2nd ANNUAL REPORT 2018-19

CDSL Commodity Repository Limited
A wing, Marathon Futurex, 25th Floor, N.M. Joshi Marg, Lower Parel, Mumbai 400 013.
www.ccrl.co.in

CDSL COMMODITY REPOSITORY LIMITED

Board of Directors

Shri B. K. Bal	Chairman, Independent Director (Independent Director w. e. f. 1st March, 2018) (Chairman w. e. f. 24th July, 2019)
Shri J. Balasubramanian	Independent Director (w. e. f. 20th August, 2018)
Shri S. K. Goel	Additional Director (Non Executive / Independent) (w.e.f. 30th March, 2019)
Shri Neeraj Kulshreshta	Additional Director (w.e.f. 26th October, 2018)
Shri Bharat Sheth	Additional Director (w.e.f. May 07, 2019)
Shri Ajay Puri	Additional Director (w.e.f. August 10, 2019)
Shri P. S. Reddy	Director (Resigned w.e.f. March 31, 2019)
Shri B. P. Rao	Director (Resigned w.e.f. April 1, 2019)
Shri T. S. Krishna Murthy	Ex-Chairman, Independent Director (Resigned w.e.f. April 18, 2019)
Shri D. Sivanandhan	Additional Director (Resigned w.e.f. July 18, 2019)
Shri Hemang Raja	Additional Director (Resigned w.e.f. July 24, 2019)

Management

Shri Ramkumar k.	Chief Operating Officer
Shri Bharat Sheth	Chief Financial Officer
Shri Arnav Datta	Assistant Vice President
Shri Lalit Sharma	Company Secretary

Auditors

Lodha & Co.,
Chartered Accountants
6, 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

CIN: U74999MH2017PLC292113

Directors' Report

To
All Members,
CDSL Commodity Repository Limited.

Your Directors are pleased to present the Second Annual Report along with Audited Financial Statements of your Company for the Financial Year ended 31st March, 2019.

Financial Highlights:

Particulars	Year ended 31st March, 2019 (₹in lakhs)	From 7th March, 2017 to 31st March, 2018 (₹in Lakhs)
Income	455.94	286.84
Expenditure	305.37	209.03
Profit/ (Loss) before Depreciation and Tax	150.57	77.81
Depreciation	55.36	19.02
Profit /(Loss) before Tax	95.21	58.79
Deferred Tax/Current Tax	(17.09)	36.90
MAT net of credit entitlement	-	-
Profit/ (Loss) after Tax	112.30	21.89
Other comprehensive income (Net of Tax)	0.04	-
Total comprehensive income	112.34	21.89

During the financial year 2018-19, your Company has reported a total income of ₹ 455.94 Lakhs an increase of 58.95% i.e. ₹169.10 Lakhs as against ₹286.84 Lakhs of previous year. Profit before Tax (PBT) for the year ended March 31, 2019 is at ₹95.21 Lakhs as against ₹58.79 Lakhs of previous year. Similarly, Profit after Tax (PAT) is at ₹ 112.30 Lakhs as against ₹21.89 Lakhs of previous year.

Dividend:

Since the Commodity Repository business is still in the nascent stage, the operations of your Company during the year under review have not generated adequate cash flow for consideration of declaration of Dividend for the financial year 2018-19. As such, your Directors do not recommend Dividend for the financial year 2018-19.

Transfer to Reserves

The Company does not propose to transfer any amount to the reserves.

Capital Structure

The Company was incorporated on March 7, 2017. The Authorised and Paid-up Equity Share Capital of your Company is ₹50 crores.

The present Shareholding Pattern of the Company is as tabulated below:

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

The Company's net worth as on March 31, 2019 is ₹5,134.23 Lakh. As per the guidelines of WDRA, net worth requirement at all times stipulated for a Commodity Repository is ₹25 crore.

Registration

We are pleased to inform that CDSL Commodity Repository Limited has received a formal registration certificate as Commodity Repository on September 26, 2017 in the hands of Shri. Ram Vilas Paswan, Hon'ble Union Minister of Consumer Affairs, Food and Public Distribution at a function organized by Warehousing Development and Regulatory Authority (WDRA) for the launch of WDRA portal and electronic Negotiable Warehouse Receipts (eNWR).

Warehouse Service Providers (WSPs) / Warehouses (WHs)

Warehouse Service Providers (WSPs) are entities who own / operate warehouses (WHs). WSPs/WHs are allowed to open and maintain demat accounts for depositors / clients. The primary function of the WSPs / WHs is to allow deposits of commodities, issuance of electronic negotiable warehouse receipts (eNWRs) or electronic non-negotiable warehouse receipts (eNNWRs), extension of eNWRs and withdrawal of eNNWRs / eNWRs. Your company as on March 31, 2019 has registered 1057 WHs.

Repository Participants

Repository Participants are entities appointed by your Company to service customers. The RPs are required to open, maintain and manage demat accounts for the depositors / clients. The RPs are also required to carry out all instructions of the clients / depositors. Your Company as on March 31, 2019 has registered 151 RPs, with a few more RPs in the pipeline for registration. Out of these 151 RPs, 10 RPs are group companies / associate companies of Warehouse Service Providers (WSPs), 8 RPs are group companies / associate companies of Banks, 2 RPs are group companies/ associate companies of Custodians, 15 RPs are brokers and CDSL DPs but not Clearing Member of any Exchange while the remaining 116 RPs are Clearing Members.

Status

Your Company has developed the application to run the repository business using its in-house IT team's expertise in building the repository software. The business of opening demat accounts and holding electronic negotiable warehouse receipts (eNWRs) and electronic non-negotiable warehouse receipts (eNNWRs) have also started about a year and half back. Currently, 85 RPs have opened 865 depositor/ client accounts. We have settled futures contract of agricultural commodities (cotton bales, mentha oil, cardamom etc.) for Multi Commodity Exchange of India Ltd. (MCX) starting October 2018. Similarly, for Indian Commodity Exchange Ltd. (ICEX) we started settling their Rubber contract from December 2018 onwards. With BSE Ltd. (BSE) launching Cotton bales, Guar gum and Guar seed contracts, we are scheduled to settle these contracts for BSE from April 2019. For BSE and MCX, we are providing repository services exclusively. The agricultural commodity futures contracts at both these exchanges are expected to include more commodities and higher liquidity.

With the government laying emphasis on increasing the farmers' income, the upgrade in the institutional set up in the post-harvest eco system ensures that the farmers are able to store the commodities in a WDRA registered warehouse and wait for an opportune time to undertake sale of the commodities using the eNWRs. The Banks, NBFCs and other Financial Institutions which are in the business of lending are expected to find the repository system more acceptable due to the lower inherent risk of dealing with and extending finance on eNWRs. Recently WDRA, vide their circular dated March 12, 2019, has made it mandatory for the warehouseman of registered warehouses to issue electronic Negotiable Warehouse Receipts (eNWR) with effect from June 1, 2019. They are required to onboard one or more repositories as per the circular.

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 2018-19 till the signing of the financials.

Risk management of the Company

The Company has robust strategy to identify, evaluate business risks and opportunities. This strategies seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage and helps in identifying risks trend, exposure and potential impact analysis at a company level as also separately for different business segments.

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 on 20th April, 2018, 27th July, 2018, 26th October, 2018 and 24th January, 2019.

Details of meetings attended by the Directors of the Company

Sr. No.	Name of the Director	20th April 2018	27th July 2018	26th Oct 2018	24th Jan 2019	Total
1	Shri T. S. Krishna Murthy	Yes	Yes	Yes	Yes	4
2	Shri B. P. Rao	Yes	Yes	Yes	Yes	4
3	Shri J. Balasubramanian	Yes	Yes	Yes	Yes	4
4	Shri B. K. Bal	Yes	Yes	Yes	Yes	4
5	Shri P. S. Reddy	Yes	Yes	Yes	Yes	4
6	Shir Hemang Raja	NA	NA	NA	Yes	1
7	Shri Neeraj Kulshrestha	NA	NA	NA	Yes	1

Directors and KMP

During the year the Company has appointed Shri Neeraj Kulshrestha and Shri Hemang Raja as Additional Directors of the Company with effect from 26th October, 2018.

During the year the Company has appointed Shri Sudhir Kumar Goel as Additional Director of the Company with effect from 30th March, 2019.

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

Post end of financial year 2018-19, the following changes took place in the Board Structure:

During the year Shri P. S. Reddy tendered his resignation and ceased to be a director of the Company from the close of business hours on 31st March, 2019.

Shri T .S Krishna Murthy (Chairman) ceased to be a Director consequent to his cessation from holding Company with effect from 18st April, 2019.

Shri. Bontha Prasad Rao tendered his resignation and ceased to be director of the Company with effect from 1st April, 2019.

During the year Shri Amol Purandare, Company Secretary resigned w.e.f. 26st June, 2018 and Shri Lalit Sharma has been appointed as Company Secretary w.e.f. 26st October, 2018.

Annual Return

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

Extract of Annual Return:-

Pursuant to Section 92 (3) of the Companies Act, 2013, the extracts of the annual return to be in form MGT-9 as enclosed in this report as **Annexure B**

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, 2019, 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.

In view of the above provisions, your Company appointed two Independent Directors during the financial year 2017-18 as tabulated below:

Sr. No.	Name of the Independent Director	Date of appointment
1.	Shri J. Balasubramanian	20.01.2018
2.	Shri B K Bal	01.03.2018

During the financial year 2018-19, your company has appointed Shri Sudhir Kumar Goel as an Additional (Non-Exective/Independent) Director w.e.f. 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.

AUDIT COMMITTEE:

During the year your Company has reconstituted the Audit Committee.

The constitution of the Audit Committee as on March 31, 2019 was as under:

i) Shri T.S. Krishna Murthy, **(Chairman)**

ii) Shri P. S. Reddy

iii) Shri B. P. Rao

iv) Shri J. Balasubramanian

v) Shri Hemang Raja

The Audit Committee met 4 times during the Year on 20th April, 2018, 27th July, 2018, 26th October, 2018 and 24th January, 2019.

The details of attendance is as under:

Sr. No.	Name of the Director	20th April 2018	27th July 2018	26th Oct 2018	24th Jan 2019	Total
1.	Shri T. S. Krishna Murthy	Yes	Yes	Yes	Yes	4
2.	Shri B P Rao	Yes	Yes	Yes	Yes	4
3.	Shri J. Balasubramanian	NA	Yes	Yes	Yes	3
4.	Shri P S Reddy	Yes	Yes	Yes	Yes	4
5.	Shri Hemang Raja	NA	NA	NA	Yes	1

The functions of the Audit Committee are broadly to:

(a) Overview Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.

(b) Review and monitor internal control system and compliance of audit observations of the Auditors

(c) Review financial statements before submission to the Board.

(d) Supervise other financial and accounting matters as may be referred to by the Board.

(e) Review, with the management, performance of statutory and internal auditors, and adequacy of internal control systems

(f) Discuss with statutory auditors before the audit commences, about the nature and scope of audit as well as have post-audit discussion to ascertain any area of concern.

(g) Review the Company's financial and risk management policies.

(h) Oversee vigil mechanism for adequate safeguards against victimisation of persons who use such mechanism and make provision for direct access to the chairperson of the Audit Committee in appropriate and exceptional cases.

NOMINATION AND REMUNERATION COMMITTEE:

During the year your Company has reconstituted the Nomination and Remuneration Committee.

The constitution of the Nomination and Remuneration Committee as on March 31, 2019 was as under:

i. Shri B. P. Rao (Chairman)

ii. Shri T. S. Krishna Murthy

iii. Shri P. S. Reddy

iv. Shri B. K. Bal

v. Shri Neeraj Kulshrestha

The Committee met on April 20, 2018. The Directors attending the meeting were Shri B. P. Rao (Chairman), Shri T. S. Krishna Murthy and Shri P. S. Reddy.

Shri B. K. Bal was appointed as the member of the Committee effective April 20, 2018.

Shri Neeraj Kulshrestha was appointed as the member effective October 26, 2018.

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 to the individual Director, the Board as a whole, its Committees and the Chairperson, appropriate rating depending upon the performance.

Loans and Investments:

The Company has made investments in mutual funds which is out of the purview of Section 185 and Section 186 of the Companies Act, 2013. The details can be referred in Note no. 5 of the financials.

Related Party Transactions:

Your Company has entered into transactions with related party to the tune of ₹ 145.41 lakhs. All such transactions were in the ordinary course of business and on an arm's length basis which is attached as **Annexure C.**

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 1st Annual General Meeting (AGM) of the member 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. Their appointment was subject to ratification by the Members at every subsequent AGM post their appointment.

Pursuant to the Companies (Amendment) Act, 2017 effective from May 7, 2018, the requirement of seeking ratification of the Members for the appointment of the Statutory Auditors has been withdrawn from Section 139 of the Companies Act, 2013.

However, since the Statutory Auditors were appointed subject to ratification at every Annual General Meeting, based on the recommendation of the Audit Committee and the Board ratification of appointment of M/s Lodha & Co., Chartered Accountants (registration number 301051E) as Statutory Auditors at a remuneration of ₹ 1,00,000/- for audit fees and ₹ 50,000/- for tax audit fees exclusive of GST and other out of pocket expenses to be reimbursed at actuals for the financial year 2019-20 has been proposed to the members.

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.

Necessary resolution for authorizing the Board to decide and fix the remuneration of the Statutory Auditors for the Company for the financial years 2020-21, 2021-22 and 2022-23, is detailed in the notice convening the Annual General Meeting.

The Auditors report does not contain any observation or qualification or remarks. Further, no frauds have been identified by the Auditors as required to be reported under Section 143(12) of the Companies Act, 2013.

Secretarial Audit:

Your Directors had appointed M/s. Ragini Chokshi & Co., a firm of Company Secretaries in Practice to undertake the Secretarial Audit of your Company. They have submitted Secretarial Audit Report for the year 2018-19. A copy of the secretarial audit report issued in form MR-3 by M/s. Ragini Chokshi & Co., Secretarial Auditors is enclosed as an **Annexure D** to this report. It may be observed that no adverse remarks or observations have been noted by the secretarial auditor.

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, will be using 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 11 employees as on 31st March, 2019.

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.

Compliance of 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 effectively.

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], 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

Shri Hemang Raja	**Shri Neeraj Kulshrestha**	**Shri D. Sivanandhan**
Director	Director	Director
(DIN: 00040769)	(DIN: 02994647)	(DIN: 03607203)

Place: Mumbai
Date: 2nd May, 2019

Annexure A

Annexure to Directors' Report

Profile of additional Directors appointed during the financial year 2018-19.

Shri Neeraj Kulshrestha

Shri Neeraj Kulshrestha a responsible for Business Development for Equity, Equity Derivatives, Debt, Interest Rate Futures, Currency Derivatives, Mutual Fund Distribution Platform and SME Platform. He is also responsible for Trading Operations and Development, Listing Sales and Operations and Membership Operations.

He has about 27 year experience in Capital Markets, which includes Securities Markets and General Insurance.

Prior to BSE he was an Executive Director in Morgan Stanley India for 10 years. He was earlier with National Stock Exchange and has managed various functions like Trading Operations, Inspection and Investigation, Futures and Options Clearing and Trading. He was also the CEO of India Index Services Ltd. and Dotex International Ltd.

He has completed his Bachelors in Computer Science from Delhi University and MBA (Finance) from Indore University.

Shri Hemang Raja

Shri Hemang Raja, aged 60 years, is an MBA from Abeline Christian University, Texas, with a major emphasis on finance. He has also done an Advanced Management Program (AMP) Fund Management business with Credit Suisse as MD and Head - India apart from fund based businesses such as Project Finance and Corporate Banking, together with Treasury management and Structured products with IL&FS. Shri Raja has also been the head of Capital Market activities in the Institutional and Retail Segments when he started and became the Managing Director and CEO of the then newly formed initiative by IL&FS, namely IL&FS Investsmart Ltd.

His last assignment from the year 2006 onwards was in the area of Private Equity and Fund Management business with Credit Suisse and Asia Growth Capital Advisers in India as MD and Head - India. Over the course of his career he has cultivated and managed over a hundred strong Corporate Relationships and has been involved in the creation of a retail customer base of more than two hundred thousand, in IL&FS Investsmart Ltd.

Shri Sudhir Kumar Goel

Shri Sudhir Kumar Goel holds a Master's in Development Studies, University of Bath, UK; PhD in Physics, Bhabha Atomic Research Centre. Formerly, Researcher in Nuclear Physics, Bhabha Atomic Research Centre. 1982, joined Indian Administrative Service (IAS); has occupied various senior positions in the state of Maharashtra, mostly linked to the field of Agriculture & Cooperation, including 7 years as Agriculture Commissioner; 6 years as Commissioner and Secretary, Cooperatives; Director-General, special project tackling suicide among farmers, Vidarbha; Principal Secretary and then Additional Chief Secretary of Agriculture, responsible for attracting an investment of US$ 1 billion a year for five years in the State of Maharashtra in the field of integrated value chains.

He has extensive experience working on various projects funded by the World Bank, Asian Development Bank and International Fund for Agriculture Development.

Annexure - 1

Extract of Annual Return MGT 9

As on the financial year ended on 31st March, 2019

I. REGISTRATION AND OTHER DETAILS

i)	CIN:-	U74999MH2017PLC292113
ii)	Registration Date –	07-03-2017
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
	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	81.03%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

Sr. No	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
1	Central Depository Services (India) Limited A-Wing, Marathon Futurex, 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 01.04.2018				No. of Shares held at the end of the year 31.03.2019				% 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		0	6	6		
b) Central Govt									
c) State Govt (s)									
d) Bodies Corp.	0	49999994	49999994	100	25999994	0	25999994	52	48
e) Banks / FI									
f) Any Other....									
Sub-total (A) (1):-	**0**	**50000000**	**50000000**	**100**	**25999994**	**6**	**26000000**	**52**	**48**
(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)	0	50000000	50000000	100	25999994	6	26000000	52	48
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	0	0	0	0	12000000	0	12000000	100	100
BSE Investments Limited	0	0	0	0	12000000	0	12000000	100	100
Sub-total (B)(1):-	**0**	**0**	**0**	**0**	**24000000**	**0**	**24000000**	**100**	**100**

Category of Share holders	No. of Shares held at the beginning of the year 01.04.2018				No. of Shares held at the end of the year 31.03.2019				% 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**	
Total Public Shareholding (B)=(B)(1)+ (B)(2)"	0	0	0	0	24000000	0	24000000	48	100
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	**0**	**50000000**	**0**	**100**	**49999994**	**6**	**50000000**	**100**	**100**

(ii) Shareholding of Promoters

Sr. No.	Shareholders Name	Shareholding at the beginning of the year 01.04.2018			Share holding at the end of the year 31.03.2019		
		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	49999994	100	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	**50000000**	**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 01.04.2018		Cumulative Shareholding during the year 31.03.2019	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	50000000	100	26000000	52
	Reasons: shares transferred pursuant to share purchase agreement	0	0	0	0
	At the End of the year			26000000	52

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

Sr No	For Each ofthe Top 10 Shareholders	Shareholding at the beginning ofthe year 01.04.2018		Cumulative Shareholding during theyear 31.03.2019	
		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	0	0	12000000	24
2	BSE Investments Limited	0	0	12000000	24

(v) Shareholding of Directors and Key Managerial Personnel:

Sr No		Shareholding at the beginning of the year 01.04.2018		Cumulative Shareholding during the year 31.03.2019	
	For Each of the Directors and KMP	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	2*	Negligible	1	Negligible
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0	0	0	
	At the End of the year	2	Negligible	1	Negligible

Note * One Director and One KMP hold 1 share each jointly with CDSL and the Beneficial Ownership has been transferred to CDSL.

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	Name of Manager	Total Amount
		*Shri Ramkumar K. (For the period from 1st October, 20178 to 31st March, 2019	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	7,236,331	7,236,331
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	174,629	174,629
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-

Sr. No.	Particulars of Remuneration	Name of Manager	Total Amount
		*Shri Ramkumar K. (For the period from 1st October, 20178 to 31st March, 2019	
4	Commission	-	-
	- as % of profit	-	-
	- others, specify…	-	-
5	Others, please specify	233,677	233,677
	Total (A)	**7,644,637**	**7,644,637**
	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
		Shri T. S. Krishna Murthy	Shri B. P. Rao	J. Bala-subra-manian	B.K. Bal	Hemang Raja	Neeraj Kulshrestha	
1	Independent Directors-Fee for attending board / committee meetings-Commission-Others, please specify	175000	175000	155000	115000			620000
2	Other Non-Executive Directors • Fee for attending board / committee meetings • Commission • Others, please specify			-		45000	25000	70000
	Total (2)							
	Total (B)=(1+2)							**690000**
	Total Managerial Remuneration							

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

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary (a) Salary (a) as per proovisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0	0	
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	0	0	0	
	Total	0	0	0	

Note:-

* Shri Ramkumar K, EVP- CDSL is on deputation to CCRL as Chief Operating Officer and was appointed as Manager of the Company w.e.f. 6th June, 2017 and Remuneration is reimbursed to Holding Company, CDSL.

VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

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	Date(s) of approval by the Board, if any:	Amount paid as advances, if any:
Central Depository Services (India) Limited Holding Company	Rent, administrative expenses and salary reimbursement of employees on deputation received	As per board approval dt.	14,516,000.00	Board approval dt. 28.10.17/29.07.17 for rent. Salary on actual basis	NIL

Annexure D

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

(FOR THE PERIOD FROM 01/04/2018 TO 31/03/2019)

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Board of Directors
CDSL COMMODITY REPOSITORY LIMITED
A WING, MARATHON FUTUREX, 25TH FLOOR,
MAFATLAL MILLS COMPOUND, N. M. JOSHI MARG,
LOWER PAREL (E) MUMBAI - 400013

We 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 us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering **1st April, 2018 to 31st March, 2019,** 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the period **1st April, 2018 to 31st March, 2019** 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 During the Period of Audit)**

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; **(Not Applicable During the Period of Audit)**

(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 During the Period of Audit)**

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’): - **(Not Applicable During the Period of Audit)**

a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

d. The Securities and Exchange Board of India (share based employees Benefits) Regulations, 2014;

e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

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; and

h. The Securities and Exchange Board of India (Buyback of Securities Regulations, 1998.

(vi) We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company.

We are of the opinion that the management has complied with the following laws specifically applicable to the Company:

1. Legal Metrology Act, 2009

2. Industrial Disputes Act, 1947

3. Employee Sate Insurance Act, 1948

4. Minimum Wages Act, 1948

5. Maharashtra shops and establishment Act, 2017

6. The Warehousing (Development and Regulation) Act, 2007

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

a) Secretarial Standards issued by The Institute of Company Secretaries of India, SS-1 & SS-2.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We 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.

We further report that during the reporting period, following changes took place in the Board: -

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We 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.

We further report that During the year 2018-19 following actions/events reported having major bearing on the Operation of the company: -

1. Mr. Balasubramanian Jayaraman's who was appointed as an Independent Director (Additional Director) by Board of Director dated 20/01/2018, has been regularised as an Independent Director by the Members of the Company dated 20/08/2018.
2. Mr. B. K Bala who was appointed as an Independent Director (Additional Director) by Board of Director dated 01/03/2018, has been regularised as an Independent Director by the Members of the Company dated 20/08/2018.
3. Mr. Hemang Harish Raja has been appointed as an Additional Director of the Company w.e.f. 26/10/2018.
4. Mr. Neeraj Kulshrestha has been appointed as an Additional Director of the Company w.e.f. 26/10/2018.
5. Mr. Amol Ashok Purandare has been resigned as a Company Secretary w.e.f. 26/06/2018.
6. Mr. Lalitmohan Girdhar Sharma has been appointed as a Company Secretary w.e.f. 26/10/2018.
7. Mr. Sudhirkumar Goel has been appointed as an Additional Director of the Company w.e.f. 30/03/2019.
8. Mr. P.S. Reddy has been resigned as a Director of CDSL Commodity Repository Limited w.e.f. 31/03/2019

For Ragini Chokshi & Co.

Mrs. Ragini Chokshi
Practicing Company Secretary
C.P.NO. 1436
FCS NO. 2390

Date: 27.04.2019
Place: Mumbai

INDEPENDENT AUDITORS' REPORT

TO,
THE MEMBERS OF
CDSL COMMODITY REPOSITORY LIMITED

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of **CDSL Commodity Repository Limited**, which comprise the Balance Sheet as at 31st March, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2019 and its profit, total comprehensive income, change in equity and cash flows for the year ended on that date.

Basis of opinion

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

Information Other than the Standalone 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 Management Discussion and Analysis, Board's Report including Annexures to Board's Report Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility as to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone 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 state that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, change in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

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

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

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial control system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associate entities to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the standalone financial statements of such entities included in the consolidated financial statements of which we are independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the standalone 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) too evaluate the effect of and 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 of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order

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

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

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

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

    d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards 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 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.

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

    g) With respect to the other matters to be included in Auditor's Report in accordance with the requirements of Section197(16) of the Act, as amended:

        During the year, the Company has not paid any remuneration to its directors, except for sitting fees.

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

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

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

c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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

R. P. Baradiya
Partner
Membership No : 44101

Place: Mumbai
Date: 2nd May, 2018

"Annexure A"

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

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

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

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

c) The Company does not own any immovable property. Therefore, Para 3(i) (c) of the Order is not applicable to the Company.

ii. The Company does not have any inventory. Therefore, the Para 3(ii) of the Order is not applicable to the Company.

iii. During the year the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act.

iv. The Company has neither given any loans nor provided any guarantee or security during the year. In respect of investments, the provisions of section 185 and 186 of the Act have been complied with.

v. No deposits within the meaning of directives issued by RBI (Reserve Bank of India) and Sections 73 to 76 or any other relevant provisions of the Act and rules framed thereunder have been accepted by the Company.

vi. According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, in respect of the services rendered by the Company. Therefore, the Para 3(vi) of the Order is not applicable to the Company.

vii. a) The Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales-tax, service tax, Goods & Service tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues applicable to the Company with the appropriate authorities. No undisputed amounts payable in respect of the aforesaid statutory dues were outstanding as at the last day of the financial year for a period of more than six months from the date they became payable.

b) According to the records of the Company, there are no dues of income tax or sales tax or service tax or Goods & Service tax or duty of customs or duty of excise or value added tax which have not been deposited on account of any dispute.

viii. The Company has not taken any loan or borrowing from a financial institution, bank, government or debenture holders. Therefore, Para 3 (viii) of the Order is not applicable to the Company.

ix. The Company has not raised any money by way of initial public offer or further public offer during the year or in the recent past and has not taken any term loan. Therefore, Para 3 (ix) of the Order is not applicable to the Company.

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

xi. The Company has paid/ provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.

xii. The Company is not Nidhi Company. Therefore, Para 3 (xii) of the Order is not applicable to the Company.

xiii. All transactions with the related parties are in compliance with section 177 and 188 of Act where applicable and the details have been disclosed in the financial statements etc. as required by the applicable accounting standards.

xiv. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause 3(xiv) of the order is not applicable to the Company.

xv. The Company has not entered into any non-cash transactions with directors or persons connected with him under section 192 of the Act.

xvi. As the Company is governed by the provision of Warehousing Development and Regulatory Authority, the Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934. Para 3 (xvi) of the Order is not applicable to the Company.

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

R. P. Baradiya
Partner
Membership No : 44101

Place: Mumbai
Date: 20nd May, 2019

"Annexure B"

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

1. We have audited the internal financial controls over financial reporting of **CDSL Commodity Repository Limited** ("the Company") as of March 31, 2019 in conjunction with our audit of Standalone Ind AS financial statements of the Company for the year ended March 31, 2019.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

6. A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

8. In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

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

R. P. Baradiya
Partner
Membership No : 44101

Place: Mumbai
Date: 2nd April, 2019

CDSL COMMODITY REPOSITORY LIMITED

CIN : U74999MH2017PLC292113

Balance Sheet as at March 31, 2019

(₹ in Lakh)

	Particulars	Note No.	As at 31.03.2019	As at 31.03.2018
	ASSETS			
1	**Non-current assets**			
	a. Property, plant and equipment	3	1.45	9.37
	b. Intangible assets	4	37.56	77.27
	c. Financial assets			
	i. Investments	5	1,013.95	-
	d. Other assets	9	40.26	10.23
	Total Non-Current Assets		**1,093.22**	**96.87**
2	**Current assets**			
	a. Financial assets			
	i. Investments	5	2,418.03	4,386.08
	ii. Trade receivables	7	56.49	-
	iii. Cash and cash equivalents	6	35.12	22.01
	iv. Bank balances other than (iii) above	6	1,522.73	519.10
	b. Current tax Assets (Net)	8	-	3.45
	c. Other assets	9	68.11	37.21
	Total Current Assets		**4,100.48**	**4,967.85**
	Total Assets (1+2)		**5,193.70**	**5,064.72**
	EQUITY AND LIABILITIES			
1	**Equity**			
	a. Equity share capital	10	5,000.00	5,000.00
	b. Other equity	11	134.23	21.89
	Total Equity		**5,134.23**	**5,021.89**
	LIABILITIES			
2	**Non-current liabilities**			
	Deferred tax liabilities (Net)	12	19.82	36.90
	Total Non-Current Liabilities		**19.82**	**36.90**
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		15.08	2.12
	ii. Other financial liabilities	14	4.00	-
	b. Other current liabilities	15	8.71	3.81
	c. Current tax liabilities (Net)	8	9.95	-
	d. Provisions	16	1.91	-
	Total Current Liabilities		**39.65**	**5.93**
	Total Equity and Liabilities (1+2+3)		**5,193.70**	**5,064.72**
	Significant accounting policies	**2**		
	See accompanying notes forming part of the financial statements	**1-29**		

As per our attached report of even date

For Lodha and Company
Chartered Accountants

R.P. Baradiya
Partner
Membership No. 44101
Place : Mumbai
Date : May 2, 2019

For and on behalf of the Board of Directors

Hemang Raja
Director
DIN:00040769

Neeraj Kulshrestha
Director
DIN:02994647

D. Sivanandhan
Director
DIN:03607203

Lalit Mohan Sharma
Company Secretary
M No.A20005

Bharat Sheth
Chief Financial Officer

CDSL COMMODITY REPOSITORY LIMITED

CIN : U74999MH2017PLC292113

Statement of Profit and Loss for the year ended March 31, 2019

(₹ in Lakh)

PARTICULARS		Note No.	For the year ended 31/03/2019	From 07/03/2017 to 31/03/2018
1.	Revenue From Operations	17	67.83	-
2.	Other Income	18	388.11	286.84
3.	**Total Income**		**455.94**	**286.84**
4.	**Expenses**			
	Employee benefits expense	19	160.77	83.11
	Depreciation and amortization expense	3&4	55.36	19.02
	Administration and other expenses	20	144.60	125.92
	Total expenses		**360.73**	**228.05**
5.	**Profit/(loss) before tax (3-4)**		**95.21**	**58.79**
6.	**Tax expense:**	21		
	Current tax		-	-
	Deferred tax		(17.09)	36.90
	MAT		30.03	10.23
	MAT Credit Entitlement		(30.03)	(10.23)
	Total tax expenses		**(17.09)**	**36.90**
7.	**Profit/(loss) for the year (5-6)**		**112.30**	**21.89**
8.	**Other comprehensive income**			
	Items that will not be reclassified to profit or loss			
	i. Remeasurements of the defined benefit plans;		0.05	-
	ii. Income tax relating to items that will not be reclassified to profit or loss		(0.01)	-
	Other comprehensive income (net of tax)		**0.04**	**-**
9.	**Total Comprehensive Income/(loss) for the year (7+8)**		**112.34**	**21.89**
10.	**Earnings per equity share(EPS) :**			
	Basic and Diluted EPS not annualised(₹)		0.22	0.04
	Face value of share (₹)		10.00	10.00
	Weighted average number of shares		50,000,000	50,000,000
	(Not annualised except yearly data)			
	Significant accounting policies	**2**		
	See accompanying notes forming part of the financial statements	**1-29**		

As per our attached report of even date

For and on behalf of the Board of Directors

For Lodha and Company
Chartered Accountants

Hemang Raja
Director
DIN:00040769

Neeraj Kulshrestha
Director
DIN:02994647

D. Sivanandhan
Director
DIN:03607203

R.P. Baradiya
Partner
Membership No. 44101
Place : Mumbai
Date : May 2, 2019

Lalit Mohan Sharma
Company Secretary
M No.A20005

Bharat Sheth
Chief Financial Officer

CDSL COMMODITY REPOSITORY LIMITED

CIN : U74999MH2017PLC292113

Statement of Changes in Equity for the year ended March 31, 2019

A. Equity Share Capital

	₹ in Lakh
Balance as at April 1, 2017	5,000.00
Changes in equity share capital during the year	-
Balance as at March 31, 2018	5,000.00
Changes in equity share capital during the year	-
Balance as at March 31, 2019	5,000.00

B. Other Equity

(₹ in Lakh)

Particulars	Note No.	Retained Earnings	Total
Balance as at April 1, 2017		-	-
Profit for the year		21.89	21.89
Other comprehensive income for the year		-	-
Balance at March 31, 2018		**21.89**	**21.89**
Profit for the year		112.30	112.30
Other comprehensive income for the year		0.04	0.04
Balance as at March 31, 2019		**134.23**	**134.23**
Significant accounting policies	2		
See accompanying notes forming part of the financial statements	1-29		

As per our attached report of even date

For Lodha and Company
Chartered Accountants

R.P. Baradiya
Partner
Membership No. 44101
Place : Mumbai
Date : May 2, 2019

For and on behalf of the Board of Directors

Hemang Raja
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Company Secretary
M No.A20005

Bharat Sheth
Chief Financial Officer

CDSL COMMODITY REPOSITORY LIMITED

CIN : U74999MH2017PLC292113

Cash Flow Statement for the period ended March 31, 2019

(₹ in Lakh)

Particulars	For the year ended 31/03/2019	From 07/03/2017 to 31/03/2018
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit for the year	**112.30**	**21.89**
Adjustments for		
Income tax expenses recognised in profit and loss account	(17.09)	36.90
Depreciation and Amortisation Expenses	55.36	19.02
Provision for Gratuity and Leave encashment	1.91	-
Profit on Sale of Investments (Net)	(160.16)	-
Interest Income	(59.59)	(136.77)
Acturial Liability Recognized	(0.05)	-
Dividend Income	(5.11)	(8.78)
Net gain / (loss) on Sale of Investments through FVTPL	(163.03)	(141.29)
Operating profit before working capital changes	**(235.46)**	**(209.03)**
Movements in Working Capital		
(Increase) / Decrease in Trade Receivables	(56.49)	-
(Increase) / Decrease in Other Assets	(30.90)	(37.21)
Increase / (Decrease) in Trade Payables	12.96	2.12
Increase / (Decrease) in Other Liabilities /Provisions	8.90	3.81
Cash Generated from / (used in) Operations	**(300.99)**	**(240.31)**
Direct taxes paid	(16.63)	(13.68)
Net Cash from / (used in) Operating Activities	**(317.62)**	**(253.99)**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of PPE, including intangible assets, capital work in progress and capital advances	(7.72)	(105.66)
Purchase of investments	(2,705.13)	(4,563.79)
Sale of investments	3,982.51	319.00
Investments in fixed deposits with banks	(1,479.97)	(25,162.85)
Proceeds from maturity of fixed deposits with banks	500.00	24,662.85
Interest Received	35.93	117.67
Dividend Received	5.11	8.78
Net Cash generated from / (used in) Investing Activities	**330.73**	**(4,724.00)**

Particulars	For the year ended 31/03/2019	From 07/03/2017 to 31/03/2018
C. CASH FLOW FROM FINANCING ACTIVITIES		
Equity share capital received	-	5,000.00
Net Cash from / (used in) Financing Activities	**-**	**5,000.00**
Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)	**13.11**	**22.01**
Cash and Cash Equivalents at the beginning of the year	22.01	-
Cash and cash equivalents at the end of the year comprises	**35.12**	**22.01**
Cash and cash equivalents at the end of the year comprises		
i) Cash on Hand	0.15	0.16
ii) Balances with Banks-Current Accounts	34.97	21.85
Significant accounting policies	2	
See accompanying notes forming part of the financial statements	1-29	

1. The Cash Flow Statement has been prepared under the “Indirect Method” as set out in Ind AS - 7 “Cash Flow Statement”.

2. Previous year’s figures have been regrouped wherever necessary.

As per our attached report of even date

For Lodha and Company
Chartered Accountants

R.P. Baradiya
Partner
Membership No. 44101
Place : Mumbai
Date : May 2, 2019

For and on behalf of the Board of Directors

Hemang Raja
Director
DIN:00040769

Neeraj Kulshrestha
Director
DIN:02994647

D. Sivanandhan
Director
DIN:03607203

Lalit Mohan Sharma
Company Secretary
M No.A20005

Bharat Sheth
Chief Financial Officer

CDSL COMMODITY REPOSITORY LIMITED

CIN: U74999MH2017PLC292113

Notes forming part of the Financial Statements from March 07, 2017 to March 31, 2019

1. Corporate Information

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 and the present financial statements have been prepared for the year ended March 31, 2019.

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 for finance. CCRL has received "Certificate of Registration" from Warehousing Development and Regulatory Authority (WDRA) for Commodity Repository on September 26, 2017.

2. Significant Accounting Policies:

a) Statement of compliance

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standard) Rules, 2015 and amendments thereon.

The financial statements for the year ended March 31, 2019 were approved by the Board of Directors and authorize for issue on May 2, 2019.

b) Basis of preparation

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

c) Functional and presentation currency

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

d) Use of Estimates:

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

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

e) Property, plant & equipments

Plants and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Capital work-in-progress, plant and equipment are stated at cost net of accumulated depreciation and accumulated impairment losses, if any. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to Statement of Profit and Loss during the reporting period in which they are incurred.

f) Intangible assets

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

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

Intangible assets consist of computer software.

g) Depreciation/Amortization/Impairment Loss

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

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

Description of asset	Useful life as per the Schedule II (in years)	Useful life used (in years)
Building	60	60
Civil and interior work	10	10
Computer Hardware/software	3	2
Office Equipment	5	5
Furniture and Fixtures	10	5
Vehicles	8	4

Leasehold premises are amortized over a period of 10 years.

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

h) Fair Value Measurement

The Company measures financial instruments at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability .

In an orderly transaction between market participants at the measurement date. The fair Value measurement is based on the presumption that the transaction to sell the asset or Transfer the liability takes place either:

(a) In the principal market for the asset or liability, or

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

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

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

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

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

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

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

Fair value for measurement and / or disclosure purposes in this financial information is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

i) Financial Instruments

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

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

I. Classification of financial assets

Company has classified and measured Financial Assets into following:

i. **Amortized cost** if both of the following conditions are met:

a) the financial asset is held within a business model whose objective is to hold Financial assets in order to collect contractual cash flows and

b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

ii. Fair value through other comprehensive income if both of the following conditions are met:

a) the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and

b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Assets under this category are measured at fair value and gains and losses arising out of such measurement are carried through other comprehensive income

iii. Fair value through profit or loss if asset is not classified at amortized cost or fair value through other comprehensive income

II. Classification of Financial Liabilities

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

j) Employee Benefits

Short term Employee Benefits are estimated and provided for Performance linked bonus is provided as and when the same is approved by the management.

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

(i) Defined Contribution Plans:

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

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

(ii) Defined Benefits Plans:

Gratuity:

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

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

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

k) Current tax and deferred tax

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

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

Current tax and deferred tax relating to items recognized outside Statement of Profit and Loss is recognized outside Statement of Profit and Loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

l) Foreign Currency Translation

The functional currency of CDSL Commodity Repository Limited is Indian rupees

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

m) Revenue Recognition

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

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

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

n) Provisions and Contingencies

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

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

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

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

p) Cash flow statement

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

q) Earnings per share

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

r) Impairment

Financial assets carried at amortised cost and FVTOCI

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

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

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

- 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.

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

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

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

s) Current / Non-current classification

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

Assets: An asset is classified as current when it satisfies any of the following criteria:

1. it is expected to be realized in, or is intended for sale or consumption in, the entity's normal operating cycle;
2. it is held primarily for the purpose of being traded;
3. it is expected to be realized within twelve months after the balance sheet date; or
4. 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
5. All other assets are classified as non-current.

Liabilities: A liability is classified as current when it satisfies any of the following criteria:

1. it is expected to be settled in, the entity's normal operating cycle;
2. it is held primarily for the purpose of being traded; it is due to be settled within twelve months after the balance sheet date; or
3. the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the balance sheet date.
4. All other liabilities are classified as non-current.

t) Operating Cycle

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

u) Recent accounting pronouncements

(i) Ind AS 116 Leases : On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of Profit & Loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019. The standard permits two possible methods of transition:

• **Full retrospective –** Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors

• **Modified retrospective –** Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application.

Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as:

• Its carrying amount as if the standard had been applied since the commencement date, but discounted at lessee's incremental borrowing rate at the date of initial application or

• An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under Ind AS 17 immediately before the date of initial application.

Certain practical expedients are available under both the methods.

The Company is currently evaluating the effect of this amendment on the standalone financial statements. The effect due to this amendment would be insignificant in the financial statements.

(ii) Amendment to Ind AS 12 – Income taxes : On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes.

The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the standalone financial statements. The effect due to this amendment would be insignificant in the financial statements.

(iii) Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments: On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

The standard permits two possible methods of transition - i) Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.

The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019. The Company will adopt the standard on April 1, 2019. The Company is currently evaluating the effect of this amendment on the standalone financial statements. The effect due to this amendment would be insignificant in the financial statements.

(iv) Amendment to Ind AS 19 – plan amendment, curtailment or settlement: On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements.

The amendments require an entity:

• to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and

• to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the standalone financial statements. The Company does not have any impact on account of this amendment.

v) Segment Reporting

The Company is engaged in the business of providing Commodity Repository services and the operations are carried out within India and hence there is no separate reportable segment as per Indian Accounting Standard 108 on "Operating Segment" prescribed in Companies (Accounting Standards) Rules, 2015.

w) Rounding off Amounts

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

3 Property, plant and equipment

(₹ in Lakh)

Particulars	Computers Hardware	Office Equipments	Total
At Cost			
Balance as at April 1, 2017	-	-	-
Additions during the year ended March 31, 2018	16.83	-	16.83
Deductions / adjustments	-	-	-
Balance as at March 31, 2018	**16.83**	**-**	**16.83**
Balance as at April 1, 2018	16.83	-	16.83
Additions during the year ended March 31, 2019	-	0.94	0.94
Deductions / adjustments	-	-	-
Balance as at March 31, 2019	**16.83**	**0.94**	**17.77**

Particulars	Computers Hardware	Office Equipments	Total
Accumulated depreciation and impairment			
Balance as at April 1, 2017	-	-	-
Additions during the year ended March 31, 2018	7.46	-	7.46
Deductions / Adjustments	-	-	-
Balance as at March 31, 2018	**7.46**	**-**	**7.46**
Balance as at April 1, 2018	7.46	-	7.46
Depreciation for the year ended March 31, 2019	8.41	0.45	8.86
Deductions / Adjustments	-	-	-
Balance as at March 31, 2019	**15.87**	**0.45**	**16.32**

Particulars	Computers Hardware	Office Equipments	Total
Net Book Value			
As at March 31, 2019	**0.96**	**0.49**	**1.45**
As at March 31, 2018	**9.37**	**-**	**9.37**

4 Intangible assets

(₹ in Lakh)

Particulars	Software	Total
At Cost		
Balance as at April 1, 2017	-	-
Additions during the year ended March 31, 2018	88.83	88.83
Deductions / adjustments	-	-
Balance as at March 31, 2018	**88.83**	**88.83**
Balance as at April 1, 2018	88.83	88.83
Additions during the year ended March 31, 2019	6.78	6.78
Deductions / adjustments	-	-
Balance as at March 31, 2019	**95.61**	**95.61**

Particulars	Software	Total
Accumulated amortisation and impairment		
Balance as at April 1, 2017	-	-
Depriciation for the year ended March 31, 2018	11.56	11.56
Deductions / Adjustments		-
Balance as at March 31, 2018	**11.56**	**11.56**
Balance as at April 1, 2018	11.56	11.56
Depreciation for the year ended March 31, 2019	46.49	46.49
Deductions / Adjustments	-	-
Balance as at March 31, 2019	**58.05**	**58.05**

Particulars	Software	Total
Net Book Value		
As at March 31, 2019	**37.56**	**37.56**
As at March 31, 2018	**77.27**	**77.27**

5 Investments

Particulars	No. of Units As at March 31, 2019	No. of Units As at March 31, 2019	(₹) In Lakh As at March 31, 2018	(₹) In Lakh As at March 31, 2018
Non current investments				
Investment in units of mutual funds				
(Non Trade, Quoted and fully paid up)				
Reliance FHF XXXX Sr17 - Direct - Growth	5,000,000.00	510.05	-	-
Reliance FHF XLI Sr1 - Direct - Growth	5,000,000.00	503.90	-	-
Total of non current investments (a)		**1,013.95**		**-**
Current investments				
Investment in units of mutual funds				
(Non Trade, Unquoted & Fully Paid up)				
Axis Liquid Fund - Direct- DDR	-	-	23,962.98	239.86
Axis Banking & PSU Debt Fund- Direct-Growth	64,005.94	1,132.64	64,005.94	1,036.17
HDFC Floating Rate Income Fund-Short Term Plan-Direct-Growth	2,151,927.65	703.76	5,123,351.93	1,556.59
Reliance Money Manager Fund- Direct- Growth	-	-	63,700.55	1,553.46
Reliance Liquid Fund - Direct - Growth	12,749.70	581.63	-	-
Total of current investments (b)		**2,418.03**		**4,386.08**
Total of investments (a+b)		**3,431.98**		**4,386.08**

6 Cash and cash equivalents

For the purpose of statement of cashflows, cash and cash equivalents includes cash on hand and bank balances, cash and cash equivalents at the end of the reporting year as shown in the statement of cashflow is reconciled to the related items on the balance sheet as follows:

(₹ in Lakh)

Particulars	As at March 31, 2019	As at March 31, 2018
Current		
Cash on hand	0.15	0.16
Balance with Banks		
Owned fund		
In Current Accounts	34.97	21.85
Total	**35.12**	**22.01**
Bank Balance other than above		
Balance with Banks		
Owned fund		
In Deposit Accounts	1,479.97	500.00
(Earmark against bank guarantee of ₹ 500.00 Lakh, Previous year ₹ 500.00 Lakh)		
Accrued Interest	42.76	19.10
Total	**1,522.73**	**519.10**

7 Trade receivables

(₹ in Lakh)

Particulars	As at March 31, 2019	As at March 31, 2018
-Trade Receivable considered good - Secured	-	-
-Trade Receivable considered good - Unsecured	56.49	-
- Trade Receivable which have Significant in credit risk	-	-
- Trade Receivable - credit impaired	-	-
Less: Allowance for expected credit loss	-	-
Total	**56.49**	**-**

8 Income tax asset and liabilities

(₹ in Lakh)

Particulars	As at March 31, 2019	As at March 31, 2018
Non Current tax assets		
Advance Income Tax (Net of provision for ₹ Nil, previous year ₹ 10.23 Lakh)	-	3.45
Total	**-**	**3.45**
Current tax liabilities		
Income Tax payable (Net of advance tax for ₹ 30.31 Lakh, previous year ₹Nil)	9.95	-
Total	**9.95**	-

9 Other assets

(₹ in Lakh)

Particulars	As at March 31, 2019	As at March 31, 2018
Non - Current		
MAT Credit Entitlement	40.26	10.23
	40.26	**10.23**
Current		
RTA Deposit with holding company	1.50	1.50
Prepaid Expenses	10.70	4.67
GST Receivable	55.19	31.04
Advance to Creditors	0.72	-
Total	**68.11**	**37.21**

10 Equity Share Capital

(₹ in Lakh)

Particulars	As at March 31, 2019	As at March 31, 2018
Equity Share Capital		
Authorised share capital:		
50,000,000 Equity Shares of ₹ 10/- each with voting rights	5,000.00	5,000.00
Subscribed and Fully Paid-up share capital		
50,000,000 Equity Shares of ₹ 10/- each with voting rights	5,000.00	5,000.00
Total	**5,000.00**	**5,000.00**

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

Particulars	As at March 31, 2019	As at March 31, 2018
No. of shares at the beginning of the period/ year	50,000,000	-
Additions during the period	-	50,000,000
Total	**50,000,000**	**50,000,000**

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

Particulars	As at March 31, 2019		As at March 31, 2018	
	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)	26,000,000	52	50,000,000	100
BSE Investments Limited	12,000,000	24	-	-
Multi Commodity Exchange of India Limited	12,000,000	24	-	-

Terms/rights attached to equity shares

i) The Company has only one class of equity shares having a face value of ₹ 10 each per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pay dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting.

ii) In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

iii) As per records of the Company, including its register of shareholders/members and other declaration received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

iv) The Company has not issued any shares by way of bonus or for considration other than cash and has not bought back any shares during the period of five years immediatily preceeding the reporting date.

11 Other equity

Retained earnings

(₹ in Lakh)

Particulars	As at March 31, 2019	As at March 31, 2018
Opening Balance	21.89	-
Total Comprehensive Income during the year	112.34	21.89
Total	**134.23**	**21.89**

12 Deferred tax balances

(₹ in Lakh)

Particulars	As at March 31, 2019	As at March 31, 2018
Deferred tax assets	10.79	-
Deferred tax liabilities	30.61	36.90
TOTAL	**(19.82)**	**(36.90)**

Deferred tax (liabilities) / assets in relation to:

(₹ in Lakh)

Particulars	Opening balance as at 01.04.2017	Recognised in Profit and loss for year ended 31.03.2018	"Recognised in Other Comprehensive Income for year ended 31.03.2018"	Closing balance as at 31.03.2018	Recognised in Profit and loss for year ended 31.03.2019	Recognised in Other Comprehensive Income for year ended 31.03.2019	Closing balance as at 31.03.2019
1. Deferred tax Assets							
Provision for compensated absences, gratuity and other employee benefits	-	-		-	1.93	(0.01)	1.92
On difference between book balance and tax balance of fixed assets	-	-		-	8.87	-	8.87
Total	**-**	**-**		**-**	**10.80**	**(0.01)**	**10.79**
2. Deferred Tax Liabilities							
On Changes in Fair Value of Investment	-	32.02		32.02	(6.29)	-	25.73
On difference between book balance and tax balance of fixed assets	-	4.88		4.88	-	-	4.88
Total Liabilities	**-**	**36.90**	**-**	**36.90**	**(6.29)**	**-**	**30.61**
Net Asset/ (Liabilities)				**(36.90)**	**17.09**	**(0.01)**	**(19.82)**

13 Trade Payables

(₹ in Lakh)

Particulars	As at March 31, 2019	As at March 31, 2018
Current		
a) Total outstanding dues of micro enterprises and small enterprises	-	-
b) Total outstanding dues of creditors other than micro enterprises and small enterprises:-		
Trade payables (refer note below)	10.08	2.12
Accrued Employee Benefits expense	5.00	-
Total	**15.08**	**2.12**

Note:

As at March 31, 2019, no supplier has intimated the company about its status as Micro or Small Enterprises or its Registration with appropriate authority under the Micro, Small and Medium Enterprises Development Act, 2006

14 Other Financial liabilities

(₹ in Lakh)

Particulars	As at March 31, 2019	As at March 31, 2018
Current		
Security deposits	4.00	-
Total	**4.00**	**-**

15 Other Current liabilities

Particulars	As at March 31, 2019	As at March 31, 2018
Statutory Dues	8.71	3.81
Total	**8.71**	**3.81**

16 Provisions

(₹ in Lakh)

Particulars	As at March 31, 2019	As at March 31, 2018
Provision for Compensated absences	0.75	-
Provision for Gratuity	1.16	-
Total	**1.91**	**-**

17 Revenue from operations

(₹ in Lakh)

Particulars	For the year ended March 31, 2019	From the 07/03/2017 to 31/03/2018
Sale of services comprise :		
Annual Maintenance Charges (AMC) CM/TM	2.70	-
Application processing fees (for RP admission)	1.20	-
Custody	54.96	-
Withdrawal	0.12	-
Transaction charges	8.85	-
Total	**67.83**	**-**

18 Other income

(₹ in Lakh)

Particulars	For the year ended March 31, 2019	From the 07/03/2017 to 31/03/2018
a) Interest income earned on financial assets that are not designated as at fair value through profit or loss		
Bank deposits	59.59	136.77
Investments in debt instruments	0.22	-
b) Dividend income		
Dividends from investment in Mutual Funds		
Dividend income	5.11	8.78
c) Other gains or losses:		
Net gains / (loss) arising on financial assets measured at FVTPL	323.19	141.29
TOTAL	**388.11**	**286.84**

19 Employee benefits expense

(₹ in Lakh)

Particulars	For the year ended March 31, 2019	From the 07/03/2017 to 31/03/2018
Salaries and allowances	81.44	24.95
Contribution to provident and other Funds	3.84	1.50
Staff welfare expenses	0.79	0.70
Reimbursement of Salaries to staff on deputation from Holding Company	74.70	55.96
TOTAL	**160.77**	**83.11**

20 Administration and other expenses

(₹ in Lakh)

Particulars	For the year ended 31.03.2019	From the 07/03/2017 to 31/03/2018
Travel & Conveyance	23.66	15.00
Communication, Telephone & Courier charges	0.29	0.16
Insurance	6.52	1.53
Directors Sitting fees	6.90	2.80
Rates and taxes	2.59	6.17
Rent	24.00	10.00
Legal & Professional Fees	6.41	6.84
Audit Fees	1.00	1.00
Auditors Out of Pocket Expense	0.07	-
Computer Maintenance Charges	30.24	0.13
Administrative expenses	18.00	7.50
Business Development Expenses	3.07	1.89
Printing and Stationery	0.55	0.22
Office Maintenance	2.55	
Preliminary Expenses	-	48.83
Training Expenses	0.27	-
WDRA Annual Fees	15.12	-
Miscellaneous Expenses	3.36	23.85
Total	**144.60**	**125.92**

21. Taxes

21.1. Income tax expense

The major components of income tax expense for the year ended March 31, 2019 and 2018 are as under:

21.1.1 Under Profit or loss

(₹ in Lakh)

Particulars	For the year ended 31.03.2019	From the 07/03/2017 to 31/03/2018
Current tax expense	-	-
Deferred tax	(17.09)	36.90
Total income tax expense recognised in profit or loss	**(17.09)**	**36.90**

21.1.2 Under other comprehensive section

(₹ in Lakh)

Particulars	For the year ended 31.03.2019	From the 07/03/2017 to 31/03/2018
Remeasurement of the defined benefit plans	(0.01)	-
Total income tax expense recognised in other comprehensive income	**(0.01)**	**-**

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

(₹ in Lakh)

Particulars		For the year ended 31.03.2019	
(A)	Profit before tax	95.21	58.79
(B)	Enacted tax rate in India	27.82%	27.55%
(C)	Expected tax expenses (A*B)	26.49	16.20
(D)	Other than temporary differences		
	Effect of different tax rate	64.18	6.49
	Effect of income that is exempt from taxation	(1.42)	(2.42)
	Expenses disallowed / (allowed)	0.33	0.41
	Effects due to unabsorbed losses	(106.67)	16.22
	Total adjustments	(43.58)	20.70
(E)	Tax expenses after adjustments (C+D)	(17.09)	36.90
(F)	Tax expenses recognised in Profit or Loss	(17.09)	36.90

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 31.03.2019	For the year ended 31.03.2018
Weighted average number of equity shares (issued share capital) outstanding during the year for the calculation of basic EPS	50,000,000	50,000,000
Effect of dilutive equity shares outstanding during the year	-	-
Weighted average number of equity shares (issued share capital) outstanding during the year for the calculation of dilutive EPS	50,000,000	50,000,000
Face Value per Share (₹)	10/- Each	10/- Each
Profit after tax (₹)	112.30	21.89
Basic and Diluted EPS (₹)	0.22	0.04

23. Financial instruments

Financial instruments by category:

(₹ in Lakh)

Particulars	Carrying Value March 31, 2019	Carrying Value March 31, 2018
i) Financial assets		
a) Amortised Cost		
Trade Receivable	56.49	-
Cash and cash equivalents	35.12	22.01
Bank balances other than cash and cash equivalents	1,522.73	519.10
Total	**1,614.34**	**541.11**
b) FVTPL		
Investment in mutual funds	3,431.98	4,386.08
Total	**3,431.98**	**4,386.08**
ii) Financial liabilities		
Amortised Cost		
Trade payables	15.08	2.12
Other financial liabilities	4.00	-
Total	**19.08**	**2.12**

Fair value hierarchy

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

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

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

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

Financial assets	Fair value as at March 31, 2019	Fair value as at March 31, 2018	Fair value hierarchy	Valuation technique(s) and key input(s)
Investments in mutual funds	3,431.98	4,386.08	Level 1	Quoted bid prices in an active market

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

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

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

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

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

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

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

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

Credit risk

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

- **Trade and other receivables**

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

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

    Company provides the Commodity Repository services to its listed customers and registered members (who have provide the collaterals and other securities for trading done on its platform), hence company operates with large number of customers portfolio and its revenue is not concentrated on small number of customers.

- None of the customers accounted for more than 10% of the receivables and revenue for the years ended March 31, 2019 and March 31, 2018.

- Investments

    The Company limits its exposure to credit risk by making investment as per the investment policy. 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 forecast on the basis of expected cash flow.

The table below provides details regarding the contractual maturities of significant financial liabilities as at March 31, 2019 and March 31, 2018.

(₹ in Lakh)

Particulars	As at March 31, 2019	As at March 31, 2018
Trade payables		
< 1 year	15.08	2.12
1-5 years	-	-
> 5 years	-	-
Other financial liabilities		

< 1 year	4.00	-
1-5 years	-	-
> 5 years	-	-
Total	**19.08**	**2.12**

The table below provides details regarding the contractual maturities of significant financial assets as at March 31, 2019 and March 31, 2018.

(₹ in Lakh)

Particulars	As at March 31, 2019	As at March 31, 2018
Investments		
< 1 year	2418.03	4,386.08
1 - 5 years	1013.95	-
> 5 years	-	-
Total	**3431.98**	**4,386.08**
Trade receivables		
< 1 year	56.49	-
1 - 5 years	-	-
> 5 years	-	-
Total	**56.49**	**9.88**
Cash and cash equivalents		
< 1 year	35.12	22.01
1 - 5 years	-	-
> 5 years	-	-!
Total	**35.12**	**22.01**
Bank balances other than cash and cash equivalents		
< 1 year	1522.73	519.10
1 - 5 years	-	-
> 5 years	-	-
Total	**1522.73**	**519.10**

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

Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables.

- **Foreign Currency risk**

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

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

- **Interest rate risk**

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

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

- **Regulatory risk**

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

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

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 liquid and short term mutual funds being far in excess of financial liabilities.

26. Related Party Details:

(₹ in Lakh)

(a)	List of related parties and their relationship:		
(i)	**Entity where control exists**:		
	Central Depository Services (India) Limited (CDSL) – Holding Company		
	BSE Limited – Ultimate Holding Company till June 29,2017		
(ii)	Entity where control exists:		
	Central Depository Services (India) Limited (CDSL) – Holding Company		
	BSE Limited – Ultimate Holding Company (till June 29, 2017)		
(iii)	**Fellow Subsidiary :**		
	CDSL Ventures Limited (CVL) CDSL Insurance Repository Limited (CIRL)		
(iv)	**Associate :**		
	BSE Limited – w.e.f. June 30, 2017		
(v)	**Key Management Personnel :**		
	Ramkumar K. – Chief Operating Officer (w.e.f. October 1, 2017)		
(b)	**Transactions during the year:**		
	Particulars	**March 31, 2019**	**March 31, 2018**
		(₹) In Lakhs	**(₹) In Lakhs**
	Central Depository Services (India) Limited		
	Rendering of services	-	-
	Receiving of services	145.16	234.10
	Deposit Received	4.00	-
	Equity capital subscribed	-	5000.00
	Balances outstanding at the end of the year		
	Trade receivables	-	-
	Trade payables	-	-
	Deposit (Liability)	4.00	-
	Deposit (Assets)	1.50	1.50
	BSE INVESTMENTS LTD		
	Rendering of services	-	-
	Receiving of services	0.25	-
	Balances outstanding at the end of the year		
	Trade receivables	-	-
	Trade payables	-	-
	BSE LIMITD		
	Rendering of services	-	-
	Receiving of services	-	0.01
	Balances outstanding at the end of the year		
	Trade receivables	-	-
	Trade payables	-	-
	Compensation to KMP's		
	Ramkumar K. – Chief Operating Officer	74.70	35.50

Notes:

a) No amounts in respect of the related parties has been provided for as doubtful debts or written off/ back during the year.

b) Related party relationship is as identified by the Company and relied upon by the auditors.

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

27. Contingent liabilities and Commitments

Particulars	As at March 31, 2019 (₹) In Lakh	As at March 31, 2018 (₹) In Lakh
Contingent liabilities		
Claims against the not acknowledged as debt:	Nil	Nil
Commitments :		
Estimated amount of contracts remaining to be executed on capital account and not provided for	**10.19**	**Nil**

There is no pending litigation as on March 31, 2019.

28. The Company has determined the liability for Employee Benefits As at March 31, 2019 in accordance with the IND AS 19 on "Employee Benefits".

a) Defined benefit plans-Gratuity–As per Actuarial Valuation on March 31, 2019

Valuation Result as at	March 31, 2019	March 31, 2018
Changes in present value of obligations		
PVO at beginning of year	4.73	-
Interest cost	0.04	-
Current Service Cost	0.70	-
Past Service Cost- (non vested benefits)	-	-
Past Service Cost -(vested benefits)	-	-
Benefits Paid	-	-
Transfer in	-	-
Transfer out	-	-
Contributions by plan participants	-	-
Business Combinations	-	-
Curtailments	-	-
Settlements	-	-
Actuarial (Gain)/Loss on obligation	(0.05)	-

Valuation Result as at	March 31, 2019	March 31, 2018
PVO at end of year	1.16	-
Interest Expenses		
Interest cost	0.04	-
Fair Value of Plan Assets		
Fair Value of Plan Assets at the beginning	-	-
Interest Income	-	-
Net Liability		
PVO at beginning of year	0.47	-
Fair Value of the Assets at beginning report	-	-
Net Liability	0.47	-
Net Interest		
Interest Expenses	0.04	-
Interest Income	-	-
Net Interest	0.04	-
Actual return on plan assets		
Less Interest income included above	-	-
Return on plan assets excluding interest income	-	-
Actuarial (Gain)/loss on obligation		
Due to Demographic Assumption	-	-
Due to Financial Assumption	0.01	-
Due to Experience	(0.06)	-
Total Actuarial (Gain)/Loss	(0.05)	-
Fair Value of Plan Assets		
Opening Fair Value of Plan Asset	-	-
Adjustment to Opening Fair Value of Plan Asset	-	-
Return on Plan Assets excl. interest income	-	-
Interest Income	-	-
Contributions by Employer	-	-
Contributions by Employee	-	-
Benefits Paid	-	-
Fair Value of Plan Assets at end	-	-

Valuation Result as at	March 31, 2019	March 31, 2018
Past Service Cost Recognised		
Past Service Cost- (non vested benefits)	-	-
Past Service Cost -(vested benefits)	-	-
Average remaining future service till vesting of the benefit	-	-
Recognised Past service Cost- non vested benefits	-	-
Recognised Past service Cost- vested benefits	-	-
Unrecognised Past Service Cost- non vested benefits	-	-
Amounts to be recognized in the balance sheet and statement of profit & loss account		
PVO at end of year	1.16	-
Fair Value of Plan Assets at end of year	-	-
Funded Status	(1.16)	-
Net Asset/(Liability) recognized in the balance sheet	(1.16)	-
Expense recognized in the statement of P & L A/C		
Current Service Cost	0.70	-
Net Interest	0.04	-
Past Service Cost- (non vested benefits)	-	-
Past Service Cost -(vested benefits)	-	-
Curtailment Effect	-	-
Settlement Effect	-	-
Expense recognized in the statement of P & L A/C	0.74	-
Other Comprehensive Income (OCI)		
Actuarial (Gain)/Loss recognized for the year	(0.05)	-
Asset limit effect	-	-
Return on Plan Assets excluding net interest	-	-
Unrecognized Actuarial (Gain)/Loss from previous year	-	-
Total Actuarial (Gain)/Loss recognized in (OCI)	(0.05)	-
Movements in the Liability recognized in Balance Sheet		
Opening Net Liability	0.47	-
Adjustment to opening balance	-	-
Expenses as above	0.74	-
Contribution paid	-	-
Other Comprehensive Income(OCI)	(0.05)	-

Valuation Result as at	March 31, 2019	March 31, 2018
Closing Net Liability	1.16	-
Schedule III of The Companies Act 2013		
Current Liability	-	-
Non-Current Liability	1.16	-
Projected Service Cost 31st Mar 2020	**0.78**	**-**
Asset Information		
	Total Amount	
Cash and Cash Equivalents		
Gratuity Fund (LIC)	-	-
Debt Security - Government Bond		
Equity Securities - Corporate debt securities		
Other Insurance contracts		
Property		
Total Itemized Assets	-	-
Assumptions as at	31-Mar-19	31-Mar-18
Mortality	IALM (2006-08) Ult.	-
Interest / Discount Rate	7.65%	-
Rate of increase in compensation	4.00%	-
Annual increase in healthcare costs		
Future Changes in maximum state healthcare benefits		
Expected average remaining service	21.70	-
Employee Attrition Rate(Past Service (PS))	PS: 0 to 42 : 0.5%	-

Sensitivity Analysis

	DR : Discount Rate		ER : Salary Escalation Rate	
	PVO DR+1%	PVO DR-1%	PVO ER+1%	PVO ER-1%
PVO	0.98	1.39	1.40	0.97

Expected Payout

Year	Expected Outgo First	Expected Outgo Second	Expected Outgo Third	Expected Outgo Fourth	Expected Outgo Fifth	Expected Outgo Six to Ten Years
PVO payouts	-	-	0.01	0.02	0.02	0.12

Asset Liability Comparisons

Year	31-03-2015	31-03-2016	31-03-2017	31-03-2018	31-03-2019
PVO at end of year	-	-	-	-	1.16
Plan assets	-	-	-	-	-
Surplus/ (Deficit)	-	-	-	-	(1.16)
Experience adjustments on plan assets	-	-	-	-	-

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

29. Figures for the previous year have been regrouped / reclassified and rearranged wherever necessary to correspond with the current year classification / disclosure.

The Figures in the profit and loss statement for previous year are for 07.03.2017 to 31.03.2018 as against current year for 12 months and have not comparable.

Signatures to Notes 1 to 29

For and on behalf of the board of directors

Hemang Raja	**Neeraj Kulshrestha**	**D. Sivanandhan**	**Lalit Mohan Sharma**	**Bharat Sheth**
Director	Director	Director	Company Secretary	Chief Financial Officer
DIN:00040769	DIN:02994647	DIN:03607203	M No.A20005	

Place – Mumbai
Date – May 2, 2019

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CDSL Commodity Repository Limited

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