New and amended standards

The Company has applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 Apr 2022. The Company has not early adopted any other standard or amendment that has been issued but is not yet effective:

2.3.1 Interest Rate Benchmark Reform – Phase 2: Amendments to Ind AS 109, Ind AS 107, Ind AS 104 and Ind AS 116

The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR).

The amendments include the following practical expedients:

a) A practical expedient to require contractual changes, or changes to cash flows that are directly required by the reform, to be treated as changes to a floating interest rate, equivalent to a movement in a market rate of interest

b) Permit changes required by IBOR reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued

c) Provide temporary relief to entities from having to meet the separately identifiable requirement when an RFR instrument is designated as a hedge of a risk component

These amendments had no impact on the financial statements of the Company

2.3.2 Conceptual framework for financial reporting under Ind AS issued by ICAI

The Framework is not a Standard and it does not override any specific standard. Therefore, this does not form part of a set of standards pronounced by the standard-setters. While, the Framework is primarily meant for the standard-setter for formulating the standards, it has relevance to the preparers in certain situations such as to develop consistent accounting policies for areas that are not covered by a standard or where there is choice of accounting policy, and to assist all parties to understand and interpret the Standards.

The amendments made in following standards due to Conceptual Framework for Financial Reporting under Ind AS includes amendment of the footnote to the definition of an equity instrument in Ind AS 102- Share Based Payments, footnote to be added for definition of liability i.e. definition of liability is not revised on account of revision of definition in conceptual framework in case of Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets etc.

The MCA has notified the Amendments to Ind AS consequential to Conceptual Framework under Ind AS vide notification dated June 18, 2021, applicable for annual periods beginning on or after April 1, 2021. Accordingly, the Conceptual Framework is applicable for preparers for accounting periods beginning on or after 1 April 2021.

These amendments had no impact on the financial statements of the Company.

2.3.3 Ind AS 116: COVID-19 related rent concessions

MCA issued an amendment to Ind AS 116 Covid-19-Related Rent Concessions beyond 30 June 2021 to update the condition for lessees to apply the relief to a reduction in lease payments originally due on or before 30 June 2022 from 30 June 2021. The amendment applies to annual reporting periods beginning on or after 1 April 2021. In case a lessee has not yet approved the financial statements for issue before the issuance of this amendment, then the same may be applied for annual reporting periods beginning on or after 1 April 2020.

These amendments had no impact on the financial statements of the Company.

2.3.4 Ind AS 103: Business combination

The amendment states that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Framework for the Preparation and Presentation of Financial Statements in accordance with Indian Accounting Standards* issued by the Institute of Chartered Accountants of India at the acquisition date. Therefore, the acquirer does not recognise those costs as part of applying the acquisition method. Instead, the acquirer recognises those costs in its post-combination financial statements in accordance with other Ind AS.

These amendments had no impact on the financial statements of the Company.

2.3.5 Amendment to Ind AS 105, Ind AS 16 and Ind AS 28

The definition of "Recoverable amount" is amended such that the words "the higher of an asset's fair value less costs to sell and its value in use" are replaced with "higher of an asset's fair value less costs of disposal and its value in use". The consequential amendments are made in Ind AS 105, Ind AS 16 and Ind AS 28.

These amendments had no impact on the financial statements of the Company.

3. Property, plant and equipment, Intangible assets and Right of Use Assets

(₹ in Lakh)

Gross carrying value	Property, plant and equipment				Intangible Assets
Particulars	**Computers**	**Office equipments**	**Motor vehicles**	**Total**	**Computer Software**
Balance as at April 1, 2020	16.83	1.60	20.80	39.23	95.92
Additions during the year ended March 31, 2021	-	-	-	-	-
Deductions / adjustments	-	-	-	-	-
Balance as at March 31, 2021	**16.83**	**1.60**	**20.80**	**39.23**	**95.92**
Balance as at April 1, 2020	16.83	1.60	20.80	39.23	95.92
Additions during the year ended March 31, 2022	-	-	-	-	-
Deductions / adjustments	-	-	-	-	-
Balance as at March 31, 2022	**16.83**	**1.60**	**20.80**	**39.23**	**95.92**

Accumulated depreciation / amortisation	Property, Plant and Equipment				Intangible Assets
Particulars	**Computers**	**Office equipments**	**Motor Vehicles**	**Total**	**Computer Software**
Balance as at April 1, 2020	16.83	0.98	1.72	19.53	94.35
Depreciation/amortisation for the year ended March 31, 2021	-	0.62	5.20	5.82	1.45
Deductions / Adjustments	-	-	-	-	-
Balance as at March 31, 2021	**16.83**	**1.60**	**6.92**	**25.35**	**95.80**
Balance as at April 1, 2021	16.83	1.60	6.92	25.35	95.80
Depreciation/amortisation for the year ended March 31, 2022	-	-	5.20	5.20	0.07
Deductions / Adjustments	-	-	-	-	-
Balance as at March 31, 2022	**16.83**	**1.60**	**12.12**	**30.55**	**95.87**

Net carrying value	Property, Plant and Equipment				Intangible Assets
Particulars	**Computers**	**Office equipments**	**Motor Vehicles**	**Total**	**Computer Softwares**
As at March 31, 2022	**-**	**-**	**8.68**	**8.68**	**0.05**
As at March 31, 2021	-	-	13.88	13.88	0.12

4. Other investments

(₹ in Lakh)

Particulars	As at Mar 31, 2022	As at Mar 31, 2021
Non-current investments		
Investments in mutual funds measured at FVTPL		
Owned		
Units of growth oriented schemes of mutual funds	1,260.76	1,210.01
Total of Quoted Investments	**1,260.76**	**1,210.01**
Total Non-current investments	**1,260.76**	**1,210.01**
Aggregate book value of quoted investments	1,260.76	1,210.01
Market value of quoted investments	1,260.76	1,210.01
Aggregate book value of unquoted investments	-	-

Particulars	As at Mar 31, 2022	As at Mar 31, 2021
Current investments		
Unquoted investments		
Investments in mutual funds measured at FVTPL		
Owned		
Units of growth oriented schemes of mutual funds	2,586.91	2,289.84
	2,586.91	2,289.84
Total current investments	**2,586.91**	**2,289.84**
Aggregate book value of quoted investments	-	-
Market value of quoted investments	-	-
Aggregate book value of unquoted investments	2,586.91	2,289.84

5. Other financial assets (at amortised cost)

(₹ in Lakh)

Particulars	As at Mar 31, 2022	As at Mar 31, 2021
Non-current		
Sundry deposits - Unsecured considered good	1.50	1.50
Total (net)	**1.50**	**1.50**

6. Deferred tax liabilities (net)

(₹ in Lakh)

Particulars	As at Mar 31, 2022	As at Mar 31, 2021
Deferred tax assets	77.54	71.19
Deferred tax liabilities	(78.86)	(68.90)
Total (net)	**(1.32)**	**2.29**

Deferred tax assets / (liabilities) in relation to:

Particulars		Opening balance as at 01.04.2020	Recognised in Profit or loss for year ended 31.03.2021	Recognised in Other Comprehensive Income	Closing balance as at 31.03.2021	Recognised in Profit or loss for year ended 31.03.2022	Recognised in Other Comprehensive Income	Closing balance as at 31.03.2022
1.	**Deferred tax assets**							
	Provision for compensated absences, gratuity and other employee benefits	15.76	(2.91)	(0.24)	12.61	5.41	1.80	19.82
	On difference between book balance and tax balance of PPE	8.58	(2.80)		5.78	(1.30)		4.48
	Allowance for doubtful debts (expected credit loss allowance)	-				0.44		0.44
	MAT Credit Entitlement	45.32	7.48		52.80			52.80
Total		**69.66**	**1.77**	**(0.24)**	**71.19**	**4.55**	**1.80**	**77.54**
2.	**Deferred tax liabilities**							
	On changes in fair value of investments	56.66	12.24		68.90	9.96		78.86
Total liabilities		**56.66**	**12.24**	**-**	**68.90**	**9.96**	**-**	**78.86**
Net Asset / (Liabilities)		**13.00**	**(10.47)**	**(0.24)**	**2.29**	**14.51**	**1.80**	**(1.32)**

9. Other assets

(₹ in Lakh)

Particulars	As at Mar 31, 2022	As at Mar 31, 2021
Current		
Balance with Income Tax Authorities	29.20	22.44
Prepaid expenses	12.54	15.08
GST Input credit receivable	85.12	98.29
Advances to creditors	0.19	1.06
Accrued interest - Bank Deposits	34.06	86.66
Total	**161.11**	**223.53**

7. Trade receivables (at amortised cost)

(₹ in Lakh)

Particular	As at Mar 31, 2022	As at Mar 31, 2021
Secured, considered good	-	-
Unsecured, considered good	59.58	35.89
Trade Receivable - credit impaired	1.68	2.59
Less: Allowance for doubtful debts	(1.68)	(2.59)
Total	**59.58**	**35.89**

1 Trade receivables are dues in respect of services rendered in the normal course of business.

2 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 12% - 13% per annum on the outstanding balance.

3 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.

Trade receivables ageing schedule as at March 31, 2022

Particular	Oustanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed trade receivable - considered good	43.76	15.82	-	-	-	59.58
(ii) Undisputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables — credit impaired	-	-	0.81	0.69	0.18	1.68
(iv) Disputed Trade Receivables — considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables — credit impaired						-
Total	**43.76**	**15.82**	**0.81**	**0.69**	**0.18**	**61.26**

Trade receivables ageing schedule as at March 31, 2021

Particular	Oustanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed trade receivable - considered good	13.22	22.67	-	-	-	35.89
(ii) Undisputed Trade Receivables — which have significant increase in credit risk						-
(iii) Undisputed Trade Receivables — credit impaired	-	-	0.62	1.04	0.93	2.59
(iv) Disputed Trade Receivables — considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables — credit impaired	-	-	-	-	-	-
Total	**13.22**	**22.67**	**0.62**	**1.04**	**0.93**	**38.48**

8. Cash and cash equivalents and other bank balances

(₹ in Lakh)

	As at Mar 31, 2022	As at Mar 31, 2021
Balance with Banks		
In current accounts *	24.47	18.84
Cash and cash equivalents	**24.47**	**18.84**
Bank Balances other than above		
Balances with Banks		
In deposit accounts	1,188.00	1,475.00
Total	**1,188.00**	**1,475.00**

10. Equity Share Capital

(₹ in Lakh)

Particulars	As at Mar 31, 2022		As at Mar 31, 2021	
	Number	(₹ in Lakh)	Number	(₹ in Lakh)
Equity Share capital				
Authorised share capital:				
Equity Shares of ₹ 10/- each with voting rights	5,00,00,000	5000	5,00,00,000	5000
Issued share capital:				
Equity Shares of ₹ 10/- each with voting rights	5,00,00,000	5000	5,00,00,000	5000
Subscribed and Paid-up share capital				
Equity Shares of ₹ 10/- each with voting rights	5,00,00,000	5000	5,00,00,000	5000
Total	**5,00,00,000**	**5,000.00**	**5,00,00,000**	**5,000.00**

Reconciliation of the number of shares 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, 2021			
Number of shares	5,00,00,000	-	5,00,00,000
Amount (₹) In lakh	5,000	-	5,000
As at March 31, 2022			
Number of shares	5,00,00,000	-	5,00,00,000
Amount (₹) In lakh	5,000	-	5,000

Details of shares held by each shareholder holding more then 5% shares

Class of shares / Name of shareholder	As at Mar 31, 2022		As at Mar 31, 2021	
	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				
Central Depository Serivces (India) Limited (Parent Company)	2,60,00,000	52.00	2,60,00,000	52.00
BSE Investments Limited	1,20,00,000	24.00	1,20,00,000	24.00
Multi Commodity Exchange of India Limited	1,20,00,000	24.00	1,20,00,000	24.00

Details of Shares held by promoters as at March 31, 2022

Sr no.	Promoter's Name	As at Mar 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	% Changes During the year
1	Central Depository Serivces (India) Limited (Parent Company)	2,60,00,000	-	2,60,00,000	52.00	-
2	BSE Investments Limited	1,20,00,000	-	1,20,00,000	24.00	-
3	Multi Commodity Exchange of India Limited	1,20,00,000	-	1,20,00,000	24.00	-

Details of Shares held by promoters as at March 31, 2021

Sr no.	Promoter's Name	As at Mar 31, 2021				
		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	% Changes During the year
1	Central Depository Serivces (India) Limited (Parent Company)	2,60,00,000	-	2,60,00,000	52.00	-
2	BSE Investments Limited	1,20,00,000	-	1,20,00,000	24.00	
3	Multi Commodity Exchange of India Limited	1,20,00,000	-	1,20,00,000	24.00	

1. 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.

2. 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.

11. Other equity

(₹ in Lakh)

Particulars	As at Mar 31, 2022	As at Mar 31, 2021
Opening Balance	189.51	151.15
Profit for the year	1.85	37.66
Other Comprehensive Income / (loss) arising from remeasurement of defined benfit obigation (net of income tax)	(5.34)	0.70
Total	**186.02**	**189.51**

14. Other financial liabilities (at amortised cost)

(₹ in Lakh)

Particulars	As at Mar 31, 2022	As at Mar 31, 2021
Current		
Accrued Employee Benefits expense	43.41	36.12
Total	**43.41**	**36.12**

13. Trade Payables

(₹ in Lakh)

Particulars	As at Mar 31, 2022	As at Mar 31, 2021
a. Total outstanding dues of micro enterprises and small enterprises	-	-
b. Total outstanding dues of creditors other than micro enterprises and small enterprises		
- Payable to related party	1.82	-
- Other trade payables	10.16	11.62
Total (a+b)	**11.98**	**11.62**

Trade Payables ageing schedule as at March 31, 2022

Particular	Oustanding 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	11.98	-	-	-	11.98
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

Trade Payables ageing schedule as at March 31, 2021

Particular	Oustanding 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	11.62	-	-	-	11.62
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

12. Provisions

(₹ in Lakh)

Particulars	As at Mar 31, 2022	As at Mar 31, 2021
Non Current		
(a) Provision for employee benefits		
Compensated absences	6.71	2.95
Provision for gratuity (net)	2.44	0.31
Total	**9.15**	**3.26**
Current		
(a) Provision for employee benefits		
Compensated absences	8.66	1.02
Provision for gratuity (net)	14.37	5.51
Total (a+b)	**23.03**	**6.53**

15. Other liabilities

Particulars	As at Mar 31, 2022	As at Mar 31, 2021
Current		
Income received in advance	-	4.21
Advances from customers	0.25	4.24
Statutory Dues	15.90	15.41
Total	**16.15**	**23.86**

16. Income from operations

(₹ in Lakh)

Particulars	For the year ended 31.03.2022	For the year ended 31.03.2021
Sale of services:		
Exchange Agri	170.08	91.28
Exchange – non agri	-	-
Govt. agency	-	-
Others	10.79	6.34
Deposit Charges		
Total - Sale of services	**180.87**	**97.62**

17. Other income

(₹ in Lakh)

Particulars	For the year ended 31.03.2022	For the year ended 31.03.2021
Interest income earned on financial assets that are measured at amortised cost:		
Bank deposits	65.39	94.23
Net gain arising on financial assets measured at FVTPL	156.34	279.68
Interest on Income tax refund	1.18	-
Bad debts recovered / provision written back	0.91	0.74
Sale of Exchange Software*	75.00	-
Total	**298.82**	**374.65**

* Refer Note 26

18. Employee benefits expense

(₹ in Lakh)

Particulars	For the year ended 31.03.2022	For the year ended 31.03.2021
Salaries, allowances and bonus	272.24	176.17
Contribution to provident and other funds	16.95	13.71
Staff welfare expenses	2.52	0.76
Reimbursement of Salaries to staff on deputation from Holding Company	-	37.22
Total	**291.71**	**227.86**

19. Depreciation and amortisation expenses

(₹ in Lakh)

Particulars	For the year ended 31.03.2022	For the year ended 31.03.2021
Property, plant and equipment	5.27	7.27
Total	**5.27**	**7.27**

20. Other expenses

(₹ in Lakh)

Particulars	For the year ended 31.03.2022	For the year ended 31.03.2021
Auditors' remuneration:		
i. Audit fees	1.00	1.00
ii. Reimbursement of expenses	0.03	0.07
Business promotion expenses	-	0.04
Directors' sitting fees	21.70	27.10
Insurance	14.06	15.46

20. Other expenses (Contd.)

(₹ in Lakh)

Particulars	For the year ended 31.03.2022	For the year ended 31.03.2021
Miscellaneous expenses	5.27	0.45
Office Maintenance	2.78	2.78
Postage, telephone and communication charges	1.17	0.61
Printing and stationery	0.72	0.37
Professional and consultancy fees	8.91	23.79
Rates and taxes	1.29	1.32
Rent	32.34	34.38
Travelling and conveyance	6.84	5.06
Administrative expenses	17.53	18.00
WDRA Annual Fees	10.00	10.00
Total	**123.64**	**140.43**

Taxes

21.1. Income tax expense

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

21.1.1 Profit or loss section

(₹ in Lakh)

Particulars	For the year ended 31.03.2022	For the year ended 31.03.2021
Current tax expense (MAT)	-	7.48
MAT Credit Entitlement	-	-7.48
Deferred tax	5.41	17.95
Total income tax expense recognised in profit or loss	**5.41**	**17.95**

21.1.2 Other comprehensive income

(₹ in Lakh)

Particulars	For the year ended 31.03.2022	For the year ended 31.03.2021
Remeasurement of the defined benefit plans	(7.14)	0.94
Total income tax expense recognised in other comprehensive income	1.80	(0.24)

21.2 The income tax expense reconciliation with the accounting profit as follows:

(₹ in Lakh)

	Particulars	For the year ended 31.03.2022	For the year ended 31.03.2021
(A)	Profit before tax	7.26	55.61
(B)	Enacted tax rate in India	26.00%	26.00%
(C)	Expected tax expenses (A*B)	1.89	14.46
(D)	Other than temporary differences		
	Effect of change in tax rate	0.00	3.49
	Effect of fair value of investments	0.00	0.00
	Effect of income that is exempt from taxation	0.00	0.00
	Expenses disallowed / (allowed) net	3.52	0.00
	Total adjustments	3.52	3.49
(E)	Tax expenses after adjustments (C+D)	5.41	17.95
(F)	Tax expenses recognised in Profit or Loss (including OCI)	5.41	17.95

22. Earnings per share (EPS)

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

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Weighted average number of equity shares (issued share capital) outstanding during the year for the calculation of basic EPS	5,000	5,000
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	5,000	5,000
Face Value per Share (₹)	₹ 10/- Each	₹ 10/- Each
Profit for the year (₹ in lakh)	1.85	37.66
Basic and Diluted EPS (₹ per share)	0.0004	0.0075

Note: There have been no other transactions involving Equity shares or potential Equity shares between the reporting date and the date of authorisation of these financial statements.

23. 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, 2022	March 31, 2021	March 31, 2022	March 31, 2021
i)	**Financial Assets**				
a)	**Amortised Cost**				
	Investment in Tax-free bonds & NCD	-	-	-	-
	Trade receivables	59.58	35.89	59.58	35.89
	Cash and cash equivalents	24.47	18.84	24.47	18.84
	Bank balances other than cash and cash equivalents	1,188.00	1,475.00	1,188.00	1,475.00
	Loans	-	-	-	-
	Other financial assets	1.50	1.50	1.50	1.50
Total (a)		**1,273.55**	**1,531.23**	**1,273.55**	**1,531.23**
b)	**FVTPL**				
	Quoted mutual funds	1,260.76	1,210.01	1,260.76	1,210.01
	Unquoted mutual funds	2,586.91	2,289.84	2,586.91	2,289.84
Total (b)		**3,847.67**	**3,499.85**	**3,847.67**	**3,499.85**
c)	**Others**				
	Investment in equity instruments	-	-	-	-
Total (c)		**-**	**-**	**-**	**-**
Total Financial Assets (a+b+c)		**5,121.22**	**5,031.08**	**5,121.22**	**5,031.08**

(₹ in Lakh)

Particulars		Carrying Value		Fair Value	
		March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
ii)	**Financial Liabilities**				
a)	**Amortised Cost**				
	Trade payables	11.98	11.62	11.98	11.62
	Other financial liabilities	43.41	36.12	43.41	36.12
Total Financial Liabilities		**55.39**	**47.74**	**55.39**	**47.74**

Fair value hierarchy

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

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

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

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

Financial assets	Fair value as at		Fair value hierarchy	Valuation technique(s) and key input(s)
	March 31, 2022	March 31, 2021		
Mutual Funds (Quoted)	1,260.76	1,210.01	Level 1	NAV declared by respective mutual funds
Mutual Funds (Unquoted)	2,586.91	2,289.84	Level 2	NAV declared by respective mutual funds
Taxable Bond	-	-	Level 1	NA
Tax Free Bond	-	-	Level 1	NA
Equity	-	-	Level 3	NA

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.

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:

a) 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.

b) 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.

24 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.

Credit risk

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

- Trade and other receivables

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

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

  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, RTA, 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 Group 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, 2022 and revenue for the year ended March 31, 2022.

Particulars	₹ In Lakhs	10% of the receivable and revenue
Revenue	25.32	Customer 1 - 25.33 lacs (15%)
	20.09	Customer 2 - 20.09 lacs (12%)
	19.06	Customer 3 - 19.06 lacs (11%)
	17.38	Customer 4 - 17.38 lacs (10%)
Receivables	19.41	Customer 1 - 19.4129681 lacs (31.68%)

Following customers accounted for more than 10% of the receivables as at March 31, 2021 and revenue for the year ended March 31, 2021.

Particulars	₹ In Lakhs	10% of the receivable and revenue
Revenue	97.62	Customer 1 - 10.95 lacs (11%)
Receivables	38.48	Customer 1 - 7.26 lacs (19%) Customer 2 - 5.94 lacs (0.15%)

- **Investments**

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

- **Liquidity risk**

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

The Company's 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.

The table below provides details regarding the contractual maturities of significant financial liabilities as at March 31, 2022 and March 31, 2021.

Particulars	As at March 31, 2022	As at March 31, 2021
Trade payables		
< 1 year	11.98	11.62
1-5 years	-	-
> 5 years	-	-
Other financial liabilities		
< 1 year	43.41	36.12
1-5 years	-	-
> 5 years		-
Total	**55.39**	**47.74**

The table below provides details regarding the contractual maturities of significant financial assets as at March 31, 2022 and March 31, 2021.

Particulars	As at March 31, 2022	As at March 31, 2021
Investments*		
< 1 year	444.33	2,289.84
1 - 5 years	3,403.34	1,210.01
> 5 years		
Total	**3,847.67**	**3,499.85**
Loan		
< 1 year	Nil	Nil
1 - 5 years	Nil	Nil
> 5 years	Nil	Nil
Total	**-**	**-**
Other financial assets		
< 1 year	-	-
1 - 5 years	1.50	1.50
> 5 years	-	-
Total	**1.50**	**1.50**
Trade receivables		
< 1 year	59.58	35.89
1 - 5 years	-	-
> 5 years	-	-
Total	**59.58**	**35.89**
Cash and cash equivalents		
< 1 year	24.47	18.84
1 - 5 years	-	-
> 5 years	-	-
Total	**24.47**	**18.84**
Bank balances other than cash and cash equivalents		
< 1 year	1,188.00	1,475.00
1 - 5 years	-	-
> 5 years	-	-
Total	**1,188.00**	**1,475.00**

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

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

- **Market risk**

The Company's business, financial condition and results of operations are highly dependent upon the levels of activity in the capital markets and in particular upon the 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 Company's foreign currency risk arises in respect of foreign currency transactions. The Company'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 Company's expenses measured in rupees may decrease. Due to lessor quantum of expenses from foreign currencies, the Company is not much exposed to foreign currency risk.

- **Interest rate risk**

  Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in 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.

  The Company's investments in floating rate are primarily in FMPs of mutual funds, which do not expose it to significant interest rate risk.

- **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 it's 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.

25. Capital management:

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

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

26. Information on related party transactions as required by Ind AS 24 – 'Related party disclosures' for the year ended March 31, 2022.

Description of relationship	Names of related parties
Entity where control exists	Central Depository Services (India) Limited (CDSL) – Holding Company
Entity having significant influence	Multi Commodity Exchange of India Limited BSE Investments Limited BSE e-Agricultural Markets Limited
Fellow subsidiaries	CDSL Ventures Limited CDSL IFSC Limited CDSL Insurance Repository Limited

Description of relationship	Names of related parties
Associates	BSE Limited
Director	Shri B.K. Bal, Director Shri J. Balasubramanian, Director Shri Sudhir K. Goel, Director Shri Neeraj Kulshrestha, Director (from 10.10.2018 to 18.01.2022) Shri Sameer Patil (from 19th January 2022) Shri Ajay Puri, Director (from August 10, 2019) Shri Amit Mahajan (from January 20, 2020, upto June 1, 2021) Shri Girish Amesara (from January 29, 2020, upto June 1, 2021) Shri Ramkumar K (from 22nd July 2021) Smt. Nayana Ovalekar (from 22nd July 2021) Shri Sameer Patil (from 19th January 2022)
Key Managerial Personnel	Shri Pitambar Chowdhury - MD & CEO Smt. Krishna Kadam, Chief Financial Officer (from 11.06.2021) Smt. Aditi Shah, Company Secretary (from 18.03.2021)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Entity where control exists		
Expenditure		
Central Depository Services (India) Limited		
Administrative and Other Expenses	81.59	53.06
Shared Service Recovery (reimbursement of Salary)	12.03	29.44
Other Payables		
Expenses paid on behalf of company	0.46	21.04
(Repayment) of Expenses paid on behalf of company	-	(30.85)
Entity having significant influence		
Expenditure		
BSE Investments Limited		
Administrative and Other Expenses (Recoveries)	3.30	4.10
Income		
Central Depository Services (India) Limited		
Sale of Exchange Software (Intellectual Property Rights)*	75.00	-

*Ratified by the Board of Directors in their meeting held on 21st April, 2022.

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Key Managerial Personnel#		
Remuneration		
Shri Pitambar Chowdhury - MD & CEO	81.36	65.64
Smt. Krishna Kadam, Chief Financial Officer (from 11.06.2021)	11.40	-
Smt. Aditi Shah, Company Secretary (from 18.03.2021)	9.57	0.36

#Includes gross salary payable charged in the statement of profit and loss as per pay register and reimbursements.

Company provides long term benefits in the form of Gratuity to Key Managerial person with all employees, cost of the same is not identifiable separately and not disclosed.

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Payable/(Receivable)		
Entity where control exists		
Central Depository Services (India) Limited - Payable	1.82	(0.88)
Central Depository Services (India) Limited - Receivable	(1.50)	(1.50)

Shares held by each shareholder holding	March 31, 2022	March 31, 2021
Central Depository Serivces (India) Limited (Parent Company)	2,600.00	2,600.00
BSE Investments Limited	1,200.00	1,200.00
Multi Commodity Exchange of India Limited	1,200.00	1,200.00

Notes:

a) Related party relationship is as identified by the management and relied upon by the auditors.

b) No amounts in respect of related parties have been written off/ written back during the year.

c) All the above transactions are in the ordinary course of business of the Company.

27. Contingent liabilities and commitments (to the extent not provided for) - Nil ; (Previous Year - Nil)

28 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.

Particulars		As at March 31, 2022	As at March 31, 2021
a)	Principal amount and interest thereon remaining unpaid at the end of year Interest paid including payment made beyond appointed day	Nil	Nil
b)	Interest due and payable for delay during the year	Nil	Nil
c)	Amount of interest accrued and unpaid as at year end	Nil	Nil
d)	The amount of further interest due and payable even in the succeeding year	Nil	Nil

29 Employee benefits

29.1 Defined benefits plan – Gratuity

The Company has determined the liability of Employee Benefits as at the year-end in accordance with the Ind-AS 20 "Employee Benefits". The Company has obtained an actuarial valuation for arriving at its gratuity liability.

The following risks are associated with the Gratuity liability of 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 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.

Valuation Result as at	March 31, 2022	March 31, 2021
Reconciliation of defined benefit obligation		
Opening Defined Benefit Obligation	5.82	2.95
Transfer in/(out) obligation	-	1.89
Current service cost	3.53	1.76
Interest cost	0.33	0.17
Due to Change in financial assumptions	1.64	(0.21)
Due to change in demographic assumption	0.96	(0.89)
Due to experience adjustments	4.54	0.16
Past service cost	-	-
Liabilities assumed in an amalgamation in the nature of purchase	-	-
Benefits paid	-	-
Closing Defined Benefit Obligation	16.81	5.81
Other Comprehensive Income for the current period		
Due to Change in financial assumptions	1.64	(0.21)
Due to change in demographic assumption	0.96	(0.89)
Due to experience adjustments	4.54	0.16
Return on plan assets excluding amounts included in interest income	-	-
Amounts recognized in Other Comprehensive (Income) / Expense	7.14	(0.94)
Profit and loss account for the period		
Service cost:		
Current service cost	3.53	1.76
Past service cost	-	-
Net interest cost	0.33	0.17
Total included in 'Employee Benefit Expense'	3.86	1.91
Reconciliation of plan assets		
Opening value of plan assets	-	-
Interest Income	-	-
Return on plan assets excluding amounts included in interest income	-	-
Contributions by employer	-	-
Benefits paid	-	-
Closing value of plan assets		
Funded status of the plan		
Present value of funded obligations	16.81	5.82
Fair value of plan assets	-	-
Net Liability (Asset)	16.81	5.82
Reconciliation of net defined benefit liability		
Net opening provision in books of accounts	5.82	2.95
Adjustment to Opening Defined Benefit Obligation	-	-
Liabilities assumed in an amalgamation in the nature of purchase	-	1.89
Employee Benefit Expense as per	3.86	1.92
Amounts recognized in Other Comprehensive	7.14	(0.94)

Valuation Result as at	March 31, 2022	March 31, 2021
Benefits paid by the Company		
Contributions to plan assets	-	-
Closing provision in books of accounts	16.81	5.82
Principle actuarial assumptions (for all employee benefits)		
Discount Rate	6.25%	5.65%
Salary Growth Rate	9%	6%
Withdrawal Rates	20.26% p.a. at all ages	28.57% p.a. at all ages
Rate of Return on Plan Assets	Not applicable	Not applicable

29.2 Compensated Absences

The employees of the Company are entitled to compensated absences. The employees can carry forward a portion of the unutilised accumulating 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.

30 Covid-19 Pandemic:

The novel coronavirus (COVID-19) pandemic continues to spread across the globe including India. COVID-19 has taken its toll on not just human life, but business and financial markets too. With substantial increase in COVID-19 cases across different parts of the country, governments have introduced a variety of measures to contain the spread of the virus, including, lockdowns and restrictions on movement of people and goods across different geographies.

Certain establishments including securities market intermediaries are permitted to operate and continue to remain exempted from restrictions. In case there is a disruption in the functioning of the capital markets, the business of the Company may be affected.

The management has, at the time of approving the financial statements, assessed the potential impact of the COVID-19 on the Company. Based on the current assessment, the management is of the view that impact of COVID 19 on the operations of the Company and the carrying value of its assets and liabilities is minimal.

31 Relationship with Struck off Companies

The Company did not have any transactions with struck off companies during the year.

32 Long term contracts including derivative contracts

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, 2022.

33 Ratio Analysis and Its elements

Ratios	Numerator	Denominator	As on March 31, 2022 (%)	As on March 31, 2021 (%)
Current Ratio	Current Assets	Current Liabilities	4,231.58	5,183.33
Debt Equity Ratio	Total Debt	Total Equity	NA as the Company does not have any borrowings	NA as the Company does not have any borrowings
Debt Service Coverage Ratio	Earnings for debt service = Net profit after taxes + Non-cash operating expenses	Debt service = Interest & Lease Payments + Principal Repayments	NA as the Company does not have any borrowings	NA as the Company does not have any borrowings
Return on Equity Ratio	Net Profits after taxes – Preference Dividend	Average Shareholder's Equity	0.0004	1.52
Trade Receviable turnover Ratio	Net Sales	Average Trade Receivable	377.00	272.00
Trade Payable turnover Ratio	Net Purchase	Average Trade Payables	1,487.00	1,562.00
Net Capital Turnover Ratio	Net Sales	Working capital = Current assets – Current liabilities	5.00	2.00
Net Profit Ratio	Net Profit	Net Sales	1.02	38.58
Return on Capital Employed Ratio	Earnings before interest and taxes	Capital Employed (Total Equity - Intangible asset+ Deferred tax)	-5.62	-6.15
Return of Investment Ratio	Investment Income	Investment	4.06	7.99

34 Standards notified but not yet effective

There are no new standards that are notified, but not yet effective, upto the date of issuance of the Company's financial statements

35 Other Statutory Information

(i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

(ii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(iii) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(iv) The Company has no 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.

36 Previous year figures have been regrouped / reclassified and rearranged wherever necessary to correspond with the current year classification/ disclosure.

Signatures to Notes 1 to 36 forming part of standalone financial statements

In terms of our report of even date attached

For Lodha and Company
Chartered Accountants
ICAI FRN: 301051E

R. P. Baradiya
Partner
Membership No. 44101

Place : Mumbai
Date : April 21, 2022

For and on behalf of the Board of Directors

Ramkumar K.
Director
DIN: 09129008

Pitambar Chowdhury
Managing Director & CEO
DIN: 08600785

Aditi Shah
Company Secretary
Membership No. A29109

Krishna Kadam
Chief Financial Officer

CDSL Commodity Repository Limited

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