



# Central Depository Services (India) Limited

CDSL/CS/NSE/PSB/2021/192

August 26, 2021

**The Manager,  
Listing Compliance Department,  
National Stock Exchange of India Ltd,  
Exchange Plaza, Bandra Kurla Complex,  
Bandra (East), Mumbai – 400051**

**Symbol:** CDSL  
**ISIN:** INE736A01011

**Ref : Regulation 30 and 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**  
**Sub : Notice of the 23<sup>rd</sup> Annual General Meeting (AGM) and Annual Report for the Financial Year 2020-2021.**

This is with reference to our letter number CDSL/CS/NSE/ASN/2021/189 dated August 20, 2021 intimating the date of Annual General meeting and Record date.

Pursuant to Regulation 30 and 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Notice of the 23<sup>rd</sup> Annual General Meeting of the Company scheduled to be held on Tuesday, September 21, 2021 at 3:30 p.m. (IST) through Video Conferencing (“VC”) or Other Audio Visual Means (“OAVM”) along with the Annual Report for the financial year 2020-2021.

The Company shall commence dispatch (by electronic means) of the Notice of 23<sup>rd</sup> AGM and the Annual Report for FY 2020-21 to the members from today i.e. August 26, 2021.

Further, the said documents are made available on website of the Company at <https://www.cdslindia.com/InvestorRels/AnnualReports.html>. and on the website of KFin Technologies Private Limited (“KFintech”) at <https://evoting.kfintech.com/public/Downloads.aspx>

This is for your information and records.

Yours faithfully

**For Central Depository Services (India) Limited**

**Nilay Shah  
Group Company Secretary & Head Legal**

Encl: As above

**Regd. Office : Marathon Futurex, A Wing, 25th Floor,  
Mafatlal Mills Compound, N M Joshi Marg, Lower Parel (E), Mumbai - 400 013.  
Phone: 91-22-2302 3333 • Fax: 91-22-2300 2036 • CIN: L67120MH1997PLC112443  
Website: www.cdslindia.com**



## Central Depository Services (India) Limited



**EVERY SELF-SUFFICIENT INVESTOR'S  
CHOICE OF DEPOSITORY**

**ANNUAL  
REPORT | 2020-21**

[www.cdslindia.com](http://www.cdslindia.com)

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As a matter of practice your Company does not speculate in, discuss or publish any forward-looking statements. All statements made by the Company is in public domain. In fact, the presentations made by the Company as well as the transcript of the discussion the Company had with the investors, analysts, etc. are made available on the website of the Company and also on the website of NSE where the shares of the Company are listed.

### Forward Looking Statements

In this Annual Report, your Company has disclosed forward looking information with respect to financial condition, results, operations and businesses of CDSL to enable investors to comprehend the prospects and take investment decisions. This report and other statements written and oral – that your Company periodically makes contain certain forward-looking statements that set out anticipated results based on the management's plans and assumptions. Your Company has tried, wherever possible, to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance. Your Company cannot guarantee that these forward-looking statements will be realised, although in all fairness it is believed that your Company has been prudent in its assumptions. The achievements of results are subject to various risks like business risks, regulatory risks, economic uncertainties and even inaccurate assumptions. Further, your Company could face known or unknown risks or uncertainties, or underlying assumptions may prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Your Company undertakes no obligation to publicly undertake any forward-looking statement, whether as a result of new information, future events or otherwise.





CDSL's celebration of 3 crore demat accounts – Senior dignitaries from SEBI and the top officials of the Market Infrastructure Institutions (MIIs) at the event. (left to right) Shri Ashishkumar Chauhan, MD & CEO, BSE, Shri Nehal Vora, MD & CEO, CDSL, Ms. Arti Chhabra Srivastava, Chief Vigilance Officer (CVO), SEBI, Shri. S. K. Mohanty, Whole-Time Member, SEBI, Shri G. Mahalingam, Whole-Time Member, SEBI, Shri Nagendraa Parakh, Executive Director, SEBI, Shri V S Sundaresan, Executive Director, SEBI, Shri Anand Baiwar, Executive Director, SEBI, Shri G P Garg, Executive Director, SEBI, Ms. Latika Kundu, Managing Director & CEO, Metropolitan Stock Exchange of India Ltd, Shri P. S. Reddy, Managing Director & CEO, Multi Commodity Exchange of India Ltd and Shri Vikram Kothari, Managing Director, NSE Clearing Ltd.



Shri Nehal Vora, MD & CEO, CDSL presenting the 3 crore milestone memento to Shri G Mahalingam, Whole Time Member, SEBI.



Chief Guest, Shri G Mahalingam, Whole Time Member, SEBI addressing on occasion of 3 crore celebration event.



CDSL's celebration of 3 crore demat accounts – Senior dignitaries from SEBI & the Top officials of the Market Infrastructure Institutions (MIIs) at the event. (left to right) Ms. Latika Kundu, Managing Director & CEO, Metropolitan Stock Exchange of India Ltd, Shri Ashishkumar Chauhan, MD & CEO, BSE Limited, Ms. Arti Chhabra Srivastava, Chief Vigilance Officer (CVO), SEBI, Shri Anand Baiwar, Executive Director, SEBI, Shri Nagendraa Parakh, Executive Director, SEBI, Shri G. Mahalingam, Whole-Time Member, SEBI, Shri. S. K. Mohanty, Whole-Time Member, SEBI, Shri G P Garg, Executive Director, SEBI, Shri V S Sundaresan, Executive Director, SEBI, Shri Nehal Vora, MD & CEO, CDSL, Shri P. S. Reddy, Managing Director & CEO, Multi Commodity Exchange of India Ltd and Priya Subbaraman, Chief Regulatory Officer, NSE.



# CHAIRPERSON'S MESSAGE



## Dear Valued Shareholders,

We hope you and your loved ones are safe and healthy.

As the Chairperson of the Board of your Company with a highly skilled management, it has been my privilege to be part of the CDSL Journey.

This year has witnessed extremely challenging and unprecedented circumstances on account of the pandemic. However despite these conditions, your company has managed its operations smoothly and has managed to post robust financial results for the year, thereby demonstrating its key strengths and the impact of its strategy.

We look back at the year not so much for the memories it helped us create, but as the new paradigms and situations it enforced on our history. Depository service was categorized as an essential service. In these testing times, CDSL and its employees have represented strong resilience and ability to adapt to the changing circumstances. Whilst on one hand the health and the well-being of our employees, investors and all our stakeholders are of utmost importance to us, the business continuity of CDSL and its operations have also been given equal importance to ensure consistency of the platform and the services being offered to all its stakeholders.

These challenging times have opened new vistas of opportunities for growth and to accelerate the digital expansion of Indian capital market. We express our gratitude to all investors who decided to move to the digital transactions through the web and mobile applications. In the last year we saw a significant increase of participants in the capital market. These new entrants were not only from metro cities but also from Tier II and Tier III cities as well.

Our core strategy is to continue to focus on growth while maintaining the integrity of our business and stay true to our values of being – Convenient, Dependable and Secure. Over the years, we have worked tirelessly towards achieving our goals and providing the most efficient and reliable services to all our stakeholders.

## Corporate Governance

We are committed to maintain the highest standards of corporate governance along-with the appropriate risk management practices and cyber resiliency.

While we continued providing digital services to all market participants, we also continue to be an environmentally sustainable and socially conscious company. We continued to reduce paper and energy usage and managed our resources efficiently. We also contributed towards the COVID-19 relief efforts undertaken by our Government.

The Board of the Company has guided and assisted the Management to design a robust strategy. The Board recognised the need for enhanced cyber security measures in view of the increased reliance on digitization of processes and services. The cyber security measures adopted by the company have enabled it to provide secured services to its stakeholders.

## Transformation

In the post-pandemic world, the new normal has prompted all of us to make our services and working styles more technology driven. This accelerated digital transformation has not only exhibited our focus on business continuity, customer support and communications, but also our ability to adapt to changing circumstances by enabling our employees to Work from Home. In this transformed world, digital solutions will gain importance and become the priority for all organizations. With a new year comes new responsibilities, new necessities and new innovations. Keeping this in mind, CDSL has worked towards the self-sufficiency of the Atmanirbhar Investor by introducing and promoting various new platforms and services for the empowerment of the investor and bringing in easy onboarding and execution of transactions.

## Providing Strength to the Ecosystem in a Year of Upheaval

The pandemic will irrevocably change many things about the capital market and we must embrace this opportunity to achieve a state of excellence. I am confident that CDSL's strategy for the foreseeable future will result in positive outcome not only for CDSL but will reflect in ease of doing business for all participants in the capital market. The Board will continue to devise policies to strengthen our risk mitigation measures and controls, our infrastructure and our ability to serve our clients. Your faith in CDSL, motivates us to excel every day. On Behalf of all Directors of Board of CDSL, I want to thank you for your continued support and trust.

With warm Regards,

**Balkrishna V. Chaubal**  
Chairperson

## MANAGING DIRECTOR & CEO'S MESSAGE



### Dear Stakeholders,

I would like to begin by wishing you all good health and happiness. Even as I write this, many people are still fighting this unprecedented pandemic and my heart goes out to everyone who has suffered a loss. I would sincerely urge everyone to continue taking the necessary precautions to stay safe and engage in getting their vaccination completed expeditiously. I am hopeful that we will overcome this crisis.

This year, we, at CDSL continued to focus on our vision and mission, our strategies to embark on a journey to augment the business. While we continued to endure and consistently perform, our primary focus continued to remain on digitisation, predominantly through an architecture geared towards satisfying the needs of the customer coupled with their safety. It has been an unprecedented eventful year and I am happy to report that our strategy helped us emerge not only successful but also stronger.

As rightly said necessity is the mother of invention – the current crisis of the pandemic led to a rethink of the services, orient the digital abilities and reinvent the accessibility, convenience of online services. The work from home scenario led to the introduction of various online services which is expected to see the beginning of the new normal wherein the requirement of new digital services will keep increasing.

This year was momentous for Central Depository Services (India) Limited. Among the many achievements in this fiscal year, the foremost achievement for us was becoming the **first depository with more than 3 crore demat accounts**. This could not have been achieved without our innate preparedness and resolution to realize our vision, our focus on business continuity, customer support, and our ability to be adaptable to the changing circumstances.

### Performance Review - Consolidated

We earned a PAT of ₹ 201 crore in FY21, up by 89% as compared to the PAT of ₹ 107 crore in FY20. Our total revenues have increased by 41%, from ₹ 284 crore to ₹ 401 crore. We are happy to share that our net worth has increased to ₹ 877 crore and Earning Per Share (EPS) has increased to ₹ 19.17 from ₹ 10.16.

The Board has recommended a total dividend of ₹ 9 per share in FY21 which is higher by 100% as against the previous year's dividend of ₹ 4.5 per share. The same amounts to approximately 59% payout ratio on the standalone Profits After Tax, in sync with our philosophy of being a high shareholder return organization.

Our core strategy is to create a sustainable and resilient business which is capable of weathering and adapting to the ever changing and dynamic environmental challenges. In the long-term, we aim to focus on developing new relationships and leveraging our existing network to, introduce new offerings and upscale recently started businesses, invest and upgrade our IT infrastructure and systems leading to an enhancement of operational efficiency.

One of our objective is to continue to work to widen the spectrum for market participants and provide secure custody and transfer of all dematerialized assets. With our sophisticated technology and digital solutions at every step, we have endeavored to create a robust eco-system for the securities market. CDSL has worked as a catalyst towards the digital upgrade of an investor to the self-sufficient investor or 'Atmanirbhar Niveshak' with our various digital services such as Myeasi Mobile App, e-CAS, e-DIS, Online Account Opening, etc.

In addition to making the lockdown easy for employees and stakeholders, CDSL group has also tried to make the Covid-19 pandemic easy for its fellow countrymen by contributing INR 2.21 Crore in support to all on-going relief efforts. Our initiative is to support the battle against this pandemic and we stand in support of the government's initiative in every possible way.

### Digital Agility

The pandemic has brought forth a wave of digital agility with the new focus on survival through e-services in each sector. To be in line with this goal, your company has initiated new services to promote #GoDigital. In addition to our e-voting services, we also provide services to hold the Annual General Meeting through Video Conferencing, and e-mail updation services to companies to update their shareholder database.

### E-Governance

In line with last year's goal of building a secure environment for capital market participants and to make a community where every investor could be an 'Atmanirbhar-Niveshak' (self-sufficient investor), we continue to focus on transparency and good-governance, while providing and innovating services that are convenient, dependable, and secured.

### Integrity & Security

The core objective for the FY will be to maintain Integrity, security, and the ease of business for all our customers. Our strategy is to build, develop and sustain the respectability of our business and staying consistent with our values of being – Convenient, Dependable, and Secure.

### Outlook

In closing, I would like to thank our regulators, investors, issuers, Registrar and Share Transfer Agents, Depository Participants, demat account holders, partners, associates, employees and all other stakeholders for your continued confidence and trust. We have no doubt that with your faith in us, we will persevere and weather every storm and move on to clearer skies.

Warm Regards,

**Nehal Vora**

Managing Director & CEO

## VISION & MISSION STATEMENT

Dematerialization of securities is now the backbone of capital market ecosystem. This was the first step in digitization of the financial market infrastructure. However, the core theme of CDSL is about creating and providing new digital solutions and envisioning the growth of digital India and contributing towards the same.

Evolution is a continuous journey and we at, CDSL, take pride in being the digital solution provider that keeps evolving business and technological landscape, which influences the possibilities of what your company can do.

We believe that the **ease of doing business** provided by CDSL is what makes us the choice of every investor, depository participant, registrar and transfer agents, issuers and every other stakeholder.

### Our Vision

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

It is our primary mission to not only provide traditional depository services but continue to work to widen the

spectrum for market participants and provide secured custody and transfers of all dematerialized assets.

We are committed to support and ensure efficiency of markets to enable safe holding and transactions of all dematerialised securities in the Indian capital markets.

We encourage an efficient secured environment and continue to be the leaders in digital transformation for depositories.

We are the depository driven by sophisticated technology and the urge to provide digital solutions at every step. To ensure that we continue to provide digital solutions and to ensure that the capital market participants pursue accelerated revenue and business growth, CDSL will continue to offer comprehensive depository services and **BETHE ONE STOP DIGITAL SOLUTION** for every stakeholder.

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





# CORPORATE INFORMATION

Central Depository Services (India) Limited  
(CIN: L67120MH1997PLC112443)

## BOARD OF DIRECTORS



**Shri Balkrishna V Chaubal**  
Chairperson,  
Public Interest Director



**Shri Nehal Vora**  
Managing Director and  
Chief Executive Officer



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



**Smt. Preeti Saran**  
Public Interest Director



**Shri Sidhartha Pradhan**  
Public Interest Director



**Prof. Umesh Bellur**  
Public Interest Director



**Shri Nayan Mehta**  
Shareholder Nominee Director



**Shri Masil Jeya Mohan P.**  
Shareholder Nominee Director

## Management Team

<b>Shri Nehal Vora</b>	Managing Director and Chief Executive Officer
<b>Smt. Nayana Ovalekar</b>	Chief Regulatory Officer
<b>Shri Amit Mahajan</b>	Chief Technology Officer
<b>Shri Girish Amesara</b>	Chief Financial Officer
<b>Shri Ramkumar Krishnan</b>	Chief of Business Development, Operations and New Projects

### Registered Office

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

### Statutory Auditor

S. R. Batliboi & Co. LLP  
Chartered Accountants  
12<sup>th</sup> Floor, The Ruby,  
29, Senapati Bapat Marg,  
Dadar (West)  
Mumbai – 400 028

### Secretarial Auditor

Vatsal Doshi & Associates  
Practicing Company Secretary  
104, Sundaram Building, Plot No. 89-B,  
Sion (E), Mumbai – 400 022

### Registrar and Share Transfer Agents

Link Intime India Pvt. Ltd  
247 Park, C-101, L.B.S. Marg  
Vikhroli (West),  
Mumbai – 400 083.  
Email: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

### Bankers

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

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

#### Central Depository Services (India) Limited

[www.cdslindia.com](http://www.cdslindia.com)

#### CDSL Ventures Limited

[www.cvlindia.com](http://www.cvlindia.com)

#### CDSL Insurance Repository Limited

[www.cirl.co.in](http://www.cirl.co.in)

#### CDSL Commodity Repository Limited

[www.ccril.co.in](http://www.ccril.co.in)

#### E-Voting

[www.evotingindia.com](http://www.evotingindia.com)

## CDSL AT A GLANCE

Central Depository Services (India) Limited (hereafter referred to as CDSL / the Company) received the certificate of commencement of business from the Securities and Exchange Board of India (SEBI) in February 1999 and was initially promoted by the BSE Ltd, which thereafter divested its stake to leading private and public sector banks.

Your company facilitates holding and transacting in securities in the electronic form and facilitates settlement of trades executed on stock exchanges. These securities include equities, debentures, bonds, Exchange Traded Funds (ETFs), units of mutual funds, units of Alternate Investment Funds (AIFs), Certificates of deposit (CDs), commercial papers (CPs), Government Securities (G-Secs), Treasury Bills (TBills), etc.

All leading clearing corporations like Indian Clearing Corporation Limited (ICCL), NSE Clearing Limited (NCL), Metropolitan Clearing Corporation of India Limited (MCCIL), Multi Commodity Exchange Clearing Corporation Ltd. and National Commodity Clearing Limited (NCCL) have established connectivity with your Company.

CDSL was listed on June 30, 2017 on the NSE. Your company received an overwhelming response in its Initial Public Offer (IPO) and thereafter became the first and remains till date, the only depository to get listed in the Asia-Pacific region and only the second depository to be publicly listed in the World.

CDSL's constant endeavour is to provide convenient, dependable and secure depository services at an affordable cost to all market participants.

### CDSL SUBSIDIARIES

#### CDSL Ventures Limited (CVL)

CVL is registered with Securities Exchange Board of India (SEBI), Goods and Services Tax Network (GSTN), Unique Identification Authority of India (UIDAI) and Controller of Certifying Authorities (CCA).

CVL is the first KYC Registration Agency (KRA) registered with SEBI. CVL is also registered with SEBI as a Registrar & Transfer Agent (RTA) to provide RTA services to corporates. CVL is registered as GST (Goods and Service Tax) Suvidha Provider (GSP) with GSTN to facilitate entities to file their GST returns. CVL is registered as an Authentication User Agency AUA/eKYC User Agency (KUA) with UIDAI for offering Aadhaar based eKYC services. CVL is registered as a Certifying Authority (CA) with the Controller of Certifying Authorities (CCA) for offering Aadhaar based eSign services.

#### CDSL Insurance Repository Limited (CIRL)

CIRL is regulated by Insurance Regulatory and Development Authority of India (IRDAI) and is in the business of enabling policy holders to hold life policies, motor policies, health policies and all other types of general (non-life) policies in electronic form. The subsidiary has arrangements with several life insurance companies, health insurance companies and general insurance companies for holding policies in electronic form.

The arrangement enables policy holders to hold, centrally manage the e-insurance account and monitor insurance policies with ease.

#### CDSL Commodity Repository Limited (CCRL)

CCRL facilitates holding and transfers of commodity assets in electronic form through issuance of electronic Negotiable Warehouse Receipts (eNWRs). It thus supports trade in commodities in derivatives exchanges, spot exchanges and also off-market transactions in commodities. CCRL is regulated by Warehouse Development & Regulatory Authority (WDRA), which has so far extended electronic ownership of commodity assets to 149 agricultural commodities. It is expected that going forward, the regime of electronic ownership will also be extended to other non-agricultural commodities. As of now, CCRL supports trade in agri-commodities exclusively in 3 commodity exchanges namely, MCX, BSE & ICEX.

Ownership of commodity assets through eNWRs also facilitates pledge-finance on stocks of commodity-holding while minimising the scope for frauds. Last year, CCRL has also been part of unique securitization deals involving eNWRs, for the first time in India, thus creating an alternate source of liquidity for holdings in commodities through the capital markets.



### CDSL IFSC Limited

CDSL has incorporated a wholly owned subsidiary company on March 30, 2021 in the name and form of 'CDSL IFSC Limited' (CIL). This company operates a depository in the International Financial Services Centre (IFSC) at Gujarat International Financial Tec City (GIFT City). CIL is a foreign depository and shall cater to a global audience of investors. CIL operates under the regulatory oversight of International Financial Services Centres Authority (IFSCA)

All investors who are eligible / allowed to hold and transact in securities in the IFSC space are identified as Eligible investors. Both Indian resident individuals (under LRS scheme limitations) and foreign entities and non-resident Indians (NRIs) are identified as Eligible investors. In addition to be registered as an FPI (Foreign portfolio investor) a foreign entity can also be a Eligible Foreign investor (EFI) and stay invested in IFSC.

An investor will be able to hold eligible securities viz. Equity shares of a company incorporated outside India; Depository receipt(s); Debt securities issued by eligible issuers and any other type of security as permitted / allowed by IFSCA.

### THE CLIENT PORTFOLIO AND SERVICES OFFERED TO THEM BY CDSL ARE ENUMERATED BELOW:

#### Depository Participants (DPs) and other capital market intermediaries

The DPs act as your company's agent and offer depository services to the beneficial owner (BO) of the securities. The Registrar and Transfer Agents ("RTAs"), Clearing Members ("CMs") and Clearing Corporations ("CCs") are the other intermediaries involved in the process of issue and transfer of securities on your company's electronic platform.

#### Corporates

Your company offers facilities to Corporates / Issuers to credit securities to a shareholder's or applicant's demat accounts to give effect to allotments arising out of issuance of securities and range of non-cash corporate actions such as bonus issue, subdivision of holdings and conversion of securities in a merger, amalgamation or in an initial public offering. Similarly, in the case of debit of securities to a shareholder's demat accounts to give effect to a range of non-cash corporate actions such as redemption, buyback, reduction in capital, demerger, etc. It also offers other services like E-voting, Foreign Investment Monitoring, System Driven Disclosures (SDD) with respect to SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and SEBI (Prohibition of Insider Trading) Regulations, 2015, etc.

#### Capital Market Intermediaries

Your company through its subsidiary CVL, provides KYC services

in respect of investors in Indian capital markets to all capital market intermediaries like DPs, CMs, Custodians, etc.

#### Insurance Companies

Your company through its subsidiary CIRL, facilitates holding of insurance policies in electronic form by the holders of these policies.

#### Commodity Exchanges and Warehouse Service Providers

Your company through its subsidiary CCRL facilitates holding and transacting in eNWRs. The eNWRs can be pledged or transferred in off market or on market mode.

#### Others

Your company extends online services such as easi (Electronic Access to Security Information), easiest (Electronic Access to Security Information and Execution of Secured Transaction), eVoting, eNotices, eLocker, and mobile application (MyEasi, mVoting), etc.

Your company also regularly conducts investor meets and Investor Awareness Programmes (IAPs) to educate the investors about capital markets in general and depository services in particular.

Your company regularly conducts trainings on Continuing Professional Education, Prevention of Money Laundering Act, New utility releases, Compliance requirements etc. for the employees of Depository Participants and their internal auditors.

### Key Strengths

#### 1. India's largest securities depository in terms of number of accounts with the highest share of incremental growth of demat accounts along with having the largest number of DPs registered in the Depository Business

- ❖ As of March 31, 2021, your company had 592 DPs servicing across 28 states and 8 union territories.
- ❖ The number of DP service centres grew from 20,352 in FY 2019-20 to 20,689 in FY 2020-21.



- ❖ The total active BO (Beneficial Owner) accounts grew at a CAGR (Compounded Annual Growth Rate) of 25% from 1.08 crore in FY 2015-16 to 3.34 crore in FY 2020-21.
- ❖ CDSL is the First and only Listed depository in Asia-Pacific Region.

**2. Convenient, Dependable and Secure depository services at competitive rates for a wide range of securities and services**

- ❖ Your company is directly connected to its DPs (operating from over 20,000 centres across India) through its centralised database systems which ensures relatively low initial set-up cost and minimal incremental cost. This allows the DPs to offer depository services of a superior variety on a real-time basis to your Company's clients managed by these clients' DPs at competitive rates while giving them experiences that delight the customers / investors.
- ❖ During the lockdown, which was brought about by the situation created by COVID-19, the centralized system and the superior technology of CDSL allowed the employees of CDSL to Work from Home (WFH) as well as cater to the needs of the various stakeholders, DPs, RTAs and other stakeholders to enable them to work seamlessly without any change in system or network settings. CDSL continues to provide a secure environment to the stakeholders to carry out their business as usual.

**3. Stable revenue base due to repeat business in multiple offerings in the Indian securities and financial services market**

- ❖ As on March 31, 2021, your company had over 3.34 Crore (33.4 million) demat accounts spread over length & breadth of the country representing more than 97% of the pin codes in the country.
- ❖ As on March 31, 2021, your company through its subsidiary CVL held over 284 Lakhs (28.4 million) capital market investor records under CVL, the first and the largest KYC Registration Agency (KRA) in the country.

**4. State-of-the-art technology and robust infrastructure and IT systems**

- ❖ Your company is one of the few depositories globally to be awarded ISO 22301:2012 certification for its Business Continuity Management System ("BCMS")
- ❖ Your company's Information Security Management System ("ISMS") complies with ISO 27001:2013 standard

**5. High economies of scale leading to steady growth in profitability**

- ❖ Your company's stable business and steady revenue growth with a tight control on costs has allowed it to consistently enhance investor's value.

**6. Led by an experienced senior management team**

- ❖ The senior management team members have an average work experience of over 27 years
- ❖ Your company believes in continuous employee development and is continuously investing in the employees through regular training programmes to improve skills and service standards, enhance loyalty, reduce attrition rates and increase productivity. Further, due to excellent care of the employees taken by your company, it has seen one of the lowest attrition rates in the industry.

## EVENTS & MILESTONES:

<b>2019</b>	❖ CDSL becomes the Largest depository in India in terms of active demat accounts
<b>2020</b>	<ul style="list-style-type: none"> <li>❖ CDSL becomes the first Depository in India to cross 20 million (2 crore) active demat accounts</li> <li>❖ CDSL becomes the first depository to inaugurate its branch in India's first IFSC at GIFT City in Gujarat</li> <li>❖ Successful augmentation of the security of the e-DIS functionality.</li> <li>❖ Successful implementation of Margin Pledge / Repledge functionality</li> <li>❖ CDSL IFSC Branch receives Recognition as a Foreign Depository</li> <li>❖ Successful implementation of systems for collection of stamp duty on behalf of the state governments for issuance of securities and off-market transfers for consideration.</li> </ul>
<b>2021</b>	<ul style="list-style-type: none"> <li>❖ CDSL becomes the first Depository in India to cross 30 million (3 crore) active demat accounts</li> <li>❖ CDSL becomes the first Depository to set up a wholly owned foreign depository, CDSL IFSC Ltd., in IFSC at GIFT City, at Gandhinagar, Gujarat.</li> </ul>

# CORPORATE OVERVIEW-10 YEARS FINANCIAL HIGHLIGHTS

## Financial Highlights - Standalone

(₹ in Lakhs)

Particulars	For the year ended March 31,									
	As per Ind AS						As per IGAAP			
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Income from Operations	27,058.39	16,815.16	15,234.12	15,083.17	12,161.89	10,173.65	8,564.28	7,543.93	7,535.53	7,825.91
Other Income	4,176.60	4,323.78	3,612.88	2,803.95	3,360.52	3,139.24	1,955.36	3,001.03	2,912.97	2,398.38
<b>Total Income</b>	<b>31,234.99</b>	<b>21,138.94</b>	<b>18,847.00</b>	<b>17,887.12</b>	<b>15,522.41</b>	<b>13,312.89</b>	<b>10,519.64</b>	<b>10,544.96</b>	<b>10,448.50</b>	<b>10,224.29</b>
<b>Total Expenditure</b>	<b>10,598.41</b>	<b>11,421.80</b>	<b>7,881.05</b>	<b>7,248.98</b>	<b>6,338.76</b>	<b>5,514.27</b>	<b>5,749.87</b>	<b>5,466.15</b>	<b>5,069.74</b>	<b>3,318.83</b>
<b>PBDIT</b>	<b>21,365.56</b>	<b>10,585.83</b>	<b>11,791.46</b>	<b>11,284.56</b>	<b>9,532.92</b>	<b>8,142.09</b>	<b>5,260.14</b>	<b>5,461.55</b>	<b>5,563.60</b>	<b>7,259.48</b>
Exceptional / Extraordinary Items	-	-	-	-	-	3,310.40	168.81	85.16	(72.27)	(266.77)
<b>Profit Before Tax</b>	<b>20,636.58</b>	<b>9,717.14</b>	<b>10,965.95</b>	<b>10,638.14</b>	<b>9,183.65</b>	<b>11,109.02</b>	<b>4,938.58</b>	<b>5,163.97</b>	<b>5,306.49</b>	<b>6,638.70</b>
Total Tax expenses	4,630.82	1,985.33	2,528.22	2,869.44	2,398.59	3,424.25	1,464.88	1,023.69	1,196.52	1,892.98
<b>Profit for the year</b>	<b>16,005.76</b>	<b>7,731.81</b>	<b>8,437.73</b>	<b>7,768.70</b>	<b>6,785.06</b>	<b>7,684.77</b>	<b>3,473.70</b>	<b>4,140.28</b>	<b>4,109.97</b>	<b>4,745.72</b>
Other Comprehensive income	(4.63)	14.97	0.57	(0.45)	(31.34)	(5.13)	-	-	-	-
<b>Total Comprehensive income</b>	<b>16,001.13</b>	<b>7,746.78</b>	<b>8,438.30</b>	<b>7,768.25</b>	<b>6,753.72</b>	<b>7,679.64</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Share Capital	10,450.00	10,450.00	10,450.00	10,450.00	10,450.00	10,450.00	10,450.00	10,450.00	10,450.00	10,450.00
Reserves & Surplus	57,809.41	46,510.78	43,803.35	39,774.53	35,779.49	32,170.12	22,975.61	22,268.95	20,573.87	18,909.09
<b>Net worth</b>	<b>68,259.41</b>	<b>56,960.78</b>	<b>54,253.35</b>	<b>50,224.53</b>	<b>46,229.49</b>	<b>42,620.12</b>	<b>33,425.61</b>	<b>32,718.95</b>	<b>31,023.87</b>	<b>29,359.09</b>
Earning Per Share (₹)	15.32	7.40	8.07	7.43	6.49	7.35	3.32	3.96	3.93	4.54
Book Value Per Share (₹)	65.32	54.51	51.92	48.06	44.24	40.78	31.99	31.31	29.69	28.09
Return on Average Net Worth (%)	26%	14%	16%	16%	15%	19%	11%	13%	14%	17%
Dividend Per Share (₹)	9.00	4.50	4.00	3.50	3.00	2.50	2.20	2.00	2.00	1.50

- Income from Operations has increased at CAGR of 15% over the year ended March 31, 2012 to the year ended March 31, 2021.
- Net Profit has increased at CAGR of 14% over the year ended March 31, 2012 to the year ended March 31, 2021.
- Net worth of the Company has increased at CAGR of 10% over the year ended March 31, 2012 to the year ended March 31, 2021



# NOTICE

**CIN: L67120MH1997PLC112443**

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

**NOTICE** is hereby given that the 23<sup>rd</sup> Annual General Meeting of the members of **CENTRAL DEPOSITORY SERVICES (INDIA) LIMITED** (the "Company") will be held on Tuesday, September 21, 2021 at 03:30 p.m. (IST) through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM") to transact the following businesses:

## ORDINARY BUSINESS:

- To receive, consider and adopt the Audited Standalone & Consolidated Financial Statements of the Company for the financial year ended March 31, 2021 and the reports of Board and Statutory Auditors thereon**

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

**"RESOLVED THAT** the Audited Standalone & Consolidated Financial Statements for the Financial Year ended March 31, 2021 and report of the Statutory Auditors thereon and the Reports of the Board of Directors thereon along with all annexures as laid before this Annual General Meeting be and are hereby received, considered and adopted."

- To declare final dividend on Equity Shares of the Company for the financial year ended March 31, 2021**

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

**"RESOLVED THAT** a dividend at the rate of ₹ 9/- (Rupees Nine Only) per Equity Share of ₹ 10/- (Rupees Ten Only) each fully paid up of the Company be and is hereby declared for the financial year ended March 31, 2021 as recommended by the Board of Directors of the Company

and the same be paid out of the profits of the Company for the financial year ended March 31, 2021."

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

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

**"RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), Shri Masil Jeya Mohan P (DIN: 08502007), Shareholder Director who retires by rotation at this meeting be and is hereby re-appointed as a Director of the Company liable to retire by rotation."

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

**Nehal Vora**  
**Managing Director & CEO**  
(DIN: 02769054)

Place: Mumbai

Date: July 31, 2021

### Registered Office

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

**NOTES:**

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed. The Annual General Meeting (“AGM”) of the Company is scheduled to be held on Tuesday, September 21, 2021, at 03:30 p.m. (IST) through two-way Video Conferencing (“VC”) or Other Audio Visual Means (“OAVM”) and the voting for items to be transacted in the Notice to this AGM shall be only through remote electronic voting process and electronic voting during the AGM, in compliance with applicable provisions of the Companies Act, 2013 (the “Act”) (including any statutory modification or re-enactment thereof for the time being in force) read with Rule 22 of the Companies (Management and Administration) Rules, 2014 (the “Rules”), as amended from time to time, and the General Circular No. 14/2020, 17/2020, 20/2020, 02/2021 issued by the Ministry of Corporate Affairs (MCA) and Circular no. SEBI/HO/CFD/CMD1/ CIR/P/2020/79 dated May 12, 2020 and SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 issued by the SEBI (hereinafter collectively referred to as “the Circulars”), in relation to “Clarification on passing of ordinary and special resolutions by Companies under the Companies Act, 2013 and the rules made thereunder on account of the threat posed by COVID-19” and General Circular No. 20/ 2020 dated May 5, 2020, in relation to “Clarification on holding of Annual General Meeting (AGM) through video Conferencing (VC) or Other Audio Visual Means (OAVM)” issued by the Ministry of Corporate Affairs, Government of India (the “MCA Circulars”) and Regulation 44 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) read with Circular dated May 12, 2020, in relation to “Additional relaxation in relation to compliance with certain provisions of Listing Regulations - COVID-19 pandemic”. The deemed venue for the AGM shall be the Registered Office of the Company.
2. Your Company has appointed KFin Technologies Private Limited, to provide Video Conferencing facility for the Annual General Meeting and the attendant enablers for conducting of the e-AGM.
3. Further, pursuant to the MCA and SEBI Circulars, the Notice of the AGM along with the Annual Report for FY 2020-21 is sent in electronic form only to those Members whose email addresses are registered with the Company/ Depositories. The Notice calling the 23<sup>rd</sup> AGM has been uploaded on the website of the Company at <https://www.cdslindia.com/InvestorRels/GeneralMeeting.html> The Notice can also be accessed from the websites of the Stock Exchange i.e. National Stock Exchange of India Limited (“NSE”) at [www.nseindia.com](http://www.nseindia.com) and the AGM Notice is also available on the website of KFin Technologies Private Limited at <https://evoting.kfintech.com/public/Downloads.aspx>
4. Pursuant to the provisions of the Companies Act, 2013, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC or OAVM, physical attendance of Members has been dispensed with. Accordingly, in terms of the above-mentioned MCA and SEBI Circulars, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
5. Members attending the meeting through VC or OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
6. The Members are requested to note that the Company is pleased to provide a two-way Video Conferencing Facility (VC) to view the live streaming of the proceedings of the AGM and facilitate participation of Members at the AGM through VC.
7. The facility for joining the AGM through VC/OAVM will open 15 minutes before the scheduled time for commencement of the AGM and shall be closed after the expiry of 15 minutes after such scheduled time by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1,000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
8. M/s. S. R. Batliboi & Co., LLP, Chartered Accountants, Mumbai, bearing Firm Registration No. 301003E/E300005 with the Institute of Chartered Accountants of India were appointed as the Statutory Auditors of the Company for a period of five years at the 20<sup>th</sup> AGM of the Company held on August 20, 2018. 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. Hence, the same is not put forward before the members of the Company for their approval.
9. In the 22<sup>nd</sup> AGM of the Company held on September 15, 2020, Shri Nayan Mehta, Shareholder Director was liable to retire by rotation. Accordingly, the resolution was put to vote before the members and the same was approved

by the members. Subsequently, SEBI vide its letter dated October 26, 2020 had approved the re-appointment of Shri Nayan Mehta.

10. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
11. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or Arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 will be available for inspection electronically from 03:30 pm till the conclusion of the meeting on the date of AGM. Once clicked on the link for inspection, window of 30 minutes will be made available to the concerned member.
12. All documents referred to in the Notice will be available for inspection to the members of the Company. The members are required to send an email on [cdslagm@cdslindia.com](mailto:cdslagm@cdslindia.com) from their registered email id with the Company. Post verification of the Shareholder/email id, a link will be sent to the concerned member for verification. Once clicked on the link, window of 30 minutes will be made available to the concerned member.
13. Subject to the provisions of the Act, final dividend of ₹ 9/- (90%), per share as recommended by the Board, if declared at the AGM, will be paid within a period of 30 days from the date of declaration to those Members or their mandates whose names appear as beneficial owners with depositories or in the Register of Members as on Tuesday, September 14, 2021, subject to deduction of income-tax at source wherever applicable as under:
  - a) To all the beneficial owners in respect of shares held in dematerialised form as per the data as may be made available by CDSL and NSDL as on Tuesday, September 14, 2021.
  - b) To all the members in respect of shares held in physical form after giving effect to all valid transmission/transposition in respect of valid requests lodged with the Company on the cut-off date i.e Tuesday, September 14, 2021.
14. Pursuant to the Finance Act, 2020, dividend income will be taxable in the hands of the Shareholders w.e.f. April 1, 2020 and the Company is required to deduct Tax at Source ("TDS") from dividend paid to the Members at prescribed rates in the Income Tax Act, 1961 ('the IT Act'). In general, to enable compliance with TDS requirements, Members are requested to complete and / or update their Residential Status, PAN, Category as per the IT Act with their Depository Participants or in case shares are held in physical form, with the Company, by sending documents through email to [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in) by Tuesday,

September 14, 2021. Additionally, the shareholders are also requested to refer para 16 below and provide necessary declaration / information on the following link: <https://web.linkintime.co.in>

15. The rate of TDS as per the Income Tax Act, 1961 (I-T Act), would depend upon the status of the recipient and is explained herein below:

**i. Resident shareholders:**

In case of resident shareholders, section 194 of the I-T Act provides mandate for withholding tax @ 10% on dividend income. In absence of Permanent Account Number (PAN), invalid PAN or person being categorised as specified person (to be verified from the Government enabled utility) TDS rate of 20% will apply.

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

Shareholders are requested to note that while submission of original form is mandatory, they may submit the said documents by submitting the same on the following link: <https://web.linkintime.co.in>

TDS on following resident shareholder would not be applicable as per the section 194:

- a. the Life Insurance Corporation of India established, in respect of any shares owned by it or in which it has full beneficial interest;
- b. the General Insurance Corporation of India (hereafter in this proviso referred to as the Corporation) or to any of the four companies (hereafter in this proviso referred to as such company), formed by virtue of the schemes framed under sub-section (1) of section 16 of the General Insurance Business (Nationalisation) Act, 1972 (57 of 1972), in respect of any shares owned by the Corporation or such company or in which the Corporation or such company has full beneficial interest;
- c. any other insurer in respect of any shares owned by it or in which it has full beneficial interest.

**ii. Non-resident shareholders**

In case of non-resident shareholders other than foreign companies and firms, the I-T Act provides mandate for withholding tax at the rate of 20% plus



applicable surcharge and health and education cess of 4% on dividend income making effective rate of TDS as under:

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

In case of shareholders, being foreign companies, the I-T Act provides mandate for withholding tax at the rate of 20% plus applicable surcharge and health and education cess of 4% on dividend income making effective rate of TDS as under:

Particulars	Surcharge Rate	Effective TDS rate
Dividend Income not exceeding ₹ 1,00,00,000	Nil	20.80%
Dividend Income exceeds ₹ 1,00,00,000 but does not exceed ₹ 10,00,00,000	2%	21.216%
Dividend Income exceeding ₹ 10,00,00,000	5%	21.84%

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

Particulars	Surcharge Rate	Effective TDS rate
Dividend Income not exceeding ₹ 1,00,00,000	Nil	20.80%
Dividend Income exceeds ₹ 1,00,00,000	12%	23.296%

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

In order to claim benefit under DTAA, the non-resident shareholders would be required to submit the following documents before the record date fixed for determining the shareholders who are eligible

to receive the final dividend, if so approved at the respective AGMs:

- Tax Residency Certificate (TRC) issued by the Tax / Government authority of the country in which the Non-Resident shareholder is a resident of (valid for the relevant financial year);
- Form 10F containing therein information to be provided under section 90(5)/ 90A(5) of the I-T Act, if not so covered in TRC (Valid for the relevant financial year);
- Declaration from shareholders stating the following [template available on the website of the Company]:
  - That the shareholder did not at any time during the relevant year have a permanent establishment in India
  - That the shareholder is the beneficial owner of the dividend
  - That the construct and affairs of the shareholder is not arranged with the main or principal purpose of obtaining any tax benefits, directly or indirectly, under the Tax Treaty.
  - That the arrangement of the shareholder is not covered under impermissible avoidance arrangement
- Permanent Account Number (PAN) – In absence of PAN, shareholder is required to provide the following details:
  - Contact Address:
  - Email Address:
  - Contact Number:
  - Tax identification number:

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

Please note:

1. Shareholders holding shares under multiple accounts under different status/ category (eg. Resident and Non-Resident) and single PAN, may note that, higher of the tax as applicable to the status in which shares held under a PAN will be

considered on their entire holding in different accounts.

2. For Shareholders who are identified as "Specified Persons" under Sec 206AB of the Act, higher tax rate as applicable would be deducted if
  - a. Shareholder has not filed the returns of income for both of the two assessment years relevant to the two previous years immediately before the previous year in which tax is required to be deducted/collected. Two previous years for FY 2021-22 would be FY 2018-19 and FY 2019-20.
  - b. Aggregate of tax deducted at source and tax collected at source is rupees fifty thousand or more in each of these two previous years.

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

It may be further noted that in case the tax on said Final Dividend is deducted at a higher rate in the absence of receipt of the aforementioned details/documents from you or on application of provisions of Section 206AB or on account of PAN being treated as inoperative as the PAN is not linked with Aadhaar (in case of individuals), there would still be an option available with you to file the return of income and claim an appropriate refund, if eligible.

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

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

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

16. Further, in order to receive the dividend in a timely manner, Members holding shares in physical form who have not updated their mandate for receiving the dividends directly in their bank accounts through Electronic Clearing Service or any other means, are

requested to send a scanned copy of the following details/documents at [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in) latest by Friday, September 10, 2021.

- a) folio number, complete address and following details relating to bank account in which the dividend is to be received:
  - i. Name and Branch of Bank and Bank Account type;
  - ii. Bank Account Number & Type allotted by your bank after implementation of Core Banking Solutions;
  - iii. 11 digits IFSC Code;
- b) self-attested scanned copy of cancelled cheque bearing the name of the Member or first holder, in case shares are held jointly;
- c) self-attested scanned copy of the PAN Card; and
- d) self-attested scanned copy of proof of address namely AADHAR Card, Driving License, Election Identity Card or Passport in support of the address of the Member as registered with the Company.

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

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

17. As per the provisions of section 72 of the Act, facility for making nominations is now available to individuals holding shares in the Company. Members holding shares in physical form may obtain the Nomination Form from the Company's RTA. Members holding shares in electronic form have to approach their DP's for completing the nomination formalities.
18. Non-resident Indian Members are requested to inform the Company's RTA or to the concerned DP's, as the case may be, immediately:
  - a) the change in the residential status on return to India for permanent settlement.
  - b) the particulars of the NRE Account with a Bank in India, if not furnished earlier.
19. The folio-wise details of the unclaimed dividend are

available on the website at the following link: <https://www.cdslindia.com/InvestorRels/ShareholderCorner.html>

20. To deter the incidence of fraudulent encashment of the dividend warrants, Members holding shares in physical mode, are requested to intimate the Company's RTA under the signature of the Sole/First joint holder, the following information, so that the bank account number and address of the bank can be printed on the dividend warrants which will be used by the Company for dividend payments:
  - 1) Name of Sole/First Joint holder and Folio No.
  - 2) Particulars of bank account viz:
    - i) Name of the Bank
    - ii) Name of the Branch with Branch Code / IFSC Code
    - iii) Complete address of the Bank with Pin Code Number
    - iv) Account type, whether Saving Bank (SB) or Current Account (CA),
    - v) Bank Account number allotted by the Bank
21. In case of Members holding shares in electronic form, Bank account details provided by the Depository Participants (DPs) will be used by the Company for payment of dividend.
22. The details of unclaimed dividend amounts are available on the Company's website at [www.cdslindia.com](http://www.cdslindia.com) under 'Shareholders → Info for Shareholders → Unpaid and Unclaimed Dividend'. The Shareholders may like to contact our Registrar & Share Transfer Agent viz. M/s Link Intime India Pvt Ltd., C 101, 247 Park, LBS Rd, Surya Nagar, Gandhi Nagar, Vikhroli West, Mumbai, Maharashtra 400083, Tel No 022 - 4918 6270, Email ID [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in).
23. Additional information, pursuant to the Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and Secretarial Standard – 2 on General Meetings issued by the Institute of Company Secretaries of India (ICSI), in respect of the Directors seeking appointment at the AGM, is furnished as Annexure to the Notice.
24. The Securities and Exchange Board of India has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are requested to submit their PAN to their DPs and those holding shares in physical form are requested to submit their PAN to the Company's Registrar and Share Transfer Agent on [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in).
25. Members are requested to intimate the Company's Registrar and Share Transfer Agent, Link Intime India Private Limited, 247 Park, C-101, L.B.S. Marg, Vikhroli (West), Mumbai 400083, Tel No 022 - 4918 6270 and Email ID: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in), immediately of any change in their address in respect of equity shares held in physical mode and to their Depository Participants (DPs) in respect of equity shares held in dematerialised form.
26. In case of any general queries/grievances, Members may reach Company's Registrar and Share Transfer Agent, Link Intime India Private Limited on [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in) Tel No. 022 - 4918 6270  
  
In case of queries / grievances related to e-voting and e-meeting, Members may refer the Frequently Asked Questions (FAQs) for Members and e-voting User Manual available at the 'download' section of <https://evoting.kfintech.com/public/Downloads.aspx> or call KFin on 1800 345 4001 (toll free)
27. Shareholders are requested to read the "Shareholder Information" section of the Annual Report for useful information.
28. In terms of amendments to the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, with effect from April 1, 2019, requests for effecting transfer of securities in physical form shall not be processed unless the securities are held in dematerialized form with the depository i.e. NSDL and CDSL. Members are, therefore, requested to demat their physical holding for any further transfer. Members can, however, continue to make request for transmission or transposition of securities held in physical form.

#### **Instructions for Remote E-Voting:**

- i. In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, Regulation 44 of the SEBI Listing Regulations and in terms of SEBI vide circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 in relation to e-Voting Facility Provided by Listed Entities, the Members are provided with the facility to cast their vote electronically, through the e-Voting services provided by KFinTech, on all the resolutions set forth in this Notice.
- ii. However, in pursuant to SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on "e-Voting facility provided by Listed Companies", e-Voting process has been enabled to all the individual demat account holders, by way of single login credential, through their demat accounts / websites of Depositories / DPs in order to increase the efficiency of the voting process.
- iii. Individual demat account holders would be able to cast



their vote without having to register again with the e-Voting service provider (ESP) thereby not only facilitating seamless authentication but also ease and convenience of participating in e-Voting process. Shareholders are advised to update their mobile number and e-mail ID with their DPs to access e-Voting facility.

- iv. The remote e-Voting period commences **Friday, September 17, 2021 (9:00 a.m. IST)** and ends on **Monday, September 20, 2021 (5:00 p.m. IST)**
- v. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.
- vi. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at [evoting@Kfintech.com](mailto:evoting@Kfintech.com). However, if he / she is already registered with Kfintech for remote e-Voting then he /she can use his / her existing User ID and password for casting the vote.
- vii. In case of Individual Shareholders holding securities in demat mode and who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date may follow steps mentioned below under "Login method for remote e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode."

#### Details of the process and manner for remote evoting and e-AGM

Step 1 : Access to Depositories e-Voting system in case of individual shareholders holding shares in demat mode.

Step 2 : Access to Kfintech e-Voting system in case of shareholders holding shares in physical and non-individual shareholders in demat mode.

Step 3 : Access to join virtual meetings(e-AGM) of the Company on KFin system to participate e-AGM and vote at the AGM.

#### Details on Step 1 are mentioned below:

#### I) Login method for remote e-Voting for Individual shareholders holding securities in demat mode.

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	<p><b>1. User already registered for IDeAS facility:</b></p> <ol style="list-style-type: none"> <li>I. Visit URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a></li> <li>II. Click on the "Beneficial Owner" icon under "Login" under 'IDeAS' section.</li> <li>III. On the new page, enter User ID and Password. Post successful authentication, click on "Access to e-Voting"</li> <li>IV. Click on company name or e-Voting service provider and you will be redirected to e-Voting service provider website for casting the vote during the remote e-Voting period.</li> </ol> <p><b>2. User not registered for IDeAS e-Services</b></p> <ol style="list-style-type: none"> <li>I. To register click on link : <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a></li> <li>II. Select "Register Online for IDeAS" or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>III. Proceed with completing the required fields.</li> <li>IV. Follow steps given in points 1.</li> </ol>

Type of shareholders	Login Method
	<p><b>3. Alternatively by directly accessing the e-Voting website of NSDL</b></p> <ul style="list-style-type: none"> <li>I. Open URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a></li> <li>II. Click on the icon "Login" which is available under 'Shareholder/Member' section.</li> <li>III. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password / OTP and a Verification Code as shown on the screen.</li> <li>IV. Post successful authentication, you will be requested to select the name of the company and the e-Voting Service Provider name, i.e.KFintech.</li> <li>V. On successful selection, you will be redirected to KFintech e-Voting page for casting your vote during the remote e-Voting period.</li> </ul>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<p><b>1. Existing user who have opted for Easi / Easiest</b></p> <ul style="list-style-type: none"> <li>I. Visit URL: <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or URL: <a href="http://www.cdslindia.com">www.cdslindia.com</a></li> <li>II. Click on New System Myeasi</li> <li>III. Login with your registered user id and password.</li> <li>IV. The user will see the e-Voting Menu. The Menu will have links of ESP i.e. KFintech e-Voting portal.</li> <li>V. Click on e-Voting service provider name to cast your vote.</li> </ul>
	<p><b>2. User not registered for Easi/Easiest</b></p> <ul style="list-style-type: none"> <li>I. Option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>II. Proceed with completing the required fields.</li> <li>III. Follow the steps given in point 1</li> </ul> <p><b>3. Alternatively, by directly accessing the e-Voting website of CDSL</b></p> <ul style="list-style-type: none"> <li>I. Visit URL: <a href="http://www.cdslindia.com">www.cdslindia.com</a></li> <li>II. Provide your demat Account Number and PAN No.</li> <li>III. System will authenticate user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account.</li> <li>IV. After successful authentication, user will be provided links for the respective ESP, i.e KFintech where the e- Voting is in progress.</li> </ul>
<p>Individual Shareholder login through their demat accounts / Website of Depository Participant</p>	<ul style="list-style-type: none"> <li>I. You can also login using the login credentials of your demat account through your DP registered with NSDL /CDSL for e-Voting facility.</li> <li>II. Once logged-in, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL / CDSL Depository site after successful authentication, wherein you can see e-Voting feature.</li> <li>III. Click on options available against company name or e-Voting service provider – Kfintech and you will be redirected to e-Voting website of KFintech for casting your vote during the remote e-Voting period without any further authentication.</li> </ul>

**Important note:** Members who are unable to retrieve User ID / Password are advised to use Forgot user ID and Forgot Password option available at respective websites.

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

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

**Details on Step 2 are mentioned below:**

**II) Login method for e-Voting for shareholders other than Individual's shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

- A) Members whose email IDs are registered with the Company/ Depository Participant(s), will receive an email from KFintech which will include details of E-Voting Event Number (EVEN), USER ID and password. They will have to follow the following process:
- i. Launch internet browser by typing the URL: <https://evoting.kfintech.com/>
  - ii. Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number) xxxx, followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with KFintech for e-voting, you can use your existing User ID and password for casting the vote.
  - iii. After entering these details appropriately, click on "LOGIN".
  - iv. You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$, etc.,). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
  - v. You need to login again with the new credentials.
  - vi. On successful login, the system will prompt you to select the "EVEN" i.e., 'Central Depository Services (India) Limited- AGM" and click on "Submit"
  - vii. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/AGAINST" taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the Member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.
  - viii. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/ demat accounts.
  - ix. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.
  - x. You may then cast your vote by selecting an appropriate option and click on "Submit".
  - xi. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution (s), you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).
  - xii. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to cast its vote through remote e-voting. together

with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at email id [csvatsaldoshi@cadoshi.com](mailto:csvatsaldoshi@cadoshi.com) and [cdslagm@cdslindia.com](mailto:cdslagm@cdslindia.com) with a copy marked to [evoting@kfintech.com](mailto:evoting@kfintech.com). The scanned image of the above-mentioned documents should be in the naming format "Corporate Name\_Even No."

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

- i. Member will be provided with a facility to attend the AGM through VC / OAVM platform provided by Kfintech. Members may access the same at <https://emeetings.kfintech.com/> by using the e-voting login credentials provided in the email received from the Company/Kfintech. After logging in, click on the Video Conference tab and select the EVEN of the Company. Click on the video symbol and accept the meeting etiquettes to join the meeting. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned above.
- ii. Facility for joining AGM through VC/ OAVM shall open at least Fifteen minutes before the commencement of the Meeting.
- iii. Members are encouraged to join the Meeting through Laptops/ Desktops with Google Chrome (preferred browser), Safari, Internet Explorer, Microsoft Edge, Mozilla Firefox 22.
- iv. Members will be required to grant access to the webcam to enable VC / OAVM. Further, Members connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- v. Due to limitations of transmission and coordination during the Q&A session, the Company may dispense with the speaker registration during the e-AGM conference. The participants may post the queries using "ask the question option".
- vi. The Members who have not cast their vote through remote e-voting shall be eligible to cast their vote through e-voting system available during the AGM. E-voting during the AGM is integrated with the VC / OAVM platform. The Members may click on the voting icon displayed on the screen to cast their votes.

- vii. A Member can opt for only single mode of voting i.e., through Remote e-voting or voting at the AGM. If a Member casts votes by both modes, then voting done through Remote e-voting shall prevail and vote at the AGM shall be treated as invalid.
- viii. Facility of joining the AGM through VC / OAVM shall be available for atleast 1000 members on first come first served basis.
- ix. Institutional Members are encouraged to attend and vote at the AGM through VC / OAVM.

**Additional Instructions:**

- I. **Speaker Registration:** The Members who wish to speak during the meeting may register themselves as speakers for the AGM to express their views. They can visit <https://emeetings.kfintech.com> and login through the user id and password provided in the mail received from Kfintech. On successful login, select 'Speaker Registration' which will be open from **Friday, September 17, 2021 at 9:00 a.m to Saturday, September 18, 2021 till 5:00 p.m.** Members shall be provided a 'queue number' before the meeting. The Company reserves the right to restrict the speakers at the AGM to only those Members who have registered themselves, depending on the availability of time for the AGM.
- II. **Post your Question:** The Members who wish to post their questions prior to the meeting can do the same by visiting <https://emeetings.kfintech.com>. Please login through the user id and password provided in the mail received from Kfintech. On successful login, select 'Post Your Question' option which will be open from **Friday, September 17, 2021 at 9:00 a.m to Saturday, September 18, 2021 till 5:00 p.m.**
- III. In case of any query and/or grievance, in respect of voting by electronic means, Members may refer to the Help & Frequently Asked Questions (FAQs) and E-voting user manual available at the download section of <https://evoting.kfintech.com> (Kfintech Website) or contact Mr. S V Raju, at [evoting@kfintech.com](mailto:evoting@kfintech.com) or call Kfintech's toll free No. 1800-309-4001 for any further clarifications.
- IV. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on **Tuesday, September 14, 2021**, being the cut-off date, are entitled to vote on the Resolutions set forth in this Notice. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only. Once the vote on a resolution(s) is cast by the Member, the Member shall not be allowed to change it subsequently.
- V. In case a person (individual holding shares in physical mode/ non individuals) has become a Member of



the Company after dispatch of AGM Notice but on or before the cut-off date for E-voting, he/she may obtain the User ID and Password in the manner as mentioned below:

- i. If the mobile number of the member is registered against Folio No./ DP ID Client ID, the member may send SMS: MYEPWD <space> E-Voting Event Number+Folio No. or DP ID Client ID to 9212993399
    1. Example for NSDL:
    2. MYEPWD <SPACE> IN12345612345678
    3. Example for CDSL:
    4. MYEPWD <SPACE> 1402345612345678
    5. Example for Physical:
    6. MYEPWD <SPACE> XXXX1234567890
  - ii. If e-mail address or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of <https://evoting.kfintech.com/>, the member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.
  - iii. Members who may require any technical assistance or support before or during the AGM are requested to contact KFinTech at toll free number 1800-309-4001 or write to them at [evoting@kfintech.com](mailto:evoting@kfintech.com).
- VI. The results of the electronic voting shall be declared to the Stock Exchanges after the AGM. The results along with the Scrutinizer's Report, shall also be placed on the website of the Company.

#### Other Instructions:

- The voting rights of Members shall be in proportion to their share of the paid up equity share capital of the Company as on Cut-Off Date i.e. Tuesday, September 14, 2021.
  - A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-Off Date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM.
  - Shri. Vatsal Doshi, Proprietor of M/s. Vatsal Doshi & Associates, Practicing Company Secretary has been appointed as the Scrutinizer to scrutinize the remote e-voting and voting process at the AGM in a fair and transparent manner.
  - At the AGM, at the end of discussion on the resolutions on which voting is to be held, the Chairperson shall with the assistance of the Scrutinizer order voting through electronic means for all those members who are present but have not cast their vote electronically using the remote e-voting facility.
  - The Scrutinizer shall, after the conclusion of voting at the AGM, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses, not in the employment of the Company, and make, not later than forty-eight hours of the conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairperson of the Meeting or a person authorized by the Chairperson in writing, who shall countersign the same and declare the results of the voting forthwith. The Scrutinizer's decision on the validity of the vote shall be final and binding.
  - Subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of AGM i.e. September 21, 2021.
  - The results shall be declared either by the Chairperson of the Meeting or a person authorized by him, along with the Scrutinizer's Report, shall be placed on the Company's website: [www.cdslindia.com](http://www.cdslindia.com) and on the website of KFin Technologies Private Limited: <https://evoting.kfintech.com/public/Downloads.aspx>, immediately after the result declared by the Chairperson or any other person authorized by the Chairperson and the same shall be communicated to National Stock Exchange of India Limited, where the shares of the Company are listed.
29. The Audited Accounts of the Company and its subsidiary Companies are available on the Company's website at <https://www.cdslindia.com/InvestorRels/AnnualReports.html>
  30. The annual accounts of the Company's subsidiaries and the related detailed information shall be made available to shareholders of the holding and subsidiary companies seeking such information at any point of time.
  31. Since the AGM will be held through VC or OAVM, the Route Map is not annexed in this Notice.
  32. The term 'Members' has been used to denote Shareholders of the Company.

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

Place: Mumbai  
Date: July 31, 2021

**Nehal Vora  
Managing Director & CEO**

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

<b>Name of the Director</b>	<b>Shri Masil Jeya Mohan P.</b>
Designation	Shareholder Director
Date of Birth/Age	Date of Birth – 20.03.1961 Age – 60
Date of First Appointment	10.10.2019
Qualification	Science Graduate with MBA Degree
Details of shareholding in the Company	NIL
Terms and Conditions of Appointment/ Reappointment	The sitting fees w.r.t to the meetings of Board and Committee's attended by Shri Masil Jeya Mohan P shall be paid to Life Insurance Corporation of India, Nominating Shareholder.  Further, Shri Masil shall be liable to retire by rotation and the applicable terms & conditions as mentioned under the Companies Act, 2013, SEBI (Depositories & Participants) Regulations, 2018 and SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015, shall be applicable to him.
Remuneration sought	NIL
Remuneration last drawn	Apart from sitting fees for attending the board and the committee meetings, no remuneration is being paid.  The sitting fees on behalf of Shri Masil Jeya Mohan P is paid to Life Insurance Corporation of India, the nominating shareholder.
Number of Board meetings attended during the year 2020-2021	11/11
Details of Directorship in other Companies	Nil
Chairperson/Member of the Committee of the Board of Directors of the Company	Nil
Details of relationship with other Directors, manager and Key Managerial Personnel	None
Experience	Shri Masil Jeya Mohan P. joined LIC in the year 1986. He has a wide range of experience in different assignments in LIC as Asstt. Branch Manager, Manager(IT), Manager(NB&Actuarial), Manager(HR), Regional Manager(HR), Regional Manager (Estates), Fund Manager of Pension & Group Scheme Fund, Chief (ULIP Operations) and Executive Director (Investment).

**BRIEF RESUME:****Shri Masil Jeya Mohan P****PERSONAL DETAILS:**

Name : MASIL JEYA MOHAN P  
Qualifications : Science Graduate with MBA Degree  
Joined LIC in 1986 as Direct Recruit Officer.

**PROFESSIONAL PROFILE:**

Had a wide range of experience in different assignments in LIC as Asstt. Branch Manager, Manager(IT), Manager(NB & Actuarial), Manager(HR), Regional Manager(HR), Regional Manager (Estates), Fund Manager of Pension & Group Scheme Fund, Chief (ULIP Operations) and Executive Director (Investment-Operations).

**ACHIEVEMENTS:**

Set up the Coimbatore area office of LICHFL and helped to establish process and systems for the newly established entity of LICHFL. As Manager (IT) was instrumental in computerizing all the branches of Tirunelveli Division. As Manager (NB & Actuarial) had developed great expertise in the valuation of insurance business and was delivering lectures on valuation in LIC's training centres. Was given the assignment for re-writing the Office Services Manual for the Corporate Office which was successfully completed. As Executive Director (Investment-Monitoring & Accounting), was instrumental in formulating and adopting many policies in the matter of NPA recovery, Business continuity Plan, IBC policy for Corporation, One Time Settlement policy was also done. Was also in the committee set up in 2012 for a major initiative of the Corporation Vision 2020.

**TRAINING:**

Leadership skills at ISB, Hyderabad.  
Fixed Income Derivatives training at Hong Kong.

**OTHER ASSOCIATIONS:**

Was a member in the Investment Committee:

1. Ventureast - Biotech Fund
2. India Ventures Trust Fund I.

# BOARD OF DIRECTORS' REPORT

## Dear Shareholders,

Your Directors have pleasure in presenting the Twenty-third Annual Report on the business and operations of the Company ("Central Depository Services (India) Limited" or and "CDSL" or "Company"), along with Audited Financial Statements of your Company for the year ended March 31, 2021 ("year under review").

## Financial Highlights

(₹ in Lakhs)

Particulars	Consolidated		Standalone	
	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2021	Year ended March 31, 2020
Income from Operations	34,371.71	22,510.53	27,058.39	16,815.16
Other Income	5,691.58	5,914.58	4,176.60	4,323.78
<b>Total Income</b>	<b>40,063.29</b>	<b>28,425.11</b>	<b>31,234.99</b>	<b>21,138.94</b>
Expenditure	12,367.90	13,337.42	9,046.43	10,283.44
<b>Profit before Depreciation and Taxation</b>	<b>27,695.39</b>	<b>15,087.69</b>	<b>22,188.56</b>	<b>10,855.50</b>
Depreciation	920.05	1,173.24	728.98	868.69
<b>Profit before contribution to IPF &amp; Tax</b>	<b>26,775.34</b>	<b>13,914.45</b>	<b>21,459.58</b>	<b>9,986.81</b>
Contribution to IPF	823.00	269.67	823.00	269.67
<b>Profit Before Tax</b>	<b>25,952.34</b>	<b>13,644.78</b>	<b>20,636.58</b>	<b>9,717.14</b>
Provision for Taxation	5,693.30	2,646.30	4,454.00	1,744.90
Provision for Deferred Tax for the year	132.31	326.66	176.82	240.43
<b>Profit after Tax</b>	<b>20,126.73</b>	<b>10,671.82</b>	<b>16,005.76</b>	<b>7,731.81</b>
Other Comprehensive Income (Net of Tax)	(8.90)	8.97	(4.63)	14.97
<b>Total Comprehensive Income</b>	<b>20,117.83</b>	<b>10,680.79</b>	<b>16,001.13</b>	<b>7,746.78</b>

## Financial Performance

### 1. Consolidated Results

On a consolidated basis, the operational income of the company has increased from ₹ 22,510.53 Lakhs to ₹ 34,371.71 Lakhs, higher by 53%, resulting in an increase of total income from ₹ 28,425.11 Lakhs to ₹ 40,063.29 Lakhs. Profit before Tax (PBT) for the year ended March 31, 2021 is ₹ 25,952.34 Lakhs as against ₹ 13,644.78 Lakhs of previous year. Similarly, Profit after Tax (PAT) is at ₹ 20,126.73 Lakhs as against ₹ 10,671.82 Lakhs. Thus, Profit before Tax & Profit after Tax for the year ended March 31, 2021 has increased by 90% and 89% respectively over the previous year.

### 2. Standalone Results

On a standalone basis, the operational income of the company has increased from ₹ 16,815.16 Lakhs to ₹ 27,058.39 Lakhs, higher by 61%, resulting in an increase of total income from ₹ 21,138.94 Lakhs to ₹ 31,234.99 Lakhs.

The income from Operations comprising of Transaction charges, Annual Issuers Charges, Account Maintenance Charges, Settlement Charges, Corporate Action Charges, etc. during the year 2020-21 increased from ₹ 16,815.16 Lakhs to ₹ 27,058.39 Lakhs, recording an increase of 61% over the year 2019-20. Pursuant to regulation 73 of the SEBI (Depositories & Participants) Regulations, 2018, transfer of ₹ 823 Lakhs is made to Investor Protection Fund (IPF). After contribution to Investor Protection Fund, Profit before Tax (PBT) for the year ended March 31, 2021 is ₹ 20,636.58 Lakhs as against ₹ 9,717.14 Lakhs of previous year. Similarly, Profit after Tax (PAT) is at ₹ 16,005.76 Lakhs as against ₹ 7,731.81 Lakhs. Thus, Profit before Tax & Profit after Tax for the year ended March 31, 2021 has increased by 112% and 107% respectively over the previous year.



## Dividend

Considering the performance of the Company for the year under review, your Directors have recommended a final dividend of ₹ 9/- per equity share of the face value of ₹ 10/- each, fully paid for the financial year ended March 31, 2021, subject to the approval of the shareholders.

The final dividend, if approved, would result in a cash outflow of ₹ 9,405 Lakhs with a dividend payout ratio at 59% of the standalone profits of the Company.

The Board of Directors of your Company has approved and adopted the dividend distribution policy of the Company and dividend declared/recommended during the year are in accordance with the said policy. The Policy can also be accessed on the Company's website at the <https://www.cdslindia.com/InvestorRels/CorporateGovernance.html>

## Capital Structure and changes therein

Authorised Share Capital of your Company is ₹ 150,00,00,000 divided into 15,00,00,000 equity shares of ₹ 10 each whereas the Issued and Paid Up Share Capital is ₹ 104,50,00,000 divided into 10,45,00,000 equity shares of ₹ 10 each. As of March 31, 2021, out of 10,45,00,000 shares, 10,44,99,690 shares are in demat mode and 310 shares are in physical mode.

## The Capital Market Environment

The FY 2020-21 was one of the most challenging years for the Indian Economy, during FY 2020-21, BSE-30 Sensex opened at 29,505 on April 01, 2020 and touched a high of 52,516 on February 16, 2021 and thereafter closed at 49,509 on March 31, 2021.

According to the International Monetary Fund (IMF), India's growth forecast for FY 2020-21 is slashed to -8% due to COVID-19, Nationwide lockdown. India's growth is projected to improve to 12.5% in 2021 and 6.9% in 2022 supported by monetary and fiscal stimulus. Since April, 2021 the country has been facing the second wave of COVID-19 which may delay the economic recovery.

The World Bank (WB) January 2021 Global Economic Prospect's report projected India's economic growth for FY 2021-22 to be in the 7.5% to 12.5% range. The Indian economy had started to bounce back from the effects of the coronavirus crisis, but the country was still not "out of the woods". Secondly, depending on how the ongoing vaccination campaign proceeds, whether new restrictions to mobility are required, and how quickly the world economy recovers.

As per Prime Database, 69 public issues have raised ₹ 74,707 crores in FY 2020-21 as compared to 39 public issues mobilizing ₹ 37,677 crores in FY 2019-20.

## Operational Performance

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

## Beneficial Owner Accounts

During the year under review, 133.24 lakhs Beneficial Owner (BO) accounts were added, taking the total number of such accounts to 404.91 lakhs with the net BO accounts at 334.38 lakhs as on March 31, 2021, making us the first depository to cross the 300 lakhs milestone. The comparative figures of gross and net BO accounts as on March 31, 2020 and March 31, 2021 are given in the following table:

Year ended March 31, 2021	Year ended March 31, 2020	Increase over the previous year's cumulative figure	
		Number	Percentage (%)
(Gross) 40,491,245	(Gross) 27,167,320	13,323,925	49.04
(Net) 33,437,873	(Net) 21,181,937	12,255,936	57.86

## Securities admitted

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

Securities	Year ended March 31, 2021	Year ended March 31, 2020	(%) change over the previous year
Equity Shares	15,619	14,018	11.42
Debt Instruments	9,154	8,532	7.29
Other Securities	25,474	25,479	(0.02)
<b>Total</b>	<b>50,247</b>	<b>48,029</b>	<b>4.62</b>

### Position of Securities held in the System

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

Holding of Securities	Year ended March 31, 2021	Year ended March 31, 2020	Increase over the previous year (%)
Value (₹ in million)	2,74,39,356	1,67,19,723	64.11
Volume (in million) (Number of Securities)	4,74,426	4,55,726	4.10

### Depository Participants and Service Centers

As on March 31, 2021, 592 depository participants held valid registration certificates of Securities and Exchange Board of India (SEBI) as compared to 599 valid SEBI registrations as on March 31, 2020. Further, investors have access to 20,689 DP service centers spread across India.

### Investor Awareness / Education Seminars

CDSL regularly conducts Investor Awareness Programs (IAPs) in association with SEBI, Market Infrastructure Institutes (MIIs) and various market intermediaries. Capital Market Awareness for retail investors through such programs has been a major focus area. We believe investor education can become a significant key to achieving financial inclusion in the capital market. During the FY 2020-21, CDSL Investor Protection Fund (CDSL IPF) conducted 276 IAPs in English, Hindi and other regional languages viz. Marathi, Gujarati, Tamil, Kannada, Malayalam, Bengali and Telugu, etc. through online mode and reaching to almost 37,672 investors across Pan India. This initiative allowed investors across geographies, professions and age groups including students, corporate employees, government servants to come together and learn the basics of Capital Markets, advantages of holding securities in demat form, importance of Financial Planning, Investment avenues available, etc.

CDSL IPF has also conducted online webinars in association with SEBI, financial institutions, ICSI, Mutual Funds, colleges, universities etc. in various cities of the country. CDSL IPF has provided details of IAPs various Social Media platforms like Facebook (@cdslindia), Twitter (@cdslindia) & LinkedIn (@cdslindia) and in the CDSL's website in Investors Corner. CDSL IPF also conducted IAPs in various regional languages to attract larger number of investors to attend these IAPs. During the IAPs, informative booklets in English, were shared through email for the benefit of investors. These booklets are also available on the CDSL website at <https://www.cdslindia.com/>.

### Investor Education and Protection Fund (IEPF) and Investor Awareness Activities by the Company

Contribution towards Investor Education and Protection Fund (IEPF)	
Details of the transfer/s to the IEPF made during the year as mentioned below:	
1. amount of unclaimed/unpaid dividend and the corresponding shares;	Not Applicable
2. amount of matured deposits, if any;	Not Applicable
3. application money received for allotment of any securities and due for refund along with interest accrued;	Not Applicable
4. Year wise amount of unpaid/unclaimed dividend lying in the unpaid account upto the Year and the corresponding shares, which are liable to be transferred to the IEPF, and the due dates for such transfer;	Please refer the table below

### Amount of unpaid and unclaimed Dividend

Particulars	Financial Year		
	2017-18 (Final Dividend)	2018-19 (Final Dividend)	2019-20 (Final Dividend)
Amount	₹ 5,94,202	₹ 10,46,776	₹ 17,85,282
Shares	169772	261694	396729
Due date for transfer of unpaid dividend amount	October 24, 2025	November 23, 2026	December 4, 2027
Due date for transfer of corresponding shares	November 23, 2025	December 23, 2026	January 3, 2028

## Credit Rating of Securities

Nil

## New Initiatives

### Application Program Interface (API)

CDSL has developed APIs for its Depository Participants (DPs), which will help DPs to automate their processes and back-office operations. APIs have been developed for Account Opening, Common Transaction Upload (Which includes Off-market, On-Market, Early Pay-in & Inter Depository Transactions), Pledge/Unpledge/Confiscation transactions, Margin Pledge & Margin Funding transactions and your company has advised its DPs to get in touch with their Relationship Managers (RMs) to get to know the entire suite of transactions on which APIs are made available. This will lead to ease in operations of all the CDSL DPs and the market participants.

### System Enhancements

CDSL believes in the power of digitization and continuously tries to enhance its systems to increase the efficacy of processes. Some of the important system enhancements are enumerated below -

- a) To strengthen the integrity of system in processing of dematerialization requests in respect of remaining physical shares, systems were enhanced to enable RTAs to upload the details of their members holding shares in physical form of listed companies, so that dematerialization requests can be validated against the said details. Additionally, your Company is in the process of doing a real time reconciliation of the paid up capital and listed capital of the company as reported to the depository and as available with the exchanges where the Company's shares are listed.
- b) Standardization of reason codes for off-market including inter-depository transactions.
- c) Implemented collection of Stamp Duty through Depositories on behalf of State Government in such manner as the Central Government may, by rules, provide came into force on July 01, 2020.
- d) Implementation of Margin Pledge /Repledge facility for Trading Members (TMs) and Clearing Members (CMs) to accept collateral from clients in the form of securities, only by way of Margin Pledge.
- e) Successfully implemented e-DIS Phase-I i.e. acceptance of electronic transfer instructions using the online portal provided by Depository Participants with a security feature of TPIN provided to the client by CDSL.
- f) Successfully implemented various APIs –
  - i. BO authentication API (real time),
  - ii. API for BO Setup (upload),
  - iii. API for BO Modify (upload),
  - iv. API for Normal Pledge Setup (real time),
  - v. API for Margin Pledge / Margin Funding Pledge (real time) and
  - vi. API for BO account opening (real time)
- g) Implementation of a system of obtaining client's consent through One Time Password (OTP) for off-market transfer of securities from client's demat account.

### Transaction Cum Holding Statements

As of March 31, 2021, 219 Depository Participants (DPs) have availed of the service of dispatch of transaction cum holding statements (DOTS and e-DOTS). In FY 2020-21, CDSL has processed 48.95 Lakh statements.

### Corporate Bond database

Your Company is in the process of creating a state of the art system using block chain/distributed ledger technology to chart the life cycle of the secured debentures, bonds, etc. from the time of creation of the instrument with underlying assets offering security, to the approval of the same by the Debenture Trustee to the rating given by the Credit Rating Agency to the listing of the instrument to the regular/periodic interest payments to the ultimate step of payment of the final redemption amount. This is likely to bring in greater transparency in the manner in which the secured instruments are handled in the capital market.

### Technology Initiatives

As a part of continual upgradation process, CDSL continuously works on upgrading the technology, features and functionalities of the Depository applications. We have recently shifted our Disaster Recovery (DR) Site to a new premise with better facilities. Further considering new threat vectors and to strengthen the cyber security posture of your Company, we have recently upgraded the Cyber Security and Operations centre at CDSL. CDSL has also further enhanced the appropriate cyber security framework and controls as prescribed by SEBI from time to time to mitigate the cyber security risks.

### Major IT Developments

- ISO 27001: 2013 (Information Security Management System) ISMS – CDSL has received the recertification
- ISO 22301:2019 (Business Continuity Management System) BCMS – CDSL has upgraded to ISO 22301:2019 standard
- ISO 9001:2015 (Quality Management System) QMS – Continuation of the certificate for the e-voting services.
- Core depository application is being migrated to latest .net core technology and will be completed this year.

## Awards & Recognition

Data Centre Award for Innovation and IP Creation, awarded by Express Computers.

### Steps taken pursuant to COVID-19 Pandemic

On March 20, 2020, the Ministry of Corporate Affairs issued an Advisory to all companies /LLPs to implement the "Work from home" policy in their headquarters and field offices to the maximum extent possible, including conduct of meetings through video conference or other electronic/ telephonic/ computerized means. It was further advised that even with the essential staff on duty, staggered timings may be followed so as to minimize physical interaction. Apart from that, the other preventive measures, including Dos & Don'ts advised by public health authorities may be strictly followed.

Keeping in view the safety of the staff members of CDSL, 'work for home' policy was implemented with effect from March 23, 2020 and staff members were provided with secure means to connect to CDSL applications to carry out their daily operations and to ensure that Depository's and its subsidiaries' operations are carried out smoothly. The administration department is also ensuring that during this period housekeeping and deep cleaning of the premises are being regularly carried out, so as to ensure a clean and safe office space is available to the employees whenever lockdown restrictions are relaxed.

### Continuing Professional Education (CPE) Programs - Depository Operations Certification Examination (DOCE)

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

CDSL, as a NISM Accredited CPE Provider for conducting CPE Programs, has successfully carried out 9 programs for 219 participants during the year.

### e-Voting

As on March 31, 2021, 5,968 companies have signed agreements with CDSL to conduct e-Voting. So far, the e-Voting system recorded 28,424 instances of voting carried out by 5271 Companies.

### e-Notices

In the light of Green Initiative in the Corporate Governance by Ministry of Corporate Affairs, CDSL has started offering the services to companies for sending documents to its shareholders electronically. As on March 31, 2021, a total of 370 companies have signed for availing these services.

### Corporate Social Responsibility (CSR)

The Board has framed a CSR Policy in compliance with the requirements of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy)

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

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

The Company has been actively associated with various NGOs in providing various facilities involving capital expenditure for a sustainable impact of CSR activities. During the FY 2020-21, your Company has sponsored various projects and the report on CSR activities pursuant to section 135 and Schedule VII of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 is given in **Annexure A**.

### Risk Management Policy

The risk management policy identifying the various elements of risk is explained in detail in the Management Discussion and Analysis Report attached as **Annexure G**. The Risk Management Policy of your Company can be accessed on the website of the Company <https://www.cdslindia.com/InvestorRels/CorporateGovernance.html>.

### Change in the Nature of Business

The Company has not undergone any changes in the nature of the business during the FY 2020-2021.

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

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

### Prevention of Money Laundering Act

The Prevention of Money Laundering Act, 2002 (PMLA) has been brought into force with effect from July 1, 2005.

Subsequent amendments have been made to the PMLA Act 2002 and Prevention of Money-laundering (Maintenance of Records) Rules 2005 over the years.



CDSL, its depository participants and CVL fall under the category of 'intermediaries' under section 12 of the SEBI Act and hence, PMLA and the policy guidelines issued by the regulators to combat money laundering are applicable to depository operations.

As required under the guidelines, CDSL has designated a Principal Officer, Alternate Officer and Designated Director to ensure compliance with these guidelines. CDSL has prepared policy guidelines for implementation of PMLA and the same is reviewed periodically.

CDSL conducted training programs across the country and updates depository participants and their internal auditors on compliance with PMLA provisions and filing of Suspicious Transaction Reports

### Details of Subsidiary Companies

Your Company has following subsidiary Companies as on March 31, 2021

1. CDSL Ventures Limited (CIN U93090MH2006PLC164885)
2. CDSL Insurance Repository Limited (CIN U74120MH2011PLC219665)
3. CDSL Commodity Repository Limited (CIN U74999MH2017PLC292113)
4. CDSL IFSC Limited (CIN U65990GJ2021PLC121672)

#### ➤ CDSL Ventures Limited (CVL)

CDSL Ventures Limited (CVL) is a wholly owned subsidiary of Central Depository Services (India) Limited (CDSL).

CVL began its journey in 2008 by handling Customer Profiling and Record keeping of Mutual Fund Investors on account of the PMLA Act related KYC requirements. After the introduction of the KRA regulations in 2011, CVL was the first entity to register as a KYC Registration Agency (KRA) with SEBI. As a KRA, CVL provides fully digitised KYC services to all intermediaries in the Capital Markets. CVL currently holds over 2.79 Crores fully digitized KYC records.

CVL is also offering the following as part of its service portfolio:

1. CKYC Services : CVL assists intermediaries to become CKYC compliant by facilitating upload of KYC documents to CERSAI
2. Aadhaar based eKYC services
3. Aadhaar based esign services
4. Registrar and Transfer Agent services (RTA)
5. PMJJBY services: Maintaining a Claim Repository and performing dedupe activity for claims under PMJJBY scheme.

6. GST Suvidha Provider Services for filing GST Returns
7. Processing and handling Refund payments to investors of PACL Ltd. pursuant to Justice (Retd.) R M Lodha Committee

CVL aims to be globally respected as an ITES company. Ethics, values and reputation are vital to its philosophy. CVL lays special emphasis on integrity of its people because of the trust reposed by its clients. CVL derives confidence from its team, which has a 'Securities Market Domain Expertise'. CVL, believes in empowering its people so that they handle challenging assignments and exceed customer expectations.

CVL has in place a stringent policy and systems to ensure confidentiality of data. Strong electronic and physical security measures ensure security of confidential data. CVL databases are maintained in-house with proper mechanism in place to monitor server capacity utilization and augmentation. There is a proper backup and archival process being followed as per the backup policy defined. CVL has a Primary Data Center and Disaster Recovery Center for all its critical IT Operations. The Disaster Recovery Center is located in a different seismic zone and the data is mirrored on near real time basis. DR drills are conducted once a quarter and an audit trail of the same is maintained. The network management at CVL ensures that the bandwidth requirement is monitored to handle processing of large volumes across multiple processes. CVL is ISO 27001 compliant and is regulated by multiple regulators for different projects.

Being a subsidiary of a Market Infrastructure Intermediary, the infrastructure, security and risk management practices of CVL are benchmarked to the best in the industry.

#### ➤ CDSL Insurance Repository Limited (CDSL IR)

Our Company had under the "Guidelines on Insurance repositories and electronic issuance of insurance policies" issued by IRDAI, floated a separate subsidiary viz:- CDSL Insurance Repository Ltd. ("CIRL"), in the year 2011. CIRL provides policyholders a facility to keep their insurance policies in electronic form and to undertake changes, modifications, and revisions in the insurance policy with speed and accuracy, to bring about efficiency, transparency and cost reduction in the issuance and maintenance of insurance policies.

Leading public sector and private sector insurance companies have contributed to the equity capital of CIRL. At the time of launch in August 2013 the

insurance repository services were restricted only to Life insurance policies. However, later, IRDAI has extended the scope of services to Health insurance policies and Motor Vehicle insurance policies and thereafter to all other types of general insurance. Further, initially the insurance was applicable only to individuals but had subsequently been extended to corporates.

As on March 31, 2021, the company has 6.03 lakh active eIAs (electronic insurance accounts) as against 5.50 lakh active eIAs as on March 31, 2020, in the Repository. As on March 31, 2021, around 4.22 lakh electronic policies constituting 4.00 lakh Life e-insurance policies, 883 Motor e-insurance policies and 20,602 Health e-insurance policies have been credited in the eIAs as against 3.07 lakh electronic policies constituting 2.96 lakh life insurance policies, 216 motor insurance policies and 10,366 health insurance policies as on March 31, 2020. The above figures indicate that there is a positive trend in creating electronic insurance policies, with a growth rate of 38%.

CIRL has tied up with twenty-two life insurance companies, five health insurance companies and fifteen general insurance companies, that is a total of forty-two insurance companies, for holding policies in electronic form.

CIRL has received a contract from an Insurance Company, to operate remote offices on their behalf and provide outsourcing services. Three such centers have been established at present and four more centers are in the pipeline. We are also interacting with other Insurance Companies to provide similar services. Considering the trend of companies outsourcing their activities, these services contracts will provide your Company with new revenue streams, apart from the IR business.

➤ **CDSL Commodity Repository Limited (CCRL)**

Your Company has floated a subsidiary in the name and style of CDSL Commodity Repository Limited (CCRL) to establish and run a Commodity Repository on the lines of a Securities Depository. Warehousing Development and Regulatory Authority (WDRA) is the regulator for CCRL. CCRL received the certificate of commencement of business/registration from WDRA on September 26, 2017 and commenced operations from September 30, 2017. Multi Commodity Exchange of India Ltd. (MCX) and BSE Investments Ltd. have each taken up 24% of the stake in CCRL in May, 2018 and August, 2018 respectively.

CCRL today exclusively serves three derivative commodity exchanges for their derivative trades in

Agri-commodities. These are MCX, BSE Limited and ICEX. As on March 31, 2021, CCRL has opened close to 1728 client accounts and has issued about 26,308 Electronic Negotiable Warehouse Receipts.

➤ **CDSL IFSC Limited**

CDSL, the parent company has floated a wholly owned subsidiary company in the name and form of 'CDSL IFSC Limited' (CIL). This company operates a depository in the IFSC at GIFT City. CIL is a foreign depository and caters to a global audience of investors. CIL operates under the regulatory oversight of IFSCA.

All investors who are eligible/allowed to hold and transact in securities in the IFSC space are identified as Eligible investors. Both Indian resident individuals (under LRS scheme limitations) and foreign entities and non-resident Indians (NRIs) are identified as Eligible investors. In addition to be registered as an FPI (Foreign portfolio investor) a foreign entity can also be an Eligible Foreign investor (EFI) and stay invested in IFSC.

Investor will be able to hold eligible securities viz. Equity shares of a company incorporated outside India; Depository receipt(s); Debt securities issued by eligible issuers and any other type of security as permitted allowed by IFSCA.

During the year, the Board of Directors of the Company reviewed the affairs of its subsidiaries. In accordance with section 129 (3) of the Companies Act, 2013, your Company has prepared the consolidated financial statements of the Company and of all its subsidiaries companies in the same form and manner as that of its own and in accordance with applicable accounting standards, which forms part of this annual report. Further a separate statement containing the salient features of the financial statement of our subsidiaries in the prescribed format AOC 1 is appended as **Annexure B** to the Board's report. The statement also provides details of the performance and financial position of each of the subsidiary Company.

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

**Deposits**

Your company has not accepted any deposits within the meaning of Section 73 & 76 of the Companies Act, 2013 and

the Rules made thereunder. There are no deposits remaining unpaid or unclaimed as at the end of the year and there has been no default in repayment of deposits or payment of interest thereon during the year.

### Details of Deposits not in Compliance with the Requirements of the Act

Since the Company has not accepted any deposits during the Financial Year ended on March 31, 2021, there has been no non-compliance with the requirements of the Companies Act, 2013.

### Directors and KMPs

The SEBI (Depositories and Participants) Regulations, 2018 were notified on October 3, 2018. As per regulation 25 of SEBI (Depositories and Participants) Regulations, 2018, the appointment and re-appointment of all Shareholder Directors on the board of depository shall be with the prior approval of SEBI. The Public Interest Directors on the board shall be nominated by SEBI. As per Regulation 24(9) of the SEBI (Depositories and Participants) Regulations, 2018 no depository participant or their associates and agents, irrespective of the depository of which they are members shall be on the governing board of the depository.

Directors on the governing Board of CDSL as on March 31, 2021 are as follows:

Category	Name
Public Interest Director	Shri Balkrishna V Chaubal - Chairperson
Public Interest Director	Prof (Dr.) Bimalkumar N Patel
Public Interest Director	Smt. Preeti Saran
Public Interest Director	Shri Sidhartha Pradhan
Public Interest Director	Prof. Umesh Bellur
Shareholder Director	Shri Masil Jeya Mohan P.
Shareholder Director	Shri Nayan Mehta
Managing Director & CEO	Shri Nehal Vora

### Number of meetings of the Board of Directors:

Eleven meetings of the Board of Directors were held during the year under review. For details of meetings of the Board, please refer to the Corporate Governance Report, which is enclosed as **Annexure F**.

### Change in composition during the year:

There had been no changes taken place in the constitution of the Board of Directors. The changes taken place in the constitution of KMPs of CDSL during the FY 2020-21 are as follows: -

Smt. Amita Paunikar, VP-Legal and Company Secretary and Compliance Officer resigned w.e.f. April 05, 2021

During the year, Smt. Nayana Ovalekar was appointed as the Chief Regulatory Officer of CDSL and Compliance Officer for CDSL for the purpose of SEBI (D&P) Regulations, 2018.

During the year, Shri Ramkumar Krishnan was appointed as Chief of Business Development, Operations & New Projects.

### Declaration from Directors

- The Company has received necessary declaration from the Independent Directors as required under sub-section (6) of section 149 of the Companies Act, 2013 and under clause (b) of sub-regulation (1) of regulation 16 of the Listing Regulations. There has been no change in the circumstances affecting their status as Independent Directors of the Company; and
- They have registered themselves with the Independent Director's Database maintained by the IICA.

As per the provisions of Section 152(6) (d) of the Companies Act, 2013, Shri Masil Jeya Mohan P, the Shareholder Director being liable to retire by rotation and being eligible offered himself to be reappointed was considered for being re-appointed as Directors at the ensuing Annual General Meeting. A brief resume of Shri Masil Jeya Mohan P is enclosed as an **Annexure C**.

### Nomination & Remuneration Policy for Directors

The Nomination & Remuneration Policy was approved by SEBI on December 6, 2018 and the same can be accessed on website of the Company <https://www.cdslindia.com/InvestorRels/CorporateGovernance.html>.

In compliance with the requirements set out under Section 178 of the Companies Act, 2013 and Regulation 19(4) read with Part D of Schedule II of the Listing Regulations and SEBI (Depositories and Participants) Regulations, 2018, the Nomination and Remuneration Policy has been framed in order to set our principles, parameters and governance framework of the appointment and remuneration for Shareholder Directors, Public Interest Directors, Managing Director & CEO and Key Managerial Personnel of the Company. The Policy encompasses the various factors laid down under Section 178(4) of the Companies Act, 2013 including the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully; relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and remuneration to Directors and Key Managerial Personnel involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals. The Policy also includes the criteria for determining qualifications, positive attributes, independence of a director and other matters provided under sub-section (3) of section 178.

### Statutory Auditors & Audit Report

M/s. S. R. Batliboi & Co. LLP (Firm Registration No. 301003E/E300005), Chartered Accountants, Mumbai were appointed as Statutory Auditors of the company in the twentieth Annual General Meeting held on August 20, 2018 to hold office from the conclusion of the 20<sup>th</sup> Annual General Meeting till the conclusion of the 25<sup>th</sup> Annual General Meeting. Accordingly, M/s. S. R. Batliboi & Co. LLP are the Statutory Auditors of the Company for the FY 2020-21 and shall continue as Statutory Auditors of the Company till the conclusion of the 25<sup>th</sup> Annual General Meeting.

There are no qualifications, reservations or adverse remarks or disclaimer made by M/s. S. R. Batliboi & Co. LLP, Chartered Accountants, Mumbai, Statutory Auditors in their report. There are no frauds reported by auditors under sub-section (12) of section 143 of the Companies Act, 2013.

### Internal Auditors

In terms of the provisions of Section 138 of the Companies Act, 2013 read with Rule 13 of the Companies (Accounts) Rules, 2014, the Company had appointed M/s. Ray & Ray, Chartered Accountants (Firm Registration No. 301072E) for the period April 1, 2020 to June 30, 2020 and M/s. Dalal Doctor & Associates, Chartered Accountants (Firm Registration No. 120833W) for the period July 1, 2020 to March 31, 2021, as Internal Auditors & Concurrent Auditors of the Company.

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

### Secretarial Auditors and Secretarial Audit Report

M/s. Vatsal Doshi & Associates (C.P.No.22976/Membership No. A50332), Practicing Company Secretaries, Mumbai was appointed as Secretarial Auditor of the Company for the FY 2020-2021. In accordance with Section 204(1) of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of the Listing Regulations, a copy of the secretarial audit report issued in form MR-3 by M/s. Vatsal Doshi & Associates, Secretarial Auditors is enclosed as an Annexure D to this report. The secretarial audit report of CDSL Ventures Limited, a material unlisted subsidiary of the Company issued in form MR-3 by M/s. Vatsal Doshi & Associates, Secretarial Auditors also forms part of **Annexure D** to this report.

#### Secretarial Auditor has made and mentioned the following observation in its report:

1. In terms of the Regulation 30(6) read with sub-para 4 of Para A of Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, submission of outcome of the Board Meeting held on Saturday (Non-Trading Day), May 16, 2020 to consider financial results and dividend was delayed by 20 minutes as against the requirement of submission within 30 minutes of the closure of the Board Meeting. The delay was due to the technical challenges faced by the Company due to lockdown imposed in view of the COVID-19 pandemic.
2. In terms of the Regulation 18(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company had three Independent Directors as against the requirement of having two-third of the total number of Members i.e. 3.33 rounded off to 4 as there were five members in the Audit Committee of the Company. The Company appointed one additional Independent Director in the Audit Committee on April 30, 2020 to comply with the provisions of the Regulation 18(1). The National Stock Exchange of India Limited (NSE) vide letter dated August 20, 2020 had levied fine to the Company for delayed/non-compliance of Regulation 18(1) w.r.t. composition of the Audit Committee for a period of 29 days. Further, during the reporting period i.e. FY 2020-21, no meeting of the Audit Committee was held before April 30, 2020.

#### Related party transactions:

All related party transactions entered during the FY 2020-21 were in the ordinary course of business and on an arm's length basis.

Disclosure of related party transactions pursuant to section 134 (3) (h) read with Rule 8(2) of the Companies (Accounts) Rules, 2014 in form AOC 2 are attached as **Annexure E**.



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

Sr.	Particulars					
<b>1</b>	<b>In the Accounts of Central Depository Services (India) Limited (CDSL) (Holding Company)</b>					
	Loans and advances in the nature of loans to subsidiaries by name and amount.		Loans and advances in the nature of loans to associates by name and amount.		Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount.	
	Subsidiary Name	Amount (₹ in Lakhs)	Associate Name	Amount (₹ in Lakhs)	Companies where directors are interested	Amount (₹ in Lakhs)
	CDSL Ventures Limited	NIL	Not applicable	NIL	Not applicable	NIL
	CDSL Insurance Repository Limited	NIL				
	CDSL Commodity Repository Limited	NIL				
	CDSL IFSC Limited	NIL				
<b>2</b>	<b>In the Accounts of Central Depository Services (India) Limited (CDSL) (Subsidiary Company)</b>					
	Loans and advances in the nature of loans to subsidiaries by name and amount.		Loans and advances in the nature of loans to associates by name and amount.		Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount.	
	Subsidiary Name	Amount (₹ in Lakhs)	Associate Name	Amount (₹ in Lakhs)	Companies where directors are interested	Amount (₹ in Lakhs)
	Not applicable	NIL	Not applicable	NIL	Not applicable	NIL
<b>3</b>	<b>In the Accounts of Central Depository Services (India) Limited (CDSL) (Holding Company)</b>					
	Investments by the loan in the shares of parent company and subsidiary company, when the company has made a loan or advance in the nature of loan.					NIL

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

(₹ in Lakhs)

Particulars	As on March 31, 2021	As on March 31, 2020
<b>Income</b>		
BSE Limited		
Operational Income	341.98	146.28
<b>Expenditure</b>		
BSE Limited		
Rent	1.20	1.20
Dividend Paid	940.50	1,003.20
Administrative and Other Expenses (Recoveries)	66.60	51.70
<b>Payable/(Receivable)</b>		
BSE Limited	(305.85)	(53.39)

## Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

Considering the nature of operations of your company, the provisions of Section 134(3) (m) of the Companies Act, 2013 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, relating to information to be furnished on conservation of energy and technology absorption are not applicable though the Company uses all the possible ways in conserving energy. The company has, however, used information technology extensively in its operations.

### Foreign Exchange Earnings and Outgo

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

(₹ in Lakhs)

Particulars	Year ended	Year ended
	March 31, 2021	March 31, 2020
Earnings	Nil	Nil
Travel expenses	Nil	19.98
Others	4.39	10.44
<b>Total</b>	<b>4.39</b>	<b>30.42</b>

### Cost Records

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

### Directors' Responsibility Statement

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

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

### Corporate Governance Report

The Corporate Governance Report for the year ended March 31, 2021 is enclosed as **Annexure F**

### Management Discussion and Analysis

The Management Discussion and Analysis for the year ended March 31, 2021 is enclosed as **Annexure G**.

### Board Evaluation

The Board of Directors of the Company carried out annual evaluation of its own performance, Committees of the Board and individual Directors pursuant to section 178(2) of the Act as well as regulation 17, 19 and Schedule II of the Listing Regulations and based on the SEBI circular dated January 5, 2017 which contained a guidance note on the process of board evaluation ("SEBI Guidance Note").

The Company has implemented a policy of evaluating performance of the Board of Directors and of its Committees and individual Directors on the basis of a structured questionnaire, drafted in accordance of the guidelines issued by SEBI, which comprises evaluation criteria taking into consideration various performance related aspects. The detailed criteria for evaluation for each of the above has been mentioned in the Corporate Governance report enclosed as **Annexure F**.

### Disclosures under SEBI (Depository and Participants) Regulations, 2018

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

### Report by Internal Complaints Committee

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

During the year the Committee did not receive any complaints in this regard.

### Particulars of Employees

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

### Human Resource Development

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

### Business Responsibility Report

As stipulated under Regulation 34 of the Listing Regulations, the Business Responsibility Report describing the initiatives taken by the Company from an environmental, social and governance perspective is attached as a part of this Annual Report.

### Particulars of Loans, Guarantees or investments under section 186

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

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

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

### Annual Return

The Annual Return of the Company as on March 31, 2021 in Form MGT-7 in accordance with section 92 (3) of the Act read with the Companies (Management and Administration) Rules, 2014, is available on the website of the Company at <https://www.cdslindia.com/InvestorRels/AnnualReports.html>.

### Corporate Policies

The details of the policies approved and adopted by the Board are mentioned in the Corporate Governance Report enclosed as **Annexure F**.

### Adequacy of internal financial controls

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

### Audit Committee Recommendations

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

### Secretarial Standards

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

### Acknowledgement

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

**For and on behalf of the Board**

**Balkrishna V Chaubal**

Chairperson

(DIN: 06497832)

Place : Mumbai

Date: July 31, 2021

**Annexure A**

# REPORT ON CSR ACTIVITIES

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

2. Composition of CSR committee

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
i.	Smt. Preeti Saran	Public Interest Director	3	3
ii.	Shri Masil Jaya Mohan	Shareholder Director	3	3
iii.	Shri Nehal Vora	Managing Director & CEO	3	3

3. Provide the weblink where Composition of CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company

Composition of CSR Committee & CSR Policy  
 CSR projects approved by the Board

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

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub- rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report)

Not Applicable for the financial year under review

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (₹ in Lakhs)	Amount required to be set-off for the financial year, if any (₹ in Lakhs)
Not Applicable			

(₹ in Lakhs)

6. Average net profit of the company as per Section 135 (5) 9,579.64

7. (a) Two percent of average net profit of the company as per section 135 (5) 191.59

(b) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years -

(c) Amount required to be set off for the financial year, if any -

(d) Total CSR obligation for the financial year (7a+7b-7c) 191.59

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

Total Amount spent for the financial year (₹ in Lakhs)	Amount Unspent (₹ in Lakhs)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
₹ 189.96	1.63	07/04/2021	Not Applicable		

8. (b). Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the Project		Project Duration *	Amount allocated for the project (₹ in Lakhs) **	Amount spent in the current financial year (₹ in Lakhs)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (₹ in Lakhs)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number

Not Applicable

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

\*\* Represents budget for the financial year 2020-21

8. (c). Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes / No)	Location of the Project		Amount spent for the project (₹ in Lakhs)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration number
1.	Creation of online Academy for Financial Literacy	Clause (ii) on Promoting Education	Yes	Maharashtra	Mumbai	31.50	Yes	Not Applicable	Not Applicable
2.	PM CARES Fund	Clause (viii) on providing relief or assistance in emergency	No	India	-	158.46	Yes	Not Applicable	Not Applicable
<b>Total</b>						<b>189.96</b>			

8. (d)	Amount spent on Administrative Overheads	(₹ in Lakhs)	-
(e)	Amount spent on Impact Assessment, if applicable	(₹ in Lakhs)	-
(f)	Total amount spent for the Financial Year (8b+8c+8d+8e)	(₹ in Lakhs)	189.96
(g)	Excess amount for set off, if any;		

Sl. No.	Particulars	Amount (₹ in Lakhs)
(i)	Two percent of average net profit of the company as per section 135(5)	191.59
(ii)	Total amount spent for the financial year	191.59
(iii)	Excess amount spent for the financial year [(ii)-(i)]	-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	-



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

(1)	(2)	(3)	(4)	(5)			(6)
Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account Under Section 135(6) (₹ in Lakhs)	Amount spent in the reporting Financial Year (₹ in Lakhs)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years (₹ in Lakhs)
				Name of the Fund	Amount (₹ in Lakhs)	Date of transfer	

Not Applicable

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(8)
Sl. No.	Project ID	Name of the project	Financial year in which the project was commenced	Project duration	Total amount allocated for the project (₹ in Lakhs)	Amount spent on the project in the reporting Financial year (₹ in Lakhs)	Cumulative amount spent at the end of reporting Financial Year (₹ in Lakhs)	Status of the project - Completed / Ongoing

Not Applicable

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

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

11. Specify the reasons(s), if the company has failed to spend two percent of the average net profit as per Section 135(5). Not Applicable

**Nehal Vora**

Managing Director and CEO  
(DIN: 02769054)

**Preeti Saran**

Chairperson  
(DIN: 08606546)

Place: Mumbai

Date: July 31, 2021

## Annexure B

# FORM AOC-1

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

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

## Part A Subsidiaries

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

Sr. No.	Name of the subsidiary	CDSL Ventures Limited	CDSL Insurance Repository Limited	CDSL Commodity Repository Limited	CDSL IFSC Limited
1	The date since when subsidiary was acquired	September 25, 2006	July 12, 2011	March 7, 2017	March 30, 2021
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	April 1, 2020 to March 31, 2021	April 1, 2020 to March 31, 2021	April 1, 2020 to March 31, 2021	March 30, 2021 to March 31, 2021
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Indian Rupee	Indian Rupee	Indian Rupee	1 USD = ₹ 72.46
4	Share capital	5,00,00,000	30,00,00,000	50,00,00,000	-
5	Reserves and surplus	2,04,10,77,000	9,75,80,000	1,89,51,000	(7,57,000)
6	Total assets	2,21,44,66,000	40,56,58,000	52,70,90,000	-
7	Total Liabilities	12,33,89,000	80,78,000	81,39,000	7,57,000
8	Investments	1,40,57,80,000	20,97,40,000	34,99,85,000	-
9	Turnover	83,65,79,000	2,84,55,000	4,72,27,000	-
10	Profit before taxation	51,00,26,000	1,67,46,000	55,61,000	(7,57,000)
11	Provision for taxation	11,72,43,000	4,41,000	17,95,000	-
12	Profit after taxation	39,27,83,000	1,63,05,000	37,66,000	(7,57,000)
13	Extent of shareholding (in %)	100%	51% (Direct holding) & 3.25% (through Subsidiaries)	52%	Wholly owned subsidiary, Equity Share capital not paid up on March 31, 2021

- Names of subsidiaries which are yet to commence operations: CDSL IFSC Limited.
- Names of subsidiaries which have been liquidated or sold during the year: NIL

**Part B : Associates and Joint Ventures**

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

There are no Associate Companies and Joint Ventures of the Company during the year.

Particulars	Name of Associates or Joint Ventures
1. Latest audited Balance Sheet Date	Nil
2. Date on which the Associate or Joint Venture was associated or acquired	
3. Shares of Associate or Joint Ventures held by the company on the year end No. Amount of Investment in Associates or Joint Venture Extent of Holding (in %)	
4. Description of how there is significant influence	
5. Reason why the associate/joint venture is not consolidated	
6. Networth attributable to shareholding as per latest audited Balance Sheet	
7. Profit or Loss for the year	
i. Considered in Consolidation	
ii. Not Considered in Consolidation	

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

**Balkrishna V Chaubal**

Chairperson  
(DIN: 06497832)

**Nehal Vora**

Managing Director  
and CEO  
(DIN: 02769054)

**Girish Amesara**

Chief Financial Officer

Place: Mumbai

Date: May 01, 2021

## Annexure C

## PROFILE OF DIRECTOR WHO IS LIABLE TO RETIRE BY ROTATION AND SEEK RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING

### Shri Masil Jeya Mohan P.

Director Identification Number	08502007
Date of Birth	March 20, 1961

#### (a) Brief Resume of the director:

Shri Masil Jeya Mohan P. joined LIC in the year 1986. He has a wide range of experience in different assignments in LIC as Asstt. Branch Manager, Manager (IT), Manager (NB & Actuarial), Manager (HR), Regional Manager (HR), Regional Manager (Estates), Fund Manager of Pension & Group Scheme Fund, Chief (ULIP Operations) and Executive Director (Investment).

#### (b) Nature of his expertise in specific functional areas:

Investment-Monitoring & Accounting, Policy Formulation & Information Technology.

#### (c) Disclosure of relationships between directors inter-se:

NIL

#### (d) Names of listed entities in which the director also holds the directorship and the membership of Committees of the Board:

NIL

#### (e) Shareholding of non-executive director:

NIL

**Annexure D  
FORM NO MR-3**

# SECRETARIAL AUDIT REPORT

**FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021**

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

To,

The Members

**Central Depository Services (India) Limited**

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

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Central Depository Services (India) Limited (CIN: L67120MH1997PLC112443)** (hereinafter called “the Company”). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on **March 31, 2021** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **March 31, 2021** according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and

External Commercial Borrowings; **(Not applicable to the Company during the audit period)**

- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’) as amended from time to time:
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the audit period)**
  - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the Company during the audit period)**
  - h. The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018; **(Not applicable to the Company during the audit period)** and
- (vi) I further report that, based on the representation made by the Company and its Officers, compliance mechanism prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, the Company has complied with the following laws applicable specifically to the Company:
  - a. Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 and Circulars, Guidance and Notifications issued thereunder.



- b. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- c. Securities and Exchange Board of India Act, 1992 & Circulars, Master Circulars and Regulations issued by SEBI and applicable to the Company.

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

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India (SS – 1 and SS – 2).
- (ii) The Listing Agreements entered into by the Company with National Stock Exchange of India Limited read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

- (i) *In terms of the Regulation 30(6) read with sub-para 4 of Para A of Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, submission of outcome of the Board Meeting held on Saturday (Non-Trading Day), May 16, 2020 to consider financial results and dividend was delayed by 20 minutes as against the requirement of submission within 30 minutes of the closure of the Board Meeting. The delay was due to the technical challenges faced by the Company due to lockdown imposed in view of the COVID-19 pandemic.*
- (ii) *In terms of the Regulation 18(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company had three Independent Directors as against the requirement of having two-third of the total number of Members i.e. 3.33 rounded off to 4 as there were five members in the Audit Committee of the Company. The Company appointed one additional Independent Director in the Audit Committee on April 30, 2020 to comply with the provisions of the Regulation 18(1). The National Stock Exchange of India Limited (NSE) vide letter dated August 20, 2020 had levied fine to the Company for delayed/non compliance of Regulation 18(1) w.r.t. composition of the Audit Committee for a period of 29 days. Further, during the reporting period*

*i.e. FY 2020-21, no meeting of the Audit Committee was held before April 30, 2020.*

**I further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Woman Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

All decisions at the Board and Committees meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors and Committees of the Board, as the case may be and no dissenting views have been recorded.

**I further report that** there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**I further report that** during the audit period there were following events/actions reported having major bearing on Company's affairs:

- (i) The CDSL IFSC Limited, Wholly Owned Subsidiary of the Company was incorporated on March 30, 2021 having registered office at GIFT City, Gujarat.
- (ii) Shri Nayan Mehta, re-appointed as a Shareholder Director of the Company w.e.f. October 26, 2020.

**For Vatsal Doshi & Associates**

**Vatsal K. Doshi**

Proprietor

Mem. No. : A50332

CP No. : 22976

UDIN : A050332C000356022

PR No. : 1179/2021

Place : Mumbai

Date : May 21, 2021

This Report is to be read with my letter of even date which is annexed as **Annexure - I** and forms an integral part of this report.

**ANNEXURE - I**

(To the Secretarial Audit Report)

To,

The Members

**Central Depository Services (India) Limited**

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

My report of even date is to be read along with this letter:

- 1) Maintenance of Secretarial record is the responsibility of the Management of the Company. My responsibility is to express an opinion on these Secretarial Records based on my audit.
- 2) I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the Secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
- 3) I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- 4) Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
- 5) We have conducted online verification & examination of records, as facilitated by the Company, due to COVID-19 and subsequent lockdown situation for the purpose of issuing this Report.
- 6) The compliance of the provisions of Corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of the Management. My examination was limited to the verification of procedures on test basis.
- 7) The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

**For Vatsal Doshi & Associates****Vatsal K. Doshi**

Proprietor

Mem. No. : A50332

CP No. : 22976

UDIN : A050332C000356022

PR No. : 1179/2021

Place : Mumbai

Date : May 21, 2021

FORM NO MR-3

# SECRETARIAL AUDIT REPORT

**FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021**

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

To,

The Members

**CDSL Ventures Limited**

Unit No. A-2501, Marathon Futurex,

Mafatlal Mills Compound,

N. M. Joshi Marg, Lower Parel (E),

Mumbai – 400013.

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **CDSL Ventures Limited (CIN: U93090MH2006PLC164885)** (hereinafter called “**the Company**”). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the CDSL Ventures Limited’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on **March 31, 2021** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **March 31, 2021** according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; **(Not applicable to the Company during the audit period)**
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; **(Not applicable to the Company during the audit period)**
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and

External Commercial Borrowings; **(Not applicable to the Company during the audit period)**

- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') as amended from time to time:
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **(Not applicable to the Company during the audit period)**
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992\*;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(Not applicable to the Company during the audit period)**
  - d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(Not applicable to the Company during the audit period)**
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the audit period)**
  - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the Company during the audit period)**
  - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not applicable to the Company during the audit period)** and
- (vi) I further report that, based on the representation made by the Company and its Officers, compliance mechanism

\* The Company being a material subsidiary of the Central Depository Services (India) Limited ("CDSL"), certain employees of the Company have been categorised as Designated Persons and are covered by the Code of Conduct under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, of CDSL.

prevailing in the Company and on examination of the relevant documents and records in pursuance thereof on test-check basis, the Company has generally complied with the following laws applicable specifically to the Company:

- a. SEBI {KYC (Know your client) Registration Agency} Regulation, 2011
- b. Securities and Exchange Board of India Act, 1992 & Circulars, Master Circulars and Regulations issued by SEBI and applicable to the Company.
- c. Prevention of Money Laundering Act, 2002.

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

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India (SS – 1 and SS – 2).
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (To the extent applicable to material subsidiary of the listed Company).

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

**I further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at

least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at the Board and Committees meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors and Committees of the Board, as the case may be and no dissenting views have been recorded.

**I further report that** there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**I further report that** during the audit period there were following events/actions reported having major bearing on Company's affairs:

- (i) Cessation of tenure of Shri Sunil Alvares as the Manager of the Company w.e.f. October 31, 2020.
- (ii) Appointment of Shri Sunil Alvares (DIN: 08943476) as the Managing Director & Chief Executive Officer (MD & CEO) of the Company w.e.f. November 1, 2020.
- (iii) Reappointment of Dr. Rakesh Kumar Kakkar (DIN: 08433764) as a Director (Non-Executive) of the Company w.e.f. August 25, 2020.

**For Vatsal Doshi & Associates**

**Vatsal K. Doshi**

Proprietor

Mem. No. : A50332

CP No. : 22976

UDIN : A050332C000162928

PR No. : 1179/2021

Place : Mumbai

Date : April 23, 2021

This Report is to be read with my letter of even date which is annexed as **Annexure - I** and forms an integral part of this report.

**ANNEXURE - I**

(To the Secretarial Audit Report)

To,

The Members

**CDSL Ventures Limited**

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

My report of even date is to be read along with this letter:

- 1) Maintenance of Secretarial record is the responsibility of the Management of the Company. My responsibility is to express an opinion on these Secretarial Records based on my audit.
- 2) I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the Secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
- 3) I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- 4) Wherever required, I have obtained the Management representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances of applicable Laws, Rules and Regulations to the Company.
- 5) We have conducted online verification & examination of records, as facilitated by the Company, due to COVID-19 and subsequent lockdown situation for the purpose of issuing this Report.
- 6) The compliance of the provisions of Corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of the Management. My examination was limited to the verification of procedures on test basis.
- 7) The Secretarial Audit report is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

**For Vatsal Doshi & Associates****Vatsal K. Doshi**

Proprietor

Mem. No. : A50332

CP No. : 22976

UDIN : A050332C000162928

PR No. : 1179/2021

Place : Mumbai  
Date : April 23, 2021



**Annexure E**

# FORM AOC-2

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

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

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

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

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

(a)	(b)	(c)	(d)	(e)	(f)
Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any:	Amount paid as advances, if any:
CDSL Ventures Limited Subsidiary Company	Operational Income	On actual basis	9,000	Audit Committee & Board Meeting approval dated. May 16, 2020	
CDSL Ventures Limited Subsidiary Company	Rent (Recoveries)	On actual basis	71,73,530	Audit Committee & Board Meeting approval dated. May 16, 2020	
CDSL Ventures Limited Subsidiary Company	Administrative and Other Expenses (Recoveries)	As per board approval	1,93,89,785	Audit Committee approval dated May 16, 2020, October 24, 2020 & Board Approval dated. May 16, 2020	
CDSL Ventures Limited Subsidiary Company	Shared Service Recovery	As per board approval	98,31,638	Audit Committee & Board Meeting approval dated. May 16, 2020	
CDSL Ventures Limited Subsidiary Company	Administrative and Other Expenses	As per board approval /On Actual basis	9,92,500	Audit Committee & Board Meeting approval dated. May 16, 2020	
CDSL Ventures Limited Subsidiary Company	Transfer of Employee Loan	On actual basis	64,818	Ratified in Audit Committee & Board Meeting dated May 01, 2021	
CDSL Ventures Limited Subsidiary Company	Sale of fixed assets	On actual basis	50,439	Ratified in Audit Committee & Board Meeting dated May 01, 2021	

(a)	(b)	(c)	(d)	(e)	(f)
Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any:	Amount paid as advances, if any:
CDSL Ventures Limited Subsidiary Company	Transfer of Employee Gratuity	On actual basis	68,13,947	Ratified in Audit Committee & Board Meeting dated May 01, 2021	
CDSL Insurance Repository Limited Subsidiary Company	Rent	As per board approval	15,20,661	Audit Committee & Board Meeting approval dated. May 16, 2020	
CDSL Insurance Repository Limited Subsidiary Company	Administrative and Other Expenses (Recoveries)	As per board approval	16,71,214	Audit Committee approval dated May 16, 2020, October 24, 2020 & Board Approval dated. May 16, 2020	
CDSL Insurance Repository Limited Subsidiary Company	Shared Service Recovery	On actual basis	15,48,584	Audit Committee & Board Meeting approval dated. May 16, 2020 & Ratification in Board Meeting dated May 01, 2021	
CDSL Insurance Repository Limited Subsidiary Company	Expenses paid on behalf of company	On actual basis	4,10,481	Audit Committee dated May 16, 2020 & January 30, 2021 & Board Meeting dated. May 16, 2020	
CDSL Insurance Repository Limited Subsidiary Company	(Repayment) of Expenses paid on behalf of company	On actual basis	(9,65,752)	Audit Committee dated May 16, 2020 & January 30, 2021 & Board Meeting dated. May 16, 2020	
CDSL Commodity Repository Limited Subsidiary Company	Operational Income	On actual basis	1,25,000	Audit Committee & Board Meeting dated May 16, 2020	
CDSL Commodity Repository Limited Subsidiary Company	Rent	As per board approval	33,20,661	Audit Committee & Board Meeting dated May 16, 2020	
CDSL Commodity Repository Limited Subsidiary Company	Shared Service Recovery	On actual basis	37,22,082	Audit Committee & Board Meeting dated May 16, 2020	
CDSL Commodity Repository Limited Subsidiary Company	Administrative and Other Expenses (Recoveries)	As per board approval	36,06,336	Audit Committee approval dated May 16, 2020, October 24, 2020 & Board Approval dated May 16, 2020	
CDSL Commodity Repository Limited Subsidiary Company	Expenses paid on behalf of company	On actual basis	21,04,446	Audit Committee dated May 16, 2020 & January 30, 2021 & Board Meeting dated May 16, 2020	

(a)	(b)	(c)	(d)	(e)	(f)
Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any:	Amount paid as advances, if any:
CDSL Commodity Repository Limited Subsidiary Company	(Repayment) of Expenses paid on behalf of company	On actual basis	(30,85,442)	Audit Committee dated May 16, 2020 & January 30, 2021 & Board Meeting dated May 16, 2020	
CDSL Commodity Repository Limited Subsidiary Company	Transfer of Employee Gratuity	On actual basis	1,89,050	Ratified in Audit Committee & Board Meeting dated May 01, 2021	
CDSL IFSC Limited Subsidiary Company	Expenses paid on behalf of company	On actual basis	7,57,351	Ratified in Audit Committee & Board Meeting dated May 01, 2021	
BSE Limited Entity having significant influence	Operational Income	On actual basis	3,41,97,551	Audit Committee dated May 16, 2020 & January 30, 2021 & Board Meeting dated May 16, 2020 and Ratification in Board Meeting dated May 01, 2021	
BSE Limited Entity having significant influence	Rent	On actual basis	1,20,000	Audit Committee & Board Meeting dated May 16, 2020	
BSE Limited Entity having significant influence	Administrative and Other Expenses	On actual basis	66,59,527	Audit Committee dated May 16, 2020 & January 30, 2021 & Board Meeting dated May 16, 2020	
BSE Limited Entity having significant influence	Dividend Paid	On actual basis	9,40,50,000	Approval by Shareholder in AGM held on September 15, 2020	
Marketplace Technologies Private Limited Subsidiary of entity having significant influence	Operational Income	On actual basis	32,000	Audit Committee & Board Meeting dated May 16, 2020 & Ratification in Board Meeting dated May 01, 2021	
Indian Clearing Corporation Limited Subsidiary of entity having significant influence	Operational Income	On actual basis	4,71,793	Audit Committee & Board Meeting dated May 16, 2020	
Multi Commodity Exchange Of India Limited	Operational Income	On actual basis	6,14,765	Audit Committee & Board Meeting dated May 16, 2020	

## Annexure F

# REPORT ON CORPORATE GOVERNANCE

## 1) Company's Philosophy on Code of Corporate Governance

CDSL believes that implementation of good corporate governance practices is the fundamental pre-requisite to achieve sustained growth and long-term enhancement of corporate value. The Company is committed to take ethical business decisions and to conduct its operations with a firm commitment to values, while meeting aspirations of all the stakeholders.

As a result, the Company has adopted the best corporate governance practices based on the applicable statutory requirements especially the Companies Act, 2013, the SEBI (Listing Obligations & Disclosure) Regulations, 2015 and the SEBI (Depositories & Participants) Regulations, 2018. As a Market Infrastructure Institution, the policies and business strategies of the Company aims at providing secure and efficient depository services to investors within the prescribed legal framework. Business strategies are framed and implemented within the applicable compliance requirements. The Company endeavors to ensure that highest standards of ethical and responsible conduct are met throughout the organization.

## 2) Board of Directors

### Composition and category of directors

The Company has an active, experienced, diversified and a well-informed Board. The Board along with its Committees undertakes its fiduciary duties keeping in mind the interests of all its stakeholders and the Company's corporate governance philosophy.

The constitution of the Governing Board of Directors of the Company is compliant with regulation 24 of the SEBI (Depositories and Participants) Regulations, 2018 [SEBI (D & P) Regulations, 2018] and regulation 17 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 [Listing Regulations].

As on March 31, 2021, the composition of the Governing Board of the Company was as follows:

Category	Name
Public Interest Director	Shri Balkrishna V Chaulal - Chairperson
Public Interest Director	Prof (Dr.) Bimalkumar N Patel
Public Interest Director	Smt. Preeti Saran
Public Interest Director	Shri Sidhartha Pradhan
Public Interest Director	Prof. Umesh Bellur
Shareholder Director	Shri Masil Jeya Mohan P
Shareholder Director	Shri Nayan Mehta
Managing Director & CEO	Shri Nehal Vora

All Directors of the Company are "fit and proper person" in terms of regulation 23 of the SEBI (D & P) Regulations, 2018.

### Change in the composition of the Governing Board of Directors during the FY 2020- 2021:

Shri Nayan Mehta was liable to retire by rotation at the 22<sup>nd</sup> AGM of the Company held on September 15, 2020. Accordingly, he was reappointed as Shareholder Director at AGM on September 15, 2020 by shareholders. Further, SEBI had also approved appointment of Shri Nayan Mehta effective October 26, 2020.

**Number of other Directorship or Committees/Membership in which the Directors are member or chairperson as on March 31, 2021 are as under:**

Name of the Director	No. of Directorships in other companies	No. of Board Committee memberships in other companies	No. of Chairmanships in Board of other companies	No. of Chairmanships in Committees of other companies
Shri Balkrishna V Chaulal	Nil	Nil	Nil	Nil
Prof (Dr.) Bimalkumar N Patel	01	Nil	Nil	Nil
Smt. Preeti Saran	02	01	Nil	01
Shri Sidhartha Pradhan	02	02	Nil	01
Prof. Umesh Bellur	01	Nil	Nil	Nil
Shri Masil Jeya Mohan P	Nil	Nil	Nil	Nil
Shri Nayan Mehta	03	Nil	Nil	Nil
Shri Nehal Vora	Nil	Nil	Nil	Nil

Note:

- Pertains to membership/chairpersonship of the Audit & Stakeholders Relationship Committee constituted under Companies Act, 2013 and Listing Regulations.
- Exclude directorship in the Company, Private Company, Foreign Company and Company under Section 8 of the Companies Act, 2013.

**Names of other listed entities where the Director is a member and the category of directorship:**

Name of the Director	Names of the Listed Companies	Category of Directorship
Shri Balkrishna V Chaulal	Nil	---
Prof (Dr.) Bimalkumar N Patel	Gujarat State Petronet Limited	Non-Executive - Independent Director
Smt. Preeti Saran	PTC India Limited	Non-Executive - Independent Director
Shri Sidhartha Pradhan	Petronet LNG Limited	Non-Executive - Independent Director
Prof. Umesh Bellur	Nil	---
Shri Masil Jeya Mohan P	Nil	---
Shri Nayan Mehta	Nil	---
Shri Nehal Vora	Nil	---

**a) Details of attendance of the Directors at the Board meetings and the last Annual General Meeting are given as under:**

The Board meets at least once in a quarter inter alia to review the quarterly financial results and operations of the Company. In addition, the Board also meets as and when necessary to address specific issues relating to the business. Eleven Board Meetings were held during the financial year as against the statutory requirement of four Meetings. The gap between any two meetings did not exceed one hundred and twenty days. The details of Board meetings held are given below:

Date	Board Strength	Number of Directors present
May 16, 2020	8	8
May 17, 2020	8	8
June 7, 2020	8	8
July 25, 2020	8	8
September 29, 2020	7	7



Date	Board Strength	Number of Directors present
October 24, 2020	7	7
November 27, 2020	8	8
December 29, 2020	8	8
January 31, 2021	8	8
February 7, 2021	8	8
March 25, 2021	8	7

The details about attendance of the Directors at the Board Meetings and at the 22<sup>nd</sup> Annual General Meeting (AGM) held on September 15, 2020 are given below:

Name of the Director	No. of the Board Meetings		Attendance at the last AGM held on September 15, 2020
	Held during the Tenure of Directors	Attended	
Shri Balkrishna V Chaubal	11	11	Y
Prof (Dr.) Bimalkumar N Patel	11	11	Y
Smt. Preeti Saran	11	11	Y
Shri Sidhartha Pradhan	11	11	Y
Prof. Umesh Bellur	11	10	N
Shri Masil Jeya Mohan P	11	11	Y
Shri Nayan Mehta	09	09	Y
Shri Nehal Vora	11	11	Y

Note:

1. Shri Nayan Mehta was reappointed by the members at the 22<sup>nd</sup> AGM of the Company, subject to approval from SEBI.
2. Due to business exigencies, certain resolutions were passed through Circular Resolutions.

**b) Disclosure of relationships between directors inter-se**

None of the directors of the Company are related to each other falling within the definition of Relative as defined in section 2 (77) of the Companies Act, 2013.

**c) Number of shares and convertible instruments held by Non- executive Directors as on March 31, 2021**

None of the Non-executive Directors hold shares of the Company as on March 31, 2021. The Company has not issued any convertible instruments.

**d) Web link where details of familiarisation programmes imparted to independent directors is disclosed.**

The details of the familiarisation programmes imparted to independent directors is available at the website of the Company <https://www.cdslindia.com/InvestorRels/CorporateGovernance.html>.

**e) Skills/expertise/competence of the board of directors:**

The Company currently has Public Interest Directors and Shareholder Directors on the Governing Board who possess the skills, expertise, qualifications and experience in general corporate management, public administration, taxation, information technology, finance, banking, securities markets, legal and other allied fields. The said skills/expertise/competencies are identified to be essential in the context of the Business of the Company for it to function effectively.

Sr. No.	Names	Skills/ Expertise/ Competence
1	Shri Balkrishna V Chaubal	<p>Shri Chaubal retired as Deputy Managing Director of State Bank of India, after serving for more than 38 years with the bank. As Deputy Managing Director he was overall in-charge of global markets' operations involving bank's investments and forex. His role inter alia included formulation of policy as well as strategy, ensuring regulatory compliance like maintenance of CRR/SLR, managing liquidity through money market operations and contributing to investment decisions, Asset Liability Management and Market Risk Management.</p> <p>Shri Chaubal has also been a visiting professor at the National Institute of Bank Management, Pune, specializing in commercial banking, corporate governance and strategy.</p> <p>He holds a Bachelor's degree in Science from the Institute of Science Nagpur and Master's degree in Physics from the Indian Institute of Technology, (Powai) Mumbai. He is a Fellow of the Indian Institute of Banking &amp; Finance.</p>
2	Prof (Dr.) Bimalkumar N Patel	<p>Prof. (Dr.) Patel is Vice-chancellor of Rashtriya Raksha University, (an Institution of National Importance), Member of the National Security Advisory Board (the Government of India) and Member of the 21<sup>st</sup> Law Commission of India (the Government of India). He is also a Member of Financial Sector Regulatory Appointments Search Committee (the Government of India).</p> <p>Prior to joining our Board, he was the Director / Professor of Public International Law at Gujarat National Law University. He holds a PhD (International Law, Leiden University, 2015); PhD (International Law, Jaipur); LLM (International Law, Leiden University, 1999), MA (International Relations, University of Amsterdam, 1996), the Netherlands.</p>
3	Smt. Preeti Saran	<p>Smt. Preeti Saran joined the Indian Foreign Service in 1982. She has spent a career spanning 36 years as a professional diplomat, serving overseas as well as in India. She retired as Secretary (East), Ministry of External Affairs. She also served as India's Ambassador to Vietnam and the Indian Consul General in Toronto. Her professional expertise includes relations with India's neighbourhood, the Americas, East and Southeast Asia. She has experience in multilateral work and in the Indian Council for Cultural Relations. Her other overseas assignments were at the Indian Missions in Moscow, Dhaka, Cairo and Geneva. Currently, Smt. Saran is a Member of the Geneva-based United Nations' Committee on Economic, Social and Cultural Rights. She is also a Member of the Governing Body and Governing Council of the Indian Council of World Affairs.</p> <p>Smt. Preeti Saran holds a B.A. (Honours) English and M.A. (English) degree from Delhi University.</p>
4	Shri Sidhartha Pradhan	<p>Shri Sidhartha Pradhan joined Indian Revenue Service in 1977 batch. He has worked in various capacities, both in Central Government and Government of Orissa. Worked as Additional Commissioner and Commissioner, Income Tax (Central), Delhi. He also worked as Secretary, Public Enterprises, Government of Orissa from 1995-2000 and as Special Secretary (Commerce), Government of Orissa. He is Former Vice- Chairman, Income Tax Settlement Commission and Former Additional Secretary, Department of Disinvestment in the Ministry of Finance. He is Currently Member of a High-Level Committee of Ministry of Petroleum &amp; Natural Gas relating to Petroleum Sector Restructuring.</p> <p>Shri Sidhartha Pradhan did his Senior Cambridge at Stewart School Cuttack; B.A. (Pol Science) from Ravenshaw College Cuttack; M.A. (Pol. Science) from JNU, New Delhi, M.Phil from JNU; LLB from Utkal University and MBA from University of HULL, England.</p>

Sr. No.	Names	Skills/ Expertise/ Competence
5	Prof. Umesh Bellur	<p>Prof. Bellur is Head at Department of Computer Science &amp; Engineering, IIT Bombay, Mumbai.</p> <p>He has completed his PhD, Department of Computer Science and Engineering from Syracuse University, Syracuse, NY USA and B.E., Electronics and Communication Engineering from Bangalore University.</p>
6	Shri Masil Jeya Mohan P.	<p>Shri Masil Jeya Mohan P. joined LIC in the year 1986. He has a wide range of experience in different assignments in LIC as Asstt. Branch Manager, Manager(IT), Manager (NB &amp; Actuarial), Manager (HR), Regional Manager (HR), Regional Manager (Estates), Fund Manager of Pension &amp; Group Scheme Fund, Chief (ULIP Operations) and Executive Director (Investment).</p> <p>Shri Masil Jeya Mohan P. is Science Graduate with MBA Degree.</p>
7	Shri Nayan Mehta	<p>Shri Nayan Mehta is the Chief Financial Officer of BSE Ltd. He has extensive experience of over 29 years in financial and securities market, especially in Exchange and its ecosystem businesses. Prior to joining BSE, Mr. Nayan Mehta has worked with National Stock Exchange of India Ltd. (NSE), Multi Commodity Exchange of India Ltd. (MCX) and Credit Analysis &amp; Research Ltd. (CARE Ratings).</p> <p>Shri Nayan Mehta is a member of Executive Management Committee and other committees of BSE Ltd. He is also a Director and a member in various committee of BSE's subsidiaries and associate companies.</p> <p>He served as Senior Vice Chairman of the South Asian Federation of Exchanges for the period 2015-2017. He also served as a member of Qualified Audit Report Review Committee of the Securities and Exchange Board of India. He is also a member of the Confederation of Indian Industry (CII) National Committee for CFOs.</p> <p>Shri Nayan Mehta is a Chartered Accountant and a Cost &amp; Management Accountant by qualification.</p>
8	Shri Nehal Vora	<p>Shri Nehal Vora is the Managing Director &amp; Chief Executive Officer of Central Depository Services (India) Ltd. (CDSL) since September 24, 2019. CDSL under his leadership, has emerged as the leading Depository of India. CDSL is the first and only depository to be listed on the stock exchange in Asia and the first and the only depository to launch operations at the International Financial Services Centre (IFSC) at the GIFT City, Gandhinagar, India. Nehal's endeavour as the helm at CDSL is to build a robust franchise built on a foundation of fair and transparent governance framework coupled with a strong digital footprint.</p> <p>He is also a Director on the Board of AIC-NMIMS Incubation Centre, launched by NMIMS – a premier B school in India, in collaboration with NITI Aayog, Government of India.</p> <p>He is also a member of the Market Data Advisory Committee (MDAC) and Secondary Market Advisory Committee (SMAC) of SEBI. He is also the Chairman of the Working Group – IB (Secondary Markets) of the MDAC.</p>

Sr. No.	Names	Skills/ Expertise/ Competence
		<p>Shri Vora has over 25 years of experience across diverse segments in Capital Markets. In his earlier role as the Chief Regulatory Officer of BSE Limited and the member of the Executive Leadership Team, he drove regulatory excellence through membership compliance, surveillance, inspection, investigation, regulatory communication, investor services, listing compliance and regulatory legal teams. He began his career with Securities and Exchange Board of India (SEBI) in 1996. Amongst some of his key achievements at SEBI, he was instrumental in implementing the T+2 rolling settlement, risk containment system in the derivatives market in India and the system of mandatory Straight through Processing for the Institutional trades for the Indian Securities Markets.</p> <p>Shri Vora has also headed the Broking and Investment Banking Compliance at a leading brokerage house- DSP Merrill Lynch Ltd, as the Director, Law and Compliance. He has been felicitated with Distinguished awards including NetApp Innovation Award 2019, Compliance Champion award in 2018, IDC Digital Transformation Awards under the Dx Leader Information FOW Global Investors Group at the Asia Capital Markets Awards in 2017 for Best New Product in Market Surveillance. In recognition of his commitment and dedication to the Compliance Function at DSP Merrill Lynch, he was awarded OGC Living the Mission Award in 2008 by Merrill Lynch amongst many others and latest being recognised as the Distinguished Alumnus at H. R. College of Commerce and Economics. He is a guest speaker at various international forums including the IOSCO Harvard Training program for securities market regulators, conferences and is also a lecturer at the National Institute of Securities Markets (NISM).</p>

**f) Confirmation that Independent Directors are independent of the management**

In the opinion of the board, the independent directors fulfill the conditions specified in the Listing regulations and are independent of the management.

**3) Committees of the Board**

There are 10 Committees of the Board as prescribed under the Companies Act, 2013, the Listing Regulations and the SEBI (Depository and Participant) Regulations 2018 viz. Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee, Member Committee, Regulatory Oversight Committee, Risk Management Committee, Grievance Redressal Committee, Standing Committee on Technology and Advisory Committee.

**A. Audit Committee**

The constitution of Audit Committee is in compliance with the provisions of section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (LODR) Regulations, 2015.

**a. Terms of Reference of Audit Committee:**

- 1) oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the

financial statement is correct, sufficient and credible;

- 2) recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
- 3) approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- 4) reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - (a) matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - (b) changes, if any, in accounting policies and practices and reasons for the same;
  - (c) major accounting entries involving estimates based on the exercise of judgment by management;
  - (d) significant adjustments made in the

- financial statements arising out of audit findings;
- (e) compliance with listing and other legal requirements relating to financial statements;
  - (f) disclosure of any related party transactions;
  - (g) modified opinion(s) in the draft audit report;
  - (h) the going concern assumption;
  - (i) compliance with accounting standards;
  - (j) compliance with stock exchange and legal requirements concerning financial statements, to the extent applicable.
- 5) reviewing, with the management, the quarterly financial statements before submission to the board for approval;
  - 6) reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
  - 7) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
  - 8) approval or any subsequent modification of transactions of the listed entity with related parties;
  - 9) scrutiny of inter-corporate loans and investments;
  - 10) valuation of undertakings or assets of the listed entity, wherever it is necessary;
  - 11) evaluation of internal financial controls and risk management systems;
  - 12) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
  - 13) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
  - 14) discussion with internal auditors of any significant findings and follow up there on;
  - 15) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
  - 16) discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
  - 17) to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
  - 18) to review the functioning of the whistle blower mechanism;
  - 19) approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
  - 20) The audit committee shall mandatorily review the following information:
    - a. management discussion and analysis of financial condition and results of operations;
    - b. statement of significant related party transactions (as defined by the audit committee), submitted by management;
    - c. management letters / letters of internal control weaknesses issued by the statutory auditors;
    - d. internal audit reports relating to internal control weaknesses; and
    - e. the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
    - f. Statement of deviations:



- (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
- (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).
- 21) Any related party transactions i.e. transactions of the company of material nature, with promoters or the management, their subsidiaries or relatives etc. that may have potential conflict with the interest of company at large;
  - 22) Reviewing the company's financial and risk management policies;
  - 23) To review the financial statements, in particular, the investments made by the unlisted subsidiary company;
  - 24) To formulate the scope, functioning, periodicity and methodology for conducting the internal audit in consultation with the Internal Auditor;
  - 25) Evaluation of internal financial controls and risk management systems;
  - 26) To appoint a person having such qualifications and experience and registered as a valuer in such manner, on such terms and conditions as may be prescribed and appointed by the audit committee for valuation, if required to be made, in respect of any property, stocks, shares, debentures, securities or goodwill or any other assets or net worth of a company or its liabilities;
  - 27) To ensure proper system for storage, retrieval, display or printout of the electronic records as deemed appropriate and such records shall not be disposed of or rendered unusable, unless permitted by law;
  - 28) Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision;
  - 29) To review the performance of the investments made on time to time basis in line with the investment policy for investment of surplus funds of the Company;
  - 30) To review compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, and verify that the systems for internal controls are adequate and are operating effectively.
- b. Composition of the Committee**
- The Audit Committee consists of 6 non-executive Directors, out of which two third (4 independent Directors) are Independent/ Public Interest Directors. The members on the Audit Committee possess expertise in the fields of finance, accounting, banking and capital market. The Statutory Auditors, internal and concurrent auditors and heads of functional departments are permanent invitees to the Audit Committee meetings. The Company Secretary acts as the secretary to the Committee. The scope of activities and terms of reference of the Audit Committee is as set out in Regulation 18 read with Part C of schedule II of the Listing Regulations along with Section 177 of the Companies Act, 2013.
- The composition of Audit Committee as on March 31, 2021 is as follow:
1. Shri Sidhartha Pradhan, Chairperson, Public Interest Director
  2. Shri Balkrishna V Chaulal, Public Interest Director
  3. Prof (Dr.) Bimalkumar N Patel, Public Interest Director
  4. Prof. Umesh Bellur, Public Interest Director
  5. Shri P Masil Jeya Mohan, Shareholder Director
  6. Shri Nayan Mehta, Shareholder Director
- c. Changes in the Audit Committee during the year:**
- Prof. (Dr.) Bimalkumar N Patel, Public Interest Director, was inducted in the Audit Committee on April 30, 2020.
- d. Meetings and Attendance**
- The Committee met eight times during the FY

2020-21. The details of the meetings held during the FY 2020-21 are as follows:

Date	Strength	Number of Members present
May 16, 2020	6	6
June 7, 2020	6	6
July 25, 2020	6	6
October 07, 2020	5	5
October 24, 2020	5	5
November 27, 2020	6	6
January 31, 2021	6	6
March 25, 2021	6	5

The record of attendance of the members of the Committee at these meetings is given hereunder:

Sr. No.	Name of the member	No. of meetings held during the tenure	No. of meetings attended
1.	Shri Sidhartha Pradhan	8	8
2.	Shri Balkrishna V Chaubal	8	8
3.	Prof (Dr.) Bimalkumar N Patel	8	8
4.	Prof. Umesh Bellur	8	7
5.	Shri Nayan Mehta	6	6
6.	Shri Masil Jeya Mohan P.	8	8

#### B. Nomination and Remuneration Committee:

The constitution of Nomination and Remuneration Committee is in compliance with the provisions of section 178 of the Companies Act, 2013, regulation 19 of the listing regulation and regulation 28 of the SEBI (Depositories & Participants) Regulations, 2018.

##### a. Terms of reference for Nomination & Remuneration Committee

- (i) Identifying a Key Management Personnel, other than personnel as specifically provided in its definition under listing Regulations
- (ii) Lay down the policy for compensation of Key Management Personnel in terms of the compensation norms prescribed by SEBI;
- (iii) Determining the compensation of KMPs in terms of the compensation policy;
- (iv) Determining the tenure of a Key Management Personnel, other than a director, to be posted in a regulatory department;
- (v) Selecting the Managing Director;
- (vi) Framing & reviewing the performance review policy to carry out evaluation of every director's performance, including that of Public Interest Director (PID);
- (vii) Recommending whether to extend the term of appointment of the PID;
- (viii) Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board of Directors a policy relating to, the remuneration of the Directors, Key Managerial Personnel and other employees;
- (ix) Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors;
- (x) Devising a policy on diversity of Board of Directors;
- (xi) Identifying persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal;
- (xii) Recommending whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of independent directors;

- (xiii) Recommend to the board, all remuneration, in whatever form, payable to Senior Management;
- (xiv) To discharge the function as Nomination and Remuneration Committee under the Companies Act, 2013 and Listing Regulations as amended from time to time.

**b. Composition of the Nomination and Remuneration Committee**

The composition of Nomination and Remuneration Committee as on March 31, 2021 is as follow:

1. Smt. Preeti Saran, Chairperson, Public Interest Director
2. Prof (Dr.) Bimalkumar N. Patel, Public Interest Director
3. Shri Balkrishna V Chaubal, Public Interest Director

**c. Changes in the Nomination and Remuneration Committee during the year:**

No Changes in the Nomination and Remuneration Committee during the year.

**d. Meeting and Attendance**

The Committee met six times during the FY 2020-21. The details of the meetings held during the FY 2020-21 are as follows:

Date	Strength	Number of Members present
May 15, 2020	3	3
June 06, 2020	3	3
July 24, 2020	3	3
December 29, 2020	3	3
January 29, 2021	3	3
March 24, 2021	3	3

The record of attendance of the members of the Nomination and Remuneration Committee meeting is given hereunder:

Sr. No.	Name of the member	No. of meetings held during the tenure	No. of meetings attended
1.	Smt. Preeti Saran	6	6
2.	Shri Balkrishna V Chaubal	6	6
3.	Prof (Dr.) Bimalkumar N Patel	6	6

**e. Performance evaluation criteria for Directors:**

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

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, the Board as a whole, its Committees and the Chairperson of the Company has been carried by your Company during the year under review as per the evaluation criteria (such as the Board composition and structure, effectiveness of board processes, information and functioning, etc) approved by the Board and based on guidelines given in Schedule IV to the Companies Act, 2013, SEBI circular dated January 5, 2017 which provides further clarity on the process of Board Evaluation ("SEBI Guidance Note") and SEBI circular dated February 5, 2019.

The evaluation of independent directors was done by the entire board of directors including performance of the directors and fulfillment of the independence criteria as specified in SEBI (LODR) Regulations, 2015 and their independence from the management. The independent directors who were subject to evaluation did not participate.

**Disclosures on Board Evaluation:**

1.	Observations of board evaluation carried out for the year.	No observations.
2.	Previous year's observations and actions taken.	Since no observations were received, no actions were required to be taken.
3.	Proposed actions based on current year observations.	Since no observations were received, no actions were required to be taken.

**External Evaluation of Public Interest Directors:**

As per SEBI (Depository & Participants) Regulations, 2018, Public Interest Directors shall be nominated by SEBI on the Board of a depository for an initial term of three years, extendable by another term of three years subject to performance review prescribed by SEBI. SEBI vide its circular dated February 5, 2019, has mandated the Public Interest Directors of Depository to be subject to an external evaluation during the last year of their term by a management or a human resource consulting firm.

For the year under review, none of the Public Interest Director were liable to be evaluated by External Agency.

**C. Stakeholders Relationship Committee:**

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

**a. Terms of reference of Stakeholders Relationship Committee:**

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

**b. Composition of the Stakeholders Relationship Committee**

The following Directors are members of the Committee as on March 31, 2021:

1. Prof (Dr.) Bimalkumar N Patel, Public Interest Director – Chairperson
2. Prof. Umesh Bellur, Public Interest Director
3. Shri Nehal Vora, Managing Director & CEO

**c. Changes in the Stakeholders Relationship Committee during the financial year:**

Prof (Dr.) Bimalkumar N Patel was inducted as the Chairperson of Stakeholder Relationship Committee w.e.f. April 30, 2020.

Shri Umesh Bellur was inducted as member of Stakeholder Relationship Committee w.e.f. April 30, 2020.

**d. Meeting and Attendance**

The Committee met once during the FY 2020-21 i.e. on July 24, 2020. The record of attendance of the members of the Committee at these meetings is given hereunder:

Sr. No.	Name of the Member	No. of meetings held during the tenure	No. of meetings attended
1.	Prof (Dr.) Bimalkumar N Patel	1	1
2.	Prof. Umesh Bellur	1	1
3.	Shri Nehal Vora	1	1

**e. Disclosures with respect to Stakeholders Relationship Committee**

Sr. No.	Particulars	Details
1.	Name of non-executive director heading the Committee	Prof (Dr) Bimalkumar N Patel
2.	Name and designation of Compliance Officer	Smt. Amita Paunikar*
3.	Number of shareholders' complaints received so far	02
4.	Number not solved to the satisfaction of shareholders	Nil
5.	Number of pending complaints	Nil

\*Smt. Amita Paunikar resigned from the services of the Company with effect from April 05, 2021. Smt. Nisha Tiwari has been temporarily designated as Compliance officer as per Listing Regulations.

**D. Corporate Social Responsibility Committee :**

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

**a. Terms of reference of Corporate Social Responsibility Committee:**

- (i) To formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII of the Companies Act, 2013.
- (ii) To recommend the amount of expenditure to be incurred on the CSR and to monitor the Corporate Social Responsibility Policy of the company from time to time.

**b. Composition of the Corporate Social Responsibility Committee**

The following Directors are members of the Committee as on March 31, 2021:

1. Smt. Preeti Saran, Chairperson, Public Interest Director
2. Shri Masil Jeya Mohan P, Shareholder Director
3. Shri Nehal Vora, Managing Director & CEO

**c. Changes in the Corporate Social Responsibility Committee during the year:**

No Changes in the Corporate Social Responsibility Committee during the year.

**d. Meeting and Attendance**

The Committee met three times in the FY 2020-21. The details of the meetings held during the FY 2020-21 are as follows:

Date	Strength	Number of Members present
June 06, 2020	3	3
October 13, 2020	3	3
March 15, 2021	3	3

The record of attendance of the members of the Committee at these meetings is given hereunder:

Sr. No.	Name of the member	No. of meetings held during the tenure	No. of meetings attended
1.	Smt. Preeti Saran	3	3
2.	Shri Nehal Vora	3	3
3.	Shri Masil Jeya Mohan P	3	3

**E. Meeting of Independent Directors (Public Interest Directors) :**

As prescribed under clause VII of Schedule IV of the Companies Act, 2013 as well clause (ii) of part B of schedule III of SEBI (Depositories and Participants) Regulations, 2018 and Regulation 25 of the Listing Regulations, the Public Interest Directors have met separately, on May 14, 2020, October 22, 2020 and March 24, 2021 to exchange their views on critical issues and on the actions points laid down by SEBI.



**a. Terms of reference of Meeting of Independent Directors:**

1. Reviewing the status of compliance with SEBI letters/ circulars;
2. Reviewing the functioning of regulatory departments including the adequacy of resources dedicated to regulatory functions, etc;
3. PIDs shall also prepare a report on the working of the committees of which they are member and circulate the same to other PIDs;
4. The consolidated report in this regard shall be submitted to the governing board of the Company;
5. PIDs shall identify the important issues which may involve conflict of interest for the Company or may have significant impact on the market and report the same to SEBI, from time to time;
6. To exchange views on critical issues.

**b. No Public Interest Directors were appointed or ceased to be directors on the Governing Board of the Company during the FY 2020-21.****c. Meeting and Attendance**

The Public Interest Directors met thrice during the FY 2020-21. The details of the meetings held during the year 2020-21 are as follows:

Date	Strength	Number of Members present
May 14, 2020	5	5
October 22, 2020	5	5
March 24, 2021	5	5

The record of attendance of the Public Interest Directors is given hereunder:

Sr. No.	Name of the member	No. of meetings held during the tenure	No. of meetings attended
1.	Shri Balkrishna V Chaubal	3	3
2.	Prof (Dr) Bimalkumar N Patel	3	3
3.	Smt. Preeti Saran	3	3
4.	Shri Sidhartha Pradhan	3	3
5.	Prof. Umesh Bellur	3	3

**F. Risk Management Committee**

The Risk Management Committee is constituted as per requirement of the Companies Act 2013, Regulation 21 of the Listing Regulations, 2015, Regulation 30 of SEBI (Depositories & Participants) Regulations, 2018 and SEBI circular dated January 30, 2019.

**a. Terms of Reference of Risk Management Committee**

1. To formulate a detailed risk management policy which shall be approved by the governing board;
2. To review the Risk Management Framework & risk mitigation measures from time to time;
3. To monitor and review enterprise-wide risk management plan and lay down procedures to inform Board members about the risk assessment and minimization procedures;
4. The head of the risk management department shall report to the risk management committee and to the Managing Director of the depository;
5. The risk management committee shall monitor implementation of the risk management policy and keep the Board and the governing board informed about its implementation and deviation, if any;
6. To assess and monitor the risks pertaining to cyber security;
7. To assess and mitigate the risk involved in Depository and Depository Participants;

8. Responsibilities and other requirements provided in SEBI Circular dated January 12, 2015;
9. To monitor and review the risk management plan and such other functions as it may deem fit such function shall specifically cover cyber security.

**b. Composition of the Committee**

The composition of Risk Management Committee as on March 31, 2021 is as below:

1. Shri Sidhartha Pradhan, Chairperson, Public Interest Director
2. Prof. Umesh Bellur, Public Interest Director
3. Smt. Preeti Saran, Public Interest Director
4. Shri Nilesh Vikamsey, Independent External Person
5. Shri Viraj Londhe, Independent External Person

**c. Changes in the Risk Management Committee during the FY:**

No Changes in the Risk Management Committee during the FY.

**d. Meetings and Attendance**

The Committee met three times during the FY 2020-21. The details of the meetings held during the FY 2020-21 are as follows:

Date	Strength	Number of Members present
April 26, 2020	5	5
October 13, 2020	5	5
January 24, 2021	5	4

The record of attendance of the members of the Committee at these meetings is given hereunder:

Sr. No.	Name of the member	No. of meetings held during the tenure	No. of meetings attended
1.	Shri Sidhartha Pradhan	03	03
2.	Smt. Preeti Saran	03	03
3.	Prof. Umesh Bellur	03	03
4.	Shri Viraj Londhe	03	03
5.	Shri Nilesh Vikamsey	03	02

**Details on Statutory Committees mandated under Regulation 30 of the SEBI (Depository and Participants) Regulations, 2018 as below:**

SEBI vide its circular SEBI/HO/MRD/DOP2DSA2/CIR/P/2019/13 dated January 10, 2019, mandated constitution of the below mentioned committees:

Sr. No.	Name of the Committee	Committee Members
1.	Member Committee	<ol style="list-style-type: none"> <li>1. Prof (Dr.) Bimalkumar N. Patel, Chairperson, Public Interest Director</li> <li>2. Shri Balkrishna V Chaulal, Public Interest Director</li> <li>3. Shri Sidhartha Pradhan, Public Interest Director</li> <li>4. Shri Nehal Vora, Managing Director &amp; CEO</li> <li>5. Shri G. Anantharaman, Independent External Person</li> <li>6. Shri J. Ranganayakulu, Independent External Person</li> </ol>

Sr. No.	Name of the Committee	Committee Members
2.	Standing Committee on Technology	1. Prof. Umesh Bellur, Chairperson, Public Interest Director 2. Shri Balkrishna V Chaubal, Public Interest Director 3. Smt. Preeti Saran, Public Interest Director 4. Shri Nehal Vora, Managing Director & CEO 5. Shri N. Rajendran, Independent External Person 6. Shri Murli Nambiar, Independent External Person
3.	Advisory Committee*	1. Shri Balkrishna V Chaubal, Chairperson, Public Interest Director 2. Shri Naresh Yadav, Independent External Person 3. Shri Rakesh Bhandari, Independent External Person 4. Shri Nithin Kamath, Independent External Person 5. Shri Dhiraj Relli, Independent External Person 6. Shri Sriram Krishnan, Independent External Person 7. Shri Ajay Menon, Independent External Person 8. Shri Nilesh Gokral, Independent External Person 9. Shri Neeraj Choksi, Independent External Person 10. Shri Ajay Garg, Independent External Person 11. Shri Anand Dutt, Independent External Person 12. Shri Anuj Rathi, Independent External Person
4.	Regulatory Oversight Committee	1. Prof (Dr.) Bimalkumar N Patel, Chairperson, Public Interest Director 2. Shri Sidhartha Pradhan, Public Interest Director 3. Prof. Umesh Bellur, Public Interest Director 4. Shri V. R. Narasimhan, Independent External Person
5.	Grievance Redressal Committee	1. Shri. Sunil Kapadia 2. Shri. Vithal Dahake 3. Shri. Nusrat S Hassan 4. Shri Vijay Kumar Gupta 5. Shri Uday Tardalkar 6. Shri Dhruvkumar Patil 7. Shri Pravin Mulay

\*The Advisory Committee was reconstituted on October 15, 2020, due to following reasons:

Company received an intimation vide email dated August 28, 2020 that Shri Pravin Jadhav who was a part of the Advisory Committee, was not working with Paytm Money anymore.

Company also received an email dated September 21, 2020 that Shri Aditya Sharma, who was one of the members of the Advisory Committee, could not be member of the committee due to policy of his employer.

#### 4) Remuneration of Directors

##### Details of remuneration paid to the Directors

##### (a) Non-Executive Directors:

The Non-Executive Directors are paid remuneration by way of sitting fees. The Company pays sitting fee of ₹ 1,00,000/- for attending each Board meeting and ₹ 75,000/- for attending each Committee meetings to the Non-Executive Directors.

Details of the sitting fees paid to the Non-Executive Directors during the FY 2020-21 are as under:

Sr. No.	Name of the Director	Director Identification Number	Salary (₹)	Commission (₹)	Sitting fee (₹)	Other compensation (₹)	Total (₹)
1	Shri Balkrishna V Chaubal	06497832	0	0	32,00,000	0	32,00,000
2	Prof (Dr.) Bimalkumar N Patel	03006605	0	0	30,50,000	0	30,50,000
3	Smt. Preeti Saran	08606546	0	0	26,75,000	0	26,75,000
4	Shri Sidhartha Pradhan	06938830	0	0	27,50,000	0	27,50,000
5	Prof. Umesh Bellur	08626165	0	0	27,25,000	0	27,25,000
6	Shri Masil Jeya Mohan P.	08502007	0	0	19,25,000	0	19,25,000
7	Shri Nayan Mehta	03320139	0	0	15,00,000	0	15,00,000

**Note:**

- Sitting Fees to the Shareholder Director are paid to the Nominating Institutions.
- The Company has not granted any Stock Options to any of its Directors.
- All the above Non-Executive Directors did not have any other pecuniary relationship or transactions with the Company during FY 2020-21

**(b) Executive Director:**

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

Remuneration paid to Shri Nehal Vora, Managing Director & CEO	Amount in ₹
Salary	1,91,42,484
Perquisites	6,12,044
Performance Linked Bonus (Other compensation)	25,40,417
<b>Total</b>	<b>2,22,94,945</b>

**5) General Body Meetings:**

**a) Details of Last three AGMs held:**

Meeting Number	20 <sup>th</sup> Annual General Meeting	21 <sup>st</sup> Annual General Meeting	22 <sup>nd</sup> Annual General Meeting
Day & Date	Monday, August 20, 2018	Tuesday, September 17, 2019	Tuesday, September 15, 2020
Time	4.00 p.m	3.30 p.m	3.30 p.m
Venue	P. L. Deshpande Maharashtra Kala Academy, Ravindra Natya Mandir, Near Shri Siddhivinayak Ganapati Mandir, Sayani Road, Prabhadevi, Mumbai- 400025.	Walchand Hirachand Hall, IMC Chamber of Commerce and Industry, 4 <sup>th</sup> Floor, IMC Building, IMC Marg, Churchgate, Mumbai - 400020	Through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM")
Book Closure/Record date	August 12, 2018	September 10, 2019	September 08, 2020
Payment of Dividend	₹ 3.50 per share i.e 35%	₹ 4.00 per share i.e 40%	₹ 4.50 per share i.e 45%
Dividend payment date	August 20, 2018	September 19, 2019	September 29, 2020

Meeting Number	20 <sup>th</sup> Annual General Meeting	21 <sup>st</sup> Annual General Meeting	22 <sup>nd</sup> Annual General Meeting
No. of Special resolutions set out at the AGM	1	-	-
Details of special resolution	Approval for Investment in excess of limits stated in section 186 of the Companies Act, 2013	-	-

The special resolution(s) set out in the notice(s) of the Annual General Meeting(s) was passed by the shareholders at the respective Annual General Meeting with requisite majority.

**b) Special resolution passed last year through postal ballot – details of voting pattern**

No special resolution was passed in the last year through postal ballot.

**c) whether any special resolution is proposed to be conducted through postal ballot**

No

**6) Directors with materially significant, pecuniary or business relationship with the Company:**

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

**7) Disclosures under Regulation 31(3) of SEBI (Depositories & Participants) Regulations, 2018**

The Company being a recognized listed depository is governed by SEBI and ensures compliance with various regulations and guidelines applicable to the Company including the SEBI (D&P) Regulations, 2018. Your Company aims at implementing the best governance practices and disclosure norms as a Listed Market Infrastructure Intermediary. The Regulatory departments constituted to strengthen the regulatory functions and ensuring compliance with the regulatory requirements, are headed by senior officials of the Company, who reports to the Managing Director & CEO.

The Company has incurred direct and indirect expenses for the FY 2020-21, towards the resources committed for strengthening regulatory functions and ensuring compliance with the regulatory requirements amounted to ₹ 3,795.50 Lakhs as per activity-based accounting method.

**8) Disclosure of Compensation paid to Key Management Personnel pursuant to Regulation 28 (5) and 28 (6) of the SEBI (Depositories & Participants) Regulations, 2018:**

Sr. No	Name	Designation	Compensation Paid (₹)	Ratio of Compensation paid vis-a-viz. median of compensation paid to other employees
1.	Nayana Ovalekar	Chief Regulatory Officer	15,649,073	15.13
2.	Ramkumar K.	Chief of Business & Operation	13,333,009	12.89
3.	Amit Mahajan	Chief Technology Officer	11,020,410	10.66
4.	Girish Amesara	Chief Financial Officer	84,25,226	8.15
5.	Yogesh Kundnani	Vice President	88,12,040	8.52
6.	Farokh Patel	Vice President	71,58,799	6.92
7.	Ashish Bhatt	Vice President	39,15,435	3.79
8.	Vishwas Nagle	Vice President	54,11,851	5.23
9.	Prithwjit Dinda	Vice President	63,55,862	6.15
10.	Nitin Ambure	Vice President	42,24,908	4.09
11.	Amita Paunikar	Vice President	40,10,951	3.88
12.	Swaroopkumar Gothi	Vice President	22,88,518	2.21
13.	Rajesh Nadkarni	Vice President	34,93,839	3.38

Note; The above compensation paid includes leave encashment made during the year and excludes company's contribution to provident fund.

## 9) Means of Communications:

**Your Company focuses on prompt, continuous and efficient communication to all its stakeholders.**

### Financial Results and newspaper publications

The quarterly, half yearly and annual financial results of the Company are intimated to the Stock Exchange immediately after they are approved by the Board and are published in the prescribed format within 48 hours of the conclusion of meeting of the Board in which they are considered, at least in one English newspaper circulating in the whole or substantially the whole of India and one in vernacular newspaper of the State of Maharashtra where the registered office of the Company is situated. Simultaneously these are displayed on website of the Company at <https://www.cdslindia.com/InvestorRels/Financial.html>.

During the FY 2020-21, financial results were published in the following newspapers as detailed below:

Quarter ended	Date of Board Meeting	Date of Publication	Name of the Newspaper
June 30, 2020	July 25, 2020	July 27, 2020	Financial Express and Loksatta
September 30, 2020	October 24, 2020	October 25, 2020	Financial Express and Loksatta
December 31, 2020	January 31, 2021	February 01, 2021	Financial Express and Loksatta
March 31, 2021	May 01, 2021	May 03, 2021	Financial Express and Loksatta

### Presentation to Analysts:

The Company conducted conference calls with analysts on quarterly basis i.e. 4 occasions in the FY 2020-21 on May 20, 2020, July 28, 2020, October 27, 2020, February 03, 2021. The transcripts of the said conference calls are also submitted to the stock exchange and displayed on Company's website. The presentations made to institutional investors or to the analysts are also displayed on Company's website.

The corporate announcements made for any material events are submitted to the stock exchange and displayed on Company's website.

### Annual Reports

The Company had sent Annual Report for the FY 2019-20 through emails to the shareholders.

### Press Releases

Your Company disseminates the Press Releases on its website at [www.cdslindia.com](http://www.cdslindia.com)

## 10) General Shareholder Information:

### a) Twenty-Third Annual General Meeting:

Day & Date	Tuesday, September 21, 2021
Time	03:30 p.m.
Venue	Through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM")
Cut-off date	September 14, 2021
Dividend payment date	30 Days from the date of declaration

### b) Financial Year:

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

### c) Listing on Stock Exchange:

The shares of the Company are listed on:

**National Stock Exchange of India Ltd,**  
Exchange Plaza, Bandra Kurla Complex,  
Bandra (East), Mumbai – 400051

The listing fees for the FY 2020-21 has been paid to the stock exchange.



**d) Stock code**

CDSL

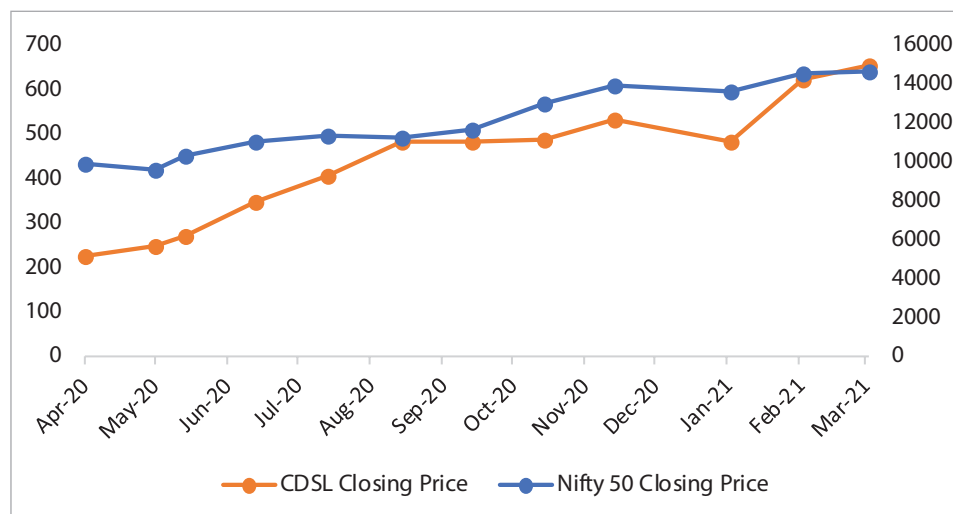
**e) Market Price Data**

The monthly high and low market price of the shares and the quantities traded during the FY 2020-21 on NSE are as follows:

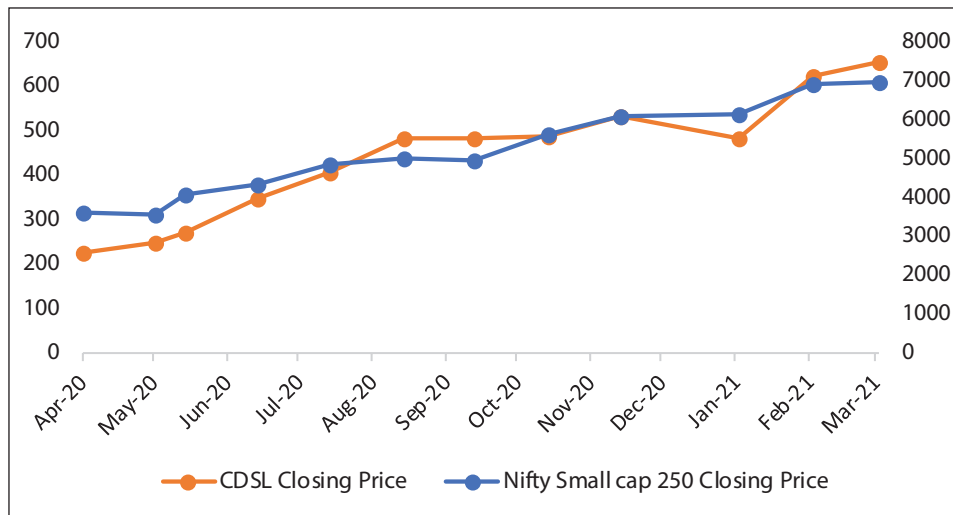
Month	Months High Price (in ₹ Per Share)	Months Low Price (in ₹ Per Share)	No. of Shares Traded
April-2020	238.00	207.85	88,79,931
May-2020	252.70	211.20	1,13,64,667
June-2020	290.55	247.55	1,21,05,118
July -2020	368.00	270.35	3,20,83,901
August-2020	436.00	337.00	3,08,20,976
September-2020	513.90	397.10	6,56,31,603
October-2020	493.60	442.10	2,02,45,684
November-2020	514.85	458.70	2,17,63,972
December-2020	566.40	475.00	3,02,51,539
January-2021	551.00	476.35	1,59,66,922
February-2021	638.00	483.15	3,13,77,061
March-2021	674.00	565.50	2,12,32,161

**f) Performance in comparison to broad based indices**

Performance of share price in comparison to Nifty



Performance of share price in comparison to Nifty smallcap 250



**g) Registrar and Share Transfer Agent**

Link Intime India Private Limited is Registrar and Share Transfer Agent of your Company. They can be communicated at:

**Link Intime India Pvt. Ltd**

247 Park, C-101, L.B.S. Marg,  
Vikhroli (West),  
Mumbai 400083.  
Email: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

**h) Share Transfer System:**

Transfer of shares in physical form has been prohibited from April 1, 2019. SEBI has recently amended relevant provisions of Listing Regulations to disallow listed companies from accepting request for transfer of securities which are held in physical form, with effect from April 1, 2019. The shareholders who continue to hold shares and other types of securities of listed companies in physical form even after this date, will not be able to lodge the shares with the company / its RTA for further transfer. They will need to convert them to demat form compulsorily if they wish to effect any transfer. Only the requests for transmission and transposition of securities in physical form, will be accepted by the Company / its RTA. All the investors who are holding shares etc. in physical form, should consider opening a demat account at the earliest and submit request for dematerialization of their shares in order to protect the liquidity of the shares.

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

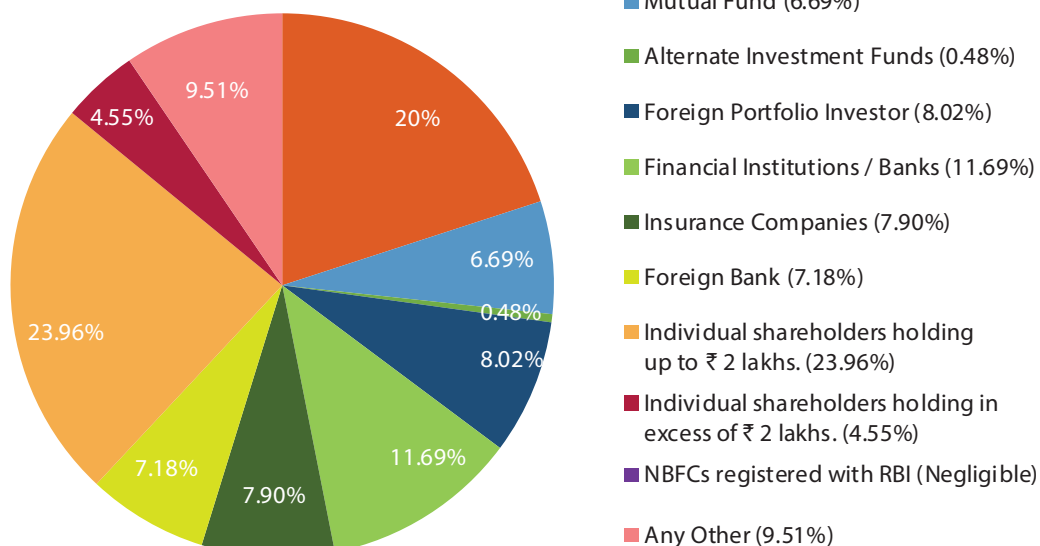
**i) Distribution of shareholding as on March 31, 2021:**

S/ N	Shareholding of Shares	Number of Shareholders	% of Total Shareholders	Shares	% of Total Share Capital
1	Upto 500	170632	9452.14	11598650	1109.92
2	501 to 1000	4820	267.00	3661133	350.35
3	1001 to 2000	2520	139.60	3679768	352.13
4	2001 to 3000	871	048.25	2190139	209.58
5	3001 to 4000	406	022.49	1442324	138.02
6	4001 to 5000	311	017.23	1439083	137.71

S/ N	Shareholding of Shares	Number of Shareholders	% of Total Shareholders	Shares	% of Total Share Capital
7	5001 to 10000	493	027.31	3529457	337.75
8	Above 10000	469	025.98	76959446	7364.54
	<b>TOTAL :</b>	<b>1,80,522</b>	<b>100</b>	<b>104500000</b>	<b>100</b>

Categorywise Shareholding pattern as on March 31, 2021

## Shareholding Pattern



### j) Dematerialization of shares and liquidity

The Company's shares are compulsorily traded in dematerialised form on NSE.

The Company's Equity Shares are liquid and actively traded shares on the NSE.

Bifurcation of the category of shares in physical and electronic mode as on March 31, 2021 is given below:

Category	No. of shares	Percentage (%)
CDSL	52989038	50.71
NSDL	51510652	49.29
Physical	310	0.00
<b>Total</b>	<b>104500000</b>	<b>100%</b>

### k) Outstanding Global Depository Receipts or American Depository Receipts or Warrants or any convertible instruments, conversion date and likely impact on equity:

Not applicable

### l) Commodity price risk or foreign exchange risk and hedging activities

Not applicable

### m) Plant locations

Not applicable

**n) Address for Correspondence:**

Any query on Annual Report may be addressed to the Secretarial Team at the following address:

**Central Depository Services (India) Limited**

Unit No. A-2501, Marathon Futurex,  
Mafatlal Mills Compound,  
N.M. Joshi Marg, Lower Parel (E) Mumbai 400013  
Email : [cdslagm@cdslindia.com](mailto:cdslagm@cdslindia.com)

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

None

**11) Other Disclosures**
**a) Disclosures on materially significant related party transactions:**

All related party transactions entered during the FY 2020-21 were in ordinary course of business and at an arm's length basis. Disclosure of related party transactions has been made in form AOC-2 enclosed as Annexure E to the Board's Report.

The Company's Policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions is put up on the Company's website <https://www.cdslindia.com/InvestorRels/CorporateGovernance.html>

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

In terms of the Regulation 18(1) of the Listing Regulations, the Company had three Independent Directors as against the requirement of having two-third of the total number of Members i.e. 3.33 rounded off to 4 as there were five members in the Audit Committee of the Company. The Company appointed one additional Independent Director in the Audit Committee on April 30, 2020 to comply with the provisions of the Regulation 18(1). The National Stock Exchange of India Limited (NSE) vide letter dated August 20, 2020 had levied fine to the Company for delayed/non compliance of Regulation 18(1) w.r.t. composition of the Audit Committee for a period of 29 days. Further, during the reporting period i.e. FY 2020-21, no meeting of the Audit Committee was held before April 30, 2020.

In terms of the Regulation 30(6) read with sub-para 4 of Para A of Part A of Schedule III of the Listing Regulations, submission of outcome of the Board Meeting held on Saturday (Non-Trading Day), May 16, 2020 to consider financial results and dividend was delayed by 20 minutes as against the requirement of submission within 30 minutes of the closure of the Board Meeting. The delay was due to the technical challenges faced by the Company due to lockdown imposed in view of the COVID-19 pandemic.

**c) Details of establishment of vigil mechanism, whistle blower policy, and affirmation that no personnel has been denied access to the Audit Committee:**

The Company has established a vigil mechanism by framing a Whistle Blower Policy in compliance with Section 177 of the Companies Act, 2013 and Regulation 22 of the Listing Regulations for directors and employees to report genuine concerns or grievances. No personnel have been denied access to the audit committee.

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

**d) Compliance with mandatory requirements:**

The Company has complied with all mandatory requirements of Regulation 34 of the Listing Regulations.

**Adoption of Non-Mandatory Requirements:**

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

**(i) Separate posts of Chairperson and Managing Director and Chief Executive Officer:**

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

**(ii) Reporting of internal auditor:**

The internal auditor reports directly to the audit committee.

**(iii) Audit Qualifications:**

During the period under review, there are no audit qualifications in the Company's financial statements. The Company continues to adopt the best practices to ensure a regime of unqualified financial statements.

**e) Web link where policy for determining 'material' subsidiaries is disclosed:**

The Company has adopted Policy for Determining Material Subsidiaries which has been displayed on the website of the Company <https://www.cdslindia.com/InvestorRels/CorporateGovernance.html>.

**f) Web link where policy on dealing with related party transactions:**

The Company has adopted Policy on determining criteria for Related Party Transactions which have been displayed on the website of the Company <https://www.cdslindia.com/InvestorRels/CorporateGovernance.html>.

**g) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) of SEBI (LODR) 2015**

Not applicable

**h) Certificate from practicing company secretaries that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority.**

M/s Vatsal Doshi & Co., Practicing Company Secretaries, has furnished a certificate that none of the directors on the board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority. The said certificate is attached to the Report.

**i) Disclosure of non-acceptance of any recommendation of any committee of the board which is mandatorily required:**

There has been no instance where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the FY 2020-21.

**j) Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part.**

The total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part during the FY 2020-21 amounts to ₹ 28,50,000/-

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

(a) Number of complaints filed during the financial year	:	NIL
(b) Number of complaints disposed of during the financial year	:	NIL
(c) Number of complaints pending as on end of the financial year.	:	NIL

**12) Corporate Policies**

We seek to promote and follow the highest level of ethical standards in all our business transactions guided by our value system. The Listing Regulations and any amendments from time to time mandate the formulation of certain policies for all the listed companies. The corporate governance policies are available on company's website at <https://www.cdslindia.com/InvestorRels/CorporateGovernance.html> The policies are reviewed by the Board as and when required.

Key policies that have been adopted are as follows:

Name of the Policy	Brief description
Whistle Blower Policy	The Company has adopted a whistleblower mechanism for directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of company's code of conduct and ethics.
Dividend Policy	The Company has adopted the Dividend Policy defining the circumstances under which the shareholders may or may not expect dividend, the financial parameters that shall be considered while declaring dividend, internal and external factors that shall be considered for declaration of dividend and how the retained earnings shall be utilized.
Code of Conduct for Prohibition of Insider Trading.	The Code provides the framework in dealing with securities of the Company.
Policy on Material Subsidiaries	The policy is used to determine the material subsidiaries and material unlisted Indian subsidiaries of the Company and to provide the governance framework for them.
Policy on disclosure of material events	The Policy applies to disclosures of material events affecting CDSL and its subsidiaries. The Policy deals with the dissemination of unpublished price sensitive information.
Nomination and Remuneration Policy	The Policy formulates the criteria for appointment, reappointment, removal and remuneration of directors and Key Managerial Personnel.
Corporate Social Responsibility Policy	The Policy outlines the Company's strategy to bring out a positive impact on society through programs relating to hunger, poverty, education, healthcare, environment, employment and social business projects.
Related party Transaction Policy	The Policy regulates all transactions between the Company and its related parties.
Policy on Evaluation of the Board	The Policy provides guidance on evaluation of the performance, on an annual basis of individual Directors including the Chairperson and independent directors of the Company, the Board as a whole and various committees of the Board.
Policy on Preservation of Documents	The Policy deals with retention and archival of corporate records of CDSL.
Risk Management Policy	The risk management policy attempts to identify the key events / risks impacting the business objectives and attempts to develop risk mitigation and strategies to ensure timely evaluation, reporting and monitoring of key business risks.
Chinese Wall Policy	Chinese Wall Policy is formulated for separating the employees in regulatory areas physically from employees in other departments including with respect to access controls.

### 13) Compliance with the conditions of Corporate Governance

The Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations, to the extent as applicable, with regards to Corporate Governance except for the one specified in Certificate on Corporate Governance issued by M/s Vatsal Doshi & Associates enclosed to this report.

### 14) Code of Conduct:

The Board has laid down a Code of Conduct for all Board members and Key Management Personnel of the Company which is available on the website of the company <https://www.cdslindia.com/InvestorRels/CorporateGovernance.html>. All Board members and Key Management Personnel have affirmed compliance with the Code. The declaration to this effect signed by Shri Nehal Vora, Managing Director & CEO is attached to this report.



**15) CEO / CFO Certificate:**

As required under Schedule V, Regulation 34(3) of SEBI (Listing Obligation & Disclosure Requirement) Regulation, 2015, the CEO/ CFO Certificate for the FY 2020- 21 signed by Shri Nehal Vora, Managing Director & CEO and Shri Girish Amesara, Chief Financial Officer forms part of the Annual Report.

**16) Disclosures with respect to demat suspense account/ unclaimed suspense account**

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

**For and on behalf of the Board**

**Balkrishna V Choubal**

Chairperson

(DIN: 06497832)

Place : Mumbai

Date : July 31, 2021

## DECLARATION AS REQUIRED WITH RESPECT TO THE CODE OF CONDUCT

The Company has obtained from all the members of the Board and Senior Management Personnel, affirmation(s) that they have complied with the Code of Conduct for Board Members and Senior Management Personnel in respect of the financial year ended March 31, 2021.

**Nehal Vora**

Managing Director & CEO

Place : Mumbai

Date : July 31, 2021

## CERTIFICATE ON CORPORATE GOVERNANCE

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

To,

**The Members,**

**Central Depository Services (India) Limited**

I have examined the compliance of the conditions of Corporate Governance by **Central Depository Services (India) Limited** ("the Company") for the year ended March 31, 2021 as stipulated under Regulations 17 to 27, 46 and para C & D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

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

In my opinion and to the best of my information and according to the explanations and information furnished to me and the representations made by the Directors and the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India due to the spread of the COVID-19 pandemic, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations as mentioned above for the year ended March 31, 2021 except the following:

- (i) *In terms of the Regulation 18(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company had three Independent Directors as against the requirement of having two-third of the total number of Members i.e. 3.33 rounded off to 4 as there were five members in the Audit Committee of the Company. The Company appointed one additional Independent Director in the Audit Committee on April 30, 2020 to comply with the provisions of the Regulation 18(1). The National Stock Exchange of India Limited (NSE) vide letter dated August 20, 2020 had levied fine to the Company for delayed/non compliance of Regulation 18(1) w.r.t. composition of the Audit Committee for a period of 29 days. Further, during the reporting period i.e. FY 2020-21, no meeting of the Audit Committee was held before April 30, 2020.*

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

**For Vatsal Doshi & Associates**

**Vatsal K. Doshi**

Proprietor

Mem. No: 50332

CP No: 22976

Peer Review No. : 1179/2021

UDIN: A050332C000793404

Place: Mumbai

Date: August 17, 2021

# CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,

**The Members,**

**Central Depository Services (India) Limited**

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

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

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal ([www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2021, have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India (SEBI), Ministry of Corporate Affairs (MCA) or any such other Statutory Authority.

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

<sup>1</sup> Shri Nehal Vora was appointed as a Shareholder Director of the Company w.e.f. July 25, 2015 to September 23, 2019 and Shri Vora was appointed as Managing Director & CEO of the Company w.e.f. September 24, 2019.

<sup>2</sup> Shri Nayan Mehta was reappointed as a Shareholder Director of the Company pursuant to the resolution passed by the Shareholders at the 22<sup>nd</sup> Annual General Meeting of the Company held on September 15, 2020 and approval of the Securities and Exchange Board of India (SEBI) vide its letter dated October 26, 2020.

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

**For Vatsal Doshi & Associates**

**Vatsal K. Doshi**

Proprietor

Mem. No: 50332

CP No: 22976

Peer Review No. : 1179/2021

UDIN : A050332C000793514

Place: Mumbai

Date: August 17, 2021

## CEO AND CFO CERTIFICATE

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To,

The Board of Directors

Central Depository Services (India) Ltd.

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

- (a) We have reviewed financial statements for the year ended March 31, 2021 and that to the best of our knowledge and belief:
  - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the Auditors and the Audit Committee that -
  - i. there have not been any significant changes in internal control over financial reporting during the year under reference;
  - ii. there have not been a significant change in accounting policy during the year requiring disclosure in the notes to the financial statements; and
  - iii. there have not been any instances during the year of significant fraud of which we had become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**Nehal Vora**

Managing Director & CEO  
(DIN : 02769054)

**Girish Amesara**

Chief Financial Officer

Place: Mumbai

Date: May 01, 2021

Annexure-G

# MANAGEMENT DISCUSSION AND ANALYSIS

## INDIAN ECONOMY

India's GDP contracted 7.3% in FY 2020-21 as per provisional National Income estimates released by National Statistical office, marginally better than 8% contraction in the economy projected earlier. The fourth quarter of 2020-21 recorded a growth of 1.6% in GDP, the third quarter of positive growth, after the country had entered a technical recession in the first half of the year.

India was the only country among emerging markets to receive equity Foreign Institutional Investors (FII) inflows in 2020. India recorded the highest ever FII inflows of \$37.6 billion in financial year 2021, greater than the cumulative inflows of the last six years.

India entered the top-50 innovating countries for the first time in 2020 since the inception of the Global Innovation Index in 2007, ranking first in Central and South Asia, and third amongst lower middle-income group economies.

Source: IMF, CSO, World Bank.

## INDUSTRY STRUCTURE AND DEVELOPMENTS

### Indian capital markets:

In the capital market, business enterprises or government entities raise long term funds by issuing equity or debt securities. Securities market facilitates transfer of surplus resources from those with idle resources to others who have a productive need for them. Securities markets provide channels for allocation of savings to investments and thereby decouple these two activities. As a result, the savers and investors are not constrained by their individual abilities, but by the economy's abilities to invest and save respectively, which inevitably enhances savings and investment in the economy. This market has two inter-dependent and inseparable segments; the primary (new issues) and secondary (stock) markets. The primary market is concerned with the floatation of new issues of shares or bonds.

The firms issue new securities to raise funds for investment/ expansion plans or to reduce any obligations. The types of issues in the primary market include: an initial public offer (IPO); follow-on public offer (FPO); a rights offer where securities are offered to existing shareholders; preferential issue/bonus issue/qualified institutional buyer placement; or a composite issue (comprising a mixture of a rights and public offer, or an offer for sale). The secondary market is to facilitate dealing in existing securities. This market provides both liquidity and marketability to such securities. It implies that it is a market

where a security can be bought or sold at small transaction cost. Spot market, futures market and options market are also a part of the secondary market.

During FY 2020-21, the S&P BSE Sensex opened at 29,505 and hit a high of 52,516 on February 16, 2021 and thereafter closed at 49,509 on March 31, 2021. During same period Nifty opened at 8,584 and hit a high of 15,431 on February 16, 2021 and thereafter closed at 14,690 on March 31, 2021.

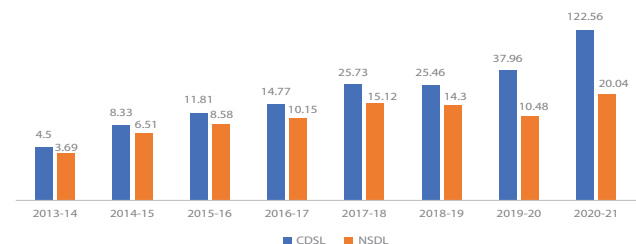
As per Prime Database, 69 public issues have raised ₹ 74,707 crores in FY 2020-21 as compared to 39 public issues mobilizing ₹ 37,677 crores in FY 2019-20.

### Depository Industry in India:

The Depository is an institution registered with SEBI for holding custody of securities in electronic form and facilitates transfer based on the instructions from the account holders. With the growth in the Indian capital markets, it became difficult to handle the growing volume of paper. This caused problems like delay in transfers, long settlement period, high levels of failed trade and bad deliveries, high-risk exposure etc. To remove these bottlenecks, the Depositories Act was legislated in August 1996. Subsequently three years later in 1999, Central Depository Services (India) Limited (CDSL) was established following the implementation of compulsory trading in dematerialized securities for all investors.

In terms of cumulative market share of active demat accounts, CDSL has experienced a growth in market share from 40% in FY 2013-14 to 61% in FY 2020-21.

Chart: Number of demat accounts opened in lakhs



The presence of depositories supports the capital market growth in a variety of ways including substantial reduction in bad deliveries, enhanced liquidity of securities, reduction in transaction cost, elimination of problems relating to change of address of investors, transmission etc., makes faster disbursement of non-cash corporate benefits like rights, bonus, etc. possible, faster settlement cycle.

**Factors driving growth of Depositories:**

Business of depositories grows in direct proportion to growth in capital markets. The past few years have witnessed increase in activities by retail investors in the capital market by opening online trading and demat accounts which has resulted in the increased delivery based transactions on stock exchanges. Within financial assets, the allocation towards equities has been increasing steadily due to the relatively low base; given that the retail investor has traditionally been under-invested in equities.

**Equity market:** In the financial market segment, the BSE Sensex has increased from 22,386 in FY 2013-14 to 49,509 in FY 2020-21. India's stock market is now the 7<sup>th</sup> biggest, up three spots, in the world as total market capitalisation increased to \$2.7 trillion. Continuous improvement in the rankings of Ease of Doing Business by the World Bank in which India has improved significantly once again from the rank of 77<sup>th</sup> in 2019 to highly appreciable rank of 63<sup>rd</sup> in 2020. This is the true reflection of the diligent efforts of the Government to improve India's position in the global rankings. In the Global Innovative Index (GII), India ranks 48<sup>th</sup> in 2020 among the 131 economies as compared to 57<sup>th</sup> in 2018. Whereas, CPI inflation has come down from 9.4% in FY 2013-14 to 7.6% in FY 2020-21. According to the IMF's World Economic Outlook (WEO) update, revised India's growth forecast for 2021 is 11.5% and for 2022 is 6.8%.

**Initial Public Offerings:** According to Prime Database, total equity capital raised during FY 2020-21 was ₹ 74,707 crores as against ₹ 37,677 crores raised during FY 2019-20. Analysts expect a further slowdown in the FY 2021-22, due to global issues prevailing in the market. In the Union Budget 2021-22, the Finance Minister Smt. Nirmala Sitharaman told that Government is looking to list LIC (Life Insurance Corporation) in the FY 2021-22.

**Increase in trading volumes and retail participation:** CDSL has experienced a substantial growth in the number of companies / Issuers admitted in demat from 541 in FY 1999-00 to 16,569 in FY 2020-21, a growth of 31% CAGR. The active participation of retail investors was demonstrated with the increase in the turnover of shares traded on BSE Ltd. rising from 5.21 lakh crores in FY 2013-14, to 10.45 lakh crore in FY 2020-21 at CAGR of 10.45%, while trading on NSE increased from 28.08 lakh crore in FY 2013-14, to 153.98 lakh crore in FY 2020-21 at CAGR of 27.52%.

*(Source: BSE & NSE website)*

**Digital Account Opening & Online Initiatives:** Many Depository Participants who conduct their business through the online mode of operations have started opening digital accounts in online mode which has helped CDSL to improve its account opening count and become the number one depository in India to cross the milestone of 3 crore (30 Million) demat accounts.

Bank Details of the investors can be verified online using Rupee Drop facility of any scheduled bank which many of the depository participants are using.

**BUSINESS OVERVIEW**

CDSL was initially promoted by BSE Ltd, which had thereafter divested its stake to leading banks. CDSL received the certificate of commencement of business from SEBI in February 1999. The leading clearing corporations like ICCL, NCL, MCCIL, MCXCCL, NCCL have established connectivity with CDSL.

Your Company strives to provide convenient, dependable and secure depository services at affordable cost to all market participants.

The Company's subsidiary, CVL is registered with SEBI as a KYC Registration Agency (KRA) for investors in the capital markets including the mutual fund industry.

CDSL through its subsidiary, CIRL, has arrangements with several life insurance companies and general insurance companies for holding insurance policies in electronic form and seamlessly enables the policy holders to undertake changes, modifications and revisions to insurance policies.

CDSL's subsidiary, CCRL, was setup to establish and run a Commodity Repository on the lines of a Securities Depository.

CDSL through its wholly owned subsidiary, CIL operates as a foreign depository in IFSC. CIL intends to contribute to the growth of the financial markets with the introduction of delivery- based trading to the existing suite of the products traded on the exchanges at IFSC.

CDSL along with the other MILs' has floated a new company, India International Bullion Holding IFSC Limited. This company will through one or more subsidiaries handle the functions of an exchange, clearing, depository and oversight into safe deposit vault. The company will primarily be handling bullion business in IFSC. It will initially start with Gold and foray into silver and other precious metals, commodities, etc. as approved by IFSCA.

**Clientele**

CDSL's clientele can be broadly classified into following categories namely:

- **Depository Participants (DPs):** An investor opens an account through the agent of the depository known as Depository Participant (DP) who is also a registered intermediary with SEBI. After opening the account, the investor can convert the physical shares issued by Issuer companies into electronic form through the DP. An investor can transfer such electronically held securities from his account to any other account by submitting the delivery instruction to the DP.



- **Issuer Companies:** A wide range of securities including equity shares, preference shares, mutual fund units, debt instruments, government securities, etc. are available for dematerialization in CDSL. CDSL enables issuer companies to credit securities including non-cash corporate benefits to a shareholder's or applicant's demat account.
- **Capital Market Intermediaries:** CDSL provides facility of holding and managing settlements of trades undertaken in the stock exchanges by the various capital market intermediaries for their clients.
- **Insurance Companies:** Through its subsidiary, CDSL Insurance Repository Limited, the Company offers facilities for holding of insurance policies in electronic form.
- **Warehouse Service Providers / Warehouses:** Through its subsidiary, CDSL Commodity Repository Limited, the company offers facilities for holding and transacting of electronic negotiable warehouse receipts (eNWRs).
- **CDSL offers other online services such as**
  - ❖ easi (Electronic Access to Security Information)
  - ❖ easiest (Electronic Access to Securities Information and Execution of Secured Transaction)
  - ❖ e-Voting
  - ❖ e-Locker
  - ❖ Mobile application (Myeasi, m-Voting)
- Offering single demat account to its demat account holders which will hold all financial assets across regulators (SEBI, RBI, IRDAI, PFRDA, etc). subject to all regulatory approvals based on the announcements made by the Finance Minister in Union Budget;
- Enabling electronic submission and receipt of documents by DPs and other intermediaries;
- Focus on eliminating all paper-based processes and workflows to become a fully digital organization;
- Improve customer experience by enhancing self-service channels for efficiently and effectively serving routine requirements and
- Develop more and more API based services in collaboration with the Depository participants to facilitate seamless interoperability and straight through processing with their systems.

Your company will strive to continue in diversifying its product and service offerings depending on investors' needs. Your company believes a continuous review of the services according to the evolving understanding of investor preferences and market behaviour will help us to cater better to its demat account holders' needs, enhance their user experience and maximize the account volumes and revenues.

#### **Continue to invest and upgrade the IT infrastructure and systems leading to enhancement of operational efficiency and service quality**

Your company believes that maintaining and improving its technology is critical to its business. Your company intends to regularly allocate optimal resources towards upgrading the IT infrastructure and systems, with the goal of improving market efficiency and transparency, enhancing user access and providing flexibility for future business growth and market needs.

Your company will focus towards the improvement in its cybersecurity framework and information security management systems.

Your company was identified as a part of National Critical Information Infrastructure (NCII) by National Critical Information Infrastructure Protection Centre (NCIIPC).

Your company's Standing Committee on Technology (formerly IT Strategy committee) consists of external IT experts and professionals who advise your companies Board in relation to improving and maintaining its IT infrastructure on an ongoing basis. Your company also plans to invest further in its IT and data management systems to improve productivity and time savings thereby increasing the operating efficiency.

#### **Medium-term and long-term strategy of the company:**

##### **Continue to focus on developing new DPs relationships and leveraging your companies existing DP network**

Your company will continue to build on its existing DP relationships and leverage their extensive network all over India to take the offering to new investors. If a Beneficiary Owner does not wish to give POA, he / she may choose to opt for electronic delivery instructions (eDIS), which allows him / her to notionally block / earmark securities that he / she wishes to grade on any given settlement date / settlement time.

##### **Continue to introduce new offerings and scale up recently started businesses**

Your company endeavours to provide the investors with a comprehensive range of services at competitive prices and to maintain optimal service standards. In order to maintain and enhance the competitive position, your company will continue to offer the services at aggressive prices achieved through its low operational costs driven by operational efficiency, high economies of scale and innovative service implementation.

Your company plans to further improve its operating efficiency through:

**Investor Awareness Drive in Tier 2, Tier 3 and Tier 4 Towns / Cities to increase number of potential new investors.**



NISM Continuing Professional Education (CPE) training was conducted for various participants on 20<sup>th</sup> March, 2021 in CDSL - Chennai Office for Series VI - Depository Operations Certification Examination (DOCE)

This year, even during the national lockdown during the current pandemic of COVID-19, CDSL IPF in order to educate the investors on continuous basis, conducted IAPs in association with SEBI, MIs, Financial Institutions, Colleges, Universities, Depository Participants etc. and also made efforts to reach retail investors, across the country by conducting Investor Awareness Programs for the benefit of investors and making them 'Atmanirbhar Niveshak, i.e. the Self-sufficient investor' through our digital/online webinars. The purpose was to focus on financial inclusion & to reach the retail investors, who never had any opportunity to invest in Capital Market.

Your Company conducted over 276 Regional Seminars in FY 2020-21 so far, allowing investors across geographies, professions and age groups to come together and learn about the advantages of opening Demat, Trading account, SEBI's role for retail investors & do's & don't of investing in Capital Market and knowing about Role & Services offered by Depositories

Your Company actively participated in World Investor Week (WIW) i.e. November 23 to November 29, 2020 under the aegis of SEBI & International Organization of Securities Commission (IOSCO) & had organized 65 IAPs during the week, across India.

During the WIW, AMFI, ANMI, CPAI & BFF had also planned various programs, while nationwide quizzes and slogan writing competition were also organized by various market entities. Theme for this year celebrations was 'Investor Awareness: A Key to Financial Well-being'.

During the WIW officials from the Ministry of Finance, SEBI, MIs, Financial Institutions and various other Industry bodies etc. participated and shared their knowledge and experience on the Investor Education Awareness and highlighted that how important it is to continuously educate the investors and keep them updated.

Your company actively participated in the Global Money Week (GMV) i.e. March 22- 28, 2021, wherein the main objective of this week was to educate the youth across the globe to learn about money, savings, investments etc. and take informed decisions about the same. On occasion of Global Money Week, CDSL IPF in association with various, MIs, Colleges/Universities/Financial Education etc. conducted 57 IAPs across PAN India.

CDSL IPF is also continuously taking the initiative and have joined Social Media platforms like Facebook, LinkedIn & Twitter, wherein we are promoting our IAPs and upload awareness materials about various services provided by CDSL for the benefit of retail investors.



Shri Yashwant Gupta, Regional Head – Jaipur, CDSL addressing the Company Secretaries in a Event organised by the Institute of Companies Secretaries of India (ICSI) held at Jodhpur on 8<sup>th</sup> March 2021

**Long-term metrics as per Company's long-term strategy for measurement of progress:**

<p>Developing new DPs relationship &amp; Leveraging our existing DP network</p>	<p>Your company aims to strategically expand its network of DPs and service centres to reach potential demat account holders. Your company will evaluate each opportunity on the basis of several factors including expected investment and financial returns, catchment area served and current levels of depository services available in the area.</p>
<p>Introduce new offerings and scale up recently started businesses</p>	<p>Your company will continue to diversify its product and service offerings depending on its demat account holders' needs. Your company believes a continuous review of its services according to the evolving understanding of demat account holder preferences. Further market behaviour will help your company to better cater to the demat account holders' needs, enhance their user experience and maximise the account volumes and revenues.</p>

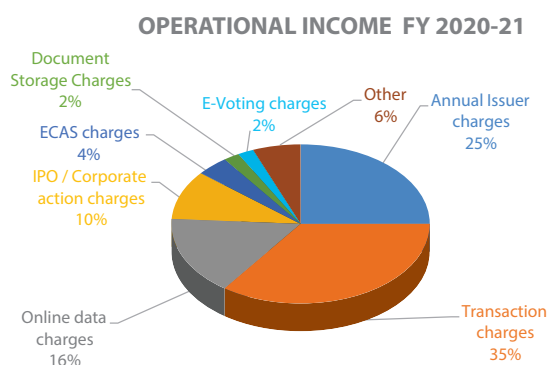
Upgrade the IT infrastructure and systems	Your company plans to invest further in its IT and data management systems to improve productivity and processes to save time thereby increasing the overall operating efficiency.
Targeting Unlisted and Private Limited Companies	Your company will explain benefits of demat to unlisted public and private limited companies and endeavour to get their securities admitted in your Company. This has dual benefits in terms of increase in Issuer Charges as well as opening of a larger number of Promoters Demat accounts.
Investor Education Initiatives	Your company plans to, and has initiated steps to, to conduct programs by targeting the public in India through online mode to introduce and explain the benefits of investing in securities. Your company is planning to have a larger number of IAPs through video conferencing / webinars as against to the physical IAPs in the FY 2021-22. Also, the IAPs will be delivered in several local / vernacular languages to ensure larger number of investors who are not well versed with the major languages of English or Hindi.

## PRODUCT-WISE PERFORMANCE

### Revenue streams

The Company offers services to several sub-sectors of the Indian securities and financial services market including Capital Markets, Mutual Funds and Insurance companies. The Company has high stability of operating income from the fixed annual charges collected from the registered Issuer companies and transaction-based fees collected from Depository Participants. The Company offers dematerialisation for a wide spectrum of securities including equity shares, preference shares and bonds of public (listed and unlisted) and private companies, units of mutual funds, government securities, commercial papers and certificates of deposits. The Company also charges account maintenance charges to corporate account holders and monthly maintenance charges to clearing members for maintenance of settlement accounts.

Other consistent revenue-generating services offered by the Company include e-voting and e-notice services to the registered companies enabling their shareholders to receive notices in electronic form and to allow shareholders to cast their votes electronically, remotely or at the meeting venue.



Annual Issuer charges for FY 2020-21 are at ₹ 8,611.89 lakhs as compared to ₹ 7,748.47 lakhs for FY 2019-20, which has increased by 11%. Transaction charges are at ₹ 11,910.99 lakhs

in FY 2020-21 as compared to ₹ 4,290.69 lakhs for FY 2019-20, increased by 178%. IPO and Corporate Action charges increased by 46% to ₹ 3,285.55 lakhs in FY 2020-21 as compared to ₹ 2,257.37 lakhs for FY 2019-20. Online Data charges increased by 52% to ₹ 5,616.77 lakhs in FY 2020-21 as compared to ₹ 3,690.55 lakh in FY 2019-20. ECAS charges increased by 35% to ₹ 1,258.64 lakhs for FY 2020-21 as compared to ₹ 930.63 lakhs for FY 2019-20. e-Voting charges increased by 81% to ₹ 661.83 lakhs for FY 2020-21 as compared to ₹ 365.33 lakhs for FY 2019-20. Document Storage charges for FY 2020-21 are at ₹ 517.04 lakhs as compared to ₹ 514.32 lakhs for FY 2019-20, increased by 1%. Income from others decreased by 8% to ₹ 2,509 lakhs for FY 2020-21 as compared to ₹ 2,713.17 lakhs for FY 2019-20.

### Depository Participant Network:-

The Company is the leading securities depository in India by incremental growth of Beneficial Owner (BO) accounts of over 1.08 crores from FY 2015-16 to 3.34 crores FY 2020-21. Further, the total number of registered Depository Participants (DPs) is 592 at the end of FY 2020-21.

The Company has a wide network of DPs, who act as points of service. As on March 31, 2021, CDSL had 592 registered DPs with over 20,689 service centres across India. The DPs are spread across 28 states and 8 union territories.

As on March 31, 2021, CDSL had over 47,522 crore securities representing a total value of ₹ 27,43,936/- crores.

## OPPORTUNITIES

### Growth Drivers

#### Enablement of e-KYC for capital market intermediaries:

Ministry of Finance (Department of Revenue) has recognized CDSL and CVL as a reporting entity to perform Aadhaar Authentication via the gazette notification No. CG-DL-E-22042020-219106 dated April 22, 2020. Also, Securities Exchange Board of India (SEBI) came out with a Circular No. SEBI/HO/

MIRSD/DOP/CIR/P/2020/73 dated April 24, 2020 regarding Clarification on Know Your Client (KYC) Process and Use of Technology for KYC. In the circular, SEBI has given clarification on Online KYC process for establishing account- based relationship with registered intermediary (RI), Investor's KYC can be completed through Online / App based KYC, In-Person Verification through Video, Online submission of Officially Valid Document (OVD) / other documents using e-sign of the investors. The above Initiative by SEBI & MoF will help registered capital market intermediaries to open trading and demat accounts digitally. Many large broking houses & discount broking firms are likely to get benefits due to the same.

#### **Digital Initiatives:**

The emphasis of the brokers is to go completely paperless and in opening all accounts online. Further, e-DIS which has now become the buzzword in the capital market has been operational in one form or the other in CDSL since 2016, also brings in a large number of retail accounts. Another strength is your company's strong distribution network of DPs spread across the country. Your company's DPs are able to effectively use digital technology in opening accounts online.

### **THREATS**

#### **New Depositories:**

SEBI has come out with a discussion paper on 'Review of Ownership and Governance norms for facilitating new entrants to set up Stock Exchange / Depository'.

#### **Global Recession due to Coronavirus (COVID-19):**

In India, early signs of the second COVID-19 wave in April 2021 is observed. Many experts predicted that the economic damage would not be as bad as the first wave in 2020. There were two primary reasons behind the assertion - India had vaccines against the virus and no nationwide lockdown was imposed.

After the second wave emerged, India is trying to cope with the challenges to vaccinate its vast population and strict lockdowns remain imposed in almost all parts of the country. As a result, the economic growth projections shared earlier have changed downwards in sync with the global trends. Even State Bank of India (SBI), the country's largest public lender, recently reduced its FY 2022 growth forecast to 7.9% from the earlier 10.4%. Data on jobs, income, household income, consumer sentiment and demand show that the second wave has had an impact on India's economy, especially on poorer citizens and smaller businesses.

India needs to step up its vaccination strategy to reduce the number of deaths in the third COVID-19 wave as the intensity of the third wave will be as severe as the ongoing second wave, according to an SBI research report 'Ecowrap'.

#### **CDSL Tariff control by SEBI:**

CDSL Tariff charges for Depository Participants (DPs) as well as Issuers and RTAs are approved by SEBI. Your company's operational income is dependent on the capital market activities. If the markets remain volatile due to COVID-19 effects or for any other reason, your company's market driven revenues could be challenged.

#### **Oil prices:**

Oil prices fluctuate quickly in response to new cycles, policy changes, and fluctuations in the world trades and it impacts the economy in certain ways. The recent change in oil prices has been driven by a number of factors which includes several years of upward surprises in the production of unconventional oil, weakening global demand, unwinding of some geopolitical risks and an upliftment of the U.S. dollar. Oil is a very important commodity, and it is required to meet domestic fuel needs. And in addition to that, it is a necessary raw material used in several industries. An increase in the price of crude oil means that would increase the cost of producing goods. This price rise would finally be passed on to consumers resulting in inflation.

#### **Cyber security:**

The financial sector has always faced major risk of cyber security attacks and ransomware due to the amount of money involved. These cyber-attacks can shut down the Organization causing business and reputational loss. Also due to the COVID-19 lockdown, majority of the employees are Working From Home (WFH). Though adequate security controls have been put in place before enabling the WFH for the users, the attack landscape has increased. This makes it even more critical to be proactive when it comes to cybersecurity issues. Constant enhancement in the Cyber Security Framework and Information Security Management System has been the Company's top priority.

Considering the threat landscape and recent cyber-attacks on businesses your Company has upgraded Cyber Security technologies and the Security Operations Centre which will provide with better visibility and security controls over the entire IT infrastructure.

Some of the types of cyber threats that the Company could face:

- **Malware/Ransomware** - Malware includes computer viruses, worms, trojans, ad-wares, spywares, and spam. Ransomware carries out a crypto extortion attack blocking access to data until a ransom is paid.
- **Phishing** - Phishing is a form of fraud in which the attacker tries to learn information such as login credentials or account information by masquerading as a reputable entity or person in an email, Instant Messaging or other communication channels.



- Distributed denial of service (DDoS) - A sustained DDoS attack can flood websites, other applications and systems with unwanted traffic causing accessibility issues and network unavailability.
- Application based attacks such as SQL Injection, XSS, Broken Authentication, etc. For e.g. In a SQL injection attack unauthorized access is gained to the database and the attacker can retrieve valuable information.

## OUTLOOK

India's GDP growth forecast is 9.5% in FY 2021-22 as per the latest RBI Policy. The Reserve Bank of India (RBI) expects the now ebbing second wave of the coronavirus pandemic in India to have only a small (1% point) impact on the economy, and, in fact, has projected that GDP growth will be faster than previously estimated in the third and fourth quarters of the financial year and this thought is further bolstered by the ongoing vaccine drive which is likely to reach every nook and corner of the country within the end of this financial year.

The Monetary Policy Committee (MPC) said that "Rural demand remains strong, and the expected normal monsoon bodes well for sustaining its buoyancy, going forward." "Urban demand has been dented by the second wave, but adoption of new COVID-19 compatible occupational models by businesses for an appropriate working environment may cushion the hit to economic activity," it added. MPC's reference is to the rolling lockdowns instituted by the states this year, allowing at least industrial activity to continue, unlike last year's national lockdown for 68-days, which curbed most activities for much of the period. Indeed, this has been the basis for even securities firms and banks to remain sanguine about growth.

## INFORMATION TECHNOLOGY

CDSL has deployed state-of-the-art IT systems with global accreditation. The Company's core depository system is based on a centralized architecture which helps to provide real-time updated information to users. The system can be accessed over the internet and the intranet through a secure channel using multi-factor user authentication. The Company has deployed state-of-the-art server hardware, enterprise flash storages and highly resilient network infrastructure.

CDSL has been certified for ISO 27001:2013 for its Information Security Management System. CDSL infrastructure has multiple back-up levels which includes a redundant fail-over cluster and a seamless switchover to the Disaster Recovery System (DRS). The DRS is located at a different seismic zone. As part of the upgradation, we recently shifted the DRS to a different location with better facilities. The Company has been awarded ISO 22301:2019 certification for its Business Continuity

Management System and ISO 9001: 2015 certification of the e-voting business.

## FINANCIAL PERFORMANCE (Standalone)

The Company clocked Operational Revenue of ₹ 27,058.39 lakhs in FY 2020-21 as against ₹ 16,815.16 lakhs in FY 2019-20, up 61%. Other Income decreased by 3% to ₹ 4,176.60 lakhs in FY 2020-21 as against ₹ 4,323.78 lakhs in FY 2019-20. CDSL's main costs are Employee Benefits, Computer Technology Related Expenses which are largely fixed in nature. Total expenditure in FY 2020-21 stood at ₹ 10,598.41 lakhs against ₹ 11,421.80 lakhs in FY 2019-20, down 7% as compared to the previous year. Employee Wages and Benefits decreased by 14%, Computer Technology Related Expenses increased by 23%, Depreciation decreased by 16% and Other Expense decreased by 8% as compared to previous year. EBITDA increased to ₹ 21,367.86 lakhs in FY 2020-21 as against ₹ 10,588.77 lakhs in FY 2019-20. PAT increased to ₹ 16,005.76 lakhs, up 107% over the previous year. The Net Worth of the Company stood at ₹ 68,259 lakhs as on March 31, 2021 as compared to ₹ 56,961 lakhs as on March 31, 2020. The Cash Generated from operations stood at ₹ 21,350 lakhs during FY 2020-21. There is net cash generated from Operating Activities of ₹ 16,888 lakhs during FY 2020-21.

## FINANCIAL PERFORMANCE (Consolidated)

Revenue from operations includes transaction charges, account maintenance charges and settlement charges paid by DP's and annual fees, corporate action charges and e-voting charges paid by companies and KYC charges paid by intermediaries. The Company clocked Operational Revenue of ₹ 34,371.71 lakhs in FY 2020-21 as against ₹ 22,510.53 lakhs in FY 2019-20, up 53%. As compared to the previous year Annual Issuer Charges increased by 11%, Transaction Charges increased by 178%, IPO Corporate Action Charges increased by 46% and Online Data Charges that is income from KYC increased by 52%. The increase in revenues is attributable to higher number of transactions and corporate actions.

Other Income decreased by 4% to ₹ 5,691.58 lakhs in FY 2020-21 as against ₹ 5,914.58 lakhs in FY 2019-20 due to lower non-investment income as compared to previous year.

CDSL's main costs are Employee Benefits, Computer Technology Related Expenses which are largely fixed in nature. Total expenditure in FY 2020-21 stood at ₹ 14,110.95 lakhs against ₹ 14,780.83 lakhs in FY 2019-20, down 5% as compared to the previous year. Employee Wages and Benefits decreased by 13%, Computer Technology Related Expenses increased by 26%, Depreciation decreased by 22% and Other Expense is down by 3% as compared to previous year.

EBITDA increased to ₹ 26,874.69 lakhs in FY 2020-21 as against ₹ 14,820.96 lakhs in FY 2019-20. PAT increased to ₹ 20,126.73 lakhs, up 89% over the previous year.

The Net Worth of the Company stood at ₹ 87,722 lakhs as on March 31, 2021 as compared to ₹ 72,399 lakhs as on March 31, 2020. The Cash Generated from operations stood at ₹ 25,049 lakhs during FY 2020-21. There is net cash from Operating Activities of ₹ 19,256 lakhs during FY 2020-21.

Name of the entity in the Group	For the year ended March 31, 2021		For the year ended March 31, 2020	
	Share in profit or loss			
	As% of Consolidated net Profit and Loss	Amount (₹ in Lakhs)	As% of Consolidated net Profit and Loss	Amount (₹ in Lakhs)
Parent Company - Central Depository Services (India) Limited	79.52%	16,005.76	72.45%	7,731.81
CDSL Ventures Limited	19.52%	3,927.83	26.40%	2,817.83
CDSL Insurance Repository Limited	0.44%	88.45	0.53%	56.75
CDSL Commodity Repository Limited	0.10%	19.58	0.09%	9.14
CDSL IFSC Limited	(0.04%)	(7.57)	0.00%	0
Non-controlling Interest in subsidiary	0.46%	92.68	0.53%	56.29
<b>Total</b>	<b>100%</b>	<b>20,126.73</b>	<b>100%</b>	<b>10,671.82</b>

#### Change in key financial ratios (Consolidated)

Sr. No.	Ratios	FY 2020-21	FY 2019-20	% Change
(i)	Debtors Turnover	14.48	8.65	67%
(ii)	Inventory Turnover	N.A.	N.A.	N.A.
(iii)	Interest Coverage Ratio	N.A.	N.A.	N.A.
(iv)	Current Ratio	5.06	5.28	(4%)
(v)	Debt Equity Ratio	N.A.	N.A.	N.A.
(vi)	Operating Profit Margin (%)	64.78%	48.00%	35%
(vii)	Net Profit Margin (%)	50.24%	37.54%	34%
(viii)	Sector-specific equivalent ratios, as applicable.	-	-	-

There are significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios.

#### Change in Return on Net-worth (RONW) as compared to the immediately previous financial year

Ratio	FY 2020-21	FY 2019-20
RONW	22.84%	14.66%

The RONW has increased due to 89% increase in Profit as compared to previous year.

#### Internal Financial Control Systems and its adequacy:

Internal financial controls include the policies and procedures adopted by the company for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information.

The company had already developed and implemented a framework for ensuring internal controls over financial reporting. This framework includes entity level policies, process and operating level standard operating procedures.

Some significant features of our Internal Financial Control System are:

- 1) Adequate documentation and maintenance of the records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- 2) The policies and procedures are designed to provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statement in accordance with generally accepted accounting principles and Indian Accounting Standards (IAS), and that receipts and expenditures of the company are being made only in accordance with authorizations of management and director of the company and
- 3) Company has aligned its current systems with the



requirement of the Companies Act, 2013 on the lines of the globally accepted risk based framework as issued by the Committee of Sponsoring Organizations (COSO) of the Treadway Commission, so as to provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the company's assets that could have a material effects on the financial statements.

During the year, such internal controls over financial reporting were tested by management, internal auditors and statutory auditors. No reportable material weakness in design and effectiveness was observed.

### RISKS AND CONCERNS

The Company's securities depository business competes closely with its competitor for DPs, investor accounts and number of securities pertaining to various instruments on its depository systems.

The Company's inability to effectively manage its growing DP network or any disruptions in its supply or distribution infrastructure may have an adverse effect on its business, results of operations and financial condition.

Bulk of the accounts are presently being opened by the online account opening mechanism, which primarily depends on the online feed from / to depositories / stock exchanges / KRAs. Any changes to the mode of exchange of information from / to these entities enforced due to regulatory directions from SEBI, etc., could adversely impact account opening.

We operate in a business environment that continues to experience significant and rapid technological change. Any interruptions or malfunctions in the operation of the Company's IT systems could damage its reputation and cause loss for the business.

Shift in consumer preferences from investing and trading in securities to other products and services, could significantly reduce the demand for the Company's services and adversely affect its business, financial condition and results of operations.

Fraud due to unauthorized transfer of securities or service deficiency could result in losses. Further, if account data disseminated by the Company contains undetected errors; could have a material adverse effect on its business, financial condition or results of operations.

Broad market trends, economic and market conditions and other factors beyond the Company's control could significantly reduce demand for its services and harm its business, financial condition, and results of operations.

Insufficient system capacity and systems failures could materially and adversely affect the Company's business.

The Company must adapt to significant and rapid technological changes in the industry in order to compete successfully.

The Company works in a tightly regulated environment hence any changes brought about due to changes in the processes and procedure to be followed due to issuance of instructions by the regulator could slow down its growth trajectory.

The Company operates in a highly regulated industry and may be subject to strict compliances, fines and other legal proceedings if we fail to comply with our legal and regulatory obligations.

### RISK MANAGEMENT

Global events have challenged nearly every company, leading to a rethink of assumptions and adaption of strategies to a new operating environment that involves managing major risks with a renewed focus on the safety of people. COVID-19 pandemic has amplified existing risks in the uncertain environment.

Strict internal processes and controls enable the Company to effectively manage the business risks it encounters on daily basis. Risk Management Framework of the company ensures achievement of its strategic objectives; the framework is supported by risk processes, identification, assessment, response, action, mitigation and control. The Board of Directors have constituted a Risk Management Committee (RMC) to frame, implement and monitor the risk management framework of the Company. As devised by the RMC, the framework is periodically reviewed and monitored in order to improve standard operating procedures and to reflect changes in the market condition and business activities. The focus of the RMC is to assess the unpredictability of the ever-changing environment and to mitigate potential adverse effects on the overall performance.

The Company's risk management framework includes risk management policy as devised by the RMC. The Committee monitors and identifies risks at regular intervals to improve standard operating procedures and to set appropriate risk limits and controls. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and business activities, with any new activity or deviation from existing procedure referred to the Risk Management Committee. The Company's risk management system covers various aspects of the business. The Company also has in place a special contingency insurance policy to cover risks associated with depository operations which covers the Company and registered Depository Participants (DPs). A special contingency insurance policy covers Company and the registered DPs from risks associated with depository operations.

The Company ensures that its clients comply with applicable regulatory provisions. Conducting regular inspections of both DPs and RTAs and provides compliance training across the country for DPs. In addition to the bi-annual internal audits, the Company has made it mandatory for all registered DPs to appoint independent chartered accountant firms to conduct concurrent audits of risk prone areas.

COVID-19 made it imperative for the organisation to embrace certain practices, including social distancing, remote working and all these, in turn, led to significant dependence on and increased usage of digital technologies. CDSL continues to focus on large scale digital transformation / adoption of technology across its operations. A digital security breach or disruption to digital infrastructure caused by intentional or unintentional actions, such as cyber-attacks, data breaches or human error, could have a serious impact on business. This impact could include loss of process control, impact on business continuity or damage to assets and services, harm to the environment, loss of sensitive data or information, legal and regulatory non-compliance, reputational damage as well as revenue loss.

The Company subjects its networks and systems to security penetration tests on a continuous basis. CDSL invests significant resources to ensure cybersecurity resilience and data protection. Periodically, regulatory as well as independent assessments are carried out to validate and improve resilience to cybersecurity attacks. These encompass technical security controls, secure operational processes, cybersecurity incident monitoring mechanisms, disaster recovery controls and trained manpower. CDSL's cybersecurity measures are aligned to the growth and diversification of the Company. CDSL's information technology systems and processes are now re-certified with ISO 27001 and ISO 22301 standards. CDSL regularly exchanges cybersecurity intelligence with industry peers and government bodies. Cybersecurity awareness training and tests are conducted for every employee and partner.

### **Material developments in Human Resources / Industrial Relations front, including number of people employed:**

There were no material developments in Human Resources front during the FY 2020-21. 19 employees were hired and 18 employees left, retired or transferred out from the Company during the FY 2020-21. There were 221 employees on the payrolls of the Company as on March 31, 2021.

### **Disclaimer**

Statements in the Annual Report, including those which relate to Management Discussion and Analysis, describing the Company's objectives, projections, estimates and expectations, may constitute 'forward looking statements' within the meaning of applicable laws and regulations. Although the expectations are based on reasonable assumptions, the actual results might differ. The Company has obtained all market data and other information from sources believed to be reliable or its internal estimates, although its accuracy or completeness cannot be guaranteed.

**For and on behalf of the Board**

**Balkrishna V Chaulal**

Chairperson  
(DIN: 06497832)

Place : Mumbai

Date : July 31, 2021

## Annexure H

**Details pertaining to remuneration as required under section 197(12) of the Companies Act, 2013 read with the Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and SEBI (Depositories and Participants) (Amendment) Regulations 2012**

- The ratio of the remuneration of MD & CEO to the median remuneration of the employees of the company for FY 2020-21 is 20.32.
- The remuneration of MD & CEO saw an increase of 41.68% and the remuneration of CFO and Company Secretary saw a decrease of (61.02%) and (0.55%) respectively during the financial year. The same is explained in the below tables:

### Remuneration of Managing Director & Chief Executive Officer (MD & CEO):

Sr. No.	Particulars		Year		Amount (₹)
1.	Shri P. S. Reddy, MD & CEO, Remuneration paid (retirals) (last working day 31/03/2019)	@	2019-20	A	70,58,376
2.	Shri Nehal Vora, MD & CEO (w.e.f. 24/09/2019), Remuneration paid	\$	2019-20	B	1,07,72,871
3.	Total remuneration paid to MD & CEO during 2019-20		2019-20	C = (A+B)	1,78,31,247
4.	Shri P. S. Reddy, MD & CEO, Remuneration paid (Deferred PLB for FY 2016-17)	#	2020-21	D	29,68,638
5.	Shri Nehal Vora, MD & CEO, Remuneration paid		2020-21	E	2,22,94,945
6.	Total remuneration paid to MD & CEO during 2020-21		2020-21	F	2,52,61,583
7.	Difference in remuneration to MD & CEO between 2019-20 and 2020-21		2020-21	G = (F - C)	74,32,336
8.	Increase in remuneration of MD & CEO		2020-21	G/C*100	41.68%

#### Note:

- @ The total remuneration paid to Shri P. S. Reddy during the FY 2019-20 is towards Gratuity paid by CDSL over and above the maximum prescribed limit as per the Gratuity Act and the payment of deferred PLB for the FY 2015-16 as per SEBI (Depository & Participant) Regulations for Key Managerial Personnel.
- # The total remuneration paid to Shri P. S. Reddy during the FY 2020-21 is towards the payment of deferred PLB for the FY 2016-17 as per SEBI (Depository & Participant) Regulations for Key Managerial Personnel.
- \$ The post of Managing Director & CEO was vacant for the period April 1, 2019 to September 23, 2019. Shri Nehal Vora joined CDSL as Managing Director & CEO w.e.f September 24, 2019 and accordingly, the remuneration paid during FY 2019-20 is from September 24, 2019 to March 31, 2020.

### Remuneration of Chief Financial Officer (CFO):

Sr. No.	Particulars		Year		Amount (₹)
1.	Shri Bharat Sheth, CFO Remuneration paid (including retirals) (upto 31/12/2019)	%	2019-20	A	2,00,87,475
2.	Shri Girish Amesara, CFO Remuneration paid (CFO w.e.f. 01/01/2019) (joined CDSL on 07/11/2019)	^	2019-20	B	15,28,836
3.	Total payment of remuneration to CFO		2019-20	C = [A+B]	2,16,16,311
4.	Shri. Girish Amesara, CFO, Remuneration paid		2020-21	D	84,25,226
5.	Difference in remuneration paid to CFO between 2019-20 and 2020-21		2020-21	E = (D - C)	(1,31,91,085)
6.	Increase in remuneration of CFO		2020-21	E/C*100	(61.02%)

**Notes:**

- % The total remuneration paid to Shri Bharat Sheth during the FY 2019-20 of ₹ 2,00,87,475/- includes retiral amounting to ₹ 97,58,321/- and regular salary amount of ₹ 1,03,29,154/-.
- ^ The erstwhile CFO, Shri Bharat Sheth retired on December 31, 2019. Shri Girish Amesara joined CDSL w.e.f November 7, 2019 and was designated as CFO w.e.f January 1, 2020. Accordingly, the remuneration paid to Shri Girish Amesara during the FY2019-20 is from January 1, 2020 to March 31, 2020.

**Remuneration of Company Secretary:**

Sr. No.	Particulars		Year		Amount (₹)
1.	Mr. Lalit Sharma, Company Secretary (upto 29/10/2019)	&	2019-20	A	24,72,229
2.	Smt. Amita Paunikar, Company Secretary (w.e.f. 18/11/2019)	~	2019-20	B	15,61,037
3.	Total remuneration paid to Company Secretary		2019-20	C = [A+B]	40,33,266
4.	Smt. Amita Paunikar, Company Secretary, Remuneration paid		2020-21	D	40,10,951
5.	Difference in remuneration paid to Company Secretary between 2019-20 & 2020-21		2020-21	E = [D-C]	(22,315)
8.	Increase in remuneration of Company Secretary		2020-21	F = [E/C*100]	(0.55%)

**Notes:**

- & Shri Lalit Sharma, (Vice President) Company Secretary, Head Legal and Compliance Officer had joined w.e.f. October 1, 2018 and resigned w.e.f. September 30, 2019
- ~ Smt. Amita Paunikar, (Vice President) Company Secretary, Head Legal and Compliance Officer was appointed w.e.f. November 18, 2019. Accordingly, the remuneration paid to Smt. Amita Paunikar during FY 2019-20 is from November 18, 2019 to March 31, 2020.
3. In the financial year, there was an increase of 7.86% in the median remuneration of employees.
4. There were 221 employees on the rolls of the company as on March 31, 2021.
5. There has been 40.19 percentile increase in the salaries of employees other than the managerial remuneration than the last financial year and there has been 6.68 percentile decrease in the managerial remuneration than the last financial year. Percentile decrease in managerial remuneration in FY 2020-21 is due to the fact that there were retiral benefits paid to the managerial employees during the FY 2019-20 in addition to the regular salaries.
6. It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other employees.
7. Information as per section 197 of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

Name	Designation	Date of Joining	Total Cost	Qualification	Age	Experience in Years	Last Employment and Designation
Nehal Vora	MD & CEO	24/09/2019	2,22,94,945	B. Com, MMS (Finance)	47	25	BSE Limited - Chief Regulatory Officer
Ramkumar K.	Executive Vice President, Chief of Business Development, Operations & New Projects	27/09/2000	1,33,33,009	B.Sc., MBA	49	27	Tata Share Registry Ltd. - Executive
Nayana Ovalekar	Executive Vice President, Chief Regulatory Officer	13/10/2003	1,56,49,073	B. Com, CS	52	31	Stock Holding Corporation of India Ltd. - Officer on Special Duty
Amit Mahajan	Executive Vice President - CTO	18/10/2019	1,10,20,410	BE, MMS	49	26	BSE - Sr. Vice President

**Notes:**

1. Remuneration includes basic salary, performance linked incentive, leave encashment, other allowances and taxable value of perquisites.
2. Nature of employment in all cases is contractual in accordance with their respective employment terms and Company's Service Rules.
3. None of the above is covered under Rule 5(3)(viii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014
4. None of the above is a relative of any Director or manager of the Company.

# BUSINESS RESPONSIBILITY REPORT

## INTRODUCTION

CDSL's Business Responsibility Report 2020-21 follows the National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NGSs), as notified by the Ministry of Corporate Affairs (MCA), Government of India. Our Business Responsibility Report includes our responses to questions on our practices and performance on key principles defined by Regulation 34(2)(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, covering topics across environment, governance, and stakeholder relationships.

## SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1. Corporate Identity Number (CIN) of the company	L67120MH1997PLC112443
2. Name of the Company	Central Depository Services (India) Limited
3. Registered address	Marathon Futurex, 25 <sup>th</sup> floor, A-Wing, Mafatlal Mills Compound, N.M Joshi Marg, Lower Parel, Mumbai 400013.
4. Website	<a href="https://www.cdslindia.com/">https://www.cdslindia.com/</a>
5. E-mail ID	cdslagm@cdslindia.com
6. Financial Year reported	2020-21
7. Sector(s) that the Company is engaged in (industrial activity code-wise)	Depository Services-64990
8. List three key products/services that the Company manufactures/provides (as in Balance Sheet)	In compliance with regulation laid down by SEBI, we provide only depository services.
9. Total number of locations where business activity is undertaken by the Company	National: 12 regional offices
10. Markets served by the Company	Markets served across India and certain International locations.

## SECTION B: FINANCIAL DETAILS OF THE COMPANY

1. Paid up capital (INR)	10,450 Lakh
2. Total Turnover (INR)	31,235 Lakh
3. Total profit after taxes (INR)	16,006 Lakh
4. Total Spending on Corporate Social Responsibility (CSR) as percentage of Profit after taxes (%)	2%
5. List of activities in which expenditure in 4 above has been incurred	<ol style="list-style-type: none"> <li>To undertake and support relief or assistance of any kind relating to public health emergency or promoting healthcare including preventive healthcare or any other kind of emergency, calamity or distress in terms of clause (i) &amp; (viii) of Schedule VII.</li> <li>To promote education including special education in term of clause (ii) of Schedule VII.</li> </ol>

## SECTION C: OTHER DETAILS

### 1. Does the Company have any Subsidiary Company/ Companies?

Yes, there are Four subsidiary companies as listed below:

- CDSL Insurance Repository Limited
- CDSL Ventures Limited
- CDSL Commodity Repository Limited
- CDSL IFSC Limited

**2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)**

Yes, all the subsidiaries participate in our BR initiatives

**3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, more than 60%]**

The BR initiative taken by the Company are standalone. The entities with whom Company does business, may be having their own BR initiatives independent from the Company.

**SECTION D: BUSINESS RESPONSIBILITY (BR) INFORMATION**

**1. Details of Director/ Directors responsible for BR**

**a) Details of the Director/ Directors responsible for implementation of the BR policy/ policies**

- 1. **DIN Number** : 06497832
- 2. **Name** : Shri Balkrishna V Chaulal
- 3. **Designation** : Public Interest Director

**b) Details of the BR Head**

Sr. No.	Particulars	Details
1.	DIN Number (if applicable)	-
2.	Name	Smt. Nayana Ovalekar
3.	Designation	Chief Regulatory Officer
4.	Telephone Number	+91 22 23058654
5.	E-mail ID	nayana@cdslindia.com

**2. Principle-wise (as per NVGs) BR Policy/ policies**

**a) Details of compliance (Reply in Y/N)**

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have policy/policies for...	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
2.	Has the policy been formulated in consultation with relevant stakeholders?	Yes, the policies are formulated in consultation with our Senior Management								
3.	Does the policy conform to any national /international standards? If yes, specify.	Yes, it complies with National Voluntary Guidelines.								
4.	Has the policy been approved by the Board? If yes, has it been signed by the MD/owner/CEO/ appropriate Board Director?	Yes								
5.	Does the Company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?	Yes								
6.	Indicate the link to view the policy online?	<a href="https://www.cdslindia.com/">https://www.cdslindia.com/</a>								
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes								
8.	Does the Company have in-house structure to implement its policy/ policies?	Yes								
9.	Does the Company have a grievance redressal mechanism related to the policy / policies to address stakeholders' grievances related to policy/policies?	Yes								
10.	Has the Company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	All the Principles are reviewed by Executive Management Committee continuously and measures are taken for all the stakeholders.								



**3. Governance related to BR**

- a. Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year.**

BRR is placed before the Board annually before circulating it to the Shareholders

- b. Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?**

We published BR report as a part of Annual Report. BR report is attached along with our annual report which is published annually.

**SECTION E: PRINCIPLE-WISE PERFORMANCE**

**Principle 1 (P1): Businesses should conduct and govern themselves with Ethics, Transparency and Accountability**

- 1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/ Contractors/NGOs /Others?**

Yes. Our company's code of conduct and ethics complies with all the governed laws and regulations; including mechanisms to resolve ethical issues & unethical conduct, legitimate handling of conflicts of interest and fostering culture of transparency, honesty and accountability.

- 2. How many stakeholders' complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.**

We have received only one complaint during the past financial year pertaining to non receipt of dividend. The said complaint was resolved within the prescribed time period.

**Principle 2 (P2): Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle**

- 1. List up to 3 products or services whose design has incorporated social or environmental concerns, risks, and/or opportunities.**

Our principal nature of service is to enable clients to hold various securities like Equity shares, Mutual Funds, etc. in electronic form in demat accounts. The clients open a DEMAT account, where his securities are held and various transactions like transfer / pledge of securities, non-cash corporate actions like bonus, rights, etc are processed. The holding of security balances in electronic format saves physical paper and also takes care of issues pertaining to

loss or storage of such paper. We also provide consolidated account statement (CAS) to demat account holders holding Mutual Fund units in statement of account format in electronic format called eCAS. eCAS now constitutes nearly 85% of the total CAS sent resulting in saving of physical paper.

CDSL has supported digitization movement and believes in the concept of 'Atmanirbhar Niveshak'. CDSL has facilitated demat account opening through electronic mode with e-verifications. We have also enabled execution of transfer instructions in electronic format (eDIS). Both these facilities have reduced the utilization of physical paper.

- 2. Does the company have procedures in place for sustainable sourcing (including transportation)?**

The principle form of sourcing is an electronic form to our customers which is a sustainable medium from an environment standpoint and furthers the cause of "going green".

- 3. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?**

As our company's service is totally based on a digital platform, there is negligible need of other goods and services procurement in relation to our business.

- 4. Does the Company have mechanism to recycle products and waste? If yes, what is the percentage of recycling waste and products?**

Our primary waste products are data storage devices which are digitally degaussed to destroy the data. Later these devices are disposed through reputed and certified disposers. Secondary waste generated by us is handed over to premises manager, which in turn have processes to recycle, wherever possible like sewage treatment plant, organic waste converter, bottle crushers, etc.

**Principle 3 (P3): Businesses should promote the wellbeing of all employees**

- 1. Please indicate the total number of employees.**  
221
- 2. Please indicate the total number of employees hired on temporary/ contractual/casual basis.**  
Nil
- 3. Please indicate the number of permanent women employees.**  
52

**4. Please indicate the number of permanent employees with disability.**

3

**5. Do you have an employee association that is recognized by management?**

No

**6. What percentage of your permanent employees are a member of this recognized employee association?**

Not Applicable

**7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.**

Category	No. of complaints during Financial Year	No. of complaints pending at the end of the Financial Year
Child Labour	-	-
Forced Labour/ Involuntary Labour	-	-
Sexual Harassment	-	-

**8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?**

Employee category	ISMS Training	
	Male	Female
Number of permanent employees	88	26
Number of employees with disabilities	1	0
Employees at Management level	1	0
Employees at Non-Management level	86	26

**Principle 4 (P4): Businesses should respect the interests of, and be responsive to the needs of all stakeholders, especially those who are disadvantage vulnerable, and marginalized.**
**1. Has the company mapped its internal and external stakeholders?**

Yes we have identified our internal and external stakeholders which are listed below:

- a. Internal:
  - i. Employees
- b. External:
  - i. Vendors viz.TCS, ECS, etc.
  - ii. Depository participants
  - iii. Issuers,
  - iv. Registrar and Transfer Agents (RTAs)
  - v. Shareholders
  - vi. Advertising Agencies
  - vii. Beneficial Owners
  - viii. Stock Exchanges
  - ix. Clearing Corporations
  - x. Other Depository
  - xi. Other KRAs
  - xii. Other IRs
  - xiii. Other CRs

- xiv. Data centres (contractors)
- xv. SEBI
- xvi. RBI
- xvii. GSTN
- xviii. UIDAI
- xix. IRDAI
- xx. WDRA
- xxi. MCA
- xxii. Practicing Company Secretary/ Practicing Chartered Accountant
- xxiii. Internal and Statutory Auditors
- xxiv. Farmers
- xxv. Repository participants
- xxvi. Warehouses
- xxvii. Local Communities
- xxviii. NGOs

**2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders?**

Yes, we have focused and identified our vulnerable, disadvantaged and marginalised stakeholders. We have identified them as

- a. Physically challenged employees
- b. Mentally challenged children

- c. Underprivileged and destitute children & women
- d. Senior citizens and rural population (Farmers)

**3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable, and marginalized stakeholders? If so, provide details thereof, in about 50 words or so.**

Yes. We put in an extra effort to engage with disadvantaged, vulnerable, and marginalized stakeholders. As part of our CSR policy we have identified the following focus areas:

- Eradicating extreme hunger and poverty
- Promotion of education
- Promoting gender equality and empowering women
- Reducing child mortality and improving maternal health
- combating human immunodeficiency virus, acquired immune deficiency syndrome, malaria and other diseases
- Ensuring environmental sustainability
- Employment enhancing vocational skills
- Social business projects
- Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government or the State Governments for socio-economic development and relief and funds for the welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women.

The above areas are reached through our CSR activities by contributing to PM Cares Fund towards assistance to fight against COVID-19 Pandemic and promotion of education by conducting webinars and programs through online Academy for financial literacy and support.

**Principle 5 (P5): Businesses should respect and promote human rights.**

**1. Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?**

Yes, our Company policies and practices related to protection of human rights i.e prevention of sexual harassment, prevention of child labour, etc. extends to all the stakeholders.

**2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**

We have received only one complaint during the past financial year pertaining to non receipt of dividend from

the shareholder. The said complaint was resolved within the prescribed time period i.e. 100% resolution.

**Principle 6 (P6): Business should respect, protect, and make efforts to restore the environment**

**1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others.**

Yes, the policy related to principle 6 extends to all our stakeholders.

**2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc.?**

Increasing energy demand and improper waste management have a major role and take part in climate change and global warming. Our services of enabling securities to be held in electronic form enables the reduction in issuance of physical share certificates by companies as they are transformed to electronic form of holding. IPO and Corporate Action (CA) are being processed electronically which reduces the re-printing of share certificates. Various online initiatives have been facilitated through electronic means viz. online demat account opening, online account modification, online DIS (Online Delivery Instruction Slips), online pledge, online de-statementization etc. This has largely reduced the cost of printing and storing the physical documents for the stakeholders associated with us. Also we have upgraded our data center system which consumes 11 KW (earlier 31 KW). Facility Management department of Marathon Fururex, where CDSL head office is located has an efficient waste management system comprising sewage treatment plant organic waste converter to whom CDSL is handing over wet and dry waste separately on daily basis.

At CDSL, we believe that digitisation has a great potential for sustainability. By connecting the stakeholders electronically, CDSL ensure paperless transactions and thus takes active steps to reduce carbon footprints and the harm they do to the environment. Through the electronic form of operations, we have helped the stakeholders to 'go green'.

**3. Does the company identify and assess potential environmental risks?**

No, but we are prepared with a business continuity plan if any unfortunate climatic phenomena or a disaster takes place.

**4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?**

No

**5. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc.? Y/N.**

Please refer to Principle 2.1 and Principle 6.2 for insights on the company initiatives.

**6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?**

Please refer to Principle 2.4 for our waste disposal.

**7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.**

Nil

**Principle 7 (P7): Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner**

**1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:**

Yes, the major trade bodies and associations are listed below through which we actively participate in overall development of our company:

- a. ACG-Asia Pacific Central Securities Depository Group
- b. Association of Eurasian Central Securities Depositories (AECSD)

**2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)**

Yes, we have received several suggestions from trade bodies and associations for our stakeholder's and company's growth. Some of them are listed below:

- a. eVoting
- b. Go green movements
- c. Single demat account for all financial assets

- d. Sending annual reports of our company through email

**Principle 8 (P8): Businesses should support inclusive growth and equitable development**

**1. Does the company have specified programs/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.**

Yes, our corporate social responsibility supports inclusive growth of not only communities where we have our operations, but also encompasses the overall development of societies and human capabilities. We have taken major initiatives in the areas of education, commutation and provided assistance to Central Government to fight against COVID-19.

**2. Are the programs/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?**

The projects/programs are undertaken primarily through our CSR committee and associated organisations/government organisations.

**3. Have you done any impact assessment of your initiative?**

The webinars conducted by the Online Academy for Financial Literacy measures the impact of the program by conducting the quiz on the topics covered and certificate for the program is provided to the successful participants. Feedback is also sought on regular basis from the participants on the webinar/program conducted.

**4. What is your company's direct contribution to community development projects-Amount in INR and the details of the projects undertaken.**

Our responsibility towards contributing into the sectors of economic, environmental and social development allows us to have a positive impact on the society.

We have contributed to PM Cares Fund towards assistance to fight against COVID-19 Pandemic and promotion of education by conducting webinars and programs through Online Academy for financial literacy and support.

CSR Project or activity identified	Sector in which the project is covered	Amount Contributed directly in the initiative by the Company ₹ in Lakhs
PM Cares Fund	Clause (viii) of providing relief or assistance in emergency	158.46
Online Academy for Financial Literacy	Clause (ii) of Promoting Education	31.50
<b>Total</b>		<b>189.96</b>

Note: Amount transferred to Unspent CSR Account for the project as per Section 135(6) is ₹ 1.63 Lakh

**5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community?**

Aarth is a CSR Initiative from Central Depository Services (India) Ltd. with a mission to make financial education simple and accessible for all. Our Online Academy aims to impart financial awareness about personal finance and savings for all with special focus on age group 18-25 years in tier II and III cities and first time women investors. Aarth strives on delivering knowledge which is in-depth yet simple.

Our team constantly focuses on providing content which is contemporary and easy to understand, making it a great overall learning experience. The personal finance include topics on Investment, Savings, Budgeting, Demat and Stock Market, Mutual Funds & ETF thereby helping the participants in increasing the financial awareness and making smarter investment decisions.

Contribution to PM Cares Fund helped in providing assistance and relief to the general public to fight COVID-19 and any other emergency situations.

**Principle 9 (P9): Businesses should engage with and provide value to their customers and consumers in a responsible manner**

**1. What percentage of customer complaints/consumer cases are pending as on the end of financial year.**

No complaints were pending against CDSL as on the end of financial year.

**2. Does the company display product information on the product label, over and above what is mandated as per local laws?**

The above question is not applicable to us, as we are not a manufacturing company. We are a service body and the service information is regulated by our governing body SEBI.

**3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year.**

There were no cases filed by any of our stakeholders regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour.

**4. Did your company carry out any consumer survey/ consumer satisfaction trends?**

On regular basis, we measure the satisfaction levels of customers using our services across various touch points. As part of this exercise, we also conduct programs referred to as Investor Awareness Programs (IAPs) across the country. During the IAPs, we cover in detail various services provided by us and also collect feedback from investors. We have found that most of the investors have expressed that they are satisfied with the IAPs conducted by us.

**For and on behalf of the Board**

**Balkrishna V Chaulal**

Chairperson

DIN: 06497832

Place : Mumbai

Date: July 31, 2021

# INDEPENDENT AUDITOR'S REPORT

To the Members of Central Depository Services (India) Limited

## Report on the Audit of the Ind AS Financial Statements

### Opinion

We have audited the accompanying standalone Ind AS financial statements of Central Depository Services (India) Limited ("the Company"), which comprise the Balance sheet as at March 31, 2021, the Statement of Profit and Loss, including the Statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone Ind AS financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

### Basis for Opinion

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Ind AS Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued

by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements for the financial year ended March 31, 2021. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone Ind AS financial statements.

Key audit matters	How our audit addressed the key audit matter
<p><b>Valuation of investments and its impairment</b> (as described in note 4 &amp; 5 of the standalone Ind AS financial statements)</p> <p>Quoted investments and unquoted equity investments, represents the most significant amount on the balance sheet. The total of these aggregating to ₹ 57,615 Lakhs representing 69% of total assets of the Company as at March 31, 2021.</p> <p>There is a risk that the fair value of investments is not determined appropriately. Accordingly, the valuation of investments and its impairment is considered as a key audit matter.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>We assessed the design and implementation of controls over valuation and existence of investments.</li> <li>We traced the quantity held, from the confirmation obtained independently from Custodian and Fund houses.</li> <li>We tested the valuation of the quoted and unquoted investments to independent pricing sources.</li> <li>We assessed and tested the management procedures for performing impairment analysis of investments, including COVID-19 impact, wherever necessary.</li> </ul>



Key audit matters	How our audit addressed the key audit matter
<p><b>Information Technology (IT) systems and controls</b></p> <p>The reliability of IT systems plays a key role in the business operations. Since large volume of transactions are processed, the IT controls are required to ensure that systems process data as expected and there are adequate controls in respect of changes made to the IT systems.</p> <p>The IT infrastructure is critical for smooth functioning of the Company's business operations as well as for timely and accurate financial accounting and reporting.</p> <p>Due to the pervasive nature and complexity of the IT environment and large volume of transactions we have considered IT systems and controls as a key audit matter.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>Assessed the information systems used by the Company for IT General Controls (ITGC) and Application controls;</li> <li>The aspects covered in the IT systems General Control audit were (i) User Access Management (ii) Program Change Management (iii) Other related ITGCs; - to understand the design and test the operating effectiveness of such controls in the system;</li> <li>Performed tests of controls (including other compensatory controls wherever applicable) on the IT application controls and IT dependent manual controls in the system;</li> <li>Tested the design and operating effectiveness of compensating controls, where deficiencies were identified and, where necessary, extended the scope of our substantive audit procedures.</li> </ul>
<p><b>Information Other than the Financial Statements and Auditor's Report Thereon</b></p>	<p>Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.</p>
<p>The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report but does not include the standalone Ind AS financial statements and our auditor's report thereon. The Annual report is expected to be made available to us after the date of this auditor's report.</p>	<p>In preparing the standalone Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.</p>
<p>Our opinion on the standalone Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.</p>	<p>The Board of Directors are also responsible for overseeing the Company's financial reporting process.</p>
<p>In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.</p>	<p><b>Auditor's Responsibilities for the Audit of the Ind AS Financial Statements</b></p>
<p>When we read the Annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.</p>	<p>Our objectives are to obtain reasonable assurance about whether the standalone Ind AS 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.</p>
<p><b>Responsibilities of Management and the Board of Directors for the Ind AS Financial Statements</b></p>	
<p>The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting</p>	

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 Ind AS financial statements.

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

- Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements for the financial year ended March 31, 2021 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 1**, a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - (e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) With respect to the adequacy of the internal financial controls of the Company with reference to these standalone Ind AS financial statements and the

operating effectiveness of such controls, refer to our separate Report in Annexure 2 to this report;

- (g) In our opinion, the managerial remuneration for the year ended March 31, 2021 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements - Refer Note 32 to the standalone Ind AS financial statements;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

**per Jayesh Gandhi**

Partner

Membership Number: 037924

UDIN: 21037924AAAACZ4549

Mumbai

May 01, 2021

### Re: Central Depository Services (India) Limited

#### Annexure 1 referred to in paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.

- (c) According to the information and explanations given by the management, the title deeds of immovable properties included in property, plant and equipment are held in the name of the Company.
- (ii) The Company's nature of business does not require holding of any inventories and, accordingly, the requirements under paragraph 3(ii) of the Order are not applicable to the Company.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees and securities given in respect of which provisions of section 185 of the Companies Act, 2013 are applicable. According to the information and explanations given to us, the Company has complied with the provisions of 186 of the Companies Act, 2013 in respect of investments made by the Company.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the services rendered by the Company.
- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, income-tax, goods and service tax, cess and other statutory dues applicable to the Company. As informed to us, the provisions relating to employees' state insurance, sales-tax, duty of custom, duty of excise, service tax and value added tax are not applicable to the Company.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income-tax, service tax, goods and service tax, cess and other statutory dues applicable to the Company were outstanding, at the year end, for a period of more than six months from the date they became payable. As informed to us, the provisions relating to employees' state insurance, sales-tax, duty

of custom, duty of excise, service tax and value added tax are not applicable to the Company.

- (c) According to the records of the Company, the dues of income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, goods and services tax and cess which have not been deposited on account of any dispute, are as follows:

Name of the statute	Nature of disputed dues	Amount under dispute	Amount paid (₹ in crore)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	₹ 57,390	Nil	FY 2017-18	Commissioner of Income Tax (Appeals)

- (viii) The Company did not have any outstanding loans or borrowings from financial institution or bank or government or had any debentures outstanding during the year.
- (ix) According to the information and explanations given by the management, the Company has not raised any money way of initial public offer or further public offer or debt instruments or term loans hence, reporting under clause (ix) is not applicable to the Company and hence not commented upon.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud, by the Company or on the Company by the officers and employees of the Company, has been noticed or reported during the year.
- (xi) According to the information and explanations given by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) In our opinion, the Company is not a nidhi company. The provisions of clause 3(xii) of the Order are, therefore, not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and on an overall examination of the Balance Sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible

debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the Company and, not commented upon.

- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.
- (xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

**per Jayesh Gandhi**

Partner

Membership Number: 037924

UDIN: 21037924AAAACZ4549

Mumbai

May 01, 2021

### **Re: Central Depository Services (India) Limited**

**ANNEXURE 2 referred to in paragraph 2 (f) under the heading “Report on other legal and regulatory requirements” of our report of even date**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls with reference to financial statements of Central Depository Services (India) Limited (“the Company”) as of March 31, 2021, in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

### **Management’s Responsibility for Internal Financial Controls**

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

of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these standalone Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by 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 with reference to these standalone Ind AS financial statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to these standalone Ind AS financial statements.

### Meaning of Internal Financial Controls with reference to these Standalone Ind AS Financial Statements

A company's internal financial control with reference to these standalone Ind AS financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to these standalone Ind AS financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the

assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### Inherent Limitations of Internal Financial Controls With Reference to these Standalone Ind AS Financial Statements

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

### Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to these standalone Ind AS financial statements and such internal financial controls with reference to these standalone Ind AS financial statements were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

**per Jayesh Gandhi**

Partner

Membership Number: 037924

UDIN: 21037924AAAACZ4549

Mumbai

May 01, 2021



# BALANCE SHEET AS AT MARCH 31, 2021

(₹ in Lakh)

Particulars	Note No.	As at 31.03.2021	As at 31.03.2020
<b>ASSETS</b>			
<b>1 Non-current assets</b>			
a. Property, plant and equipment	3	6,721.86	7,034.02
b. Capital work in progress	3	1,005.63	-
c. Intangible assets	3	345.50	131.21
d. Intangible asset under development	3	1,272.67	-
e. Right-of-use assets	3	26.31	37.39
f. Financial Assets			
i. Investments			
a. Investments in subsidiaries	4	6,230.00	6,230.00
b. Other investments	5	14,141.82	22,820.56
ii. Loans	6	5.46	12.20
iii. Other financial assets	7	232.40	151.54
g. Deferred tax assets (net)	8	-	99.62
h. Non current tax assets	9	903.89	854.67
i. Other assets	10	117.00	115.26
<b>Total Non-Current Assets</b>		<b>31,002.54</b>	<b>37,486.47</b>
<b>2 Current assets</b>			
a. Financial Assets			
i. Other investments	5	37,243.07	23,392.29
ii. Trade receivables	11	1,035.63	1,202.68
iii. Cash and cash equivalents	12	4,112.75	180.31
iv. Bank balances other than (iii) above	12	7,303.84	2,204.32
v. Loans	6	7.34	11.03
vi. Other financial assets	7	1,767.82	499.11
b. Other assets	10	870.97	398.90
<b>Total Current Assets</b>		<b>52,341.42</b>	<b>27,888.64</b>
<b>Total Assets (1+2)</b>		<b>83,343.96</b>	<b>65,375.11</b>
<b>EQUITY AND LIABILITIES</b>			
<b>1 Equity</b>			
a. Equity Share capital	13	10,450.00	10,450.00
b. Other Equity	14	57,809.41	46,510.78
<b>Total Equity</b>		<b>68,259.41</b>	<b>56,960.78</b>
<b>LIABILITIES</b>			
<b>2 Non-current liabilities</b>			
a. Financial Liabilities			
Other financial liabilities	15	153.63	116.88
b. Other liabilities	18	-	0.09
c. Provisions	17	103.63	272.68
d. Deferred tax liabilities (Net)	8	75.64	-
<b>Total Non-current Liabilities</b>		<b>332.90</b>	<b>389.65</b>
<b>3 Current liabilities</b>			
a. Financial Liabilities			
i. Trade payables	16	-	0.27
Total outstanding dues of micro enterprises and small enterprises		-	0.27
Total outstanding dues of creditors other than micro enterprises and small enterprises		741.68	553.60
ii. Other financial liabilities	15	9,999.44	4,317.54
b. Provisions	17	1,418.33	1,549.69
c. Other liabilities	18	2,299.55	1,352.14
d. Current tax liabilities	9	292.65	251.44
<b>Total Current Liabilities</b>		<b>14,751.65</b>	<b>8,024.68</b>
<b>Total Equity and Liabilities (1+2+3)</b>		<b>83,343.96</b>	<b>65,375.11</b>
Significant accounting policies	2		
The Accompanying notes form an integral part of the financial statements	1-47		

In terms of our report of even date attached

**For S. R. Batliboi & Co. LLP**

 Chartered Accountants  
 ICAI Firm registration No. 301003E/E300005

**Per Jayesh Gandhi**

 Partner  
 Membership No: 037924

 Place : Mumbai  
 Date : May 1, 2021

For and on behalf of the Board of Directors

**Balkrishna V Chaubal**

 Chairperson  
 DIN: 06497832

**Nehal Vora**

 Managing Director & CEO  
 DIN: 02769054

**Girish Amesara**

Chief Financial Officer



# STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2021

(₹ in Lakh)

PARTICULARS	Note No.	For the year ended 31.03.2021	For the year ended 31.03.2020
<b>1 Revenue From Operations</b>	19	27,058.39	16,815.16
<b>2 Other Income</b>	20	4,176.60	4,323.78
<b>3 Total Income (1+2)</b>		<b>31,234.99</b>	<b>21,138.94</b>
<b>4 Expenses</b>			
Employee benefits expense	21	3,418.75	3,997.50
Depreciation and amortisation expense	22	728.98	868.69
Finance Cost	27	2.30	2.94
Impairment loss on financial assets	23	963.71	741.11
Other expenses	24	5,484.67	4,755.47
Settlement of Service Tax Matter (Refer note 32)		-	1,056.09
<b>Total expenses</b>		<b>10,598.41</b>	<b>11,421.80</b>
<b>5 Profit before tax (3-4)</b>		<b>20,636.58</b>	<b>9,717.14</b>
<b>6 Tax expense:</b>	25		
Current tax		4,454.00	1,919.00
Deferred tax		176.82	240.43
Provision for Income Tax Written Back		-	(174.10)
<b>Total tax expense</b>		<b>4,630.82</b>	<b>1,985.33</b>
<b>7 Profit for the year (5-6)</b>		<b>16,005.76</b>	<b>7,731.81</b>
<b>8 Other Comprehensive Income</b>			
Items that will not be reclassified to profit or loss			
i. Remeasurement of the defined benefit plans;		(6.19)	20.00
ii. Income tax relating to items that will not be reclassified to profit or loss		1.56	(5.03)
<b>Total other comprehensive income / (loss) (net of tax) (i+ii)</b>		<b>(4.63)</b>	<b>14.97</b>
<b>9 Total Comprehensive Income for the year (7+8)</b>		<b>16,001.13</b>	<b>7,746.78</b>
<b>10 Earnings per equity share (EPS) :</b>			
Basic and Diluted EPS (₹)		15.32	7.40
Face value of share (₹)		10.00	10.00
Weighted average number of shares		10,45,00,000	10,45,00,000
Significant accounting policies	2		
The Accompanying notes form an integral part of the financial statements	1-47		

In terms of our report of even date attached

**For S. R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm registration No. 301003E/E300005

**Per Jayesh Gandhi**

Partner

Membership No: 037924

Place : Mumbai

Date : May 1, 2021

For and on behalf of the Board of Directors

**Balkrishna V Chaubal**

Chairperson

DIN: 06497832

**Nehal Vora**

Managing Director &amp; CEO

DIN: 02769054

**Girish Amesara**

Chief Financial Officer

# STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2021

(₹ in Lakh)

## A. Equity Share Capital (refer note 13)

	Amount
<b>Balance as at April 1, 2019</b>	<b>10,450.00</b>
Changes in equity share capital during the year	-
<b>Balance as at March 31, 2020</b>	<b>10,450.00</b>
Changes in equity share capital during the year	-
<b>Balance as at March 31, 2021</b>	<b>10,450.00</b>

## B. Other Equity

(₹ in Lakh)

Particulars	Reserves and Surplus			Total
	General Reserve	Retained Earnings	Other Comprehensive Income	
<b>Balance as at April 1, 2019</b>	<b>1,094.93</b>	<b>42,676.96</b>	<b>31.46</b>	<b>43,803.35</b>
Profit for the year	-	7,731.81		7,731.81
Other comprehensive income for the year (net of tax)	-	-	14.97	14.97
Payment of dividends (Including dividend distribution tax)	-	(5,039.35)	-	(5,039.35)
<b>Balance as at March 31, 2020</b>	<b>1,094.93</b>	<b>45,369.42</b>	<b>46.43</b>	<b>46,510.78</b>
Profit for the year	-	16,005.76	-	16,005.76
Other comprehensive income for the year (net of tax)	-	-	(4.63)	(4.63)
Payment of dividends	-	(4,702.50)	-	(4,702.50)
<b>Balance as at March 31, 2021</b>	<b>1,094.93</b>	<b>56,672.68</b>	<b>41.80</b>	<b>57,809.41</b>

Significant accounting policies 2

The Accompanying notes form an integral part of the financial statements 1-47

**In terms of our report of even date attached**
**For S. R. Batliboi & Co. LLP**

 Chartered Accountants  
 ICAI Firm registration No. 301003E/E300005

**Per Jayesh Gandhi**

 Partner  
 Membership No: 037924

 Place : Mumbai  
 Date : May 1, 2021

**For and on behalf of the Board of Directors**
**Balkrishna V Chaulal**

 Chairperson  
 DIN: 06497832

**Nehal Vora**

 Managing Director & CEO  
 DIN: 02769054

**Girish Amesara**

Chief Financial Officer

# CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2021

(₹ in Lakh)

PARTICULARS	For the year ended 31.03.2021	For the year ended 31.03.2020
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Profit before tax</b>	<b>20,636.58</b>	<b>9,717.14</b>
<b>Adjustments for</b>		
Depreciation and Amortisation expense	728.98	868.69
Gain on sale / disposal of Property, plant and equipment and Intangible assets (Net)	-	(15.28)
Provision for gratuity and compensated absences	(435.74)	444.31
Amortisation of premium on Bonds	18.09	16.91
Interest cost	2.30	2.94
Interest income recognised on fixed deposit and bonds in profit or loss	(1,091.29)	(929.80)
Net gain arising on financial assets measured at FVTPL	(2,649.94)	(2,823.27)
Impairment loss on financial assets	963.71	741.11
<b>Operating cash flow before working capital changes</b>	<b>18,172.69</b>	<b>8,022.75</b>
<b>Movements in working capital</b>		
(Increase) / Decrease in trade receivables	(796.66)	(1,064.00)
(Increase) / Decrease in loans and other financial assets	(1,248.10)	(17.39)
(Increase) / Decrease in other assets	(473.81)	(105.38)
Increase / (Decrease) in trade payables	187.81	347.99
Increase / (Decrease) in provisions	135.33	434.31
Increase / (Decrease) in other financial liabilities and other current liabilities	5,372.99	277.49
<b>Cash generated from operations</b>	<b>21,350.25</b>	<b>7,895.77</b>
Direct taxes paid (net of refunds)	(4,462.01)	(1,537.51)
<b>Net cash generated from operating activities</b>	<b>16,888.24</b>	<b>6,358.26</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment (Including Capital work in progress)	(834.16)	(625.24)
Purchase of intangible assets (Including Intangible asset under development)	(765.24)	(193.76)
Proceeds from sale of property, plant and equipment	5.69	32.95
Purchase of investments	(26,907.44)	(12,115.00)
Proceeds from sale of investments	24,368.08	10,721.44
Investments in fixed deposits with banks	(7,192.60)	(1,583.19)
Proceeds from maturity of fixed deposits with banks	2,160.55	1,461.82
Interest received	925.77	892.92
<b>Net cash (used in) / generated from investing activities</b>	<b>(8,239.35)</b>	<b>(1,408.06)</b>

(₹ in Lakh)

PARTICULARS	For the year ended 31.03.2021	For the year ended 31.03.2020
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Dividend and taxes paid thereon	(4,702.50)	(5,039.35)
Payment of lease rental	(13.95)	(14.42)
<b>Net cash used in financing activities</b>	<b>(4,716.45)</b>	<b>(5,053.77)</b>
<b>Net (Decrease) / Increase in cash and cash equivalents (A+B+C)</b>	<b>3,932.44</b>	<b>(103.57)</b>
Cash and cash equivalents at the beginning of the year	180.31	283.88
<b>Cash and cash equivalents at the end of the year</b>	<b>4,112.75</b>	<b>180.31</b>
Cash and cash equivalents at the end of the year comprises		
i) Cash in hand	-	0.56
ii) Balances with banks		
- In unpaid dividend account (Refer note 2 below)	34.26	16.42
- In current account (Earmarked against liability) (Refer note 2 below)	538.09	33.27
- In Current Accounts	3,540.40	130.06

Significant accounting policies

2

The Accompanying notes form an integral part of the financial statements

1-47

- The Cash Flow Statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard - 7 "Cash Flow Statement".
- The balances are not available for use by the Company as those are towards earmarked liabilities.
- Previous year figure have been regrouped wherever necessary.

**In terms of our report of even date attached**
**For S. R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm registration No. 301003E/E300005

**Per Jayesh Gandhi**

Partner

Membership No: 037924

Place : Mumbai

Date : May 1, 2021

**For and on behalf of the Board of Directors**
**Balkrishna V Chaubal**

Chairperson

DIN: 06497832

**Nehal Vora**

Managing Director &amp; CEO

DIN: 02769054

**Girish Amesara**

Chief Financial Officer

## SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

### 1. Company Overview

- 1.1. Central Depository Services (India) Limited ("CDSL") herein after referred to as "the Company" is a limited company incorporated in India. The registered office of the Company is at 2501, A-Wing, Marathon Futurex, N. M. Joshi Marg, Lower Parel, Mumbai – 400 013. CDSL was set up with the objective of providing convenient, dependable and secure depository services at affordable cost to all market participants. A depository facilitates holding of securities in the electronic form and enables securities transactions to be processed by book entry by a Depository Participant (DP) who acts as an agent of the depository, offers depository services to investors.
- 1.2. The equity shares of the Company are listed on the National Stock Exchange of India Limited.
- 1.3. The financial statements were authorized for issue by the Company's Board of Directors on May 1, 2021.

### 2. Significant Accounting Policies

#### 2.1. Basis of preparation and presentation

##### 2.1.1 Statement of compliance

The financial statements as at and for the year ended March 31, 2021 have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under section 133 of the Companies Act 2013, read together with the companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 as amended time to time and the financials also complies with presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III).

##### 2.1.2 Basis of measurement

The financial statements have been prepared and presented under the historical cost convention, except for certain items that have been measured at fair values at the end of each reporting period as required by the relevant Ind AS:

- i. Financial assets and liabilities measured at fair value (refer accounting policy at 2.2.4).
- ii. Employee benefits (Gratuity and Compensated absences) (refer accounting policy at 2.2.13).

##### 2.1.3 Functional and presentation currency

The financial statements of the Company are

presented in Indian rupees, the national currency of India, which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates. All financial information presented in Indian rupees has been rounded off to the nearest lakh upto two decimal except share and per share data in terms of Schedule III unless otherwise stated.

#### 2.1.4 Use of estimates and judgment

- a) The preparation of financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses, disclosure of contingent assets and disclosure of contingent liabilities. Actual results may differ from these estimates.
- b) Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the following notes:
  - i. **Income taxes:** The Company's tax jurisdiction is in India. Significant judgments are involved in determining the provision for income taxes, deferred tax assets and liabilities including the amount expected to be paid or recovered in connection with uncertain tax positions.
  - ii. **Employee Benefits:** Defined employee benefit assets / liabilities determined based on the present value of future obligations using assumptions determined by the Company with advice from an independent qualified actuary.
  - iii. **Property plant and equipment and Intangible assets:** The charge in respect of periodic depreciation / amortization is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of the Company's assets are determined by the management at the time the asset is

acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

- iv. Impairment of trade receivables:** The Company estimates the probability of collection of accounts receivable by analyzing historical payment patterns, customer status, customer credit-worthiness and current economic trends. If the financial condition of a customer deteriorates, additional allowances may be required.
- v. Fair value measurement of financial instruments:** The Company estimates fair values of the unquoted equity shares using discounted cash flow model. The valuation requires management to make certain assumptions about the model inputs, including forecast cash flows, discount rate, credit risk and volatility, the probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for these unquoted equity investments (refer note 28).

## 2.2. Summary of significant accounting policies

### 2.2.1 Revenue

- a) The Company has applied Ind AS 115 Revenue from Contracts with Customers which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue. The Company has adopted Ind AS 115 using the cumulative effect method. The effect of initially applying this standard is recognised at the date of initial application (i.e. April 1, 2018). There was no impact on the adoption of the standard on the financial statements of the Company.
- b) The Company derives revenue primarily from services to corporates and capital market intermediary services. The Company recognises revenue when the significant terms of the arrangement are enforceable, services have been delivered and the collectability is reasonably assured. The method for recognizing revenues and costs depends on the nature of the services rendered:

- i. Time and service contracts**

Revenues and costs relating to time and service contracts are recognised as the related services are rendered.

- Annual /monthly fee contracts**

Revenue from annual fee contracts is recognised proportionately over the period of the contract. When services are performed through an indefinite number of repetitive acts over a specified period of time, revenue is recognised on a straight line basis over the specified period or under some other method that better represents the stage of completion.

The Company accounts for volume discounts and pricing incentives to customers by reducing the amount of revenue.

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

### 2.2.2 Foreign currency transactions and balances

Transactions in foreign currency are translated into the respective functional currencies using the exchange rates prevailing at the dates of the respective transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the exchange rates prevailing at reporting date of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Profit and Loss and reported within foreign exchange gains/ (losses).

### 2.2.3 Investments in subsidiaries

Investments in subsidiaries are measured at cost. Dividend income if any from subsidiaries is recognised when its right to receive the dividend is established.

### 2.2.4 Financial instruments

- a) Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.
- b) All financial instruments are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.



- c) Purchase or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trade) are recognised on trade date.
- d) For the purpose of subsequent measurement, financial instruments of the Company are classified in the following categories: financial assets (debt instrument) comprising amortised cost, financial assets (debt instrument) comprising Fair Value Through Other Comprehensive Income ("FVTOCI"), financial asset (equity instruments) at Fair value Through Profit and Loss account ("FVTPL") and FVTOCI and financial liabilities at amortised cost or FVTPL.
- e) The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.
- f) The classification of financial instruments depends on the objective of the business model for which it is held. Management determines the classification of its financial instruments at initial recognition.
- g) All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:
- i. Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
  - ii. Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
  - iii. Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

### 2.2.5 Financial assets

#### a) Financial assets (debt instruments) at amortised cost

- i. A financial asset shall be measured at amortised cost if both of the following conditions are met:
  - the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
  - the contractual terms of the financial assets give

rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding (SPPI).

- ii. They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. Financial assets are measured initially at fair value plus transaction costs and subsequently carried at amortized cost using the effective interest method, less any impairment loss.
- iii. Amortised cost are represented by investment in interest bearing debt instruments, trade receivables, security deposits, cash and cash equivalents, employee and other advances and eligible current and non-current assets.
- iv. Cash and cash equivalents comprise cash on hand and in banks and demand deposits with banks with original maturity less than 3 months which can be withdrawn at any time without prior notice or penalty on the principal.
- v. For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, in banks and demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand, book overdraft and are considered part of the Company's cash management system.

#### b) Financial assets (debt instruments) at FVTOCI

- i. A debt instrument shall be measured at fair value through other comprehensive income if both of the following conditions are met:
  - The objective of the business model is achieved by both collecting contractual cash flows and selling financial assets and
  - The asset's contractual cash flow represents Solely Payment of principal and interest (SPPI). Debt instruments included within FVTOCI category are measured initially as well as at each reporting period at fair value plus transaction costs.
- ii. Fair value movements are recognised in other comprehensive income (OCI). However, the Company recognises interest income, impairment losses and reversals and foreign exchange gain or loss in profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from equity to profit and loss. Interest earned is recognised under the effective interest rate (EIR) model.

- iii. Currently the Company has not classified any interest bearing debt instruments under this category.

**c) Equity instruments at FVTOCI and FVTPL**

- i. All equity instruments are measured at fair value other than investments in unquoted equity shares including investment in subsidiaries. Equity instruments held for trading is classified as FVTPL. For all other equity instruments, the Company may make an irrevocable election to present subsequent changes in the fair value in OCI. The Company makes such election on an instrument-by-instrument basis.
- ii. If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividend are recognised in OCI which is not subsequently reclassified to profit or loss.
- iii. Currently the Company has not classified any equity instrument at FVTOCI.
- iv. If the Company decides to classify an equity instrument as at FVTPL, then all fair value changes on the instrument and dividend are recognised in Profit or Loss.

**d) Financial assets at FVTPL**

FVTPL is a residual category for financial assets. Any financial asset which does not meet the criteria for categorization as at amortised cost or as FVTOCI, is classified as FVTPL. In addition the Company may elect to designate the financial asset, which otherwise meets amortised cost or FVTOCI criteria, as FVTPL if doing so eliminates or significantly reduces a measurement or recognition inconsistency.

**e) Earmarked Funds**

Earmarked Funds includes bonus payable to Key Management Personnel of the Company, held for specific purposes as per the SEBI (Depositories and Participants) Regulations 2018. These amounts are invested in mutual fund units / bank fixed deposits and the same are earmarked in the Balance Sheet. Investment income earned on financial instrument is credited to respective earmarked liabilities and not credited to the Statement of Profit or Loss. The Gain / (Loss) on changes in fair value of mutual fund units of such investments are shown as liabilities / assets and are not routed through the Profit or Loss.

**2.2.6 Financial liabilities**

**a) Financial liabilities at amortised cost**

Financial liabilities at amortised cost represented by

trade and other payables are initially recognized at fair value, and subsequently carried at amortized cost using the effective interest method.

**b) Financial liabilities at FVTPL**

Financial liabilities at FVTPL represented by contingent consideration are measured at fair value with all changes recognised in the profit or loss.

**c) Fair value of Financial Instruments**

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

**d) Equity Instruments**

Ordinary shares: Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are recognised as a deduction from equity, net of any tax effect (if any).

**2.2.7 Property, plant and equipment (PPE)**

**a) Recognition and measurement:**

- i. Property, Plant and Equipment are measured at cost less accumulated depreciation and impairment losses, if any. Cost includes expenditures directly attributable to the acquisition of the asset.
- ii. The Company had elected to consider the carrying value of all its property, plant and equipment appearing in the financial statements prepared in accordance with Accounting Standards notified under the section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014 and used the same as deemed cost in opening Ind AS Balance sheet prepared on April 1, 2016.

**b) Derecognition of PPE:**

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

### 2.2.8 Intangible assets

- a) Intangible assets purchased are measured at cost as of the date of acquisition less accumulated amortization and accumulated impairment, if any.
- b) Amortisation has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013.
- c) Intangible assets consists of computer software.
- d) Amortisation methods, useful lives and residual values are reviewed at each reporting date, with the effect of any changes in estimate accounted for on a prospective basis.

### 2.2.9 Derecognition of intangible assets:

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognised in profit or loss when the asset is derecognised.

### 2.2.10 Depreciation / Amortisation:

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

Name of Asset	Useful life as per Company's Act, 2013 (Years)	Useful Life as per Company Policy (Years) (Till Dec 31, 2020)	Useful Life as per Company Policy (Years) (From Jan 1, 2021)
Computer Hardware	6	2	6
Computer software – Perpetual	3	2	3
Computer software – Subscription License	3	As per license period	As per license period
Furniture and Fixtures	10	5	5

Name of Asset	Useful life as per Company's Act, 2013 (Years)	Useful Life as per Company Policy (Years) (Till Dec 31, 2020)	Useful Life as per Company Policy (Years) (From Jan 1, 2021)
Vehicle	8	4	4

- b) Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.
- c) Depreciation methods, useful life and residual values are reviewed at each reporting date, with the effect of any changes in estimate accounted for on a prospective basis.
- d) When parts of an item of property, plant and equipment have different useful life, they are accounted for as separate items (major components) of property, plant and equipment. Subsequent expenditure relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognised in the Statement of Profit and Loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or disposition of the asset and the resultant gains or losses are recognised in the Profit or Loss.

Amounts paid towards the acquisition of property, plant and equipment outstanding as of each reporting date and the cost of property, plant and equipment not ready for intended use before such date are disclosed under capital work-in-progress. Depreciation is not recorded on capital work-in-progress until construction and installation are complete and the asset is ready for its intended use.

### 2.2.11 Leases

#### a) As a Lessee:

- i. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.
- ii. To assess whether a contract conveys the right to control the use of an identified asset, the

Company assesses whether:

- the contract involves the use of an identified asset;
  - the Company has substantially all of the economic benefits from use of the asset through the period of the lease; and
  - the Company has the right to direct the use of the asset.
- iii. At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.
- iv. The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.
- v. Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.
- vi. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.
- vii. The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are

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

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

**b) As a Lessor:**

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

**2.2.12 Impairment**

**a) Financial assets carried at amortised cost and FVTOCI**

- i. In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables.
- ii. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.
- iii. For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12 month ECL. Lifetime ECLs are the expected credit losses resulting from all possible default

events over the expected life of a financial instrument. The 12 month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date. ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension etc.) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.
  - Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.
- iv. The Company has used a practical expedient by computing the expected credit loss allowance for trade receivable based on a detailed analysis of trade receivable by individual departments.
  - v. ECL impairment loss allowance (or reversal) recognised during the period is recognised as income / expense in the Statement of Profit and Loss.
  - vi. Financial assets measured at amortised cost, contractual revenue receivable: ECL is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

#### b) Non-financial assets

- i. The Company assesses at each reporting date whether there is any observable evidence that a non-financial asset or a company of non-financial assets is impaired. If any such indication exists, the Company estimates the amount of impairment loss. An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognised in Statement of profit and loss and reflected in an allowance account.

When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment loss was recognised, then the previously recognised impairment loss is reversed through statement of profit and loss.

- ii. The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

#### 2.2.13 Employee benefits

- a) The Company participates in various employee benefit plans. Post-employment benefits are classified as either defined contribution plans or defined benefit plans. Under a defined contribution plan, the Company's only obligation is to pay a fixed amount with no obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits. The related actuarial and investment risks fall on the employee. The expenditure for defined contribution plans is recognized as expense during the period when the employee provides service. Under a defined benefit plan, it is the Company's obligation to provide agreed benefits to the employees. The related actuarial and investment risks fall on the Company. The present value of the defined benefit obligations is calculated using the projected unit credit method.
  - i. Short term employee benefits: Performance linked bonus is provided as and when the same is approved by the management.
  - ii. Post-employment benefits and other long term employee benefits are treated as follows:
    - **Defined Contribution Plans**

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



Contributions to the defined contribution plans are charged to profit or loss for the respective financial year as and when services are rendered by the employees.

- **Defined Benefits Plans**

**Gratuity:** In accordance with the Payment of Gratuity Act, 1972, the Company provides for a lump sum payment to eligible employees, at retirement or termination of employment based on the last drawn salary and years of employment with the Company. Gratuity for employees is covered by Gratuity Scheme with Life Insurance Corporation of India and the contribution thereof is paid / provided for. Provision for gratuity is made on the basis of actuarial valuation on Projected Unit Credit Method as at the end of the year.

Remeasurement gains or losses are recognised in other comprehensive income. Further, the profit or loss does not include an expected return on plan assets. Instead net interest recognised in profit or loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. The actual return on the plan assets above or below the discount rate is recognised as part of re-measurement of net defined liability or asset through Other Comprehensive Income.

Remeasurements comprising gains or losses and return on plan assets (excluding amounts included in net interest on the net defined benefit liability) are not reclassified to profit or loss in subsequent periods.

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

### 2.2.14 Provisions

- a) Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.
- b) The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.
- c) When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset, if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.
- d) Provisions for onerous contracts are recognised when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. Provisions for onerous contracts are measured at the present value of lower of the expected net cost of fulfilling the contract and the expected cost of terminating the contract.
  - i. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability.
  - ii. Provisions are reviewed at each balance sheet date adjusted to reflect the current best estimates. Contingent assets and contingent liabilities are not recognised but disclosed in the Financial Statements when economic inflow is probable.

### 2.2.15 Investment income

- a) Investment income consists of interest income on funds invested, dividend income and gains on the disposal of FVTPL financial assets.
- b) Interest income on bond is recognised as it accrues in the Profit or Loss, using the effective interest method and interest income on deposits with banks is recognised on a time proportion accrual basis taking into the account the amount outstanding and the rate applicable.
- c) Dividend income is recognised in the Profit or Loss on the date that the Company's right to receive payment is established.



### 2.2.16 Income tax

- a) Income tax comprises current and deferred tax. Income tax expense is recognized in profit or loss except to the extent it relates to items directly recognized in equity or in other comprehensive income.

#### i. Current income tax

Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for the period. The tax rates and tax laws used to compute the current tax amount are those that are enacted at the reporting date and applicable for the period. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognised amounts and where it intends either to settle on a net basis or to realize the asset and liability simultaneously.

#### ii. Deferred tax

Deferred tax is recognised using the balance sheet approach. Deferred tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

Deferred tax asset are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized. Deferred tax liabilities are recognised for all taxable temporary differences.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

The Company recognises interest levied and penalties related to income tax assessments in income tax expenses.

### 2.2.17 Earnings per share

- a) The Company reports basic and diluted earnings per share in accordance with Ind AS 33 on Earnings per share. Basic earnings per share is computed using the weighted average number of equity shares outstanding during the period.
- b) Diluted EPS is computed by dividing the net profit after tax by the weighted average number of equity shares considered for deriving basic EPS and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares, as appropriate.

### 2.2.18 Current / Non-current classification

- a) The Company present assets and liabilities in the balance sheet based on current/non-current classification
- b) Assets: An asset is classified as current when it satisfies any of the following criteria:
- i. it is expected to be realised in, or is intended for sale or consumption in, the entity's normal operating cycle;
  - ii. it is held primarily for the purpose of being traded;
  - iii. it is expected to be realised within twelve months after the balance sheet date
  - iv. it is cash or a cash equivalent unless it is restricted from being exchanged or used to settle a liability for at-least twelve months after the balance sheet date
  - v. All other assets are classified as non-current.

- c) Liabilities: A liability is classified as current when it satisfies any of the following criteria:
  - i. it is expected to be settled in, the entity's normal operating cycle;
  - ii. it is held primarily for the purpose of being traded; it is due to be settled within twelve months after the balance sheet date
  - iii. the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the balance sheet date.
  - iv. All other liabilities are classified as non-current

### 2.2.19 Operating Cycle

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

### 2.3. New and amended standards

**2.3.1** Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2021.

### 2.3.2 Amendments to Ind AS 116: COVID-19-Related Rent Concessions.

- a) The amendments to Ind AS 116 provides a practical expedient to lessees in accounting for rent concessions that are a direct consequence of the COVID-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a COVID-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the COVID-19 related rent concession the same way it would account for the change under IFRS 16, if the change were not a lease modification. The practical expedient applies only to rent concessions occurring as a direct consequence of the COVID-19 pandemic and only if all of the following conditions are met:
  - b) The change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change.

- c) Any reduction in lease payments affects only payments originally due on or before 30 June, 2021 (for example, a rent concession would meet this condition if it results in reduced lease payments before 30 June, 2021 and increased lease payments that extend beyond 30 June, 2021).
- d) There is no substantive change to other terms and conditions of the lease.

No practical expedient is available for lessors.

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

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

### 2.3.3 Appendix C to Ind AS 12 Uncertainty over Income Tax Treatment

- a) The appendix addresses the accounting for income taxes when tax treatments involve uncertainty that affects the application of Ind AS 12 Income Taxes. It does not apply to taxes or levies outside the scope of Ind AS 12, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments. The Appendix specifically addresses the following:
  - i. Whether an entity considers uncertain tax treatments separately
  - ii. The assumptions an entity makes about the examination of tax treatments by taxation authorities
  - iii. How an entity determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates
  - iv. How an entity considers changes in facts and circumstances

- b) The Company determines whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments and uses the approach that better predicts the resolution of the uncertainty.
- c) The Company applies significant judgement in identifying uncertainties over income tax treatments. Since the Company operates in a complex multinational environment, it assessed whether the Appendix had an impact on its consolidated financial statements.
- d) Upon adoption of the Appendix C to Ind AS 12, the Company considered whether it has any uncertain

tax positions, particularly those relating to transfer pricing. The Company's and the subsidiaries' tax filings in different jurisdictions include deductions related to transfer pricing and the taxation authorities may challenge those tax treatments. The Company determined, based on its tax compliance and transfer pricing study, that it is probable that its tax treatments (including those for the subsidiaries) will be accepted by the taxation authorities. The Appendix did not have an impact on the consolidated financial statements of the Company

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

(₹ in Lakh)

Particulars	Property, plant and equipment							Intangible Assets		Right of Use Asset		
	Freehold Office	Freehold Office -improvement	Freehold -Building	Leasehold-Building	Plant and equipments	Computers and fixtures	Office equipments	Motor vehicles	Total		Computer Softwares	
<b>Gross carrying value</b>												
Balance as at April 1, 2019	6,325.27	250.22	0.01	169.10	1,019.27	105.06	320.16	282.01	161.42	8,632.52	676.79	-
Additions during the year ended March 31, 2020	-	-	-	-	514.01	65.73	8.27	18.16	18.61	624.78	193.76	48.50
Deductions / adjustments	-	-	-	-	4.40	2.53	0.18	6.24	62.98	76.33	-	-
<b>Balance as at March 31, 2020</b>	<b>6,325.27</b>	<b>250.22</b>	<b>0.01</b>	<b>169.10</b>	<b>1,528.88</b>	<b>168.26</b>	<b>328.25</b>	<b>293.93</b>	<b>117.05</b>	<b>9,180.97</b>	<b>870.55</b>	<b>48.50</b>
Balance as at April 1, 2020	6,325.27	250.22	0.01	169.10	1,528.88	168.26	328.25	293.93	117.05	9,180.97	870.55	48.50
Additions during the year ended March 31, 2021	-	-	-	-	205.22	78.17	-	0.73	-	284.12	341.61	-
Deductions / adjustments	-	-	-	-	-	-	-	-	22.92	22.92	-	-
<b>Balance as at March 31, 2021</b>	<b>6,325.27</b>	<b>250.22</b>	<b>0.01</b>	<b>169.10</b>	<b>1,734.10</b>	<b>246.43</b>	<b>328.25</b>	<b>294.66</b>	<b>94.13</b>	<b>9,442.17</b>	<b>1,212.16</b>	<b>48.50</b>
<b>Accumulated depreciation / amortisation</b>												
Balance as at April 1, 2019	180.59	35.37	-	161.59	806.46	94.37	150.43	102.28	68.26	1,599.35	488.03	-
Depreciation/amortisation for the year ended March 31, 2020	105.63	25.02	-	2.17	309.14	28.72	47.89	52.24	35.45	606.26	251.31	11.11
Deductions / Adjustments	-	-	-	-	4.40	2.53	0.18	6.02	45.53	58.66	-	-
<b>Balance as at March 31, 2020</b>	<b>286.22</b>	<b>60.39</b>	<b>-</b>	<b>163.76</b>	<b>1,111.20</b>	<b>120.56</b>	<b>198.14</b>	<b>148.50</b>	<b>58.18</b>	<b>2,146.95</b>	<b>739.34</b>	<b>11.11</b>
Balance as at April 1, 2020	286.22	60.39	-	163.76	1,111.20	120.56	198.14	148.50	58.18	2,146.95	739.34	11.11
Depreciation/amortisation for the year ended March 31, 2021	105.63	25.02	-	2.17	272.35	39.57	49.05	58.24	38.56	590.59	127.32	11.08
Deductions / Adjustments	-	-	-	-	-	-	-	-	17.23	17.23	-	-
<b>Balance as at March 31, 2021</b>	<b>391.85</b>	<b>85.41</b>	<b>-</b>	<b>165.93</b>	<b>1,383.55</b>	<b>160.13</b>	<b>247.19</b>	<b>206.74</b>	<b>79.51</b>	<b>2,720.31</b>	<b>866.66</b>	<b>22.19</b>
<b>Net carrying value</b>												
As at March 31, 2021	5,933.42	164.81	0.01	3.17	350.55	86.30	81.06	87.92	14.62	6,721.86	345.50	26.31
As at March 31, 2020	6,039.05	189.83	0.01	5.34	417.68	47.70	130.11	145.43	58.87	7,034.02	131.21	37.39

	As at 31.03.2021	As at 31.03.2020
<b>Intangible assets under development</b>		
Capital Advance (Intangible Asset)	1,272.67	-
<b>Total</b>	<b>1,272.67</b>	<b>-</b>
<b>Capital work in Progress</b>		
Capital Advance (Tangible Asset)	1,005.63	-
<b>Total</b>	<b>1,005.63</b>	<b>-</b>

#### 4. Investments in subsidiaries

(₹ in Lakh)

Particulars	As at 31.03.2021	As at 31.03.2020
<b>Un-quoted investments (measured at cost)</b>		
Investments in equity instruments		
- CDSL Ventures Limited (Fully paid up)	2,100.00	2,100.00
- CDSL Insurance Repository Limited (Fully paid up)	1,530.00	1,530.00
- CDSL Commodity Repository Limited (Fully paid up)	2,600.00	2,600.00
<b>Total aggregate un-quoted investments</b>	<b>6,230.00</b>	<b>6,230.00</b>
<b>Aggregate carrying value of un-quoted investments</b>	<b>6,230.00</b>	<b>6,230.00</b>
<b>Aggregate amount of impairment in value of investments in subsidiaries</b>	<b>-</b>	<b>-</b>

#### 5. Other investments

(₹ in Lakh)

Particulars	As at 31.03.2021	As at 31.03.2020
<b>Non-current investments</b>		
<b>Un-quoted investments (all fully paid)</b>		
<b>Investments in equity instruments measured at FVTPL</b>		
- Belapur Railway Station Commercial Company Limited (BRSCCL) (Fully paid equity shares of ₹ 10 each)	0.50	0.50
- National E-Governance Services Limited (NESL) (Fully paid equity shares of ₹ 10 each)	327.90	273.90
<b>Aggregate value of un-quoted Investments</b>	<b>328.40</b>	<b>274.40</b>
<b>Total investment in equity instruments at FVTPL</b>	<b>328.40</b>	<b>274.40</b>
<b>Quoted Investments</b>		
<b>Investments in tax free bonds measured at amortised cost</b>		
<b>Owned</b>		
- Tax free bonds	7,254.82	9,007.96
	<b>7,254.82</b>	<b>9,007.96</b>
<b>Investments in Non convertible debentures measured at amortised cost</b>		
<b>Owned</b>		
- Non convertible debentures	-	1,000.00
	-	<b>1,000.00</b>
<b>Investments in mutual funds measured at FVTPL</b>		
<b>Owned</b>		
- Units of growth oriented schemes of mutual funds	6,558.60	12,510.20
<b>Earmarked</b>		
- Units of growth oriented schemes of mutual funds (refer note 45)	-	28.00
	<b>6,558.60</b>	<b>12,538.20</b>
<b>Total Non-current investments</b>	<b>14,141.82</b>	<b>22,820.56</b>
<b>Aggregate amount of quoted investments</b>	<b>13,813.42</b>	<b>22,546.16</b>
<b>Market value of quoted investments</b>	<b>13,813.42</b>	<b>22,546.16</b>
<b>Aggregate amount of unquoted investments</b>	<b>328.40</b>	<b>274.40</b>

(₹ in Lakh)

Particulars	As at 31.03.2021	As at 31.03.2020
<b>Current investments</b>		
<b>Unquoted investments</b>		
<b>Investments in mutual funds measured at FVTPL</b>		
<b>Owned</b>		
- Units of growth oriented schemes of mutual funds	27,597.22	7,394.26
	<b>27,597.22</b>	<b>7,394.26</b>
<b>Current portion of long term investments</b>		
<b>Quoted investments</b>		
<b>Investments in Non convertible debentures measured at amortised cost</b>		
<b>Owned</b>		
- Non convertible debentures	1,000.00	-
<b>Quoted Investments</b>		
<b>Investments in tax free bonds measured at amortised cost</b>		
<b>Owned</b>		
- Tax free bonds	1,735.05	-
<b>Investments in mutual funds measured at FVTPL</b>		
<b>Owned</b>		
- Units of growth oriented schemes of mutual funds	6,880.96	15,998.03
<b>Earmarked</b>		
- Units of growth oriented schemes of mutual funds (refer note 45)	29.84	-
	<b>9,645.85</b>	<b>15,998.03</b>
<b>Total current investments</b>	<b>37,243.07</b>	<b>23,392.29</b>
<b>Aggregate amount of quoted investments</b>	<b>6,910.80</b>	<b>15,998.03</b>
<b>Market value of quoted investments</b>	<b>6,910.80</b>	<b>15,998.03</b>
<b>Aggregate amount of unquoted investments</b>	<b>27,597.22</b>	<b>7,394.26</b>



## 5 A - Investments

Type	Name of the Body Corporate	No. of Shares / Units		(₹) In Lakh	
		As at 31.03.2021	As at 31.03.2020	As at 31.03.2021	As at 31.03.2020
<b>Details of Non current investments</b>					
<b>Investment in subsidiaries</b>					
<b>a) Investment in equity shares</b>					
Unquoted	CDSL Ventures Limited (Fully paid up)	5,000,000	5,000,000	2,100.00	2,100.00
Unquoted	CDSL Insurance Repository Limited (Fully paid up)	15,299,999	15,299,999	1,530.00	1,530.00
Unquoted	CDSL Commodity Repository Limited (Fully paid up)	26,000,000	26,000,000	2,600.00	2,600.00
				<b>6,230.00</b>	<b>6,230.00</b>
<b>Investment in others</b>					
<b>b) Investments in equity shares</b>					
Unquoted	Belapur Railway Station Commercial Company Limited (BRSCCL) (Fully paid up)	5,000	5,000	0.50	0.50
Unquoted	National E-Governance Services Limited (NESL) (Fully paid up)	3,000,000	3,000,000	327.90	273.90
				<b>328.40</b>	<b>274.40</b>
<b>c) Investment in Non convertible debentures</b>					
Quoted	8.70% TATA Capital NCD 3Yrs RD 27.09.2021	-	100,000	-	1,000.00
				-	<b>1,000.00</b>
<b>d) Investment in tax free bonds</b>					
Quoted	7.21% REC Ltd Tax Free bonds 211122	50	50	500.01	500.02
Quoted	7.22% Power Finance Corporation Ltd Tax Free Bond Series 95 291122	50	50	500.01	500.02
Quoted	7.18% Indian Railway Finance Corp Ltd Tax Free Bonds 190223	130,000	130,000	1,301.84	1,302.76
Quoted	7.19% Indian Railway Finance Corp Ltd Tax Free Bond 310725	50	50	500.29	500.35
Quoted	8.01% National Housing Bank Tax Free Bonds 300823	70	70	700.08	700.12
Quoted	7.17% National Housing Bank Tax Free Bonds 010123	50	50	500.86	501.31
Quoted	8.35% National Highways Auth of India Tax Free Bonds 221123	70	70	700.07	700.10
Quoted	8.20% National Highways Auth of India Tax Free Bonds 250122	-	72,500	-	734.02
Quoted	8.18% NHPC Limited Tax Free Bonds 021123	22,547	22,547	225.47	225.47
Quoted	8.19% NTPC Limited Tax Free Bonds 040324	50	50	500.02	500.02
Quoted	8.41% NTPC Limited Tax Free Bonds 161223	31,665	31,665	316.65	316.65
Quoted	8.20% Power Finance Corporation Ltd Tax Free Bonds 010222	-	100,000	-	1,014.33
Quoted	7.15% NTPC Limited Tax Free Bond 210825	50	50	500.16	500.19
Quoted	7.17% REC Ltd Tax Free Bond 230725	50	50	500.23	500.28
Quoted	8.18% REC Ltd Tax Free Bonds 111023	50	50	509.13	512.32
				<b>7,254.82</b>	<b>9,007.96</b>
<b>e) Investment in Units of growth oriented schemes of mutual funds</b>					
Quoted	Aditya Birla Sunlife Fixed Term Plan - Series OY - Direct - Growth	-	3,000,000.00	-	357.80
Quoted	Aditya Birla Sunlife Fixed Term Plan - Series SI - Direct - Growth	4,000,000.00	4,000,000.00	484.97	445.36
Quoted	Axis Fixed Term Plan - Sr102 - Direct- Growth	4,000,000.00	4,000,000.00	484.35	444.86

Type	Name of the Body Corporate	No. of Shares / Units		(₹) In Lakh	
		As at 31.03.2021	As at 31.03.2020	As at 31.03.2021	As at 31.03.2020
Quoted	DSP Fixed Maturity Plan - Sr 219 - 40M - Direct - Growth	-	3,000,000.00	-	355.88
Quoted	DSP Fixed Maturity Plan - Sr 233 -36M -Direct-Growth	-	238,511.40	-	28.00
Quoted	DSP Fixed Maturity Plan - Sr 250 -39M -Direct-Growth	5,261,412.88	5,261,412.88	638.39	587.85
Quoted	HDFC Fixed Maturity Plan- 1150D Mar 2018 (1) Sr 39 Direct -Growth	-	7,043,577.00	-	834.45
Quoted	HDFC MF Fixed Maturity Plan-1158D Feb2018 (1) Sr39-Direct-Growth	-	6,000,000.00	-	713.17
Quoted	HDFC Fixed Maturity Plan- 1274D Oct 2018 (1) Sr 43 Direct- Growth	5,000,000.00	5,000,000.00	634.14	584.89
Quoted	HSBC Fixed Term Series 131 - Direct -Growth	-	3,000,000.00	-	346.11
Quoted	HSBC Fixed Term Series 134 - Direct -Growth	-	4,000,000.00	-	418.65
Quoted	HSBC Fixed Term Series 139 - Direct -Growth	3,500,000.00	3,500,000.00	425.53	390.78
Quoted	ICICI Prudentail Fixed Maturity Plan - Sr 82 - Plan A - 1236 Days Direct Cum	-	5,000,000.00	-	597.43
Quoted	ICICI Prudentail Fixed Maturity Plan - Sr 84 - 1254 Days Plan U - Direct - Cum	4,000,000.00	4,000,000.00	492.74	453.49
Quoted	ICICI Prudentail Fixed Maturity Plan - Sr 84 - 1188 Days Plan Z - Direct - Cum	4,000,000.00	4,000,000.00	493.61	450.97
Quoted	Invesco India Fixed Maturity Plan - Sr 30 -Plan A - Direct -Growth	-	5,000,000.00	-	595.64
Quoted	Invesco India Fixed Maturity Plan - Sr 30 Plan C - Direct-Growth	-	6,000,000.00	-	714.09
Quoted	Kotak Fixed Maturity Plan - Series 250 – 1314 Days- Direct-Growth	4,250,000.00	4,250,000.00	539.13	495.62
Quoted	Kotak Fixed Maturity Plan - Series 255 – 1250 Days- Direct-Growth	4,000,000.00	4,000,000.00	493.74	454.53
Quoted	Nippon India Fixed Horizon Fund - XXXV - SR 11-Direct-Growth	-	5,000,000.00	-	597.61
Quoted	Nippon India Fixed Horizon Fund - XXXV - SR 12-Direct-Growth	-	4,000,000.00	-	478.04
Quoted	Nippon India Fixed Horizon Fund XXXVI Series 7 - Direct - Growth	-	4,000,000.00	-	472.71
Quoted	Nippon India Fixed Horizon Fund XXXX Series 6 - Direct - Growth	4,000,000.00	4,000,000.00	495.41	455.94
Quoted	PGIM India Fixed Duration Fund Sr AY- Direct-Growth	40,000.00	40,000.00	520.26	478.91
Quoted	SBI Debt Fund Series C – 33 (1216 Days) – Direct- Growth	4,000,000.00	4,000,000.00	494.52	453.88
Quoted	Sundaram Fixed Term Plan - IS - Direct - Growth	3,000,000.00	3,000,000.00	361.81	331.54
				<b>6,558.60</b>	<b>12,538.20</b>
<b>Total of Non current investments (a+b+c+d+e)</b>				<b>20,371.82</b>	<b>29,050.56</b>
<b>Details of Current portion of Long term investments</b>					
<b>f) Investment in Non convertible debentures</b>					
Quoted	8.70% TATA Capital NCD 3Yrs RD 27.09.2021	100,000	-	1,000.00	-
				<b>1,000.00</b>	<b>-</b>
<b>g) Investment in tax free bonds</b>					
Quoted	8.20% National Highways Auth of India Tax Free Bonds 250122	72,500	-	729.19	-
Quoted	8.20% Power Finance Corporation Ltd Tax Free Bonds 010222	100,000	-	1,005.86	-
				<b>1,735.05</b>	<b>-</b>

Type	Name of the Body Corporate	No. of Shares / Units		(₹) In Lakh	
		As at 31.03.2021	As at 31.03.2020	As at 31.03.2021	As at 31.03.2020
<b>h)</b>	<b>Investment in Units of growth oriented schemes of mutual funds</b>				
Quoted	Aditya Birla Sunlife Fixed Term Plan - Series OM - Direct - Growth	-	5,000,000.00	-	617.01
Quoted	Aditya Birla Sunlife Fixed Term Plan - Series OY - Direct - Growth	3,000,000.00	-	380.85	-
Quoted	Aditya Birla Sunlife Fixed Term Plan - Series OD - Direct - Growth	-	9,260,869.00	-	1,148.89
Quoted	Aditya Birla Sunlife Fixed Term Plan - Series OH - Direct - Growth	-	7,180,656.00	-	893.75
Quoted	Aditya Birla Sunlife Fixed Term Plan - Series OI - Direct - Growth	-	10,901,955.00	-	1,355.94
Quoted	Aditya Birla Sunlife Fixed Term Plan - Series OK - Direct - Growth	-	10,000,000.00	-	1,241.50
Quoted	DSP Fixed Maturity Plan - Sr 204 - 37M - Direct - Growth	-	10,000,000.00	-	1,239.24
Quoted	DSP Fixed Maturity Plan - Sr 205 - 37M - Direct - Growth	-	10,000,000.00	-	1,239.85
Quoted	DSP Fixed Maturity Plan - Sr 209 - 37M - Direct - Growth	-	4,300,000.00	-	530.97
Quoted	DSP Fixed Maturity Plan - Sr 219 - 40M - Direct - Growth	3,000,000.00	-	376.46	-
Quoted	DSP Fixed Maturity Plan - Sr 233 -36M -Direct-Growth	238,511.40	-	29.84	-
Quoted	HDFC Fixed Maturity Plan- 1150D Mar 2018 (1) Sr 39 Direct -Growth	7,043,577.00	-	883.64	-
Quoted	HDFC MF Fixed Maturity Plan-1158D Feb2018 (1) Sr39-Direct-Growth	6,000,000.00	-	755.63	-
Quoted	HSBC Fixed Term Series 131 - Direct -Growth	3,000,000.00	-	367.61	-
Quoted	HSBC Fixed Term Series 134 - Direct -Growth	4,000,000.00	-	444.42	-
Quoted	ICICI Prudential Fixed Maturity Plan - Sr 82 - Plan A - 1236 Days Direct Cum	5,000,000.00	-	631.99	-
Quoted	ICICI Prudential Fixed Maturity Plan - Sr 80-Plan J - 1253 Days Direct Cum	-	4,493,054.00	-	560.54
Quoted	ICICI Prudential Fixed Maturity Plan - Sr 80-Plan L - 1245 Days Direct Cum	-	6,000,000.00	-	749.18
Quoted	ICICI Prudential Fixed Maturity Plan - Sr 80-Plan O - 1233 Days Direct Cum	-	3,000,000.00	-	374.65
Quoted	ICICI Prudential Fixed Maturity Plan - Sr 81 - Plan Q - 1163 Days Direct Cum	-	10,000,000.00	-	1,207.01
Quoted	ICICI Prudential Fixed Maturity Plan - Sr 80-Plan T - 1225 Days Direct Cum	-	6,500,000.00	-	809.66
Quoted	IDFC Fixed Term Plan - Sr 129 - Direct- Growth 1147 Days	-	10,000,000.00	-	1,239.10
Quoted	IDFC Fixed Term Plan - Sr 131 - Direct- Growth 1139 Days	-	12,512,212.00	-	1,548.75
Quoted	Invesco India Fixed Maturity Plan - Sr 30 -Plan A - Direct -Growth	5,000,000.00	-	633.03	-
Quoted	Invesco India Fixed Maturity Plan - Sr 30 Plan C - Direct-Growth	6,000,000.00	-	761.24	-

Type	Name of the Body Corporate	No. of Shares / Units		(₹) In Lakh	
		As at 31.03.2021	As at 31.03.2020	As at 31.03.2021	As at 31.03.2020
Quoted	Invesco India Fixed Maturity Plan - Sr 29 -Plan B - Direct -Growth	-	10,000,000.00	-	1,241.99
Quoted	Nippon India Fixed Horizon Fund - XXXV - SR 11-Direct-Growth	5,000,000.00	-	634.75	-
Quoted	Nippon India Fixed Horizon Fund - XXXV - SR 12-Direct-Growth	4,000,000.00	-	508.08	-
Quoted	Nippon India Fixed Horizon Fund XXXVI Series 7 - Direct - Growth	4,000,000.00	-	503.26	-
<b>Total of Current portion of Long term investments</b>				<b>6,910.80</b>	<b>15,998.03</b>
<b>Details of Current Investments</b>					
<b>i) Investment in Units of growth oriented schemes of mutual funds</b>					
Unquoted	Aditya Birla Sunlife Floating Rate Fund - Direct -Growth	995,259.41	-	2,694.00	-
Unquoted	Axis Banking & PSU Debt Fund - Direct - Growth	56,793.37	-	1,191.41	-
Unquoted	Axis Liquid Fund - Direct Plan - Growth	-	15,179.05	-	334.60
Unquoted	Axis Treasury Advantage Fund - Direct - Growth	-	7,765.06	-	180.55
Unquoted	DSP Banking & PSU Debt Fund - Direct - Growth	4,185,577.05	-	802.96	-
Unquoted	HDFC Corporate Bond Fund - Direct - Growth	5,949,919.06	-	1,498.40	-
Unquoted	ICICI Bond Fund - Direct - Growth	7,387,708.97	-	2,364.13	-
Unquoted	ICICI Corporate Bond Fund - Direct - Growth	7,003,784.47	-	1,646.36	-
Unquoted	IDFC Banking & PSU Debt Fund -Direct -Growth	8,262,232.23	-	1,614.48	-
Unquoted	Invesco India Corporate Bond Fund (Active India Fund) - Direct - Growth	24,820.44	24,820.44	649.03	597.57
Unquoted	Invesco India Treasury Advantage Fund - Direct - Growth	12,177.52	12,177.52	371.64	348.53
Unquoted	Kotak Banking & PSU Debt Fund - Direct - Growth	1,755,758.52	-	904.63	-
Unquoted	Kotak Bond Short Term Fund - Direct - Growth	3,189,289.09	-	1,386.64	-
Unquoted	LIC MF Banking & PSU Debt Fund - Direct - Growth	-	3,481,471.16	-	939.20
Unquoted	L & T Triple Ace Bond Fund - Direct- Growth	1,992,219.42	969,181.14	1,188.14	535.63
Unquoted	L & T Ultra Short Term Fund - Direct- Growth	-	59,068.46	-	19.75
Unquoted	Nippon Banking & PSU Debt Fund - Direct - Growth	1,535,266.85	-	252.11	-
Unquoted	Nippon India Short Term Fund - Direct - Growth	-	2,772,314.76	-	1,096.13
Unquoted	Nippon India Floating Rate Fund_Short Term Plan - Direct - Growth	6,634,079.73	3,885,879.04	2,387.47	1,277.75
Unquoted	Nippon India Nivesh Lakshya Fund - Direct - Growth	11,861,367.46	3,453,477.27	1,648.91	451.65
Unquoted	SBI Banking & PSU Debt Fund - Direct - Growth	73,553.13	-	1,878.55	-
Unquoted	Sundaram Money Market Fund - Direct - Growth	9,759,340.80	9,759,340.80	1,142.84	1,093.26
Unquoted	TATA Banking & PSU Debt Fund - Direct - Growth	5,000,000.00	5,000,000.00	563.82	519.64
Unquoted	TATA Short Term Bond Fund - Direct - Growth	2,504,564.20	-	1,013.02	-
Unquoted	UTI Corporate Bond Fund - Direct - Growth	18,730,646.30	-	2,398.68	-
				<b>27,597.22</b>	<b>7,394.26</b>
<b>Total of Current Investments (f+g+h+i)</b>				<b>37,243.07</b>	<b>23,392.29</b>
<b>Total Investment</b>				<b>57,614.89</b>	<b>52,442.85</b>

## 6. Loans (at amortised cost)

(₹ in Lakh)

Particulars	As at 31.03.2021	As at 31.03.2020
<b>Non-current</b>		
Unsecured, considered good		
Loans to staff	5.46	12.20
<b>Total</b>	<b>5.46</b>	<b>12.20</b>
<b>Current</b>		
Unsecured, considered good		
Loans to staff	7.34	11.03
<b>Total</b>	<b>7.34</b>	<b>11.03</b>

## 7. Other financial assets (at amortised cost)

(₹ in Lakh)

Particulars	As at 31.03.2021	As at 31.03.2020
<b>Non-current</b>		
(a) Sundry deposits - Unsecured considered good	14.38	13.32
(b) Bank balance in deposit accounts (Earmarked ₹ 205.40 Lakh (Previous Year ₹ 124.48 Lakh)) (Refer note 45)	205.40	125.48
(c) Accrued interest - bank deposits (Earmarked ₹ 12.58 Lakh (Previous Year ₹ 4.06 Lakh)) (Refer note 45)	12.62	12.74
<b>Total</b>	<b>232.40</b>	<b>151.54</b>
<b>Current</b>		
(a) Other Receivable (From Related Party ₹ 7.57 Lakh (Previous Year ₹ 103.13 Lakh))	7.57	107.18
(b) Sundry deposits - Unsecured considered good	45.05	46.50
(c) Unbilled revenue	1,373.90	4.29
(d) Interest accrued but not due on bonds	341.30	341.14
<b>Total</b>	<b>1,767.82</b>	<b>499.11</b>

## 8. Deferred tax balances

(₹ in Lakh)

Particulars	As at 31.03.2021	As at 31.03.2020
Deferred tax assets	853.91	927.04
Deferred tax liabilities	929.55	827.42
<b>TOTAL</b>	<b>(75.64)</b>	<b>99.62</b>

**Deferred tax assets / (liabilities) in relation to:**

(₹ in Lakh)

Particulars	Opening balance as at 01.04.2019	Recognised in Profit or loss for year ended 31.03.2020	Recognised in Other Comprehensive Income	Closing balance as at 31.03.2020	Recognised in Profit or loss for year ended 31.03.2021	Recognised in Other Comprehensive Income	Closing balance as at 31.03.2021
<b>1. Deferred tax assets</b>							
Provision for compensated absences, gratuity and other employee benefits	418.15	(1.27)	(5.03)	411.85	(171.56)	1.56	241.85
Provision for incentive scheme for DPs	165.73	86.84	-	252.57	34.06	-	286.63
Allowance for doubtful debts (expected credit loss allowance)	144.14	76.84	-	220.98	62.81	-	283.79
<b>Total</b>	<b>728.02</b>	<b>162.41</b>	<b>(5.03)</b>	<b>885.40</b>	<b>(74.69)</b>	<b>1.56</b>	<b>812.27</b>
<b>2. Deferred tax liabilities</b>							
On changes in fair value of investments	337.40	341.34	-	678.74	4.99	-	683.73
Impact on account of amortised cost accounting of financial assets (Investments in bonds)	1.82	(4.25)	-	(2.43)	(4.55)	-	(6.98)
On difference between book balance and tax balance of PPE	85.36	65.75	-	151.11	101.69	-	252.80
<b>Total liabilities</b>	<b>424.58</b>	<b>402.84</b>	<b>-</b>	<b>827.42</b>	<b>102.13</b>	<b>-</b>	<b>929.55</b>
<b>Adjusted from current tax provision of earlier years</b>	<b>41.64</b>	<b>-</b>	<b>-</b>	<b>41.64</b>	<b>-</b>	<b>-</b>	<b>41.64</b>
<b>Net asset / (liabilities)</b>	<b>303.44</b>	<b>(240.43)</b>	<b>(5.03)</b>	<b>99.62</b>	<b>(176.82)</b>	<b>1.56</b>	<b>(75.64)</b>

**Note:**

Unused tax losses (capital in nature) for which no deferred tax assets have been recognised are attributable to the following:

(₹ in Lakh)

Particulars	As at 31.03.2021	As at 31.03.2020
Tax losses (capital in nature)	-	1,047.50
<b>Total</b>	<b>-</b>	<b>1,047.50</b>

**9. Income tax asset and liabilities**

(₹ in Lakh)

Particulars	As at 31.03.2021	As at 31.03.2020
<b>Non-current tax assets</b>		
Advance income tax	903.89	854.67
<b>Total</b>	<b>903.89</b>	<b>854.67</b>
<b>Current tax liabilities</b>		
Income tax payable	292.65	251.44
<b>Total</b>	<b>292.65</b>	<b>251.44</b>

**10. Other assets**

(₹ in Lakh)

Particulars	As at 31.03.2021	As at 31.03.2020
<b>Non Current</b>		
Prepaid expenses	117.00	115.26
<b>Total</b>	<b>117.00</b>	<b>115.26</b>
<b>Current</b>		
Prepaid expenses	284.85	220.34
GST credit receivable	545.24	151.02
Advances to creditors	40.88	27.54
<b>Total</b>	<b>870.97</b>	<b>398.90</b>



## 11. Trade receivables (at amortised cost)

(₹ in Lakh)

Particulars	As at 31.03.2021	As at 31.03.2020
Secured, considered good	-	-
Unsecured, considered good (receivable from related party ₹ 305.54 Lakh (Previous Year ₹ 55.42 Lakh))	1,035.63	1,202.68
Trade Receivable - credit impaired	116.16	222.32
Unsecured, considered doubtful (expected credit loss allowance)	1,011.34	655.62
Less: Allowance for doubtful debts (Refer below table for Movement in expected credit loss allowance)	(1,127.50)	(877.94)
<b>Total</b>	<b>1,035.63</b>	<b>1,202.68</b>

- Trade receivables are dues in respect of services rendered in the normal course of business.
- The average credit period on sale of services is 25 days. No interest is charged on trade receivables for the first 25 days from the date of invoice. Thereafter, interest is charged at 12% - 13% per annum on the outstanding balance.
- There are no dues by directors or other officers of the company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member.

### Movement in the expected credit loss allowance

(₹ in Lakh)

Particulars	As at 31.03.2021	As at 31.03.2020
Balance at beginning of the year	877.94	495.00
- Unsecured, considered doubtful (expected credit loss allowance)	355.72	160.62
- Trade Receivable - credit impaired	(106.16)	222.32
<b>Balance at end of the year</b>	<b>1,127.50</b>	<b>877.94</b>

## 12. Cash and cash equivalents and other bank balances

(₹ in Lakh)

Particulars	As at 31.03.2021	As at 31.03.2020
<b>Current</b>		
Cash on hand	-	0.56
<b>Balance with Banks</b>		
<b>Owned fund (Refer Note 45)</b>		
- In current accounts (includes amount received from auction proceeds ₹ 3,481 lakhs earmarked against other liabilities (Previous Year ₹ Nil)) (Refer Note 45)	3,540.40	130.06
<b>Earmarked fund (Refer Note 45)</b>		
- In current accounts - Unpaid Dividend	34.26	16.42
- In current accounts - G Sec	45.05	33.27
- In current accounts - Stamp Duty (includes earmarked amount ₹ 260.33 Lakh (Previous Year ₹ Nil))	493.04	-
<b>Cash and cash equivalents as per balance sheet</b>	<b>4,112.75</b>	<b>180.31</b>
<b>Cash and cash equivalents as per statement of cash flows</b>	<b>4,112.75</b>	<b>180.31</b>
<b>Bank Balances other than above</b>		
<b>Balances with Banks</b>		
<b>Owned fund</b>		
- In deposit accounts (Earmarked ₹ 5.00 Lakh (Previous Year ₹ 28.85 Lakh)) (Refer note 45)	7,083.69	2,131.56
- Accrued interest - Bank Deposits (Earmarked ₹ Nil (Previous Year ₹ 5.00 Lakh)) (Refer note 45)	220.15	72.76
<b>Total</b>	<b>7,303.84</b>	<b>2,204.32</b>

**13. Equity Share capital**

Particulars	As at	As at	As at	As at
	31.03.2021	31.03.2021	31.03.2020	31.03.2020
	Number	(₹ in Lakh)	Number	(₹ in Lakh)
<b>Equity Share capital</b>				
<b>Authorised share capital:</b>				
Equity Shares of ₹ 10/- each with voting rights	150,000,000	15,000.00	150,000,000	15,000.00
<b>Issued share capital:</b>				
Equity Shares of ₹ 10/- each with voting rights	104,500,000	10,450.00	104,500,000	10,450.00
<b>Subscribed and Paid-up share capital</b>				
Equity Shares of ₹ 10/- each with voting rights	104,500,000	10,450.00	104,500,000	10,450.00
<b>Total</b>	<b>104,500,000</b>	<b>10,450.00</b>	<b>104,500,000</b>	<b>10,450.00</b>

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

Particulars	Opening Balance	Fresh issue	Closing Balance
<b>Equity shares with voting rights</b>			
<b>As at March 31, 2020</b>			
- Number of shares	10,45,00,000	-	10,45,00,000
- Amount (₹) In lakh	10,450.00	-	10,450.00
<b>As at March 31, 2021</b>			
- Number of shares	10,45,00,000	-	10,45,00,000
- Amount (₹) In lakh	10,450.00	-	10,450.00

**Details of shares held by each shareholder holding more than 5% shares**

Class of shares / Name of shareholder	As at 31.03.2021		As at 31.03.2020	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
<b>Equity shares with voting rights</b>				
BSE Limited (Entity having significant influence)	2,09,00,000	20.00	2,09,00,000	20.00
HDFC Bank Limited	75,00,000	7.18	75,00,000	7.18
Standard Chartered Bank	75,00,000	7.18	75,00,000	7.18
Canara Bank	-	-	58,29,132	5.58

The Company has one class of equity shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held.

The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after discharging all its liabilities, in proportion to their shareholding.

**14. Other equity**

(₹ in Lakh)

Particulars	As at	As at
	31.03.2021	31.03.2020
General reserve	1,094.93	1,094.93
Retained earnings	56,672.68	45,369.42
Other Comprehensive Income	41.80	46.43
<b>Total</b>	<b>57,809.41</b>	<b>46,510.78</b>

### 14.1 General reserve

(₹ in Lakh)

Particulars	As at 31.03.2021	As at 31.03.2020
Balance at beginning of year	1,094.93	1,094.93
Movement during the year	-	-
<b>Balance at end of year</b>	<b>1,094.93</b>	<b>1,094.93</b>

The general reserve is created from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in general reserve will not be reclassified subsequently to Profit or Loss.

### 14.2 Retained earnings

(₹ in Lakh)

Particulars	As at 31.03.2021	As at 31.03.2020
Balance at beginning of year	45,369.42	42,676.96
Profit for the year	16,005.76	7,731.81
Payment of dividends (Previous Year including tax on dividend)	(4,702.50)	(5,039.35)
<b>Balance at end of year</b>	<b>56,672.68</b>	<b>45,369.42</b>

Retained earnings reflect surplus/deficit after taxes in the Statement of Profit and Loss. The amount that can be distributed by the Company as dividends to its equity shareholders is determined based on the balance in this reserve and also considering the requirements of the Companies Act, 2013.

The Board of CDSL at its meeting held on May 16, 2020, approved payment of dividend of ₹ 4.50 per share (₹ 4,702.50 lakh). The Board of CDSL at its meeting held on May 3, 2019, approved payment of dividend of ₹ 4.00 per share (total dividend including dividend distribution tax of ₹ 5,039.35 lakh).

### 14.3 Other Comprehensive Income

(₹ in Lakh)

Particulars	As at 31.03.2021	As at 31.03.2020
Balance at beginning of year	46.43	31.46
Other comprehensive income / (loss) arising from remeasurement of defined benefit obligation (net of income tax)	(4.63)	14.97
<b>Balance at end of year</b>	<b>41.80</b>	<b>46.43</b>

### 15. Other financial liabilities (at amortised cost)

(₹ in Lakh)

Particulars	As at 31.03.2021	As at 31.03.2020
<b>Non-current</b>		
Accrued employee benefits expense (Earmarked ₹ 142.98 Lakh (Previous Year ₹ 107.54)) (Refer note 45)	142.98	107.54
Lease Liability	10.65	9.34
<b>Total</b>	<b>153.63</b>	<b>116.88</b>
<b>Current</b>		
Security deposits	3,488.08	3,184.54
Payable for purchase of Property, plant and equipment	1,357.38	52.75
Accrued employee benefits expense (Earmarked ₹ 29.84 Lakh (Previous Year ₹ 28.85)) (Refer note 45)	434.75	709.85
Unpaid Dividend - Earmarked against current account (Refer note 45)	34.26	16.42
Contribution to Investor Protection Fund	823.00	269.67
Lease Liability	17.10	27.75
Others (Earmarked ₹ 3,786.38 Lakh (Previous Year ₹ 33.27 Lakh)) (Refer note 45)	3,844.87	56.56
<b>Total</b>	<b>9,999.44</b>	<b>4,317.54</b>

**16. Trade Payables**

(₹ in Lakh)

Particulars	As at 31.03.2021	As at 31.03.2020
a. Total outstanding dues of micro enterprises and small enterprises	-	0.27
b. Total outstanding dues of creditors other than micro enterprises and small enterprises		
- Payable to related party	70.11	2.03
- Other trade payables	671.57	551.57
<b>Total (a+b)</b>	<b>741.68</b>	<b>553.87</b>

**17. Provisions**

(₹ in Lakh)

Particulars	As at 31.03.2021	As at 31.03.2020
<b>Non Current</b>		
<b>(a) Provision for employee benefits (Refer note 35)</b>		
Provision for gratuity (net)	103.63	272.68
<b>Total</b>	<b>103.63</b>	<b>272.68</b>
<b>Current</b>		
<b>(a) Provision for employee benefits (Refer note 35)</b>		
Compensated absences	213.60	484.04
Provision for gratuity (net)	65.95	62.20
<b>(b) Other provisions</b>		
Provision for Incentive Scheme for DP	1,138.78	1,003.45
<b>Total (a+b)</b>	<b>1,418.33</b>	<b>1,549.69</b>

**18. Other liabilities**

(₹ in Lakh)

Particulars	As at 31.03.2021	As at 31.03.2020
<b>Non-current</b>		
Income received in advance	-	0.09
<b>Total</b>	<b>-</b>	<b>0.09</b>
<b>Current</b>		
Income received in advance	12.26	52.92
Advances from customers	1,283.03	894.62
Statutory remittances	1,004.26	404.60
<b>Total</b>	<b>2,299.55</b>	<b>1,352.14</b>

## 19. Revenue from operations

(₹ in Lakh)

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
<b>Sale of services comprise :</b>		
Annual issuer charges	8,612.73	7,749.41
Transaction charges	11,910.99	4,290.69
Users facility charges	332.92	331.58
Settlement charges	143.21	151.87
Account maintenance charges	338.07	328.32
E-Voting charges	661.83	365.33
ECAS charges	1,258.64	930.63
IPO/Corporate action charges	3,285.55	2,257.37
Foreign Investment Limit Monitoring	231.48	225.84
Others	282.97	184.12
<b>Total - Sale of services</b>	<b>27,058.39</b>	<b>16,815.16</b>

## 20. Other income

(₹ in Lakh)

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
<b>Interest income earned on financial assets that are measured at amortised cost</b>		
Bank deposits	310.98	149.76
Investments in debt instruments	760.69	761.87
Interest on staff loan	1.53	1.26
<b>Other gains or losses:</b>		
Net gain arising on financial assets measured at FVTPL	2,649.94	2,823.27
Gain on sale / disposal of property, plant and equipments and intangible assets (Net)	-	15.28
<b>Other non-operating income</b>		
Interest from debtors	37.94	17.08
Excess provision reversed	45.00	-
Interest on Income tax refund	-	223.45
Bad debts recovered / provision written back	26.88	30.79
Miscellaneous income	343.64	301.02
<b>Total</b>	<b>4,176.60</b>	<b>4,323.78</b>

## 21. Employee benefits expense

(₹ in Lakh)

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
Salaries, allowances and bonus	3,039.74	3,374.58
Contribution to provident and other funds	284.72	504.77
Staff welfare expenses	94.29	118.15
<b>Total</b>	<b>3,418.75</b>	<b>3,997.50</b>

**22. Depreciation and amortisation expenses**

(₹ in Lakh)

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
Property, plant and equipment, Intangible assets & ROU assets	728.98	868.69
<b>Total</b>	<b>728.98</b>	<b>868.69</b>

**23. Impairment loss on financial assets**

(₹ in Lakh)

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
Impairment loss allowance on trade receivables (Includes Bad Debts ₹ 714.15 Lakh (P.Y. ₹ 358.17 Lakh))	963.71	741.11
<b>Total</b>	<b>963.71</b>	<b>741.11</b>

**24. Other expenses**

(₹ in Lakh)

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
Annual SEBI fees	205.58	234.21
Auditors' remuneration		
Audit fees	24.00	20.00
Reimbursement of expenses	0.56	1.35
Authentication/ KYC Service Agency Expenses	54.93	26.14
Business promotion expenses	104.79	122.77
CAS/DOT's Expenses	462.72	388.63
Computer technology related expenses	1,709.90	1,389.90
Contribution to investor protection fund	823.00	269.67
Corporate social responsibility Expenses (refer note 41)	191.59	598.82
Directors' sitting fees	178.25	115.75
Fee for Depository/Exchange	11.37	19.43
Incentive scheme for DPs (refer note 37)	437.29	438.00
Insurance	54.12	45.21
Legal charges	207.97	251.98
Miscellaneous expenses	69.18	81.53
Office Maintenance	128.18	133.77
Postage, telephone and communication charges	119.79	38.21
Power and fuel	50.55	44.10
Printing and stationery	1.80	29.54
Professional and consultancy fees	170.13	114.61
Rates and taxes	9.01	10.78
Recruitment Charges	1.41	30.56
Settlement of Service Tax Matter	-	1,056.09
SMS alert expenses	266.80	58.87
Short term lease expenses	179.28	184.77
Travelling and conveyance	22.47	106.87
<b>Total</b>	<b>5,484.67</b>	<b>5,811.56</b>



## 24.1 CSR Expenditure

(₹ in Lakh)

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
a) The gross amount required to be spent by the Company during the year	191.59	210.44
b) Amount debited to the statement of profit or loss were paid in cash during the respective year and were incurred for the purpose other than construction / acquisition of any asset including unspent of previous years.	191.59	598.82

## 25. Taxes

### 25.1. Income tax expense

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

#### 25.1.1 Profit or loss section

(₹ in Lakh)

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
Current tax expense	4,454.00	1,919.00
Current Tax Expense of earlier years refer note ( 25.1.1.a)	0.00	(174.10)
Deferred tax	176.82	240.43
<b>Total</b>	<b>4,630.82</b>	<b>1,985.33</b>

#### 25.1.1.a

Based on the assessment orders received during the year March 31, 2020, the company has written back an amount of ₹174.10 Lakh in respect of previous year.

#### 25.1.2 Other comprehensive section

(₹ in Lakh)

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
Remeasurement of the defined benefit plans	(6.19)	20.00
Total income tax expense recognised in other comprehensive income	1.56	(5.03)

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

(₹ in Lakh)

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
(A) Profit before tax	20,636.58	9,717.14
(B) Enacted tax rate in India	25.17%	25.17%
(C) Expected tax expenses (A*B)	5,194.23	2,445.80
(D) Other than temporary differences		
Effect of change in tax rate	202.14	94.19
Effect of fair value of investments	(664.99)	(316.95)
Effect of income that is exempt from taxation	(165.01)	(169.86)
Expenses disallowed / (allowed) net	66.01	101.22
Total adjustments	(561.85)	(291.40)
(E) Tax expenses after adjustments (C+D)	4,632.38	2,154.40
(F) Tax expenses recognised in Profit or Loss (including OCI)	4,632.38	2,154.40

## 26. 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 31.03.2021	For the year ended 31.03.2020
Weighted average number of equity shares (issued share capital) outstanding during the year for the calculation of basic EPS	104,500,000	104,500,000
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	104,500,000	104,500,000
Face Value per Share (₹)	10/- each	10/- each
Profit for the year (₹ in lakh)	16,005.76	7,731.81
Basic and Diluted EPS (₹ per share)	15.32	7.40

## 27. Leases

Effective April 1, 2019, the Company has adopted Ind AS 116 'Leases' and applied the same to all eligible lease contracts existing on April 1, 2019 using the modified retrospective approach with right-of-use asset recognised at an amount equal to the adjusted lease liability. Accordingly, comparative figures for the corresponding periods, for the year ended and as at March 31, 2020 have not been retrospectively adjusted.

**On transition, the adoption of the new standard resulted in recognition of 'Right of Use' asset of ₹ 48.50 lakhs and a lease liability of ₹ 45.63 lakhs.**

The company has elected not to apply the requirement of Ind AS 116 to short term leases of all assets that have a lease term of 12 months or less. The lease payments associated with these leases are recognised as an expenses on a straight line basis over the lease term.

The following is the summary of practical expedients elected on initial application:

- Applied a single discount rate to a portfolio of leases of similar assets.
- Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application.
- Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.
- Applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly for all contracts as on April 1, 2019, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.

The discount rate applied to lease liabilities as at April 1, 2019 is 7% and same is continued till March 31, 2021.

**Following are the changes in the carrying value of right of use assets for the year ended March 31, 2021:**

(₹ in Lakh)

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
Opening Balance (transition)*	37.39	48.50
Less :Depreciation	-11.08	-11.11
Closing Balance	26.31	37.39

\*includes EIR adjustment of Security Deposit

**Amounts recognised in statement of profit and loss**

(₹ in Lakh)

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
Depreciation expense on right-of-use assets	11.08	11.11
Interest expense on lease liabilities	2.30	2.94

The following is the break-up of current and non-current lease liabilities as at March 31, 2021:

(₹ in Lakh)

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
Current Lease Liabilities	10.65	9.34
Non-Current Lease Liabilities	17.10	27.75
<b>Total</b>	<b>27.75</b>	<b>37.09</b>

The following is the movement in lease liabilities during the year ended March 31, 2021:

(₹ in Lakh)

Particulars	As at 31.03.2021	As at 31.03.2020
Opening Balance	37.09	45.63
Add: Finance Cost accrued during the period	2.30	2.94
Less: Payment of Lease Liabilities	(11.64)	-11.48
<b>Closing Balance</b>	<b>27.75</b>	<b>37.09</b>

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2021 on an undiscounted basis:

(₹ in Lakh)

Particulars	As at 31.03.2021	As at 31.03.2020
Less than one year	10.65	9.34
One to Five years	17.10	27.75
More than Five years	-	-
<b>Total</b>	<b>27.75</b>	<b>37.09</b>

The following is the movement in Security Deposit during the year ended March 31, 2021:

(₹ in Lakh)

Particulars	As at 31.03.2021	As at 31.03.2020
Opening Balance	7.84	7.31
Add: Interest income	0.57	0.53
<b>Closing Balance</b>	<b>8.41</b>	<b>7.84</b>

## 28. Financial instruments

The carrying value and fair value of financial instruments by categories:

(₹ in Lakh)

Particulars	Carrying Value		Fair Value	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
<b>i) Financial assets</b>				
<b>a) Amortised Cost</b>				
Investment in Tax-free bonds & NCD	9,989.87	10,007.96	10,516.59	10,440.06
Trade receivables	1,035.63	1,202.68	1,035.63	1,202.68
Cash and cash equivalents	4,112.75	180.31	4,112.75	180.31
Bank balances other than cash and cash equivalents	7,303.84	2,204.32	7,303.84	2,204.32
Loans	12.80	23.23	12.80	23.23
Other financial assets	2,000.22	650.65	2,000.22	650.65
<b>Total (a)</b>	<b>24,455.11</b>	<b>14,269.15</b>	<b>24,981.83</b>	<b>14,701.25</b>

(₹ in Lakh)

Particulars	Carrying Value		Fair Value	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
<b>b) FVTPL</b>				
Quoted mutual funds	13,469.40	28,536.23	13,469.40	28,536.23
Unquoted mutual funds	27,597.22	7,394.26	27,597.22	7,394.26
<b>Total (b)</b>	<b>41,066.62</b>	<b>35,930.49</b>	<b>41,066.62</b>	<b>35,930.49</b>
<b>c) Others</b>				
Investment in equity instruments	328.40	274.40	328.40	274.40
<b>Total (c)</b>	<b>328.40</b>	<b>274.40</b>	<b>328.40</b>	<b>274.40</b>
<b>Total Financial Assets (a+b+c)</b>	<b>65,850.12</b>	<b>50,474.04</b>	<b>66,376.84</b>	<b>50,906.14</b>
<b>ii) Financial liabilities</b>				
<b>Amortised Cost</b>				
Trade payables	741.68	553.87	741.68	553.87
Other financial liabilities	10,153.07	4,434.42	10,153.07	4,434.42
<b>Total financial liabilities</b>	<b>10,894.75</b>	<b>4,988.29</b>	<b>10,894.75</b>	<b>4,988.29</b>

**Fair value hierarchy**

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

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

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

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

(₹ in Lakh)

Financial assets	Fair value as at		Fair value hierarchy	Valuation technique(s) and key input(s)
	31.03.2021	31.03.2020		
Mutual Funds (Quoted)	13,469.40	28,536.23	Level 1	NAV declared by respective mutual funds
Mutual Funds (Unquoted)	27,597.22	7,394.26	Level 2	NAV declared by respective mutual funds
Taxable Bond	1,021.88	1,001.70	Level 1	Quoted price
Tax free Bond	9,494.71	9,438.36	Level 1	Quoted price
Equity	328.40	274.40	Level 3	Net asset method

There were no transfers between Level 1, 2 and 3 during the years.

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

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.

**Disclosure for Level 3**

The fair values of the unquoted equity shares have been estimated based on net asset method as per latest financials available.

**Fair value measurements using significant unobservable inputs (level 3)**

A. The following table presents the changes in level 3 items for the periods ended March 31, 2021 and March 31, 2020.

(₹ in Lakh)

Particulars	Unlisted equity Shares ₹ In Lakhs
As at 31.03.2019	Nil
Gain/(loss) recognized in Statement of Profit and Loss during the year	(26.10)
As at 31.03.2020	(26.10)
Gain/(loss) recognized in Statement of Profit and Loss during the year	54.00
As at 31.03.2021	28.40

B. Valuation inputs and relationships to fair value : The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements

Particulars	Fair Value 31.03.2021	Fair Value 31.03.2020
Net Assets (₹ In Lakhs)	8,200.51	6,845.77
Total number of equity shares	7,50,00,000	7,50,00,000
Net Asset per share (₹)	10.93	9.13

**29. Financial risk management**

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

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

**Credit risk**

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

- Trade and other receivables**

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

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

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

Particulars	₹ In Lakh	10% of the receivable and revenue
Revenue	27,058.39	Customer 1 – 2,794.70 Lakh (10%)
Receivables	2,163.13	Customer 1 – 305.67 Lakh (14%)

None of the customers accounted for more than 10% of the receivables for the year ended March 31, 2020 and revenue for the year ended March 31, 2020.

- Investments**

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

**Liquidity risk**

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

The Company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. The management monitors the Company's net liquidity position through forecasts on the basis of expected cash flows.

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

(₹ in Lakh)

Particulars	As at	
	31.03.2021	31.03.2020
Trade payables		
< 1 year	741.68	553.87
1-5 years	-	-
> 5 years	-	-
Other financial liabilities		
< 1 year	9,999.44	4,317.54
1-5 years	153.63	116.88
> 5 years	-	-
<b>Total</b>	<b>10,894.75</b>	<b>4,988.29</b>

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

(₹ in Lakh)

Particulars	As at	
	31.03.2021	31.03.2020
Investments*		
< 1 year	37,243.07	23,392.29
1 - 5 years	13,813.42	21,045.34
> 5 years	328.40	1,775.22
<b>Total</b>	<b>51,384.89</b>	<b>46,212.85</b>
Loan		
< 1 year	7.34	11.03
1 - 5 years	5.46	12.20
> 5 years	-	-
<b>Total</b>	<b>12.80</b>	<b>23.23</b>
Other financial assets		
< 1 year	1,767.82	499.11
1 - 5 years	182.40	101.54
> 5 years	50.00	50.00
<b>Total</b>	<b>2,000.22</b>	<b>650.65</b>
Trade receivables		
< 1 year	1,035.63	1,202.68
1 - 5 years	-	-
> 5 years	-	-
<b>Total</b>	<b>1,035.63</b>	<b>1,202.68</b>
Cash and cash equivalents		
< 1 year	4,112.75	180.31
1 - 5 years	-	-
> 5 years	-	-
<b>Total</b>	<b>4,112.75</b>	<b>180.31</b>



(₹ in Lakh)

Particulars	As at	
	31.03.2021	31.03.2020
Bank balances other than cash and cash equivalents		
< 1 year	7,303.84	2,204.32
1 - 5 years	-	-
> 5 years	-	-
<b>Total</b>	<b>7,303.84</b>	<b>2,204.32</b>

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

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

### Market risk

The Company's business, financial condition and results of operations are highly dependent upon the levels of activity in the capital markets and in particular upon the trading volume on stock exchanges, the number of listed securities, the number of new listings and subsequent issuances and introduction of new services which will ease in doing business in capital markets.

In addition to the above risk, market risk also include following:

- Foreign Currency risk**

The Company's foreign currency risk arises in respect of foreign currency transactions. The Company's foreign currency expenses is insignificant, while a significant portion of its costs are in Indian rupees.

As a result, if the value of the Indian rupee appreciates relative to these foreign currencies, the Company's expenses measured in rupees may decrease. Due to lessor quantum of expenses from foreign currencies, the Company is not much exposed to foreign currency risk.

- Interest rate risk**

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

All investment in Debentures and Bonds are at fixed rate of Interest and does not have material interest rate risks. The Company's investments in floating rate are primarily in FMPs of mutual funds, which do not expose it to significant interest rate risk. The Company's exposure to assets having price risk is as under:-

(₹ in Lakh)

Particulars	As at	As at
	31.03.2021	31.03.2020
Mutual Fund (other than FMP)	27,597.22	7,394.26

Sensitivity The table below summarises the impact of increases/ decreases of the Price on profit for the period. The analysis is based on the assumption that the instrument index has increased/ decreased by 5% with all other variables held constant.

(₹ in Lakh)

Particulars	Impact on profit after tax	
	2021	2020
Increase by 5%	1379.86	369.71
Decrease by 5%	1379.86	369.71

### Regulatory risk

The Company requires various regulatory approvals, registrations and permissions to operate its business, including at a corporate level as well as at the level of each of its components. Some of these approvals are required to be renewed from time to time. The Company's operations are subject to continued review by regulator and these regulations may change from time to time in fast changing capital market environment. The Company's compliance team constantly monitors the compliance with these rules and regulations.

### 30. Capital management

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

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

### 31. Information on related party transactions as required by Ind AS 24 – 'Related party disclosures' for the year ended March 31, 2021.

Description of relationship	Names of related parties
Subsidiaries	CDSL Ventures Limited
	CDSL Insurance Repository Limited
	CDSL Commodity Repository Limited
	CDSL IFSC Limited (w.e.f. March 30, 2021)
Entity having significant influence	BSE Limited
Subsidiary of entity having significant influence	Marketplace Technologies Private Limited
	Indian Clearing Corporation Limited
Associate having significant influence in subsidiary-CCRL	Multi Commodity Exchange of India Ltd
	BSE Investments Limited
Director	Late Smt. Usha Narayanan, Public Interest Director (upto 01.07.19)
	Shri R.M.Malla, Public Interest Director (upto 29.07.19)
	Shri A. Krishnakumar, Public Interest Director (upto 29.07.19)
	Shri B. Prasada Rao, Public Interest Director (upto 20.10.19)
	Shri Balkrishna V Chaubal, Public Interest Director (from 30.07.19)
	Prof (Dr.) Bimal Kumar N Patel, Public Interest Director (from 27.09.19)
	Smt. Preeti Saran, Public Interest Director (from 29.11.19)
	Shri. Umesh Bellur, Public Interest Director (from 30.11.19)
	Shri. Sidhartha Pradhan, Public Interest Director (from 29.11.19)
	Shri. Masil Jeya Mohan P., Shareholder Director (from 10.10.19)
	Shri Nayan Mehta, Shareholder Director (from 28.11.16)
	Shri Nehal Vora, Shareholder Director (upto 23.09.19)
	Shri Nehal Vora, Managing Director, (from 24.09.19)
	Key Managerial Personnel
Shri Bharat Sheth, Chief Financial Officer (upto 31.12.2019)	
Smt. Amita Paunikar, Company Secretary, (From 18.11.2019)	
Shri Lalitmohan Sharma, Company Secretary, (upto 30.09.2019)	

(₹ in Lakh)

Sr. No.	Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020*
	<b>Subsidiary companies</b>		
	<b>Income</b>		
	<b>CDSL Ventures Limited</b>		
1	Operational Income	0.09	0.69
2	Rent	71.74	75.08
3	Administrative and Other Expenses (Recoveries)	193.90	78.48
4	Shared Service Recovery	98.32	113.46

(₹ in Lakh)

Sr. No.	Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020*
<b>CDSL Insurance Repository Limited</b>			
5	Rent	15.21	19.54
6	Administrative and Other Expenses (Recoveries)	16.71	10.91
7	Shared Service Recovery	15.49	3.31
<b>CDSL Commodity Repository Limited</b>			
8	Operational Income	1.25	1.25
9	Rent	33.21	37.54
10	Shared Service Recovery	37.22	66.24
11	Administrative and Other Expenses (Recoveries)	36.06	25.97
<b>Expenditure</b>			
<b>CDSL Ventures Limited</b>			
12	Administrative and Other Expenses (Recoveries)	9.93	14.03
13	Shared Service Recovery	0.00	8.20
<b>Assets</b>			
<b>CDSL Ventures Limited</b>			
14	Transfer of Employee Loan	0.65	0.00
15	Sale of fixed assets	0.50	0.00
16	Purchase of fixed assets	0.00	47.82
<b>CDSL Insurance Repository Limited</b>			
17	Expenses paid on behalf of company	4.10	5.55
18	(Repayment) of Expenses paid on behalf of company	(9.66)	0.00
<b>CDSL commodity Repository Limited</b>			
18	Expenses paid on behalf of company	21.04	9.81
20	(Repayment) of Expenses paid on behalf of company	(30.85)	0.00
<b>CDSL IFSC Limited</b>			
21	Expenses paid on behalf of company	7.57	0.00
<b>Liability</b>			
<b>CDSL Ventures Limited</b>			
22	Transfer of Employee Gratuity	68.14	0.00
<b>CDSL commodity Repository Limited</b>			
23	Transfer of Employee Gratuity	1.89	0.00
<b>Entity having significant influence</b>			
<b>Income</b>			
<b>BSE Limited</b>			
24	Operational Income	341.98	146.28
<b>Expenditure</b>			
<b>BSE Limited</b>			
25	Rent	1.20	1.20
26	Dividend Paid	940.50	1,003.20
27	Administrative and Other Expenses (Recoveries)	66.60	51.70
<b>Associates</b>			
<b>Income</b>			
<b>Indian clearing corporation Limited</b>			
28	Operational Income	4.72	6.26
<b>Marketplace Technologies Pvt Ltd</b>			
29	Operational Income	0.32	0.09
<b>Multi commodity Exchange Of India Limited</b>			
30	Operational Income	6.15	7.24

\* Net of Goods and Services Tax

(₹ in Lakh)

Sr. No.	Particulars	For the year ended 31.03.2021	For the year ended March 31, 2020
<b>Key Managerial Personnel#</b>			
1	Dividend Paid	0.12	0.11
<b>Remuneration</b>			
2	Shri Nehal Vora, Managing Director, (from 24.09.19)	230.23	107.73
3	Shri Bharat Sheth, CFO, (upto 31.12.2019)	0.00	200.87
4	Shri Girish Amesara, CFO, (w.e.f. 01.01.2020)	87.56	15.29
5	Shri Lalitmohan Sharma, Company Secretary, (upto 30.09.2019)	0.00	24.72
6	Smt. Amita Paunikar, Company Secretary, (w.e.f 18.11.2019)	41.83	15.61

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

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

Sr. No.	Particulars	As at 31.03.2021 (₹) In Lakh	As at 31.03.2020 (₹) In Lakh
<b>Payable/(Receivable)</b>			
<b>Subsidiary companies</b>			
1	CDSL Ventures Limited	76.27	(53.79)
2	CDSL Ventures Limited - Deposit payable	1.50	1.50
3	CDSL Insurance Repository Limited	1.01	(16.73)
4	CDSL Commodity Repository Limited	0.88	(30.34)
5	CDSL Commodity Repository Limited - Deposit payable	1.50	1.50
6	CDSL IFSC Limited	(7.57)	0.00
<b>Entity having significant influence</b>			
7	BSE Limited	(305.85)	(53.39)
<b>Associates</b>			
8	Indian clearing corporation Limited	0.01	(0.16)
9	Marketplace Technologies Pvt Ltd	(0.02)	0.00
10	Multi commodity Exchange Of India Limited	0.01	0.01
<b>Investment</b>			
<b>Subsidiary Companies</b>			
1	CDSL Ventures Limited	2,100.00	2,100.00
2	CDSL Insurance Repository Limited	1,530.00	1,530.00
3	CDSL Commodity Repository Limited	2,600.00	2,600.00

### 32. Contingent liabilities

Particulars	As at 31.03.2021 (₹) In Lakh	As at 31.03.2020 (₹) In Lakh
Claims against the Company not acknowledged as debt in respect of:		
a) Income tax matters (refer note (ii))	0.57	Nil
b) Bank Guarantee (refer note (iii))	80.00	55.00

- (i) The Company is a party in certain legal proceedings filed by beneficial owners/third parties in the normal course of business. The Company does not expect the outcome of these proceedings to have any material adverse effect on its financial conditions, results of operations and cash flow. The amount is not ascertainable.

## (ii) Claims against the Company not acknowledged as debt: Income Tax

Demand of ₹ 0.57 Lakh raised by Income Tax Department vide Assessment order u/s 143(3) of Income Tax Act, 1961 for A.Y. 2018-19 dated 15.03.2021 against which company has filed an appeal on 12.04.2021.

## (iii) Bank Guarantees

As per business requirements bank guarantees of ₹ 80 lakhs issued by banks on behalf of Company against 100% margin (earmarked) on fixed deposit receipts. (Refer note 45).

**33. Commitments**

Particulars	As at 31.03.2021 (₹) In Lakh	As at 31.03.2020 (₹) In Lakh
(a) Estimated value of contracts remaining to be executed on capital account and not provided for		
Property, plant and equipment	418.66	14.75
Intangible assets	264.10	29.62

**34. Additional information to the financial statements****34.1 Expenditure in foreign currency:**

Particulars	As at 31.03.2021 (₹) In Lakh	As at 31.03.2020 (₹) In Lakh
Conference Expenses	0.00	19.98
Others (Seminar and software license)	4.39	10.44

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

Based on and to the extent of information received by the Company from the suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) and relied upon by the auditors, the relevant particulars as at the year-end are furnished below

Particulars	As at 31.03.2021 (₹) In Lakh	As at 31.03.2020 (₹) In Lakh
a) Principal amount and interest thereon remaining unpaid at the end of year Interest paid including payment made beyond appointed day	-	0.27
b) Interest due and payable for delay during the year	-	-
c) Amount of interest accrued and unpaid as at year end	-	-
d) The amount of further interest due and payable even in the succeeding year	-	-

**35. Employee benefits****35.1 Defined benefits plan – Gratuity**

Gratuity is administered through 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 "Employee Benefits". Hence the Company obtains separate actuarial valuation report as required under Ind AS 19 "Employee Benefits" from an independent Actuary. The expected return on plan assets is based on market expectation at the beginning of the year, for the returns over the entire life of the related obligations.

Such plan exposes the Company to actuarial risks such as: investment risk, interest rate risk, demographic risk and salary risk.

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to market yields at the end of the reporting period on government bond yields; if the return on plan asset is below this rate, it will create a plan deficit. Currently the plan has a relatively balanced investment in equity securities and debt instruments.
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Interest risk	A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.
Demographic risk	This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, medical cost inflation, discount rate and vesting criteria.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Company has received the Gratuity fund statement from LIC till September 2020. Due to COVID-19 lockdown, Company has not received fund statement from LIC till March 2021. Hence, for the purpose of calculation of plan asset as on March 2021 company has prepared fund movement as per the company's records and rate of return on plan asset is estimated @ 6.45% p.a. as per actuarial report.

	(₹ in Lakh)	
Valuation Result as at	31.03.2021	31.03.2020
<b>Reconciliation of defined benefit obligation</b>		
Opening Defined Benefit Obligation	576.31	299.20
Transfer in/(out) obligation	49.32	46.42
Current service cost	61.23	45.61
Interest cost	34.50	22.41
Due to Change in financial assumptions	21.71	164.59
Due to change in demographic assumption	0.43	(22.06)
Due to experience adjustments	(13.94)	39.06
Past service cost	-	97.61
Liabilities assumed in an amalgamation in the nature of purchase	(70.03)	-
Benefits paid	(13.92)	(116.53)
<b>Closing Defined Benefit Obligation</b>	<b>645.61</b>	<b>576.31</b>
<b>Other Comprehensive Income for the current period</b>		
Due to Change in financial assumptions	21.71	164.59
Due to change in demographic assumption	0.43	(22.06)
Due to experience adjustments	(13.94)	39.06
Return on plan assets excluding amounts included in interest income	(2.02)	2.02
<b>Amounts recognized in Other Comprehensive (Income) / Expense</b>	<b>6.19</b>	<b>183.61</b>
<b>Profit and loss account for the period</b>		
Service cost:		
Current service cost	61.23	45.61
Past service cost	-	97.61
Net interest cost	17.09	1.37
<b>Total included in 'Employee Benefit Expense'</b>	<b>78.32</b>	<b>144.59</b>
<b>Reconciliation of plan assets</b>		
Opening value of plan assets	241.43	280.88
Interest Income	17.41	21.04
Return on plan assets excluding amounts included in interest income	2.02	(2.02)
Contributions by employer	229.10	9.73
Benefits paid	(13.92)	(68.19)
<b>Closing value of plan assets</b>	<b>476.04</b>	<b>241.43</b>
<b>Funded status of the plan</b>		
Present value of funded obligations	645.61	576.31
Fair value of plan assets	(476.04)	(241.43)
<b>Net Liability (Asset)</b>	<b>169.58</b>	<b>334.88</b>



(₹ in Lakh)

Valuation Result as at	31.03.2021	31.03.2020
<b>Reconciliation of net defined benefit liability</b>		
Net opening provision in books of accounts	334.88	18.32
Adjustment to Opening Defined Benefit Obligation	49.32	46.42
Liabilities assumed in an amalgamation in the nature of purchase	(70.03)	-
Employee Benefit Expense	78.32	144.59
Amounts recognized in Other Comprehensive Income	6.19	183.61
	398.67	392.94
Benefits paid by the Company	-	(48.34)
Contributions to plan assets	(229.10)	(9.73)
<b>Closing provision in books of accounts</b>	<b>169.58</b>	<b>334.88</b>
<b>Principle actuarial assumptions (for all employee benefits)</b>		
Discount Rate	6.45% p.a	6.80% p.a
Salary Growth Rate	7.00% p.a	7.00% p.a
Withdrawal Rates	3.63% p.a at all ages	4.16% p.a at all ages
Rate of Return on Plan Assets	6.45% p.a	6.80% p.a

**Sensitivity analysis**

Particular	31.03.2021		31.03.2020	
	Discount Rate	Salary Escalation Rate	Discount Rate	Salary Escalation Rate
Impact of increase of 1% on defined benefit obligation	(9.18%)	10.46%	(9.05%)	10.36%
Impact of decrease of 1% on defined benefit obligation	10.63%	(9.21%)	10.49%	(9.11%)

**35.2 Compensated absences**

The employees of the Company are entitled to compensated absences. The employees can carry forward a portion of the unutilised accumulating compensated absences and utilise it in future periods or receive cash at retirement or termination of employment. The Company records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. The Company measures the expected cost of compensated absences as the additional amount that the Company expects to pay as a result of the unused entitlement that has accumulated at the end of the reporting period. The Company recognizes accumulated compensated absences based on actuarial valuation. Non-accumulating compensated absences are recognized in the period in which the absences occur. The Company recognizes remeasurement gains or losses immediately in the statement of profit and loss.

During the year ended March 31, 2021 an amount recognized as an expense in respect of compensated leave absences is ₹ 207.25 lakh, (Previous year ended March 31, 2020 is ₹ 303.48 lakh).

36. As per the rule the Securities and Exchange Board of India (Depositories and Participants) (Amendment) Regulations, 2016 (the "Amended Regulations"). The Company has determined the IPF contribution at 5% of profit from depository operation after making such contribution according to the Amended Regulations. The profit from depository operations has been determined by reducing the other income for the year from the Net profit before exceptional items and tax for the year after making such contribution. The movement of IPF provision is given below:

**Table showing movement of IPF provision:**

(₹ in lakh)

Particular	For the year ended 31.03.2021	For the year ended 31.03.2020
Rate	5%	5%
Opening provision	269.67	367.65
Add: Provision made during the year	823.00	269.67
Less: Amount transferred to IPF Trust during the Year	269.67	367.65
<b>Closing Provision</b>	<b>823.00</b>	<b>269.67</b>

**37.** SEBI vide its circular no. CIR/MRD/DP/18/2015 dated December 9, 2015 (the “Circular”) has revised the annual custody/issuer charges to be collected by the depositories from the issuers with effect from financial year 2015-16. With an objective of promoting financial inclusion and expanding the reach of depository services through depository participants (DPs) in tier II and tier III towns, the Circular recommends that the Depository Participants (DPs) be incentivised by way of two schemes. In the first scheme, the depositories shall pay the DPs an incentive of ₹ 100/- for every new Basic Services Demat Accounts (BSDA) opened by their participants in specified cities mentioned in the Circular. In the second scheme, the depositories may pay ₹ 2 per folio per ISIN to the respective depository participants (DPs), in respect of the ISIN positions held in BSDA across all BSDA accounts in the depository. In order to manage the aforementioned incentive schemes, the Circular has directed the Depositories to set aside 20% of the incremental revenue received from the issuers.

Pursuant to the Circular, the Company has set aside ₹ 437.29 lakh during the year ended March 31, 2021 (₹ 438 lakh during the year ended March 31, 2020) being 20% of the incremental revenue received from issuers during the respective years, towards the DP incentive scheme.

**Table showing movement of DP incentive provision:**

(₹ in Lakh)

Particulars	As at 31.03.2021	As at 31.03.2020
Opening provision	1,003.45	569.14
Provision for DP incentive made during the year	437.29	438.00
Amount paid	(301.96)	(3.69)
<b>Closing provision</b>	<b>1,138.78</b>	<b>1,003.45</b>

**38. Chief Operating Decision Maker (CODM) as defined under Indian Accounting Standard 108 Operating Segments:**

The Managing Director (MD) and CEO of the Company, has been identified as the chief operating decision maker (CODM) as defined by Indian Accounting Standard 108 “Operating Segments”. The CODM evaluates the Company's performance, allocates resources based on analysis of the various performance indicators of the Company as a single unit.

The principal business of the Company is of “Depository Services”. All other activities of the Company revolve around its principal business. Therefore, directors have concluded that there is only one operating reportable segment as per Indian Accounting Standard 108 “Operating Segments”.

**39. COVID-19 Pandemic:**

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

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

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

**40. Options permitted under Section 115BAA of the Income-tax Act, 1961:**

The Company had elected to exercise the option permitted under section 115BAA of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Act, 2019. Accordingly, the Company has recognised a Provision for Income Tax for the year ended March 31, 2020 and re-measured its Deferred Tax Assets basis the rate prescribed in the said section, resulted into a charge of ₹ 84.22 Lakh to statement of profit and loss during FY 2019-20. There is no such impact during the FY 2020-21.

**41. Corporate Social Responsibility**

As per the provisions of the Section 135 of the Companies Act, 2013, the Company is required to spend ₹191.59 lakh on CSR activities. To discharge its obligation, the Company has contributed ₹ 158.46 lakhs to PM CARES Fund and ₹ 31.50 lakhs paid for Creation of Online Learning Academy for Financial Literacy in the age group of 18-25 years in tier II and tier III cities

through M/s. Awarathon Awareness Initiatives Private Limited. The project of Creation of Online Learning Academy has been categorized as an Ongoing Project by the Board in their meeting held on March 25, 2021 and an amount of ₹ 1.63 Lakh as recognised has been transferred to a separate bank account on April 7, 2021 as per the provisions of the Companies Act, 2013 and Rules made thereunder

#### 42. Long term contracts including derivative contracts

Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses during the year ended March 31, 2021.

#### 43. Interest on income tax refund and tax provision write back.

During the year FY 2019-20, the Company had written back an amount of ₹ 174.10 Lakh in respect of assessment year 2013-14 and the same was netted off from tax expense. Further, an amount of ₹ 223.45 Lakh, received as interest on refund has been included in other income during the year ended March 31, 2020.

44. During the year Company has changed its estimate of useful life of property, plant and equipment and intangible assets with effect from January 1, 2021, such change has resulted in a higher profit before tax of ₹ 104.34 Lakh for the year ended March 31, 2021.

#### 45. Earmarked Assets and Liabilities

(₹ in Lakh)

Particulars	Reference Note		As at	
	Asset	Liabilities	31.03.2021	31.03.2020
Other Financial Liabilities – Deferred Performance Linked Bonus to Key Managerial Persons	5. Other investments -Investments in mutual funds measured at FVTPL	15. Current Other financial liabilities	29.84	-
Bank Guarantee	12. Current Cash and cash equivalents and other bank balances - Deposit Account	32. Contingent liability	5.00	5.00
Other Financial Liabilities – Deferred Performance Linked Bonus to Key Managerial Persons	12. Current Cash and cash equivalents and other bank balances - Deposit Account	15. Current Other financial liabilities	-	23.85
		<b>Sub Total</b>	<b>5.00</b>	<b>28.85</b>
Other Financial Liabilities – Deferred Performance Linked Bonus to Key Managerial Persons	12. Current Cash and cash equivalents and other bank balances - Accrued interest	15. Current Other financial liabilities	-	5.00
Bank Guarantee	7. Non-Current Other financial assets - Bank balance in deposit accounts	32. Contingent liability	75.00	50.00
Other Financial Liabilities – Deferred Performance Linked Bonus to Key Managerial Persons	7. Non-Current Other financial assets - Bank balance in deposit accounts	15. Non-Current Other financial liabilities	130.40	75.48
		<b>Sub Total</b>	<b>205.40</b>	<b>125.48</b>
Other Financial Liabilities – Deferred Performance Linked Bonus to Key Managerial Persons	7. Non-Current Other financial assets - Bank balance in Accrued interest	15. Non-Current Other financial liabilities	12.58	4.06

(₹ in Lakh)

Particulars	Reference Note		As at	
	Asset	Liabilities	31.03.2021	31.03.2020
Other Financial Liabilities – Deferred Performance Linked Bonus to Key Managerial Persons	5. Other investments -Investments in mutual funds measured at FVTPL	15. Non-Current Other financial liabilities	-	28.00
Other Financial Liabilities – Deferred Performance Linked Bonus to Key Managerial Persons	7. Non-Current Other financial assets - Bank balance in deposit accounts	15. Non-Current Other financial liabilities	130.40	75.48
Other Financial Liabilities – Deferred Performance Linked Bonus to Key Managerial Persons	7. Non-Current Other financial assets - Bank balance in Accrued interest	15. Non-Current Other financial liabilities	12.58	4.06
Other Financial Liabilities – Deferred Performance Linked Bonus to Key Managerial Persons	5. Other investments -Investments in mutual funds measured at FVTPL	15. Non-Current Other financial liabilities	-	28.00
		<b>Sub Total</b>	<b>142.98</b>	<b>107.54</b>
Unpaid Dividend	12. Current Cash and cash equivalents and other bank balances	15. Current Other financial liabilities	34.26	16.42
Government Securities	12. Current Cash and cash equivalents and other bank balances	15. Current Other financial liabilities	45.05	33.27
Stamp Duty	12. Current Cash and cash equivalents and other bank balances	15. Current Other financial liabilities	260.33	-
Bidding Proceeds	12. Current Cash and cash equivalents and other bank balances	15. Current Other financial liabilities	3,481.00	-

- 46.** 'The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.
- 47.** Previous year figures have been regrouped / reclassified and rearranged wherever necessary to correspond with the current year classification/ disclosure.

Signatures to Notes 1 to 47 forming part of standalone financial statements

**In terms of our report of even date attached**
**For S. R. Batliboi & Co. LLP**

 Chartered Accountants  
 ICAI Firm registration No. 301003E/E300005

**Per Jayesh Gandhi**

 Partner  
 Membership No: 037924

 Place : Mumbai  
 Date : May 1, 2021

**For and on behalf of the Board of Directors**
**Balkrishna V Chaubal**

 Chairperson  
 DIN: 06497832

**Nehal Vora**

 Managing Director & CEO  
 DIN: 02769054

**Girish Amesara**

Chief Financial Officer

# INDEPENDENT AUDITOR'S REPORT

To the Members of Central Depository Services (India) Limited

## Report on the Audit of the Consolidated Ind AS Financial Statements

### Opinion

We have audited the accompanying consolidated Ind AS financial statements of Central Depository Services (India) Limited ("hereinafter referred to as "the Holding Group"), its subsidiaries (the Holding Group and its subsidiaries together referred to as "the Group") comprising of the consolidated Balance sheet as at March 31, 2021, the consolidated Statement of Profit and Loss, including Other Comprehensive Income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2021, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

### Basis for Opinion

We conducted our audit of the consolidated Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described

in the 'Auditor's Responsibilities for the Audit of the Ind AS Financial Statements' section of our report. We are independent of the Group in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2021. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated Ind AS financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated Ind AS financial statements.

Key audit matters	How our audit addressed the key audit matter
<p><b>Valuation of investments and its impairment</b> (as described in note 4 of the consolidated Ind AS financial statements)</p> <p>Quoted investments and unquoted equity investments, represents the most significant amount on the balance sheet. The total of these aggregating to ₹ 70,942 lakhs represented 65% of total assets of the Group as at March 31, 2021.</p> <p>There is a risk that the fair value of investments is not determined appropriately. Accordingly, the valuation of investments and its impairment is considered as a key audit matter.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>We assessed the design and implementation of controls over valuation and existence of investments.</li> <li>We traced the quantity held, from the confirmation obtained independently from Custodian and Fund houses.</li> <li>We tested the valuation of the quoted and unquoted investments to independent pricing sources.</li> <li>We assessed and tested the management procedures for performing impairment analysis of investments, including COVID-19 impact assessed by the management.</li> </ul>

<b>Key audit matters</b>	<b>How our audit addressed the key audit matter</b>
<p><b>IT systems and controls</b></p> <p>As a Depository, the reliability of IT systems plays a key role in the business operations. Since large volume of transactions are processed, the IT controls are required to ensure that systems process data as expected and that changes are made in an appropriate manner.</p> <p>The IT infrastructure is critical for smooth functioning of the Group's business operations as well as for timely and accurate financial accounting and reporting.</p> <p>Due to the pervasive nature and complexity of the IT environment and large volume of transactions we have considered IT systems and controls as a key audit matter.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>Assessed the information systems used by the Company for IT General Controls (ITGC) and Application controls;</li> <li>The aspects covered in the IT systems General Control audit were (i) User Access Management (ii) Program Change Management (iii) Other related ITGCs; - to understand the design and test the operating effectiveness of such controls in the system;</li> <li>Performed tests of controls (including other compensatory controls wherever applicable) on the IT application controls and IT dependent manual controls in the system.</li> <li>Tested the design and operating effectiveness of compensating controls, where deficiencies were identified and, where necessary, extended the scope of our substantive audit procedures.</li> </ul>
<p><b>Information Other than the Financial Statements and Auditor's Report Thereon</b></p> <p>The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the consolidated Ind AS financial statements and our auditor's report thereon. The Annual report is expected to be made available to us after the date of this auditor's report.</p> <p>Our opinion on the consolidated Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.</p> <p>In connection with our audit of the consolidated Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.</p> <p>When we read the Annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.</p> <p><b>Responsibilities of Management and the Board of Directors for the Consolidated Ind AS Financial Statements</b></p> <p>The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS)</p>	<p>specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.</p> <p>In preparing the consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.</p> <p>Those respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the respective entities.</p> <p><b>Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements</b></p> <p>Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS financial statements as a</p>



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

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

- Identify and assess the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including

the disclosures, and whether the consolidated Ind AS 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 of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2021 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### Other Matter

- a. We did not audit the financial statements and other financial information, in respect of three subsidiaries, whose Ind AS financial statements reflect total assets of ₹ 31,472 lakhs as at March 31, 2021, total revenues of ₹ 9,123 lakhs and net cash outflows of ₹ 115 lakhs for the year ended on March 31, 2021. These financial statement and other financial information have been audited by other auditors, which financial statements,

other financial information and auditor's reports have been furnished to us by the management.

Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the report of such other auditors.

- b. The accompanying consolidated financial statements include unaudited financial statements and other unaudited financial information in respect of 1 subsidiary whose financial statements and other financial information reflect total assets of Nil as at March 31, 2021, and total revenues of Nil and net cashflows of Nil for the year ended on that date. These unaudited financial statements and other unaudited financial information have been furnished to us by the management. Our opinion, in so far as it relates amounts and disclosures included in respect of the subsidiary, and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries, is based solely on such unaudited financial statements and other unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements and other financial information are not material to the Group.

Our opinion above on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

### Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, as noted in the 'other matter' paragraph we report, to the extent applicable, that:
  - (a) We /the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;

- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;
- (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2021 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies, none of the directors of the Group's companies, incorporated in India, is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy and the operating effectiveness of the internal financial controls with reference to consolidated Ind AS financial statements of the Holding Company and its subsidiary companies incorporated in India, refer to our separate Report in "Annexure 1" to this report;
- (g) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries, the managerial remuneration for the year ended March 31, 2021 has been paid / provided by the Holding Company and its subsidiaries incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as

also the other financial information of the subsidiaries, as noted in the 'Other matter' paragraph :

- i. The consolidated Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Group in its consolidated Ind AS financial statements – Refer Note 30 to the consolidated Ind AS financial statements;
- ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. There were no amounts which were required to be transferred to the Investor Education and

Protection Fund by the Holding Company and the subsidiaries during the year ended March 31, 2021.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

**per Jayesh Gandhi**

Partner

Membership Number: 037924

UDIN: 21037924AAAADB2009

Mumbai

May 01, 2021

## Re: Central Depository Services (India) Limited

**ANNEXURE 1 referred to in paragraph 1(f) under the heading “Report on other legal and regulatory requirements” of our report of even date**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

In conjunction with our audit of the consolidated Ind AS financial statements of Central Depository Services (India) Limited (hereinafter referred to as the “Holding Company”) as of and for the year ended March 31, 2021, we have audited the internal financial controls with reference to consolidated Ind AS financial statements of the Holding Company and its subsidiaries (the Holding Company and its subsidiaries together referred to as “the Group”), which are companies incorporated in India, as of that date.

### Management’s Responsibility for Internal Financial Controls

The respective Board of Directors of the companies included in the Group, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (“ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective 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.

### Auditor’s Responsibility

Our responsibility is to express an opinion on the Holding Company’s internal financial controls with reference to the consolidated Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by 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 with reference to the consolidated Ind

AS financial statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to the consolidated Ind AS financial statements.

### Meaning of Internal Financial Controls With Reference to Consolidated Ind AS Financial Statements

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

### Inherent Limitations of Internal Financial Controls With Reference to consolidated Ind AS Financial Statements

Because of the inherent limitations of internal financial controls with reference to the consolidated Ind AS financial statements, including the possibility of collusion or improper management

override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to the consolidated Ind AS financial statements to future periods are subject to the risk that the internal financial control with reference to the consolidated Ind AS financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Opinion

In our opinion, the Group, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls with reference to consolidated Ind AS financial statements and such internal financial controls with reference to consolidated Ind AS financial statements were operating effectively as at March 31, 2021, based on the internal control criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

### Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated Ind AS financial statements of the Holding Company, in so far as it relates to these three subsidiaries, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiaries, incorporated in India.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

**per Jayesh Gandhi**

Partner

Membership Number: 037924

UDIN: 21037924AAAADB2009

Mumbai

May 01, 2021

# CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2021

(₹ in Lakh)

Particulars	Note No.	As at 31.03.2021	As at 31.03.2020
<b>ASSETS</b>			
<b>1 Non-current assets</b>			
a. Property, plant and equipment	3	6,808.60	7,114.25
b. Capital work in progress	3	1,005.63	-
c. Intangible assets	3	508.33	283.33
d. Intangible asset under development	3	1,272.67	-
e. Right-of-use assets	3	26.31	37.39
f. Financial Assets			
i. Investments	4	16,652.18	27,337.71
ii. Loans	5	5.46	12.20
iii. Other financial assets	6	339.24	1,990.54
g. Deferred tax assets (net)	7	2.29	99.62
h. Non current tax assets	8	1,058.93	924.66
i. Other assets	9	177.87	158.15
<b>Total Non-Current Assets</b>		<b>27,857.51</b>	<b>37,957.85</b>
<b>2 Current assets</b>			
a. Financial Assets			
i. Investments	4	54,290.26	39,120.97
ii. Trade receivables	10	2,374.35	2,602.62
iii. Cash and cash equivalents	11	4,188.78	371.73
iv. Bank balances other than (iii) above	11	16,579.59	4,998.15
v. Loans	5	7.71	11.03
vi. Other financial assets	6	1,840.88	479.15
b. Other assets	9	1,260.82	790.75
<b>Total Current Assets</b>		<b>80,542.39</b>	<b>48,374.40</b>
<b>Total Assets (1+2)</b>		<b>108,399.90</b>	<b>86,332.25</b>
<b>EQUITY AND LIABILITIES</b>			
<b>1 Equity</b>			
a. Equity Share capital	12	10,450.00	10,450.00
b. Other Equity	13	77,272.11	61,949.46
<b>Equity attributable to owners of the Company</b>		<b>87,722.11</b>	<b>72,399.46</b>
Non-controlling Interests		4,278.34	4,185.23
<b>Total Equity</b>		<b>92,000.45</b>	<b>76,584.69</b>
<b>LIABILITIES</b>			
<b>2 Non-current liabilities</b>			
a. Financial Liabilities			
Other financial liabilities	14	153.63	116.88
b. Deferred tax liabilities (Net)	7	228.61	204.10
c. Other liabilities	17	-	0.09
d. Provisions	16	103.63	272.68
<b>Total Non-Current Liabilities</b>		<b>485.87</b>	<b>593.75</b>
<b>3 Current liabilities</b>			
a. Financial Liabilities			
i. Trade payables	15	-	55.65
Total outstanding dues of micro enterprises and small enterprises		-	55.65
Total outstanding dues of creditors other than micro enterprises and small enterprises		1,269.89	1,150.55
ii. Other financial liabilities	14	10,071.12	4,466.30
b. Provisions	17	1,546.98	1,627.76
c. Current tax liabilities	8	296.57	261.91
d. Other liabilities	16	2,729.02	1,591.64
<b>Total Current Liabilities</b>		<b>15,913.58</b>	<b>9,153.81</b>
<b>Total Equity and Liabilities (1+2+3)</b>		<b>108,399.90</b>	<b>86,332.25</b>
Significant accounting policies	2		
The accompanying notes form an integral part of the financial statements	1-45		

In terms of our report of even date attached

**For S. R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration No. 301003E/E300005

**Per Jayesh Gandhi**

Partner

Membership.no: 037924

Place : Mumbai

Date : May 1, 2021

For and on behalf of the Board of Directors

**Balkrishna V Chaula**

Chairperson

DIN: 06497832

**Nehal Vora**

Managing Director &amp; CEO

DIN: 02769054

**Girish Amesara**

Chief Financial Officer



# CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2021

(₹ in Lakh)

Particulars	Note No.	For the year ended 31.03.2021	For the year ended 31.03.2020
<b>1 Revenue From Operations</b>	18	34,371.71	22,510.53
<b>2 Other Income</b>	19	5,691.58	5,914.58
<b>3 Total Income (1+2)</b>		<b>40,063.29</b>	<b>28,425.11</b>
<b>4 Expenses</b>			
Employee benefits expense	20	4,133.33	4,729.34
Depreciation and amortisation expense	21	920.05	1,173.24
Finance Cost	25	2.30	2.94
Impairment loss on financial assets	22	967.88	749.65
Other expenses	23	8,087.39	7,069.07
Settlement of Service Tax Matter	30	-	1,056.09
<b>Total expenses</b>		<b>14,110.95</b>	<b>14,780.33</b>
<b>5 Profit before tax (3-4)</b>		<b>25,952.34</b>	<b>13,644.78</b>
<b>6 Tax expense:</b>	23.2		
Current tax		5,693.30	2,709.00
Prior period tax adjustment		-	-62.70
Deferred tax		132.31	326.66
<b>Tax expense</b>		<b>5,825.61</b>	<b>2,972.96</b>
<b>7 Profit for the year (5-6)</b>		<b>20,126.73</b>	<b>10,671.82</b>
<b>Attributable to</b>			
Owners of the Company		20,034.05	10,615.53
Non-controlling Interests		92.68	56.29
<b>8 Other Comprehensive Income</b>			
Items that will not be reclassified to profit or loss			
i. Remeasurements of the defined benefit plans;		-11.89	11.94
ii. Income tax relating to items that will not be reclassified to profit or loss		2.99	-2.97
<b>Total other comprehensive income / (loss) (net of tax) (i+ii)</b>		<b>-8.90</b>	<b>8.97</b>
<b>9 Total Comprehensive Income for the year (7+8)</b>		<b>20,117.83</b>	<b>10,680.79</b>
<b>Attributable to</b>			
Owners of the Company		20,024.72	10,624.69
Non-controlling Interests		93.11	56.10
<b>10 Earnings per equity share (EPS) :</b>			
Basic and Diluted EPS (₹)	24	19.17	10.16
Face value of share (₹)		10.00	10.00
Weighted average number of shares		10,45,00,000	10,45,00,000
Significant accounting policies	2		
The accompanying notes form an integral part of the financial statements	1-45		

In terms of our report of even date attached

For S. R. Batliboi &amp; Co. LLP

Chartered Accountants

ICAI Firm Registration No. 301003E/E300005

Per Jayesh Gandhi

Partner

Membership.no: 037924

Place : Mumbai

Date : May 1, 2021

For and on behalf of the Board of Directors

Balkrishna V Chaula

Chairperson

DIN: 06497832

Nehal Vora

Managing Director &amp; CEO

DIN: 02769054

Girish Amesara

Chief Financial Officer

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2021

(₹ in Lakh)

## A. Equity Share Capital (Refer Note 12)

	Amount
<b>Balance as at April 1, 2019</b>	<b>10,450.00</b>
Changes in equity share capital during the year	-
<b>Balance as at March 31, 2020</b>	<b>10,450.00</b>
Changes in equity share capital during the year	-
<b>Balance as at March 31, 2021</b>	<b>10,450.00</b>

## B. Other Equity

(₹ in Lakh)

Particulars	Other Equity		Equity attributable to shareholders of the group	Non Controlling Interest	Other Comprehensive Income	Total
	General Reserve	Retained Earnings				
<b>Balance as at April 1, 2019</b>	<b>1,094.93</b>	<b>55,236.97</b>	<b>56,331.90</b>	<b>4,129.13</b>	<b>32.41</b>	<b>60,493.44</b>
Profit for the year	-	10,615.53	10,615.53	56.10	-	10,671.63
Other comprehensive income for the year (net of tax)	-	-	-	-	8.97	8.97
Payment of dividends (Including dividend distribution tax)	-	(5,039.35)	(5,039.35)	-	-	(5,039.35)
<b>Balance at March 31, 2020</b>	<b>1,094.93</b>	<b>60,813.15</b>	<b>61,908.08</b>	<b>4,185.23</b>	<b>41.38</b>	<b>66,134.69</b>
Profit for the year	-	20,034.05	20,034.05	93.11	-	20,127.16
Other comprehensive income for the period (net of tax)	-	-	-	-	(8.90)	(8.90)
Payment of dividends	-	(4,702.50)	(4,702.50)	-	-	(4,702.50)
<b>Balance as at March 31, 2021</b>	<b>1,094.93</b>	<b>76,144.70</b>	<b>77,239.63</b>	<b>4,278.34</b>	<b>32.48</b>	<b>81,550.45</b>

Significant accounting policies 2

The accompanying notes form an integral part of the financial statements 1-45

### In terms of our report of even date attached

#### For S. R. Batliboi & Co. LLP

 Chartered Accountants  
 ICAI Firm Registration No. 301003E/E300005

#### Per Jayesh Gandhi

 Partner  
 Membership.no: 037924

 Place : Mumbai  
 Date : May 1, 2021

### For and on behalf of the Board of Directors

#### Balkrishna V Chaulal

 Chairperson  
 DIN: 06497832

#### Nehal Vora

 Managing Director & CEO  
 DIN: 02769054

#### Girish Amesara

Chief Financial Officer

# CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2021

(₹ in Lakh)

PARTICULARS	For the year ended 31.03.2021	For the year ended 31.03.2020
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Profit before tax</b>	<b>25,952.34</b>	<b>13,644.78</b>
<b>Adjustments for</b>		
Depreciation and Amortisation expense	920.05	1,173.24
Gain on sale / disposal of Property, plant and equipment and Intangible assets (Net)	-	(15.28)
Provision for gratuity and compensated absences	(400.23)	497.28
Amortisation of premium on Bonds	18.17	16.99
Interest cost	2.30	2.94
Interest income recognised on fixed deposit and bonds in profit or loss	(1,705.85)	(1,388.43)
Net gain arising on financial assets measured at FVTPL	(3,821.77)	(4,177.37)
Impairment loss on financial assets	967.88	749.65
<b>Operating cash flow before working capital changes</b>	<b>21,932.89</b>	<b>10,503.80</b>
<b>Movements in working capital</b>		
(Increase) / Decrease in trade receivables	(741.28)	(1,438.63)
(Increase) / Decrease in loans and other financial assets	(480.48)	(142.53)
(Increase) / Decrease in other assets	(1,362.69)	(8.81)
Increase / (Decrease) in trade payables	63.69	857.39
Increase / (Decrease) in provisions	150.40	434.31
(Decrease) / Increase in other financial liabilities and other liabilities	5,486.79	412.57
<b>Cash Generated from operations</b>	<b>25,049.32</b>	<b>10,618.10</b>
Direct taxes paid (net of refunds)	(5,792.91)	(2,400.96)
<b>Net Cash generated from operating Activities</b>	<b>19,256.41</b>	<b>8,217.14</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment and capital advances	(919.11)	(582.59)
Purchase of intangible assets	(888.74)	(423.88)
Proceeds from sale of property, plant and equipment	5.69	80.77
Proceeds from sale of intangible assets	-	-
Purchase of investments	(34,791.33)	(15,124.29)
Proceeds from sale of investments	34,112.07	12,151.18
Investments in fixed deposits with banks	(13,325.11)	(5,617.36)
Proceeds from maturity of fixed deposits with banks	3,867.76	4,917.14
Interest received	1,215.86	1,333.45
<b>Net cash generated from investing activities</b>	<b>(10,722.91)</b>	<b>(3,265.58)</b>

(₹ in Lakh)

PARTICULARS	For the year ended 31.03.2021	For the year ended 31.03.2020
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Dividend and taxes paid thereon	(4,702.50)	(5,039.35)
Payment of lease rental	(13.95)	(14.42)
<b>Net cash used in financing activities</b>	<b>(4,716.45)</b>	<b>(5,053.77)</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>3,817.05</b>	<b>(102.21)</b>
Cash and cash equivalents at the beginning of the year	371.73	473.94
<b>Cash and cash equivalents at the end of the period</b>	<b>4,188.78</b>	<b>371.73</b>
Cash and cash equivalents at the end of the year comprises		
i) Cash on hand	-	0.71
ii) Balances with banks		
- In unpaid dividend account (Refer note 2 below)	34.26	16.42
- In current account (Earmarked against liability) (Refer note 2 below)	538.09	33.27
- In Current Accounts	3,616.43	321.33

Significant accounting policies

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The Accompanying notes form an integral part of the financial statements

1-45

- The Cash Flow Statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard - 7 "Cash Flow Statement".
- The balances are not available for use by the Company as those are towards earmarked liabilities.
- Previous year figure have been regrouped wherever necessary.

**In terms of our report of even date attached**
**For S. R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration No. 301003E/E300005

**Per Jayesh Gandhi**

Partner

Membership.no: 037924

Place : Mumbai

Date : May 1, 2021

**For and on behalf of the Board of Directors**
**Balkrishna V Choubal**

Chairperson

DIN: 06497832

**Nehal Vora**

Managing Director &amp; CEO

DIN: 02769054

**Girish Amesara**

Chief Financial Officer

# SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

## 1. Company Overview

- 1.1. Central Depository Services (India) Limited ("CDSL") herein after referred to as the "Parent Company" or "Company" is a limited company incorporated in India under the provisions of the Companies Act, 1956. The registered office of the Parent Company is at 2501, A-Wing, Marathon Futurex, N. M. Joshi Marg, Lower Parel, Mumbai- 400013. CDSL was set up with the objective of providing convenient, dependable and secure depository services at affordable cost to all market participants. A depository facilitates holding of securities in the electronic form and enables securities transactions to be processed by book entry by a Depository Participant (DP) who acts as an agent of the depository, offers depository services to investors.
- 1.2. The equity shares of the Parent Company are listed on the National Stock Exchange of India Limited.
- 1.3. The consolidated financial statements were authorized for issue by the Parent Company's Board of Directors on May 1, 2021.

## 2. Significant Accounting Policies:

### 2.1. Basis of preparation and presentation

#### 2.1.1. Statement of compliance

- a) The consolidated financial statements as at and for the year ended March 31, 2020 have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under section 133 of the Companies Act 2013, read together with the companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 as amended time to time and the financials also complies with presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III).

#### 2.1.2. Basis of measurement

- a) The consolidated financial statements have been prepared and presented under the historical cost convention, except for certain items that have been measured at fair values at the end of each reporting period as required by the relevant Ind AS:

- i. Financial assets and liabilities measured at fair value (refer accounting policy at 2.3.3.).
- ii. Employee benefits (Gratuity and Compensated absences) (refer accounting policy at 2.3.12.)

### 2.2. Basis of Consolidation

**2.2.1.** The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries (the Group). Control is achieved when the Company:

- a) has power over the investee;
- b) is exposed, or has rights, to variable returns from its involvement with the investee; and
- c) has the ability to use its power to affect its returns.

**2.2.2.** The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

**2.2.3.** When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- a) the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- b) potential voting rights held by the Company, other vote holders or other parties;
- c) rights arising from other contractual arrangements; and
- d) any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

- 2.2.4.** Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit and loss from the date the Company gains control until the date when the Company ceases to control the subsidiary.
- 2.2.5.** Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.
- 2.2.6.** When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.
- 2.2.7.** All intragroup assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.
- 2.2.8.** The subsidiary companies considered in the consolidated financial statements are:-

Name of Subsidiary	Country of Incorporation	Principal Activity	Proportion of Ownership Interest as on March 31, 2021	Proportion of Ownership Interest as on March 31, 2020
CDSL Ventures Limited	India	KYC Registration	100.00 %	100.00 %
CDSL Insurance Repository Limited	India	Holding insurance policies in electronic mode	54.25%	54.25%
- On its own name			51.00%	51.00%
- Through CDSL Ventures Limited.			3.25%	3.25%
CDSL Commodity Repository Limited	India	Commodity Repository	52%	52%
CDSL IFSC Limited	India	Depository	Equity Share capital not subscribed as on March 31, 2021	-

On March 30, 2021, CDSL IFSC Limited was incorporated for carrying out depository business (including foreign depository) from GIFT IFSC after receipt of all regulatory / statutory approvals. CDSL holds 100% of CDSL IFSC Limited and accordingly considered for preparation of consolidated financial statements. Further, financial statements of CDSL IFSC Limited are not considered material for consolidated financial statements of the Group.

- 2.2.9.** A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:
- Derecognises the assets (including goodwill) and liabilities of the subsidiary
  - Derecognises the carrying amount of any non-controlling interests
  - Derecognises the cumulative translation differences recorded in equity
  - Recognises the fair value of the consideration received
  - Recognises the fair value of any investment retained
  - Recognises any surplus or deficit in profit or loss
- 2.2.10.** Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities
- 2.2.11.** Non-Controlling interest in the net assets of the consolidated subsidiaries consist of the amount of equity attributable to the minority shareholders at the date on which investments in the subsidiary companies were made and further movements in their share in the equity, subsequent to the dates of investments. Net profit / loss for the year of the subsidiaries attributable to Non-Controlling interest is identified and adjusted against the profit after tax of the Group in order to arrive at the income attributable to shareholders of the Company.
- 2.2.12.** Consolidation procedure:
- Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are



based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

- b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.
- c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

**2.2.13.** Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

**2.2.14.** Functional and presentation currency

- a) The consolidated financial statements of the Group are presented in Indian rupees, the national currency of India, which is the functional currency of the Group and the currency of the primary economic environment in which the Group operates. All financial information presented in Indian rupees has been rounded to the nearest lakh upto two decimal except share and per share data in terms of Schedule III unless otherwise stated.

**2.2.15.** Use of estimates and judgment

- a) The preparation of consolidated financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses, disclosure of contingent assets and disclosure of contingent

liabilities. Actual results may differ from these estimates.

- b) Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the following notes:

- i. Income taxes: The Group's tax jurisdiction is in India. Significant judgments are involved in determining the provision for income taxes, deferred tax assets and liabilities including the amount expected to be paid or recovered in connection with uncertain tax positions.

- ii. Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that in the separate financial statements of the subsidiary there will be normal income tax payable. Accordingly, MAT is recognised as a deferred tax asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow within permissible time limit under Income Tax Act, 1961 to the extent MAT asset recognised.

- iii. Employee Benefits: Defined employee benefit assets / liabilities determined based on the present value of future obligations using assumptions determined by the Group with advice from an independent qualified actuary.

- iv. Property plant and equipment and Intangible assets: The charge in respect of periodic depreciation / amortization is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of the Group assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience

with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

- v. Impairment of trade receivables: The Group estimates the probability of collection of accounts receivable by analyzing historical payment patterns, customer status, customer credit-worthiness and current economic trends. If the financial condition of a customer deteriorates, additional allowances may be required
- vi. Fair value measurement of financial instruments: The Group estimates fair values of the unquoted equity shares using discounted cash flow model. The valuation requires management to make certain assumptions about the model inputs, including forecast cash flows, discount rate, credit risk and volatility, the probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for these unquoted equity investments (refer note 28).

### 2.3. Summary of significant accounting policies

#### 2.3.1. Revenue

- a) The Group has applied Ind AS 115 Revenue from Contracts with Customers which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue. The Group has adopted Ind AS 115 using the cumulative effect method. The effect of initially applying this standard is recognised at the date of initial application (i.e. April 1, 2018). There was no impact on the adoption of the standard on the financial statements of the Company.
- b) The Group derives revenue primarily from services to corporates and capital market intermediary services. The Group recognises revenue when the significant terms of the arrangement are enforceable, services have been delivered and the collectability is reasonably assured. The method for recognizing revenues and costs depends on the nature of the services rendered:

##### i. Time and service contracts

Revenues and costs relating to time and service contracts are recognised as the related services are rendered.

##### ii. Annual /monthly fee contracts

Revenue from annual fee contracts is recognised proportionately over the period of the contract. When services are performed through an indefinite number of repetitive acts over a specified period of time, revenue is recognised on a straight line basis over the specified period or under some other method that better represents the stage of completion.

- c) The Group accounts for volume discounts and pricing incentives to customers by reducing the amount of revenue.
- d) Interest is recognized on a time proportionate basis taking into account the amount outstanding and the rate applicable.

#### 2.3.2. Foreign currency transactions and balances

- a) In preparing the financial statements of each individual group entity, transactions in foreign currency are translated into the respective functional currencies using the exchange rates prevailing at the dates of the respective transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the exchange rates prevailing at reporting date of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Profit and Loss and reported within foreign exchange gains/ (losses).

#### 2.3.3. Financial instruments

- a) Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instruments.
- b) All Financial instruments are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.
- c) Purchase or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trade) are recognised on trade date.

- d) For the purpose of subsequent measurement, financial instruments of the Group are classified in the following categories: financial assets (debt instrument) comprising amortised cost, financial assets (debt instrument) comprising Fair Value Through Other Comprehensive Income ("FVTOCI"), financial asset (equity instruments) at Fair value Through Profit and Loss account ("FVTPL") and FVTOCI and financial liabilities at amortised cost or FVTPL.
- e) The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognised from the Group's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.
- f) The classification of financial instruments depends on the objective of the business model for which it is held. Management determines the classification of its financial instruments at initial recognition.

#### 2.3.4. Financial assets

##### a) Financial assets (debt instruments) at amortised cost

- i. A financial asset shall be measured at amortised cost if both of the following conditions are met:
- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
  - the contractual terms of the financial asset gives rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding (SPPI).
- ii. They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. Financial assets are measured initially at fair value plus transaction costs and subsequently carried at amortized cost using the effective interest method, less any impairment loss.

- iii. Amortised cost are represented by investment in interest bearing debt instruments, trade receivables, security deposits, cash and cash equivalents, employee and other advances and eligible current and non-current assets.
- iv. Cash and cash equivalents comprise cash on hand and in banks and demand deposits with banks with original maturity less than 3 months which can be withdrawn at any time without prior notice or penalty on the principal.
- v. For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, in banks and demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand, book overdraft and are considered part of the Group's cash management system.

##### b) Financial assets (debt instruments) at FVTOCI

- i. A debt instrument shall be measured at fair value through other comprehensive income if both of the following conditions are met:
- The objective of the business model is achieved by both collecting contractual cash flows and selling financial assets and
  - The asset's contractual cash flow represent SPPI. Debt instruments included within FVTOCI category are measured initially as well as at each reporting period at fair value plus transaction costs.
- ii. Fair value movements are recognised in other comprehensive income (OCI). However, the Group recognises interest income, impairment losses and reversals and foreign exchange gain or loss in profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from equity to profit and loss. Interest earned is recognised under the effective interest rate (EIR) model.
- iii. Currently the Group has not classified any interest bearing debt instruments under this category.

**c) Equity instruments at FVTOCI and FVTPL**

- i. All equity instruments are measured at fair value other than investments in subsidiaries. Equity instruments held for trading is classified as FVTPL. For all other equity instruments, the Group may make an irrevocable election to present subsequent changes in the fair value in OCI. The Group makes such election on an instrument-by-instrument basis.
- ii. If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividend are recognised in OCI which is not subsequently reclassified to profit or loss.
- iii. Currently the Group has not classified any equity instrument at FVTOCI.
- iv. If the Group decides to classify an equity instrument as at FVTPL, then all fair value changes on the instrument and dividend are recognised in Profit or Loss.

**d) Financial assets at FVTPL**

- i. FVTPL is a residual category for financial assets. Any financial asset which does not meet the criteria for categorization as at amortised cost or as FVTOCI, is classified as FVTPL. In addition the Group may elect to designate the financial asset, which otherwise meets amortised cost or FVTOCI criteria, as FVTPL if doing so eliminates or significantly reduces a measurement or recognition inconsistency.

**e) Earmarked Funds**

- i. Earmarked Funds includes bonus payable to Key Management Personnel of the Parent Company, held for specific purposes as per the SEBI (Depositories and Participants) Regulations 2018. These amounts are invested in mutual fund units / bank fixed deposits and the same are earmarked in the Balance Sheet. Investment income earned on financial instrument is credited to respective earmarked liabilities and not credited to the Statement of Profit or Loss. The Gain / (Loss) on changes in fair value of mutual fund units of such investments are shown as liabilities / assets and are not routed through the Profit or Loss.

**2.3.5. Financial liabilities**
**a) Financial liabilities at amortised cost**

- i. Financial liabilities at amortised cost represented by trade and other payables are initially recognized at fair value, and subsequently carried at amortized cost using the effective interest method.

**b) Financial liabilities at FVTPL**

- i. Financial liabilities at FVTPL represented by contingent consideration are measured at fair value with all changes recognised in the profit or loss.

**c) Fair Value of Financial Instruments**

- i. In determining the fair value of its financial instruments, the Group uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

**d) Equity Instruments**

- i. Ordinary shares: Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are recognised as a deduction from equity, net of any tax effect (if any).

**2.3.6. Property, plant and equipment (PPE)**
**a) Recognition and measurement:**

- i. Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Cost includes expenditures directly attributable to the acquisition of the asset.
- ii. The Group had elected to consider the carrying value of all its property, plant and equipment appearing in the financial statements prepared in accordance with Accounting Standards notified under the section 133 of the Companies Act 2013, read together with Rules, 2014 and used the same as deemed cost in opening Ind AS Balance sheet prepared on April 1, 2016.

**b) Derecognition of PPE:**

- i. An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

**2.3.7. Intangible assets**

- a) Intangible assets purchased are measured at cost as of the date of acquisition less accumulated amortization and accumulated impairment, if any.
- b) Amortisation has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013
- c) Intangible assets consists of computer software.
- d) Amortisation methods, useful lives and residual values are reviewed at each reporting date, with the effect of any changes in estimate accounted for on a prospective basis.

**2.3.8. Derecognition of intangible assets:**

- a) An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognised in profit or loss when the asset is derecognised.

**2.3.9. Depreciation/Amortisation:**

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

Name of Asset	Useful life as per Company's Act 2013 (Years)	Useful Life as per Company Policy (Years) (Till Dec 31, 2020)	Useful Life as per Company Policy (Years) (From Jan 1, 2021)
Computer Hardware	6	2	6
Computer software – Perpetual	3	2	3
Computer software – Subscription License	3	As per license period	As per license period
Furniture and Fixtures	10	5	5
Vehicle	8	4	4

- b) Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.
- c) Depreciation methods, useful life and residual values are reviewed at each reporting date, with the effect of any changes in estimate accounted for on a prospective basis.
- d) When parts of an item of property, plant and equipment have different useful life, they are accounted for as separate items (major components) of property, plant and equipment. Subsequent expenditure relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Group and the cost of the item can be measured reliably. Repairs and maintenance costs are recognised in the Statement of Profit and Loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or disposition of the asset and the resultant gains or losses are recognised in the Statement of Profit and Loss.
- e) Amounts paid towards the acquisition of property, plant and equipment outstanding as of each reporting date and the cost of property, plant and equipment not ready for intended use before such date are disclosed under capital work- in-progress. Depreciation is not recorded on capital work-in-progress until construction

and installation are complete and the asset is ready for its intended use.

### 2.3.10. Leases:

#### a) As a Lessee:

- i. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.
- ii. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:
  - the contract involves the use of an identified asset;
  - the Group has substantially all of the economic benefits from use of the asset through the period of the lease; and
  - the Group has the right to direct the use of the asset.
- iii. At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.
- iv. The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.
- v. Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.
- vi. Right-of-use assets are depreciated from the commencement date on a straight-

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

- vii. The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option.
- viii. For short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

#### b) As a Lessor:

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

### 2.3.11. Impairment

#### a) Financial assets carried at amortised cost and FVTOCI

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



- ii. The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.
  - iii. For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12 month ECL. Lifetime ECLs are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12 month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date. ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:
    - All contractual terms of the financial instrument (including prepayment, extension etc.) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.
    - Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.
  - iv. The Group has used a practical expedient by computing the expected credit loss allowance for trade receivable based on a detailed analysis of trade receivable by individual departments.
  - v. ECL impairment loss allowance (or reversal) recognised during the period is recognised as income / expense in the Statement of Profit and Loss.
  - vi. Financial assets measured at amortised cost, contractual revenue receivable: ECL is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write off criteria, the Group does not reduce impairment allowance from the gross carrying amount.
- b) Non-financial assets**
- i. The Group assesses at each reporting date whether there is any observable evidence that a non-financial asset or a group of non-financial assets is impaired. If any such indication exists, the Group estimates the amount of impairment loss. An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognised in statement of profit and loss and reflected in an allowance account. When the Group considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment loss was recognised, then the previously recognised impairment loss is reversed through statement of profit and loss.
  - ii. The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

**2.3.12. Employee benefits**

- a) The Group participates in various employee benefit plans. Post-employment benefits are classified as either defined contribution plans or defined benefit plans. Under a defined contribution plan, the Group's only obligation is to pay a fixed amount with no obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits. The related actuarial and investment risks fall on the employee. The expenditure for defined contribution plans is recognized as expense during the period when the employee provides service. Under a defined benefit plan, it is the Group's obligation to provide agreed benefits to the employees. The related actuarial and investment risks fall on the Group. The present value of the defined benefit obligations is calculated using the projected unit credit method.
- i. Short term employee benefits: Performance linked bonus is provided as and when the same is approved by the management.
- ii. Post-employment benefits and Other long term employee benefits are treated as follows:
- **Defined Contribution Plans:**  
 Provident Fund: The Provident fund plan is operated by Regional Provident Fund Commissioner (RPFC) and the contribution thereof are paid / provided for.  
  
 Contributions to the defined contribution plans are charged to profit or loss for the respective financial year as and when services are rendered by the employees.
  - **Defined Benefits Plans:**  
 Gratuity: In accordance with the Payment of Gratuity Act, 1972, the Group provides for a lump sum payment to eligible employees, at retirement or termination of employment based on the last drawn salary and years of employment with the Group. Gratuity for employees is covered by Gratuity Scheme with Life Insurance Corporation of India and the contribution thereof is paid / provided for. Provision for gratuity is made on

the basis of actuarial valuation on Projected Unit Credit Method as at the end of the year.

Remeasurement gains or losses are recognised in other comprehensive income. Further, the profit or loss does not include an expected return on plan assets. Instead net interest recognised in profit or loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. The actual return on the plan assets above or below the discount rate is recognised as part of re-measurement of net defined liability or asset through Other Comprehensive Income.

Remeasurements comprising gains or losses and return on plan assets (excluding amounts included in net interest on the net defined benefit liability) are not reclassified to profit or loss in subsequent periods.

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

**2.3.13. Provisions**

- a) Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.
- b) The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the

reporting period, taking into account the risks and uncertainties surrounding the obligation.

- c) When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset, if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.
- d) Provisions for onerous contracts are recognised when the expected benefits to be derived by the Group from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. Provisions for onerous contracts are measured at the present value of lower of the expected net cost of fulfilling the contract and the expected cost of terminating the contract.
- e) If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability.
- f) Provisions are reviewed at each balance sheet date adjusted to reflect the current best estimates. Contingent assets and contingent liabilities are not recognised but disclosed in the Financial Statements when economic inflow is probable.

#### 2.3.14. Investment income

- a) Investment income consists of interest income on funds invested, dividend income and gains on the disposal of FVTPL financial assets.
- b) Interest income on bond is recognised as it accrues in the Profit or Loss, using the effective interest method and interest income on deposits with banks is recognised on a time proportion accrual basis taking into the account the amount outstanding and the rate applicable.

Dividend income is recognised in the Profit or Loss on the date that the Group's right to receive payment is established.

#### 2.3.15. Income tax

- a) Income tax comprises current and deferred tax. Income tax expense is recognized in statement of profit and loss except to the extent it relates to items directly recognized in equity or in other comprehensive income.

##### i. Current income tax

Current income tax for the current and prior periods are measured at the amount

expected to be recovered from or paid to the taxation authorities based on the taxable income for the period. The tax rates and tax laws used to compute the current tax amount are those that are enacted at the reporting date and applicable for the period. The Group offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognised amounts and where it intends either to settle on a net basis or to realize the asset and liability simultaneously.

##### ii. Deferred tax

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

Deferred tax asset are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized. Deferred tax liabilities are recognised for all taxable temporary differences.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised

as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

The Group recognises interest levied and penalties related to income tax assessments in income tax expenses.

### 2.3.16. Earnings per share

- a) The Group reports basic and diluted earnings per share in accordance with Ind AS 33 on Earnings per share. Basic earnings per share is computed using the weighted average number of equity shares outstanding during the period.
- b) Diluted EPS is computed by dividing the net profit after tax by the weighted average number of equity shares considered for deriving basic EPS and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares, as appropriate.

### 2.3.17. Current / Non-current classification

- a) The Group present assets and liabilities in the balance sheet based on current/non-current classification.
- b) **Assets:** An asset is classified as current when it satisfies any of the following criteria:
  - i. it is expected to be realised in, or is intended for sale or consumption in, the entity's normal operating cycle;

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

### 2.3.18. Operating Cycle

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

### 2.4. New and amended standards

**2.4.1.** Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2021.

#### 2.4.2. Amendments to Ind AS 116: COVID-19-Related Rent Concessions.

- a) The amendments to Ind AS 116 provides a practical expedient to lessees in accounting for rent concessions that are a direct consequence of the COVID-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a COVID-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the COVID-19 related rent concession the same way

it would account for the change under IFRS 16, if the change were not a lease modification. The practical expedient applies only to rent concessions occurring as a direct consequence of the COVID-19 pandemic and only if all of the following conditions are met:

- b) The change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change.
- c) Any reduction in lease payments affects only payments originally due on or before 30 June 2021 (for example, a rent concession would meet this condition if it results in reduced lease payments before 30 June 2021 and increased lease payments that extend beyond 30 June 2021).
- d) There is no substantive change to other terms and conditions of the lease.
- e) No practical expedient is available for lessors.
- f) The lessees will apply the practical expedient retrospectively, recognising the cumulative effect of initially applying the amendment as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the beginning of the annual reporting period in which the lessee first applies the amendment.
- g) The amendments are applicable for annual reporting periods beginning on or after the April 1st, 2020. In case, a lessee has not yet approved the financial statements for issue before the issuance of this amendment, then the same may be applied for annual reporting periods beginning on or after the April 1st, 2019. The Group will not be affected by these amendments on the date of transition as there are no rent concessions provided for from the lessor.

#### **2.4.3. Appendix C to Ind AS 12 Uncertainty over Income Tax Treatment**

- a) The appendix addresses the accounting for income taxes when tax treatments involve

uncertainty that affects the application of Ind AS 12 Income Taxes. It does not apply to taxes or levies outside the scope of Ind AS 12, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments. The Appendix specifically addresses the following:

- i. Whether an entity considers uncertain tax treatments separately
  - ii. The assumptions an entity makes about the examination of tax treatments by taxation authorities
  - iii. How an entity determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates
  - iv. How an entity considers changes in facts and circumstances
- b) The Group determines whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments and uses the approach that better predicts the resolution of the uncertainty.
  - c) The Group applies significant judgement in identifying uncertainties over income tax treatments. Since the Group operates in a complex multinational environment, it assessed whether the Appendix had an impact on its consolidated financial statements.
  - d) Upon adoption of the Appendix C to Ind AS 12, the Group considered whether it has any uncertain tax positions, particularly those relating to transfer pricing. The Group's and the subsidiaries' tax filings in different jurisdictions include deductions related to transfer pricing and the taxation authorities may challenge those tax treatments. The Group determined, based on its tax compliance and transfer pricing study, that it is probable that its tax treatments (including those for the subsidiaries) will be accepted by the taxation authorities. The Appendix did not have an impact on the consolidated financial statements of the Group



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

(₹ in Lakh)

Gross carrying value	Property, plant and equipment										Intangible Assets	Right of Use Asset
	Freehold Office	Freehold Office improvement	Building-Freehold	Building-Leasehold	Plant and equipment	Computers	Furniture and fixtures	Office equipments	Motor vehicles	Total		
Balance as at April 1, 2019	6,325.27	250.22	0.01	169.09	1,399.75	117.50	320.13	287.95	162.13	9,032.05	890.79	-
Additions during the year ended March 31, 2020	-	-	-	-	544.39	65.73	8.90	18.95	39.41	677.38	423.88	48.50
Deductions / adjustments	-	-	-	-	123.33	2.53	0.18	6.28	62.98	195.30	-	-
<b>Balance as at March 31, 2020</b>	<b>6,325.27</b>	<b>250.22</b>	<b>0.01</b>	<b>169.09</b>	<b>1,820.81</b>	<b>180.70</b>	<b>328.85</b>	<b>300.62</b>	<b>138.56</b>	<b>9,514.13</b>	<b>1,314.67</b>	<b>48.50</b>
Balance as at April 1, 2020	6,325.27	250.22	0.01	169.09	1,820.81	180.70	328.85	300.62	138.56	9,514.13	1,314.67	48.50
Additions during the year ended March 31, 2021	-	-	-	-	273.26	93.99	-	1.16	0.50	368.91	465.11	-
Deductions / adjustments	-	-	-	-	-	-	-	-	22.92	22.92	-	-
<b>Balance as at March 31, 2021</b>	<b>6,325.27</b>	<b>250.22</b>	<b>0.01</b>	<b>169.09</b>	<b>2,094.07</b>	<b>274.69</b>	<b>328.85</b>	<b>301.78</b>	<b>116.14</b>	<b>9,860.12</b>	<b>1,779.78</b>	<b>48.50</b>

Accumulated depreciation / amortisation	Property, plant and equipment										Intangible Assets	Right of Use Asset
	Freehold Office	Freehold Office improvement	Building-Freehold	Building-Leasehold	Plant and equipment	Computers	Furniture and fixtures	Office equipments	Motor vehicles	Total		
Balance as at April 1, 2019	180.59	35.37	-	161.59	966.85	99.24	150.42	107.62	68.96	1,770.64	628.26	-
Depreciation/amortisation for the year ended March 31, 2020	105.63	25.02	-	2.17	453.70	34.95	47.95	52.46	37.17	759.05	403.08	11.11
Deductions / Adjustments	-	-	-	-	75.51	2.53	0.18	6.06	45.53	129.81	-	-
<b>Balance as at March 31, 2020</b>	<b>286.22</b>	<b>60.39</b>	<b>-</b>	<b>163.76</b>	<b>1,345.04</b>	<b>131.66</b>	<b>198.19</b>	<b>154.02</b>	<b>60.60</b>	<b>2,399.88</b>	<b>1,031.34</b>	<b>11.11</b>
Balance as at April 1, 2020	286.22	60.39	-	163.76	1,345.04	131.66	198.19	154.02	60.60	2,399.88	1,031.34	11.11
Depreciation/amortisation for the year ended March 31, 2021	105.63	25.02	-	2.17	336.95	46.24	49.18	59.42	44.26	668.87	240.11	11.08
Deductions / Adjustments	-	-	-	-	-	-	-	-	17.23	17.23	-	-
<b>Balance as at March 31, 2021</b>	<b>391.85</b>	<b>85.41</b>	<b>-</b>	<b>165.93</b>	<b>1,681.99</b>	<b>177.90</b>	<b>247.37</b>	<b>213.44</b>	<b>87.63</b>	<b>3,051.52</b>	<b>1,271.45</b>	<b>22.19</b>

Net carrying value	Property, plant and equipment										Intangible Assets	Right of Use Asset
	Freehold Office	Leasehold improvement	Building-Freehold	Building-Leasehold	Plant and equipment	Computers	Furniture and fixtures	Office equipments	Motor vehicles	Total		
As at March 31, 2021	5,933.42	164.81	0.01	3.16	412.08	96.79	81.48	88.34	28.51	6,808.60	508.33	26.31
As at March 31, 2020	6,039.05	189.83	0.01	5.33	475.77	49.04	130.66	146.60	77.96	7,114.25	283.33	37.39

Intangible assets under development	As at 31.03.2021	As at 31.03.2020
Capital Advance ( Intangible Asset )	1,272.67	-
<b>Total</b>	<b>1,272.67</b>	<b>-</b>

Capital work in Progress	As at 31.03.2021	As at 31.03.2020
Capital Advance ( Tangible Asset )	1,005.63	-
<b>Total</b>	<b>1,005.63</b>	<b>-</b>



#### 4. Investments

(₹ in Lakh)

Particulars	As at 31.03.2021	As at 31.03.2020
<b>Non-current Investments</b>		
<b>Un-quoted Investments (all fully paid)</b>		
<b>Investments in Equity Instruments measured at FVTPL</b>		
- Belapur Railway Station Commercial Company Limited (BRSCCL) (Fully paid equity shares of ₹ 10 each)	0.50	0.50
- National E-Governance Services Limited (NESL) (Fully paid equity shares of ₹ 10 each)	327.90	273.90
<b>Aggregate value of un-quoted Investments</b>	<b>328.40</b>	<b>274.40</b>
<b>Total Investment in Equity Instruments at FVTPL</b>	<b>328.40</b>	<b>274.40</b>
<b>Quoted Investments</b>		
<b>Investments in Tax free bonds measured at amortised cost</b>		
<b>Owned</b>		
- Tax free bonds	8,555.17	10,308.41
	<b>8,555.17</b>	<b>10,308.41</b>
<b>Investments in Non Convertible Debentures measured at amortised cost</b>		
<b>Owned</b>		
- Non convertible debentures	-	1,500.00
	-	<b>1,500.00</b>
<b>Investments in Mutual Funds measured at FVTPL</b>		
<b>Owned</b>		
- Units of growth oriented schemes of mutual funds	7,768.61	15,226.90
<b>Earmarked</b>		
- Units of growth oriented schemes of mutual funds (refer note 43)	-	28.00
	<b>7,768.61</b>	<b>15,254.90</b>
<b>Total Non-current Investments</b>	<b>16,652.18</b>	<b>27,337.71</b>
<b>Aggregate amount of quoted investments</b>	<b>16,323.78</b>	<b>27,063.31</b>
<b>Market value of quoted investments</b>	<b>16,323.78</b>	<b>27,063.31</b>
<b>Aggregate amount of unquoted investments</b>	<b>328.40</b>	<b>274.40</b>
<b>Current Investments</b>		
<b>Unquoted Investments</b>		
<b>Investments in Mutual Funds measured at FVTPL</b>		
<b>Owned</b>		
- Units of growth oriented schemes of mutual funds	42,436.76	16,517.74
	<b>42,436.76</b>	<b>16,517.74</b>
<b>Current Portion of Long Term Investments</b>		
<b>Quoted Investments</b>		
<b>Investments in Non convertible debentures measured at amortised cost</b>		
<b>Owned</b>		
- Non convertible debentures	1,500.00	-
<b>Quoted Investments</b>		
<b>Investments in Tax free bonds measured at amortised cost</b>		
<b>Owned</b>		
- Tax free bonds	1,735.05	-
<b>Investments in Mutual Funds measured at FVTPL</b>		
<b>Owned</b>		
- Units of growth oriented schemes of mutual funds	8,588.61	22,603.23
<b>Earmarked</b>		
- Units of growth oriented schemes of mutual funds (refer note 43)	29.84	-
	<b>11,853.50</b>	<b>22,603.23</b>
<b>Total Current Investments</b>	<b>54,290.26</b>	<b>39,120.97</b>
<b>Aggregate amount of quoted investments</b>	<b>8,618.45</b>	<b>22,603.23</b>
<b>Market value of quoted investments</b>	<b>8,618.45</b>	<b>22,603.23</b>
<b>Aggregate amount of unquoted investments</b>	<b>42,436.76</b>	<b>16,517.74</b>

**4A - Investments**

Type	Name of the Body Corporate	No. of Shares / Units		(₹) In Lakh	
		As at 31.03.2021	As at 31.03.2020	As at 31.03.2021	As at 31.03.2020
<b>Details of Non current investments</b>					
<b>Investment in Others</b>					
<b>a) Investment in Equity shares</b>					
Unquoted	Belapur Railway Station Commercial Company Limited (BRSCCL) (Fully paid up)	5,000	5,000	0.50	0.50
Unquoted	National E-Governance Services Limited (NESL) (Fully paid up)	3,000,000	3,000,000	327.90	273.90
				<b>328.40</b>	<b>274.40</b>
<b>b) Investment in Non convertible debentures</b>					
Quoted	8.70% TATA Capital Non-Convertible Debentures 3Yrs RD 27.09.2021	-	150,000	-	1,500.00
				-	<b>1,500.00</b>
<b>c) Investment in tax free bonds</b>					
Quoted	7.21% REC Ltd Tax Free bonds 211122	50	50	500.01	500.02
Quoted	7.22% Power Finance Corporation Ltd Tax Free Bond Series 95 291122	50	50	500.01	500.02
Quoted	7.18% Indian Railway Finance Corp Ltd Tax Free Bonds 190223	130,000	130,000	1,301.84	1,302.76
Quoted	7.19% Indian Railway Finance Corp Ltd Tax Free Bond 310725	50	50	500.29	500.35
Quoted	8.01% National Housing Bank Tax Free Bonds 300823	70	70	700.08	700.12
Quoted	7.17% National Housing Bank Tax Free Bonds 010123	50	50	500.86	501.31
Quoted	8.35% National Highways Auth of India Tax Free Bonds 221123	70	70	700.07	700.10
Quoted	8.20% National Highways Auth of India Tax Free Bonds 250122	-	72,500	-	734.02
Quoted	8.18% NHPC Limited Tax Free Bonds 021123	22,547	22,547	225.47	225.47
Quoted	8.19% NTPC Limited Tax Free Bonds 040324	50	50	500.02	500.02
Quoted	8.41% NTPC Limited Tax Free Bonds 161223	31,665	31,665	316.65	316.65
Quoted	8.20% Power Finance Corporation Ltd Tax Free Bonds 010222	-	100,000	-	1,014.33
Quoted	7.15% NTPC Limited Tax Free Bond 210825	50	50	500.16	500.19
Quoted	7.17% REC Ltd Tax Free Bond 230725	50	50	500.23	500.28
Quoted	8.18% REC Ltd Tax Free Bonds 111023	50	50	509.13	512.32
Quoted	7.11% National Highways Auth of India Tax Free Bonds 18.09.2025	30	30	300.01	300.02
Quoted	7.16% Power Finance Corporation Ltd Tax Free Bonds 17.07.2025	50	50	500.15	500.19
Quoted	7.17% REC Ltd Tax Free Bonds 23.07.2025	50	50	500.19	500.24
				<b>8,555.17</b>	<b>10,308.41</b>

Type	Name of the Body Corporate	No. of Shares / Units		(₹) In Lakh	
		As at 31.03.2021	As at 31.03.2020	As at 31.03.2021	As at 31.03.2020
<b>d)</b>	<b>Investment in Units of growth oriented schemes of mutual funds</b>				
Quoted	Aditya Birla Sunlife Fixed Term Plan - Series OY - Direct - Growth	-	3,000,000.00	-	357.80
Quoted	Aditya Birla Sunlife Fixed Term Plan - Series SI - Direct - Growth	4,000,000.00	4,000,000.00	484.97	445.36
Quoted	Axis Fixed Term Plan - Sr102 - Direct- Growth	4,000,000.00	4,000,000.00	484.35	444.86
Quoted	DSP Fixed Maturity Plan - Sr 219 - 40M - Direct - Growth	-	3,000,000.00	-	355.88
Quoted	DSP Fixed Maturity Plan - Sr 233 -36M -Direct-Growth	-	238,511.40	-	28.00
Quoted	DSP Fixed Maturity Plan - Sr 250 -39M -Direct-Growth	5,261,412.88	5,261,412.88	638.39	587.85
Quoted	HDFC Fixed Maturity Plan- 1150D Mar 2018 (1) Sr 39 Direct -Growth	-	7,043,577.00	-	834.45
Quoted	HDFC MF Fixed Maturity Plan-1158D Feb2018 (1) Sr39-Direct-Growth	-	6,000,000.00	-	713.17
Quoted	HDFC Fixed Maturity Plan- 1274D Oct 2018 (1) Sr 43 Direct- Growth	5,000,000.00	5,000,000.00	634.14	584.89
Quoted	HSBC Fixed Term Series 131 - Direct -Growth	-	3,000,000.00	-	346.11
Quoted	HSBC Fixed Term Series 134 - Direct -Growth	-	4,000,000.00	-	418.65
Quoted	HSBC Fixed Term Series 139 - Direct -Growth	3,500,000.00	3,500,000.00	425.53	390.78
Quoted	ICICI Prudential Fixed Maturity Plan - Sr 82 - Plan A - 1236 Days Direct Cum	-	5,000,000.00	-	597.43
Quoted	ICICI Prudential Fixed Maturity Plan - Sr 84 - 1254 Days Plan U - Direct - Cum	4,000,000.00	4,000,000.00	492.74	453.49
Quoted	ICICI Prudential Fixed Maturity Plan - Sr 84 - 1188 Days Plan Z - Direct - Cum	4,000,000.00	4,000,000.00	493.61	450.97
Quoted	Invesco India Fixed Maturity Plan - Sr 30 -Plan A - Direct -Growth	-	5,000,000.00	-	595.64
Quoted	Invesco India Fixed Maturity Plan - Sr 30 Plan C - Direct-Growth	-	6,000,000.00	-	714.09
Quoted	Kotak Fixed Maturity Plan - Series 250 – 1314 Days-Direct-Growth	4,250,000.00	4,250,000.00	539.13	495.62
Quoted	Kotak Fixed Maturity Plan - Series 255 – 1250 Days-Direct-Growth	4,000,000.00	4,000,000.00	493.74	454.53
Quoted	Nippon India Fixed Horizon Fund - XXXV - SR 11-Direct-Growth	-	5,000,000.00	-	597.61
Quoted	Nippon India Fixed Horizon Fund - XXXV - SR 12-Direct-Growth	-	4,000,000.00	-	478.04
Quoted	Nippon India Fixed Horizon Fund XXXVI Series 7 - Direct - Growth	-	4,000,000.00	-	472.71
Quoted	Nippon India Fixed Horizon Fund XXXX Series 6 - Direct - Growth	4,000,000.00	4,000,000.00	495.41	455.94

Type	Name of the Body Corporate	No. of Shares / Units		(₹) In Lakh	
		As at 31.03.2021	As at 31.03.2020	As at 31.03.2021	As at 31.03.2020
Quoted	PGIM India Fixed Duration Fund Sr AY- Direct-Growth	40,000.00	40,000.00	520.26	478.91
Quoted	SBI Debt Fund Series C – 33 (1216 Days) – Direct-Growth	4,000,000.00	4,000,000.00	494.52	453.88
Quoted	Sundaram Fixed Term Plan - IS - Direct - Growth	3,000,000.00	3,000,000.00	361.81	331.54
Quoted	Kotak Fixed Term Plan Series 212 - Direct - Growth	-	3,500,000.00	-	417.31
Quoted	Nippon India FHF-XXXVIII-Sr-3-Direct - Growth	-	4,511,069.77	-	528.13
Quoted	Nippon India Fixed Horizon Fund - XXXV-Sr 14-Direct -Growth	-	5,520,267.32	-	657.59
Quoted	Nippon India Fixed Horizon Fund XXXX Sr17 - Direct - Growth	5,000,000.00	5,000,000.00	607.92	560.10
Quoted	Nippon India Fixed Horizon Fund XLI Sr1 - Direct - Growth	5,000,000.00	5,000,000.00	602.09	553.57
<b>Total of Non current investments (a+b+c+d)</b>				<b>7,768.61</b>	<b>15,254.90</b>
				<b>16,652.18</b>	<b>27,337.71</b>
<b>Details of Current portion of Long term investments</b>					
<b>e) Investment in Non convertible debentures</b>					
Quoted	8.70% TATA Capital Non-Convertible Debentures 3Yrs RD 27.09.2021	150,000	-	1,500.00	-
				<b>1,500.00</b>	<b>-</b>
<b>f) Investment in tax free bonds</b>					
Quoted	8.20% National Highways Auth of India Tax Free Bonds 250122	72,500	-	729.19	-
Quoted	8.20% Power Finance Corporation Ltd Tax Free Bonds 010222	100,000	-	1,005.86	-
				<b>1,735.05</b>	<b>-</b>
<b>g) Investment in Units of growth oriented schemes of mutual funds</b>					
Quoted	Aditya Birla Sunlife Fixed Term Plan - Series OM - Direct - Growth	-	5,000,000.00	-	617.01
Quoted	Aditya Birla Sunlife Fixed Term Plan - Series OY - Direct - Growth	3,000,000.00	-	380.85	-
Quoted	Aditya Birla Sunlife Fixed Term Plan - Series OD - Direct - Growth	-	9,260,869.00	-	1,148.89
Quoted	Aditya Birla Sunlife Fixed Term Plan - Series OH - Direct - Growth	-	7,180,656.00	-	893.75
Quoted	Aditya Birla Sunlife Fixed Term Plan - Series OI - Direct - Growth	-	10,901,955.00	-	1,355.94
Quoted	Aditya Birla Sunlife Fixed Term Plan - Series OK - Direct - Growth	-	10,000,000.00	-	1,241.50
Quoted	DSP Fixed Maturity Plan - Sr 204 - 37M - Direct - Growth	-	10,000,000.00	-	1,239.24
Quoted	DSP Fixed Maturity Plan - Sr 205 - 37M - Direct - Growth	-	10,000,000.00	-	1,239.85

Type	Name of the Body Corporate	No. of Shares / Units		(₹) In Lakh	
		As at 31.03.2021	As at 31.03.2020	As at 31.03.2021	As at 31.03.2020
Quoted	DSP Fixed Maturity Plan - Sr 209 - 37M - Direct - Growth	-	4,300,000.00	-	530.97
Quoted	DSP Fixed Maturity Plan - Sr 219 - 40M - Direct - Growth	3,000,000.00	-	376.46	-
Quoted	DSP Fixed Maturity Plan - Sr 233 -36M -Direct-Growth	238,511.40	-	29.84	-
Quoted	HDFC Fixed Maturity Plan- 1150D Mar 2018 (1) Sr 39 Direct -Growth	7,043,577.00	-	883.64	-
Quoted	HDFC MF Fixed Maturity Plan-1158D Feb2018 (1) Sr39-Direct-Growth	6,000,000.00	-	755.63	-
Quoted	HSBC Fixed Term Series 131 - Direct -Growth	3,000,000.00	-	367.61	-
Quoted	HSBC Fixed Term Series 134 - Direct -Growth	4,000,000.00	-	444.42	-
Quoted	ICICI Prudentail Fixed Maturity Plan - Sr 82 - Plan A - 1236 Days Direct Cum	5,000,000.00	-	631.99	-
Quoted	ICICI Prudentail Fixed Maturity Plan - Sr 80-Plan J - 1253 Days Direct Cum	-	4,493,054.00	-	560.54
Quoted	ICICI Prudentail Fixed Maturity Plan - Sr 80-Plan L - 1245 Days Direct Cum	-	6,000,000.00	-	749.18
Quoted	ICICI Prudentail Fixed Maturity Plan - Sr 80-Plan O - 1233 Days Direct Cum	-	3,000,000.00	-	374.65
Quoted	ICICI Prudentail Fixed Maturity Plan - Sr 81 - Plan Q - 1163 Days Direct Cum	-	10,000,000.00	-	1,207.01
Quoted	ICICI Prudentail Fixed Maturity Plan - Sr 80-Plan T - 1225 Days Direct Cum	-	6,500,000.00	-	809.66
Quoted	IDFC Fixed Term Plan - Sr 129 - Direct- Growth 1147Days	-	10,000,000.00	-	1,239.10
Quoted	IDFC Fixed Term Plan - Sr 131 - Direct- Growth 1139Days	-	12,512,212.00	-	1,548.75
Quoted	Invesco India Fixed Maturity Plan - Sr 30 -Plan A - Direct -Growth	5,000,000.00	-	633.03	-
Quoted	Invesco India Fixed Maturity Plan - Sr 30 Plan C - Direct-Growth	6,000,000.00	-	761.24	-
Quoted	Invesco India Fixed Maturity Plan - Sr 29 -Plan B - Direct -Growth	-	10,000,000.00	-	1,241.99
Quoted	Nippon India Fixed Horizon Fund - XXXV - SR 11-Direct-Growth	5,000,000.00	-	634.75	-
Quoted	Nippon India Fixed Horizon Fund - XXXV - SR 12-Direct-Growth	4,000,000.00	-	508.08	-
Quoted	Nippon India Fixed Horizon Fund XXXVI Series 7 - Direct - Growth	4,000,000.00	-	503.26	-
Quoted	Aditya Birla Sunlife Fixed Term Plan - Series OD - Direct - Growth	-	5,000,000.00	-	620.30
Quoted	Aditya Birla Sunlife Fixed Term Plan - Series OE - Direct - Growth	-	8,000,000.00	-	994.14

Type	Name of the Body Corporate	No. of Shares / Units		(₹) In Lakh	
		As at 31.03.2021	As at 31.03.2020	As at 31.03.2021	As at 31.03.2020
Quoted	Aditya Birla Sunlife Fixed Term Plan - Series OI - Direct - Growth	-	9,995,095.00	-	1,243.15
Quoted	Aditya Birla Sunlife Fixed Term Plan - Series OK - Direct - Growth	-	5,500,000.00	-	682.83
Quoted	Aditya Birla Sunlife Fixed Term Plan - Series OT - Direct - Growth	-	4,715,264.00	-	567.31
Quoted	Kotak Fixed Term Plan Series 202 - Direct - Growth	-	10,000,000.00	-	1,237.49
Quoted	Kotak Fixed Term Plan Series 212 - Direct - Growth	3,500,000.00	-	442.53	-
Quoted	Nippon India FHF-XXXVIII-Sr-3-Direct - Growth	4,511,069.77	-	565.17	-
Quoted	Nippon India FHF XXXIII-SR 10 Direct Growth	-	5,204,160.00	-	644.50
Quoted	DSP Fixed Maturity Plan Sr 210-36M - Direct Growth	-	5,000,000.00	-	615.48
Quoted	Nippon India Fixed Horizon Fund - XXXV-Sr 14-Direct -Growth	5,520,267.32	-	699.95	-
<b>Total of Current portion of Long term mutual fund (e)</b>				<b>8,618.45</b>	<b>22,603.23</b>
<b>Details of Current Investments</b>					
<b>h) Investment in Units of growth oriented schemes of mutual funds</b>					
Unquoted	Aditya Birla Sunlife Floating Rate Fund - Direct -Growth	995,259.41	-	2,694.00	-
Unquoted	Axis Banking & PSU Debt Fund - Direct - Growth	56,793.37	-	1,191.41	-
Unquoted	Axis Liquid Fund - Direct Plan - Growth	-	15,179.05	-	334.60
Unquoted	Axis Treasury Advantage Fund - Direct - Growth	-	7,765.06	-	180.55
Unquoted	DSP Banking & PSU Debt Fund - Direct - Growth	4,185,577.05	-	802.96	-
Unquoted	HDFC Corporate Bond Fund - Direct - Growth	5,949,919.06	-	1,498.40	-
Unquoted	ICICI Bond Fund - Direct - Growth	7,387,708.97	-	2,364.13	-
Unquoted	ICICI Corporate Bond Fund - Direct - Growth	7,003,784.47	-	1,646.36	-
Unquoted	IDFC Banking & PSU Debt Fund -Direct -Growth	8,262,232.23	-	1,614.48	-
Unquoted	Invesco India Corporate Bond Fund (Active India Fund) - Direct - Growth	24,820.44	24,820.44	649.03	597.57
Unquoted	Invesco India Treasury Advantage Fund - Direct - Growth	12,177.52	12,177.52	371.64	348.53
Unquoted	Kotak Banking & PSU Debt Fund - Direct - Growth	1,755,758.52	-	904.63	-
Unquoted	Kotak Bond Short Term Fund - Direct - Growth	3,189,289.09	-	1,386.64	-
Unquoted	LIC MF Banking & PSU Debt Fund - Direct - Growth	-	3,481,471.16	-	939.20
Unquoted	L & T Triple Ace Bond Fund - Direct- Growth	1,992,219.42	969,181.14	1,188.14	535.63
Unquoted	L & T Ultra Short Term Fund - Direct- Growth	-	59,068.46	-	19.75
Unquoted	Nippon Banking & PSU Debt Fund - Direct - Growth	1,535,266.85	-	252.11	-
Unquoted	Nippon India Short Term Fund - Direct - Growth	-	2,772,314.76	-	1,096.13



Type	Name of the Body Corporate	No. of Shares / Units		(₹) In Lakh	
		As at 31.03.2021	As at 31.03.2020	As at 31.03.2021	As at 31.03.2020
Unquoted	Nippon India Floating Rate Fund_Short Term Plan - Direct - Growth	6,634,079.73	3,885,879.04	2,387.47	1,277.75
Unquoted	Nippon India Nivesh Lakshya Fund - Direct - Growth	11,861,367.46	3,453,477.27	1,648.91	451.65
Unquoted	SBI Banking & PSU Debt Fund - Direct - Growth	73,553.13	-	1,878.55	-
Unquoted	Sundaram Money Market Fund - Direct - Growth	9,759,340.80	9,759,340.80	1,142.84	1,093.26
Unquoted	TATA Banking & PSU Debt Fund - Direct - Growth	5,000,000.00	5,000,000.00	563.82	519.64
Unquoted	TATA Short Term Bond Fund - Direct - Growth	2,504,564.20	-	1,013.02	-
Unquoted	UTI Corporate Bond Fund - Direct - Growth	18,730,646.30	-	2,398.68	-
Unquoted	Aditya Birla Sunlife Savings Fund - Direct - Growth	211,998.43	336,753.25	904.89	1,349.80
Unquoted	Aditya Birla Sunlife Floating Rate Fund - Direct - Growth	1,087,063.54	403,919.27	2,942.50	1,019.07
Unquoted	DSP Banking & PSU Debt Fund - Direct - Growth	5,008,486.60	-	960.82	-
Unquoted	DSP Floater Fund - Direct - Growth	3,999,800.01	-	402.10	-
Unquoted	Kotak Liquid Fund - Direct - Growth	-	4,701.17	-	188.75
Unquoted	Kotak Banking & PSU Debt Fund - Direct -Growth	486,540.64	-	250.68	-
Unquoted	L & T Triple Ace Bond Fund - Direct - Growth	2,261,404.31	-	1,348.68	-
Unquoted	Nippon India Short Term Plan - Direct - Growth	-	1,396,487.30	-	552.15
Unquoted	Nippon India Floating Rate Fund - Direct Growth	7,049,332.63	7,049,332.63	2,536.91	2,317.95
Unquoted	Nippon India Banking and PSU Debt Fund - Direct Growth	2,877,515.58	-	472.52	-
Unquoted	SBI Banking & PSU Debt Fund - Direct -Growth	28,058.03	-	716.61	-
Unquoted	SBI Corporate Bond Fund - Direct -Growth	5,047,703.19	-	616.54	-
Unquoted	DSP Liquidity Fund - Direct - Growth	590.85	2,820.57	17.38	80.12
Unquoted	DSP Low Duration Fund - Direct - Growth	1,381,167.78	1,381,167.78	218.56	205.86
Unquoted	ICICI Prudential Banking and PSU Debt Fund-Direct -Growth	4,209,447.84	4,209,447.84	1,078.31	995.27
Unquoted	Nippon India Banking & PSU Debt Fund - Direct - Growth	506,691.83	-	83.20	-
Unquoted	Axis Banking & PSU Debt Fund - Direct - Growth	49,466.61	66,629.08	1,037.71	1,293.27
Unquoted	HDFC Floating Rate Income Fund-Short Term Plan - Direct - Growth	1,916,540.66	2,151,927.65	733.86	761.41
Unquoted	HDFC Corporate Bond Fund – Direct - Growth	533,880.01	-	134.45	-
Unquoted	Nippon India Liquid Fund - Direct - Growth	-	7,418.03	-	359.83
Unquoted	Nippon India Nikesh Lakshya Fund - Direct - Growth	2,760,998.62	-	383.82	-
				<b>42,436.76</b>	<b>16,517.74</b>
	<b>Total of Current Investments (e+f+g+h)</b>			<b>54,290.26</b>	<b>39,120.97</b>
	<b>Total Investment</b>			<b>70,942.44</b>	<b>66,458.68</b>

**5. Loans (at amortised cost)**

(₹ in Lakh)

Particulars	As at 31.03.2021	As at 31.03.2020
<b>Non Current</b>		
Unsecured, considered good		
Loan to staff	5.46	12.20
<b>Total</b>	<b>5.46</b>	<b>12.20</b>
<b>Current</b>		
Unsecured, considered good		
Loan to staff	7.71	11.03
<b>Total</b>	<b>7.71</b>	<b>11.03</b>

**6. Other financial assets (at amortised cost)**

(₹ in Lakh)

Particulars	As at 31.03.2021	As at 31.03.2020
<b>Non-current</b>		
(a) Security deposits (Unsecured considered as good)	15.48	14.42
(b) Bank balance in deposit accounts (Earmarked ₹ 305.40 Lakh (Previous Year ₹ 200.48 Lakh)) (Refer note 43)	305.40	1,932.44
(c) Accrued interest - bank deposits (Earmarked ₹ 12.58 Lakh (Previous Year ₹ 4.06 Lakh)) (Refer note 43)	18.36	43.68
<b>Total</b>	<b>339.24</b>	<b>1,990.54</b>
<b>Current</b>		
(a) Other Receivable	-	6.50
(b) Sundry deposits (Unsecured considered as good)	45.05	46.50
(c) Unbilled Revenue	1373.90	4.32
(d) Interest accrued but not due on bonds	421.93	421.83
<b>Total</b>	<b>1,840.88</b>	<b>479.15</b>

**7. Deferred tax balances**

(₹ in Lakh)

Particulars	As at 31.03.2021	As at 31.03.2020
<b>Deferred tax assets (net)</b>		
Deferred tax assets	76.07	927.04
Deferred tax liabilities	73.78	827.42
<b>Deferred tax assets (net)</b>	<b>2.29</b>	<b>99.62</b>
<b>Deferred tax liabilities (net)</b>		
Deferred tax liabilities	1,145.47	342.35
Deferred tax assets	916.86	138.25
<b>Deferred tax liabilities (net)</b>	<b>228.61</b>	<b>204.10</b>

**Deferred tax assets (net)**

(₹ in Lakh)

Particulars	Opening balance as at 1.04.2019	Recognised in Profit or loss	Recognised in other comprehensive income	Closing balance as at 31.03.2020	Recognised in Profit or loss for year ended 31.03.2021	Recognised in other comprehensive income	Closing balance as at 31.03.2021
<b>1. Deferred tax Assets</b>							
Provision for compensated absences, gratuity and other employee benefits	418.15	(1.27)	(5.03)	411.85	(171.56)	1.56	241.85
Provision for incentive scheme for DPs	165.73	86.84	-	252.57	34.06	-	286.63
Allowance for doubtful debts (expected credit loss allowance)	144.14	76.84	-	220.98	62.81	-	283.79
<b>Total</b>	<b>728.02</b>	<b>162.41</b>	<b>(5.03)</b>	<b>885.40</b>	<b>(74.69)</b>	<b>1.56</b>	<b>812.27</b>
<b>2. Deferred Tax Liabilities</b>							
On Changes in Fair Value of Investment	337.40	341.34	-	678.74	4.99	-	683.73
Impact on account of amortised cost accounting of financial assets	1.82	(4.25)	-	(2.43)	(4.55)	-	(6.98)
On difference between book balance and tax balance of Property, plant and equipment	85.36	65.75	-	151.11	101.69	-	252.80
<b>Total</b>	<b>424.58</b>	<b>402.84</b>	<b>-</b>	<b>827.42</b>	<b>102.13</b>	<b>-</b>	<b>929.55</b>
<b>Adjusted from current tax provision of earlier years</b>	<b>41.64</b>	<b>-</b>	<b>-</b>	<b>41.64</b>	<b>-</b>	<b>-</b>	<b>41.64</b>
<b>Net assets / (liabilities)</b>	<b>345.08</b>	<b>(240.43)</b>	<b>(5.03)</b>	<b>99.62</b>	<b>(176.82)</b>	<b>1.56</b>	<b>(75.64)</b>

**Deferred tax liabilities (net)**

(₹ in Lakh)

Particulars	Opening balance as at 1.04.2019	Recognised in Profit or loss	Recognised in other comprehensive income	Closing balance as at 31.03.2020	Recognised in Profit or loss for year ended 31.03.2021	Recognised in other comprehensive income	Closing balance as at 31.03.2021
<b>1. Deferred tax Assets</b>							
Provision for compensated absences, gratuity and other employee benefits	24.54	32.61	2.06	59.21	(8.45)	1.43	52.19
On difference between book balance and tax balance of Property, plant and equipment	9.76	23.96	-	33.72	0.31	-	34.03
MAT credit	151.66	(106.34)	-	45.32	7.48	-	52.80
<b>Total</b>	<b>34.30</b>	<b>56.57</b>	<b>2.06</b>	<b>138.25</b>	<b>(8.14)</b>	<b>1.43</b>	<b>139.02</b>
<b>2. Deferred Tax Liabilities</b>							
On Changes in Fair Value of Investment	194.55	142.80	-	337.35	(52.65)	-	284.70
On difference between book balance and tax balance of Property, plant and equipment	5.00	-	-	5.00	-	-	5.00
<b>Total</b>	<b>199.55</b>	<b>142.80</b>	<b>-</b>	<b>342.35</b>	<b>(52.65)</b>	<b>-</b>	<b>289.70</b>
<b>Net assets / (liabilities)</b>	<b>(165.25)</b>	<b>(86.23)</b>	<b>2.06</b>	<b>(204.10)</b>	<b>44.51</b>	<b>1.43</b>	<b>(150.68)</b>

Unused tax losses for which no deferred tax assets have been recognised are attributable to the following:

(₹ in Lakh)

Particulars	As at 31.03.2021	As at 31.03.2020
Tax losses (capital in nature)	-	1,047.50
Tax losses (revenue in nature)	353.36	277.95
<b>Total</b>	<b>353.36</b>	<b>1,325.45</b>

**8. Income tax asset and liabilities**

(₹ in Lakh)

Particulars	As at 31.03.2021	As at 31.03.2020
<b>Non Current tax assets</b>		
Advance Income Tax	1,058.93	924.66
<b>Total</b>	<b>1,058.93</b>	<b>924.66</b>
<b>Current tax liabilities</b>		
Income Tax payable	296.57	261.91
<b>Total</b>	<b>296.57</b>	<b>261.91</b>

**9. Other assets**

(₹ in Lakh)

Particulars	As at 31.03.2021	As at 31.03.2020
<b>Non Current</b>		
Prepaid Expenses	177.87	158.15
<b>Total</b>	<b>177.87</b>	<b>158.15</b>
<b>Current</b>		
Capital advances	-	0.75
Prepaid Expenses	392.90	379.87
GST Credit Receivable	820.32	380.47
Advances to creditors	47.60	29.66
<b>Total</b>	<b>1,260.82</b>	<b>790.75</b>

**10. Trade Receivables (at amortised cost)**

(₹ in Lakh)

Particulars	As at 31.03.2021	As at 31.03.2020
<b>Trade Receivables</b>		
Secured, considered good	-	-
Unsecured, considered good (receivable from related party ₹ 305.54 Lakh (Previous Year ₹ 55.42 Lakh))	2,374.35	2,602.62
Trade Receivable - credit impaired	324.29	222.32
Unsecured, considered doubtful (expected credit loss allowance)	808.70	659.80
Less: Allowance for doubtful debts (Refer below table for Movement in expected credit loss allowance)	(1,132.99)	(882.12)
<b>Total</b>	<b>2,374.35</b>	<b>2,602.62</b>

- Trade receivables are dues in respect of services rendered in the normal course of business.
- The average credit period on sale of services is 25 days. No interest is charged on trade receivables for the first 25 days from the date of invoice. Thereafter, interest is charged at 12% - 13% per annum on the outstanding balance by the parent company
- There are no dues by directors or other officers of the Group or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member.

**Movement in the expected credit loss allowance**

(₹ in Lakh)

Particulars	As at 31.03.2021	As at 31.03.2020
Balance at beginning of the year	882.12	498.49
-Unsecured, considered doubtful (expected credit loss allowance)	357.03	161.31
- Trade Receivable - credit impaired	(106.16)	222.32
<b>Balance at end of the year</b>	<b>1,132.99</b>	<b>882.12</b>

## 11. Cash and cash equivalents and other bank balances

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

(₹ in Lakh)

Particulars	As at 31.03.2021	As at 31.03.2020
<b>Current</b>		
Cash on hand	-	0.71
<b>Balance with Banks</b>		
<b>Owned fund</b>		
- In Current Accounts (includes amount received from auction proceeds ₹ 3,481 lakhs earmarked against other liabilities (Previous Year Nil)) (Refer Note 43)	3,616.43	321.33
<b>Earmarked fund (Refer Note 43)</b>		
- In current account (unpaid dividend)	34.26	16.42
- In Current Accounts (G. Sec)	45.05	33.27
- In current accounts - Stamp Duty	493.04	-
- (includes earmarked amount ₹ 260.33 Lakh (Previous Year Nil))		
<b>Cash and cash equivalents</b>	<b>4,188.78</b>	<b>371.73</b>
<b>Bank Balances other than above</b>		
<b>Balances with Banks</b>		
<b>Owned fund</b>		
- In deposit accounts (Earmarked ₹ 552.29 Lakh (Previous Year ₹ 536.14 Lakh)) (Refer note 43)	15,898.17	4,813.77
Accrued interest - bank deposits (Earmarked ₹ Nil (Previous Year ₹ 5.00 Lakh)) (Refer note 43)	681.42	184.38
<b>Total</b>	<b>16,579.59</b>	<b>4,998.15</b>

## 12. Equity Share capital

Particulars	As at 31.03.2021	As at 31.03.2021	As at 31.03.2020	As at 31.03.2020
	Number	(₹ in Lakh)	Number	(₹ in Lakh)
<b>Equity Share capital</b>				
<b>Authorised share capital:</b>				
Equity Shares of ₹ 10/- each with voting rights	15,00,00,000	15,000.00	15,00,00,000	15,000.00
<b>Issued share capital:</b>				
Equity Shares of ₹ 10/- each with voting rights	10,45,00,000	10,450.00	10,45,00,000	10,450.00
<b>Subscribed and Paid-up share capital</b>				
Equity Shares of ₹ 10/- each with voting rights	10,45,00,000	10,450.00	10,45,00,000	10,450.00
<b>Total</b>	<b>10,45,00,000</b>	<b>10,450.00</b>	<b>10,45,00,000</b>	<b>10,450.00</b>

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

Particulars	Opening Balance	Fresh issue	Closing Balance
<b>Equity shares with voting rights</b>			
<b>As at March 31, 2020</b>			
- Number of shares	10,45,00,000	-	10,45,00,000
- Amount (₹) In lakh	10,450.00	-	10,450.00
<b>As at March 31, 2021</b>			
- Number of shares	10,45,00,000	-	10,45,00,000
- Amount (₹) In lakh	10,450.00	-	10,450.00

**Details of shares held by each shareholder holding more than 5% shares:**

Class of shares / Name of shareholder	As at 31.03.2021		As at 31.03.2020	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
<b>Equity shares with voting rights</b>				
BSE Limited (Entity having significant influence)	2,09,00,000	20.00	2,50,80,000	24.00
HDFC Bank Limited	75,00,000	7.18	75,00,000	7.18
Standard Chartered Bank	75,00,000	7.18	75,00,000	7.18
Canara Bank	-	-	58,29,132	5.58

The Company has one class of equity shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held.

The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after discharging all its liabilities, in proportion to their shareholding.

**13. Other equity**

(₹ in Lakh)

Particulars	As at 31.03.2021	As at 31.03.2020
General reserve	1,094.93	1,094.93
Retained earnings	76,177.18	60,854.53
<b>Total</b>	<b>77,272.11</b>	<b>61,949.46</b>

**13.1 General reserve**

(₹ in Lakh)

Particulars	As at 31.03.2021	As at 31.03.2020
Balance at beginning of period/year	1,094.93	1,094.93
Movement during the period/year	-	-
<b>Balance at end of period/year</b>	<b>1,094.93</b>	<b>1,094.93</b>

The general reserve is created from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in general reserve will not be reclassified subsequently to Profit or Loss.

**13.2 Retained earnings**

(₹ in Lakh)

Particulars	As at 31.03.2021	As at 31.03.2020
Balance at beginning of period	60,854.53	55,269.38
Profit attributable to owners of the Company	20,034.05	10,615.53
Other comprehensive income / (loss) arising from remeasurement of defined benefit obligation (net of income tax)	(8.90)	8.97
Payment of dividends (Previous Year including tax on dividend)	(4,702.50)	(5,039.35)
<b>Balance at end of year</b>	<b>76,177.18</b>	<b>60,854.53</b>

Retained earnings reflect surplus/deficit after taxes in the Statement of Profit and Loss. The amount that can be distributed by the Company as dividends to its equity shareholders is determined based on the balance in this reserve and also considering the requirements of the Companies Act, 2013.

The Board of CDSL at its meeting held on May 16, 2020, approved payment of dividend of ₹ 4.50 per share (₹ 4,702.50 lakh). The Board of CDSL at its meeting held on May 3, 2019, approved payment of dividend of ₹ 4.00 per share (total dividend including dividend distribution tax of ₹ 5,039.35 lakh).



#### 14. Other financial liabilities (at amortised cost)

(₹ in Lakh)

Particulars	As at 31.03.2021	As at 31.03.2020
<b>Non-current</b>		
Accrued employee benefits expense (Earmarked ₹ 142.98 Lakh (Previous Year ₹ 107.54)) (Refer note 43)	142.98	107.54
Lease Liability	10.65	9.34
<b>Total</b>	<b>153.63</b>	<b>116.88</b>
<b>Current</b>		
Security Deposits	3,485.08	3,181.54
Payable for purchase of Property, plant and equipment	1,357.38	53.66
Accrued employee benefits expense (Earmarked ₹ 29.84 Lakh (Previous Year ₹ 28.85)) (Refer note 43)	506.43	856.90
Unpaid Dividend - Earmarked againsts current account (Refer note 43)	34.26	16.42
Contribution to Investor Protection Fund	823.00	269.67
Lease Liability	17.10	27.75
Others (Earmarked ₹ 3,786.38 Lakh (Previous Year ₹ 33.27 Lakh)) (Refer note 43)	3,847.87	60.36
<b>Total</b>	<b>10,071.12</b>	<b>4,466.30</b>

#### 15. Trade Payables

(₹ in Lakh)

Particulars	As at 31.03.2021	As at 31.03.2020
a. Total outstanding dues of micro enterprises and small enterprises	-	55.65
b. Total outstanding dues of creditors other than micro enterprises and small enterprises		
- Payable to related party	-	2.03
- Other trade payables	1,269.89	1,148.52
<b>Total (a+b)</b>	<b>1,269.89</b>	<b>1,206.20</b>

#### 16. Provisions

(₹ in Lakh)

Particulars	As at 31.03.2021	As at 31.03.2020
<b>Non Current</b>		
(a) <b>Provision for employee benefits (Refer note 34)</b>		
Provision for gratuity (net)	103.63	272.68
<b>Total</b>	<b>103.63</b>	<b>272.68</b>
<b>Current</b>		
(a) <b>Provision for employee benefits (Refer note 34)</b>		
Compensated absences	249.32	551.32
Provision for gratuity (net)	158.88	72.99
(b) <b>Other provisions</b>		
Provision for Incentive Scheme for DP	1,138.78	1,003.45
<b>Total (a+b)</b>	<b>1,546.98</b>	<b>1,627.76</b>

#### 17. Other liabilities

(₹ in Lakh)

Particulars	As at 31.03.2021	As at 31.03.2020
<b>Non-current</b>		
Income received in advance	-	0.09
<b>Total</b>	<b>-</b>	<b>0.09</b>
<b>Current</b>		
Income received in advance	16.47	56.49
Advances from customers	1,323.16	971.93
Statutory remittances	1,389.39	563.22
<b>Total</b>	<b>2,729.02</b>	<b>1,591.64</b>

**18. Revenue from operations**

(₹ in Lakh)

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
<b>Sale of services comprise :</b>		
Annual Issuer charges	8,611.89	7,748.47
Transaction charges	11,910.99	4,290.69
Users Facility charges	332.42	330.58
Settlement charges	143.21	151.87
Account Maintenance charges	338.07	328.32
E-Voting charges	661.83	365.33
CAS charges	1,258.64	930.63
IPO/Corporate Action charges	3,285.55	2,257.37
Foreign Investment Limit Monitoring	231.48	225.84
On Line Data charges	5,616.77	3,690.55
Documents Storage charges	517.04	514.32
Inter KRA charges	594.51	157.56
SEBI PACL Project	86.23	940.49
Insurance Repository charges	35.67	44.72
E-KYC/C-KYC	284.43	175.36
Commodity Repository charges	97.62	88.62
Others	365.36	269.81
<b>Total</b>	<b>34,371.71</b>	<b>22,510.53</b>

**19. Other income**

(₹ in Lakh)

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
<b>a) Interest income earned on financial assets that are measured at amortised cost</b>		
Bank deposits	789.06	471.91
Investments in debt instruments	897.09	898.27
Interest on staff loan	1.53	1.26
<b>b) Other gains or losses:</b>		
Net gain arising on financial assets measured at FVTPL	3,821.77	4,177.37
Gain / (Loss) on Sale / Disposal of Property, plant and equipments and intangible assets (Net)	-	15.28
<b>c) Other non-operating income</b>		
Interest from debtors	37.94	17.08
Excess provision reversed	45.00	0.00
Interest on Income tax refund	10.92	223.45
Bad debts recovered/Written back	27.62	33.54
Miscellaneous Income	60.65	76.42
<b>Total</b>	<b>5,691.58</b>	<b>5,914.58</b>

**20. Employee benefits expense**

(₹ in Lakh)

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
Salaries, allowances and bonus	3,708.74	4,080.67
Contribution to provident and other Funds	324.87	527.61
Staff welfare expenses	99.72	121.06
<b>Total</b>	<b>4,133.33</b>	<b>4,729.34</b>

## 21. Depreciation and amortisation expense

(₹ in Lakh)

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
Property, plant and equipment, Intangible assets & ROU assets	920.05	1,173.24
<b>Total</b>	<b>920.05</b>	<b>1,173.24</b>

## 22. Impairment loss on financial assets

(₹ in Lakh)

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
Impairment loss allowance on trade receivables (Includes Bad Debts ₹ 716.39 Lakh (P.Y. ₹ 363.38 Lakh))	967.88	749.65
<b>Total</b>	<b>967.88</b>	<b>749.65</b>

## 23. Other expenses

(₹ in Lakh)

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
AADHAR Authentication Expenses	86.27	32.68
Annual SEBI fees	206.58	235.21
Auditors' remuneration		
Audit Fees	28.50	24.50
Reimbursement of expenses	0.96	1.73
Business promotion expenses	96.52	110.93
CAS/Dot's Expenses	462.72	388.63
Computer technology related expenses	1,932.37	1,536.31
Contribution to investor protection fund	823.00	269.67
Corporate social responsibility Expenses (refer note 39)	254.05	679.81
Data entry charges (PACL/KRA)	20.05	647.64
Directors' sitting fees	221.35	155.40
Expenses for GST Suvidha Provider	27.52	44.43
Fee for Depository/Exchange	11.37	19.43
Incentive Scheme for DPs (refer note 36)	437.29	438.00
Insurance	75.41	55.43
Inter KRA Charges Expenses	1,453.13	750.78
Legal charges	207.97	251.98
Miscellaneous expenses	97.73	85.32
Office Maintenance	136.54	142.12
Point of Service (POS) charges	438.62	322.40
Postage, telephone and communication charges	188.89	58.97
Power and fuel	50.55	44.10
Printing and stationery	2.81	31.29
Professional and consultancy fees	270.05	158.40
Preliminary Expenses	7.57	-
Rates and taxes	12.39	34.07
Recruitment Charges	2.41	30.56
Short term lease expenses	220.39	241.08
SMS Alert Expenses	271.73	126.52
Travelling and conveyance	32.65	141.67
WDRA Annual Fees	10.00	10.01
<b>Total</b>	<b>8,087.39</b>	<b>7,069.07</b>

### 23.1 CSR Expenditure

(₹ in Lakh)

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
a) The gross amount required to be spent by the Company during the year	252.05	270.14
b) Amount debited to the statement of profit or loss were paid in cash during the respective year and were incurred for the purpose other than construction / acquisition of any asset including unspent of previous years.	254.05	679.81

### 23.2 Taxes

#### 23.3. Income tax expense

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

#### 23.3.1 Profit or loss section

(₹ in Lakh)

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
Current tax expense	5,693.30	2,709.00
Current Tax Expense of earlier years refer note ( 23.3.1.a)	-	(62.70)
Deferred tax	132.31	326.66
<b>Total</b>	<b>5,825.61</b>	<b>2,972.96</b>

#### 23.3.1.a

Based on the assessment orders received during the year March 31, 2020, the company has written back an amount of ₹ 174.10 Lakh in respect of previous year.

#### 23.3.2

(₹ in Lakh)

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
Remeasurement of the defined benefit plans	(11.89)	11.94
Total income tax expense recognised in other comprehensive income	<b>2.99</b>	<b>(2.97)</b>

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

(₹ in Lakh)

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
(A) Profit before tax	25,952.34	13,644.78
(B) Enacted tax rate in India	25.17%	25.17%
(C) Expected tax expenses (A*B)	6,532.20	3,434.39
(D) Other than temporary differences		
Effect of change in tax rate	141.99	291.86
Effect of fair value of investments	-662.01	-627.52
Effect of income that is exempt from taxation	-257.68	-193.22
Expenses disallowed / (allowed) net	68.12	130.15
Total adjustments	-709.58	-398.73
(E) Tax expenses after adjustments (C+D)	5,822.62	3,035.66
(F) Tax expenses recognised in Profit or Loss (Including OCI)	5,822.62	3,035.66

## 24. Earnings per share (EPS)

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

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
Weighted average number of equity shares (issued share capital) outstanding during the year for the calculation of basic EPS	10,45,00,000	10,45,00,000
Effect of dilutive equity shares outstanding during the year	-	-
Weighted average number of equity shares (issued share capital) outstanding during the year for the calculation of dilutive EPS	10,45,00,000	10,45,00,000
Face Value per Share (₹)	10/- Each	10/- Each
Profit for the year	20,034.05	10,615.53
Basic and Diluted EPS (₹ per share)	19.17	10.16

## 25. Leases

Effective April 1, 2019, the Company has adopted Ind AS 116 'Leases' and applied the same to all eligible lease contracts existing on April 1, 2019 using the modified retrospective approach with right-of-use asset recognised at an amount equal to the adjusted lease liability. Accordingly, comparative figures for the corresponding periods, for the year ended and as at March 31, 2020 have not been retrospectively adjusted.

**On transition, the adoption of the new standard resulted in recognition of 'Right of Use' asset of ₹ 48.50 lakhs and a lease liability of ₹ 45.63 lakhs.**

The company has elected not to apply the requirement of Ind AS 116 to short term leases of all assets that have a lease term of 12 months or less. The lease payments associated with these leases are recognised as an expenses on a straight line basis over the lease term.

The following is the summary of practical expedients elected on initial application:

- Applied a single discount rate to a portfolio of leases of similar assets.
- Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application.
- Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.
- Applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly for all contracts as on April 1, 2019, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.

The discount rate applied to lease liabilities as at April 1, 2019 is 7%.

**Following are the changes in the carrying value of right of use assets for the year ended March 31, 2021:**

Particulars (₹ in Lakh)	For the year ended 31.03.2021	For the year ended 31.03.2020
Opening Balance (transition)*	37.39	48.50
Less :Depreciation	-11.08	-11.11
<b>Closing Balance</b>	<b>26.31</b>	<b>37.39</b>

\*includes EIR adjustment of Security Deposit

**Amounts recognised in profit and loss**

Particulars (₹ in Lakh)	For the year ended 31.03.2021	For the year ended 31.03.2020
Depreciation expense on right-of-use assets	11.08	11.11
Interest expense on lease liabilities	<b>2.30</b>	<b>2.94</b>

The following is the break-up of current and non-current lease liabilities as at March 31, 2021:

Particulars (₹ in Lakh)	For the year ended 31.03.2021	For the year ended 31.03.2020
Current Lease Liabilities	10.65	9.34
Non-Current Lease Liabilities	17.10	27.75
<b>Total</b>	<b>27.75</b>	<b>37.09</b>

The following is the movement in lease liabilities during the year ended March 31, 2021:

Particulars (₹ in Lakh)	As at 31.03.2021	As at 31.03.2020
Opening Balance	37.09	45.63
Add: Finance Cost accrued during the period	2.30	2.94
Less: Payment of Lease Liabilities	-11.64	-11.48
<b>Closing Balance</b>	<b>27.75</b>	<b>37.09</b>

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2021 on an undiscounted basis:

Particulars (₹ in Lakh)	As at 31.03.2021	As at 31.03.2020
Less than one year	10.65	9.34
One to Five years	17.10	27.75
More than Five years	-	-
<b>Total</b>	<b>27.75</b>	<b>37.09</b>

The following is the movement in Security Deposit during the year ended March 31, 2021:

Particulars (₹ in Lakh)	As at 31.03.2021	As at 31.03.2020
Opening Balance	7.84	7.31
Add: Interest income	0.57	0.53
<b>Closing Balance</b>	<b>8.41</b>	<b>7.84</b>

## 26. Financial instruments

The carrying value and fair value of financial instruments by categories:

(₹ in Lakh)

Particulars	Carrying Value		Fair Value	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
<b>i) Financial assets</b>				
<b>a) Amortised Cost</b>				
Investment in Tax-free bonds & NCD	11,790.22	11,808.41	12,433.75	12,240.51
Trade receivables	2,374.35	2,602.62	2,374.35	2,602.62
Cash and cash equivalents	4,188.78	371.73	4,188.78	371.73
Bank balances other than cash and cash equivalents	16,579.99	4,998.15	16,579.99	4,998.15
Loans	13.17	23.23	13.17	23.23
Other financial assets	2,180.12	2,469.69	2,180.12	2,469.69
<b>Total (a)</b>	<b>37,126.23</b>	<b>22,273.83</b>	<b>37,769.76</b>	<b>22,705.93</b>



(₹ in Lakh)

Particulars	Carrying Value		Fair Value	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
<b>b) FVTPL</b>				
Quoted mutual funds	16,387.06	37,858.13	16,387.06	37,858.13
Unquoted mutual funds	42,436.76	16,517.74	42,436.76	16,517.74
<b>Total (b)</b>	<b>58,823.82</b>	<b>54,375.87</b>	<b>58,823.82</b>	<b>54,375.87</b>
<b>c) Others</b>				
Investment in equity instruments	328.40	274.40	328.40	274.40
<b>Total (c)</b>	<b>328.40</b>	<b>274.40</b>	<b>328.40</b>	<b>274.40</b>
<b>Total (a+b+c)</b>	<b>96,278.45</b>	<b>76,924.10</b>	<b>96,921.98</b>	<b>77,356.20</b>
<b>ii) Financial liabilities</b>				
<b>Amortised Cost</b>				
Trade payables	1,269.89	1,206.20	1,269.89	1,206.20
Other financial liabilities	10,224.75	4,583.18	10,224.75	4,583.18
<b>Total</b>	<b>11,494.64</b>	<b>5,789.38</b>	<b>11,494.64</b>	<b>5,789.38</b>

**Fair value hierarchy**

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

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

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

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

(₹ in Lakh)

Financial assets	Fair value as at		Fair value hierarchy	Valuation technique(s) and key input(s)
	31.03.2021	31.03.2020		
Mutual funds (Quoted)	16,387.06	37,858.13	Level 1	NAV declared by respective mutual funds
Mutual funds (Unquoted)	42,436.76	16,517.74	Level 2	NAV declared by respective mutual funds
Taxable Bonds	1,532.82	1,502.55	Level 1	Quoted price
Taxfree Bonds	10,901.03	10,811.97	Level 1	Quoted price
Equity	328.40	274.40	Level 3	Net asset method

There were no transfers between Level 1, 2 and 3 during the years.

The management assessed that fair value of cash and short-term 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.

**Disclosure for Level 3**

The fair values of the unquoted equity shares have been estimated based on net asset method as per latest financials available.

**Fair value measurements using significant unobservable inputs (level 3)**

A. The following table presents the changes in level 3 items for the periods ended March 31, 2021 and March 31, 2020

(₹ in Lakh)

Particulars	Unlisted equity Shares
As at 31.03.2019	Nil
Gain/(loss) recognized in Statement of Profit and Loss during the year	(26.10)
As at 31.03.2020	(26.10)
Gain/(loss) recognized in Statement of Profit and Loss during the year	54.00
As at 31.03.2021	28.40

B. Valuation inputs and relationships to fair value : The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements

Particulars	Fair Value 31.03.2021	Fair Value 31.03.2020
Net Assets (₹ in Lakh)	8,200.51	6,845.77
Total number of equity shares	7,50,00,000	7,50,00,000
Net Asset per share (₹)	10.93	9.13

**27. Financial risk management**

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

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

**Credit risk**

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

- Trade and other receivables**

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

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

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

Central Depository Services (India) Limited

(₹ in Lakh)

Particulars	₹ In Lakh	10% of the receivable and revenue
Revenue	27,058.39	Customer 1 – 2,794.70 Lakh (10%)
Receivables	2,163.13	Customer 1 – 305.67 Lakh (14%)

## CDSL Insurance Repository Limited

Particulars	₹ In Lakh	10% of the receivable and revenue
Revenue	35.67	Customer 1 – 14.52 Lakh (41%) Customer 2 – 3.91 Lakh (11%)
Receivables	8.85	Customer 1 – 3.28 Lakh (37%) Customer 2 – 1.17 Lakh (13%) Customer 3 – 0.97 Lakh (11%)

## CDSL Commodity Repository Limited

Particulars	₹ In Lakhs	10% of the receivable and revenue
Revenue	97.62	Customer 1 – 10.95 Lakh (11%)
Receivables	38.48	Customer 1 – 7.26 Lakh (19%) Customer 2 – 5.94 Lakh (15%)

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

## CDSL Ventures Limited

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

## CDSL Insurance Repository Limited

Particulars	₹ In Lakh	10% of the receivable and revenue
Revenue	44.72	Customer 1 – 24.92 Lakh (56%) Customer 2 – 4.87 Lakh (11%)
Receivables	6.80	Customer 1 – 1.85 Lakh (27%) Customer 2 – 0.83 Lakh (12%) Customer 3 – 0.71 Lakh (10%)

## CDSL Commodity Repository Limited

Particulars	₹ In Lakhs	10% of the receivable and revenue
Revenue	88.62	Customer 1 – 15.74 Lakh (18%) Customer 2 – 13.76 Lakh (16%)
Receivables	42.60	Customer 1 – 19.87 Lakh (47%)

- Investments**

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

**Liquidity risk**

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

The Group's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. The management monitors the Group's net liquidity position through forecasts on the basis of expected cash flows.

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

(₹ in Lakh)

Particulars	As at	
	31.03.2021	31.03.2020
Trade payables		
< 1 year	1,269.89	1,206.20
1-5 years	-	-
> 5 years	-	-
Other financial liabilities		
< 1 year	10,071.12	4,466.30
1-5 years	153.63	116.88
> 5 years	-	-
<b>Total</b>	<b>10,224.75</b>	<b>5,789.38</b>

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

(₹ in Lakh)

Particulars	As at	
	31.03.2021	31.03.2020
Investments*		
< 1 year	54,290.26	39,120.97
1 - 5 years	16,323.78	24,262.04
> 5 years	328.40	3,075.67
<b>Total</b>	<b>70,942.44</b>	<b>66,458.68</b>
Loans		
< 1 year	7.71	11.03
1 - 5 years	5.46	12.20
> 5 years	-	-
<b>Total</b>	<b>13.17</b>	<b>23.23</b>
Other financial assets		
< 1 year	1,848.93	479.15
1 - 5 years	288.84	1,940.54
> 5 years	50.00	50.00
<b>Total</b>	<b>2,187.77</b>	<b>2,469.69</b>
Trade receivables		
< 1 year	2,366.29	2,602.62
1 - 5 years	-	-
> 5 years	-	-
<b>Total</b>	<b>2,366.29</b>	<b>2,602.62</b>
Cash and cash equivalents		
< 1 year	4,188.78	371.73
1 - 5 years	-	-
> 5 years	-	-
<b>Total</b>	<b>4,188.78</b>	<b>371.73</b>
Bank balances other than cash and cash equivalents		
< 1 year	16,579.99	4,998.15
1 - 5 years	-	-
> 5 years	-	-
<b>Total</b>	<b>16,579.99</b>	<b>4,998.15</b>

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

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

### Market risk

The Company's business, financial condition and results of operations are highly dependent upon the levels of activity in the capital markets and in particular upon the trading volume on stock exchanges, the number of listed securities, the number of new listings and subsequent issuances and introduction of new services which will ease in doing business in capital markets.

In addition to the above risk, market risk also include following:

- **Foreign Currency risk**

The Company's foreign currency risk arises in respect of foreign currency transactions. The Company's foreign currency expenses is insignificant, while a significant portion of its costs are in Indian rupees.

As a result, if the value of the Indian rupee appreciates relative to these foreign currencies, the Company's expenses measured in rupees may decrease. Due to lesser quantum of expenses from foreign currencies, the Company is not much exposed to foreign currency risk.

- **Interest rate risk**

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

All investment in Debentures and Bonds are at fixed rate of Interest and does not have material interest rate risks. The Company's investments in floating rate are primarily in FMPs of mutual funds, which do not expose it to significant interest rate risk. The Company's exposure to assets having price risk is as under:-

(₹ in Lakh)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Mutual Fund	42,436.76	16,517.74

Sensitivity The table below summarises the impact of increases/ decreases of the Price on profit for the period. The analysis is based on the assumption that the instrument index has increased/ decreased by 5% with all other variables held constant.

(₹ in Lakh)

Particulars	Impact on profit after tax	
	2021	2020
Increase by 5%	2,121.84	825.89
Decrease by 5%	2,121.84	825.89

- **Regulatory risk**

The Group requires various regulatory approvals, registrations and permissions to operate its business, including at a corporate level as well as at the level of each of its components. Some of these approvals are required to be renewed from time to time. The Group's operations are subject to continued review by regulator and these regulations may change from time to time in fast changing capital market environment. The Group's compliance team constantly monitors the compliance with these rules and regulations.

## 28. Capital management

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

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

**29. Information on related party transactions as required by Ind AS 24 – ‘Related party disclosures’ for the year ended March 31, 2021.**

Description of relationship	Names of related parties
Entity having significant influence	BSE Limited
Subsidiary of entity having significant influence	Marketplace Technologies Private Limited Indian Clearing Corporation Limited
Associate having significant influence in subsidiary-CCRL	Multi Commodity Exchange of India Ltd BSE Investments Limited
Director	Late Smt. Usha Narayanan, Public Interest Director (upto 01.07.19) Shri R.M.Malla, Public Interest Director (upto 29.07.19) Shri A. Krishnakumar, Public Interest Director (upto 29.07.19) Shri B. Prasada Rao, Public Interest Director (upto 20.10.19) Shri Balkrishna V Chaubal, Public Interest Director (from 30.07.19) Prof (Dr.) Bimal Kumar N Patel, Public Interest Director (from 27.09.19) Smt. Preeti Saran, Public Interest Director (from 29.11.19) Shri. Umesh Bellur, Public Interest Director (from 30.11.19) Shri. Sidhartha Pradhan, Public Interest Director (from 29.11.19) Shri. Masil Jeya Mohan P., Shareholder Director (from 10.10.19) Shri Nayan Mehta, Shareholder Director (from 28.11.16) Shri Nehal Vora, Shareholder Director, (upto 23.09.19) Shri Nehal Vora, Managing Director, (from 24.09.19)
Key Managerial Personnel	Shri Bharat Sheth, CFO (upto 31.12.2019) Shri Girish Amesara, CFO (w.e.f. 01.01.2020) Shri Lalitmohan Sharma, Company Secretary, (upto 30.09.2019) Smt. Amita Paunikar, Company Secretary, (w.e.f 18.11.2019)

(₹ in Lakh)

Sr. No.	Particular	For the year ended March 31, 2021	For the year ended March 31, 2020*
	<b>Entity having significant influence</b>		
	<b>Income</b>		
	<b>BSE Limited</b>		
1	Operational Income	341.98	146.28
	<b>Expenditure</b>		
	<b>BSE Limited</b>		
2	Rent	1.20	1.20
3	Dividend Paid	940.50	1003.20
4	Administrative and Other Expenses (Recoveries)	66.60	51.70
	<b>Associates</b>		
	<b>Income</b>		
	<b>Indian clearing corporation Limited</b>		
5	Operational Income	4.72	6.26
	<b>Marketplace Technologies Pvt Ltd</b>		
6	Operational Income	0.32	0.09
	<b>Multi commodity Exchange Of India Limited</b>		
7	Operational Income	6.15	7.24

\*Net of Goods and Services Tax



(₹ in Lakh)

Sr. No.	Particular	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>Key Managerial Personnel#</b>			
1	Dividend Paid	0.12	0.11
<b>Remuneration</b>			
2	Shri Nehal Vora, Managing Director, (from 24.09.19)	230.23	107.73
3	Shri Bharat Sheth, CFO, (upto 31.12.2019)	-	200.87
4	Shri Girish Amesara, CFO, (w.e.f. 01.01.2020)	87.56	15.29
5	Shri Lalitmohan Sharma, Company Secretary, (upto 30.09.2019)	-	24.72
6	Smt. Amita Paunekar, Company Secretary, ((From 18.11.2019)	41.83	15.61

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

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

(₹ in Lakh)

Sr. No.	Particulars (Balance outstanding as at period ended)	As at March 31, 2021	As at March 31, 2020
<b>Payable/(Receivable)</b>			
<b>Entity having significant influence</b>			
1	BSE Limited	(305.85)	(53.39)
<b>Associates</b>			
2	Indian clearing corporation Limited	0.01	(0.16)
3	Marketplace Technologies Pvt Ltd	(0.02)	-
4	Multi commodity Exchange Of India Limited	0.01	0.01

### 30. Contingent liabilities

(₹ in Lakh)

Particulars	As at 31.03.2021	As at 31.03.2020
	(₹) In Lakh	(₹) In Lakh
Claims against the Group not acknowledged as debt in respect of :		
a) Service tax matters (Period from Oct 2013 to Jun 2017)	69.60	Nil
b) Income tax matters	0.57 (refer note (ii))	Nil
c) Bank Guarantee	727.29 (refer note (iii))	637.29 (refer note (iii))

(i) The Parent Company is a party in certain legal proceedings filed by beneficial owners/third parties in the normal course of business. The Parent Company does not expect the outcome of these proceedings to have any material adverse effect on its financial conditions, results of operations and cash flow. The amount is not ascertainable

(ii) Claims against the Company not acknowledged as debt : Income Tax

Demand of ₹ 0.57 Lakh raised by Income Tax Department vide Assessment order u/s 143(3) of Income tax Act, 1961 for A.Y. 2018-19 dated 15.03.2021, against which company has filed an appeal on 12.04.2021

(iii) Bank Guarantees

As per business requirements bank guarantees issued by banks on behalf of Group against 100% margin (earmarked) on fixed deposit receipts. (Refer note 43)

**31. Commitments**

(₹ in Lakh)

Particulars	As at 31.03.2021	As at 31.03.2020
	(₹) In Lakh	(₹) In Lakh
Estimated amount of contracts remaining to be executed on capital account and not provided for		
Property, plant and equipment	418.66	30.57
Intangible assets	264.10	29.62

**32. Segment information**

The Managing Director (MD) and CEO of the Parent Company, has been identified as the chief operating decision maker (CODM) as defined by Indian Accounting Standard 108 "Operating Segments". The CODM evaluates the Group's performance, allocates resources based on analysis of the various performance indicators of the Group as a single unit.

The Group operates in three operating Segments namely Depository Services, Data Processing Services and Others. These are the reportable business segment as per Indian Accounting Standard 108 "Operating Segments". The reportable business segments are in line with the segment wise information which is being presented to the CODM.

The Group has three operating and reporting segment; viz, Depository, Data entry and storage and Repository. Since there is no revenue from external customers and non-current assets outside India, no geographical segments have been identified.

Depository Segment includes providing various services to the investors like dematerialisation, rematerialisation, holding, transfer and pledge of securities in electronic form and providing e-voting services to companies.

Data Entry and Storage segment relates to Centralized record keeping of KYC document of capital market investors.

Repository main objective to provide policyholders/warehouse receipts holder a facility to keep insurance policies/warehouse receipts in electronic form and to undertake changes, modifications and revisions in the policy/receipt with speed and accuracy in order to bring about efficiency, transparency and cost reduction in issuance and maintenance of policies/receipts.

(₹ in Lakh)

Particulars	For the year ended 31.03. 2021	For the year ended 31.03. 2020
<b>Segment Revenue</b>		
Depository Activity	27,058.39	16,815.16
Data Entry and Storage	7,190.30	5,576.99
Repository	133.29	133.34
<b>Total</b>	<b>34,381.98</b>	<b>22,525.49</b>
Less : Inter Segment Revenue	10.27	14.96
<b>Total Income</b>	<b>34,371.71</b>	<b>22,510.53</b>
<b>Segment Results</b>		
Depository Activity	16,468.57	5,405.44
Data Entry and Storage	4,106.85	2,661.41
Repository	(314.66)	(336.65)
<b>Total</b>	<b>20,260.76</b>	<b>7,730.20</b>
Add/(Less) : Finance income and other unallocable income **	5,691.58	5,914.58
<b>Profit before taxation</b>	<b>25,952.34</b>	<b>13,644.78</b>
Less : Provision for taxation	5,825.61	2,972.96
<b>Profit after taxation</b>	<b>20,126.73</b>	<b>10,671.82</b>

(₹ in Lakh)

Particulars	As at 31.03.2021	As at 31.03.2020
<b>Segment assets</b>		
Depository Activity	16,376.87	9,120.51
Data Entry and Storage	1,956.52	1,983.69
Repository	292.19	276.54
Unallocated	89,774.32	74,951.51
<b>Total</b>	<b>1,08,399.90</b>	<b>86,332.25</b>

(₹ in Lakh)

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
<b>Segment liabilities</b>		
Depository Activity	14,062.74	8,110.20
Data Entry and Storage	1,148.19	996.67
Repository	90.98	125.06
Unallocated	1,097.54	515.63
<b>Total</b>	<b>16,399.45</b>	<b>9,747.56</b>
<b>Property, plant and equipment and Intangible assets acquired during the year</b>		
Depository Activity	625.73	867.04
Data Entry and Storage	208.29	260.95
Repository	-	21.77
<b>Total Property, plant and equipment and Intangible assets additions</b>	<b>834.02</b>	<b>1,149.76</b>
<b>Depreciation and amortization</b>		
Depository Activity	728.99	868.68
Data Entry and Storage	181.50	262.05
Repository	9.57	42.51
<b>Total Depreciation and amortization</b>	<b>920.06</b>	<b>1,173.24</b>

\*\*Other unallocable income mainly includes interest income, dividend income, income from investments and other unallocable miscellaneous income.

### 33. Additional information to the consolidated financial statements

#### 33.1 Expenditure in foreign currency:

Particulars	As at 31.03.2021	As at 31.03.2020
	(₹) In Lakh	(₹) In Lakh
Conference Expenses	-	19.98
Others (Seminar and Software licenses)	4.46	11.30

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

Based on and to the extent of information received by the Company from the suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) and relied upon by the auditors, the relevant particulars as at the year-end are furnished below

Particulars	As at 31.03.2021	As at 31.03.2020
	(₹) In Lakh	(₹) In Lakh
(a) Principal amount and interest thereon remaining unpaid at the end of year Interest paid including payment made beyond appointed day	-	55.65
(b) Interest due and payable for delay during the year	-	-
(c) Amount of interest accrued and unpaid as at year end	-	-
(d) The amount of further interest due and payable even in the succeeding year	-	-

**33.3 Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013**

Name of the entity	31.03.2021		31.03.2020	
	Net assets, i.e., total assets minus total liabilities			
	As % of consolidated net assets	Amount (₹ in Lakh)	As % of consolidated net assets	Amount (₹ in Lakh)
Parent Company - Central Depository Services (India) Limited	67.42%	62,029.41	66.24%	50,730.78
CDSL Ventures Limited	22.62%	20,813.27	22.05%	16,890.63
CDSL Insurance Repository Limited	2.36%	2,167.42	2.71%	2,078.85
CDSL Commodity Repository Limited	2.96%	2,719.58	3.52%	2,699.20
CDSL IFSC Limited	(0.01%)	(7.57)	-	-
Non-controlling Interest in subsidiary	4.65%	4,278.34	5.46%	4,185.23
<b>Total</b>	<b>100%</b>	<b>92,000.45</b>	<b>100%</b>	<b>76,584.69</b>

Name of the entity	For the year ended 31.03.2021		For the year ended 31.03.2020	
	Share in profit or loss			
	As % of consolidated net Profit and Loss	Amount (₹ in Lakh)	As % of consolidated net Profit and Loss	Amount (₹ in Lakh)
Parent Company - Central Depository Services (India) Limited	79.52%	16,005.76	72.45%	7,731.81
CDSL Ventures Limited	19.52%	3,927.83	26.40%	2,817.83
CDSL Insurance Repository Limited	0.44%	88.45	0.53%	56.75
CDSL Commodity Repository Limited	0.10%	19.58	0.09%	9.14
CDSL IFSC Limited	(0.04%)	(7.57)	0.00%	-
Non-controlling Interest in subsidiary	0.46%	92.68	0.53%	56.29
<b>Total</b>	<b>100%</b>	<b>20,126.73</b>	<b>100%</b>	<b>10,671.82</b>

Name of the entity	For the year ended 31.03.2021		For the year ended 31.03.2020	
	Share in Other Comprehensive Income			
	As % of consolidated net Other Comprehensive Income	Amount (₹ in Lakh)	As % of consolidated net Other Comprehensive Income	Amount (₹ in Lakh)
Parent Company - Central Depository Services (India) Limited	52.02%	(4.63)	166.89%	14.97
CDSL Ventures Limited	58.31%	(5.19)	(62.54%)	(5.61)
CDSL Insurance Repository Limited	(1.35%)	0.12	1.56%	0.14
CDSL Commodity Repository Limited	(4.16%)	0.37	(3.79%)	(0.34)
Non-controlling Interest in subsidiary	(4.83%)	0.43	(2.12%)	(0.19)
<b>Total</b>	<b>100%</b>	<b>(8.90)</b>	<b>100%</b>	<b>8.97</b>

Name of the entity	For the year ended 31.03.2021		For the year ended 31.03.2020	
	Share in Total Comprehensive Income			
	As % of consolidated net Total Comprehensive Income	Amount (₹ in Lakh)	As % of consolidated net Total Comprehensive Income	Amount (₹ in Lakh)
Parent Company - Central Depository Services (India) Limited	79.54%	16,001.13	72.53%	7,746.78
CDSL Ventures Limited	19.50%	3,922.64	26.33%	2,812.22
CDSL Insurance Repository Limited	0.44%	88.57	0.53%	56.89
CDSL Commodity Repository Limited	0.10%	19.95	0.08%	8.8
CDSL IFSC Limited	(0.04%)	(7.57)	-	-
Non-controlling Interest in subsidiary	0.46%	93.11	0.53%	56.1
<b>Total</b>	<b>100%</b>	<b>20,117.83</b>	<b>100.00%</b>	<b>10,680.79</b>

### 34. Employee benefits:

#### 34.1. Defined benefit plan – Gratuity

Gratuity is administered through Group Gratuity Scheme with Life Insurance Corporation of India (LIC). The LIC raises demand for annual contribution for gratuity amount based on its own computation without providing entire details as required by the Ind AS 19 “Employee Benefits”. Hence the Group obtains separate actuarial valuation report as required under Ind AS 19 “Employee Benefits” from an independent Actuary. The expected return on plan assets is based on market expectation at the beginning of the year, for the returns over the entire life of the related obligations.

Such plan exposes the Group to actuarial risks such as: investment risk, interest rate risk, demographic risk and salary risk.

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to market yields at the end of the reporting period on government bond yields; if the return on plan asset is below this rate, it will create a plan deficit. Currently the plan has a relatively balanced investment in equity securities and debt instruments.
Interest risk	A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan’s debt investments.
Demographic risk	This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, medical cost inflation, discount rate and vesting criteria.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan’s liability.

The Group has received the Gratuity fund statement from LIC till September 2020. Due to COVID-19 lockdown, Company has not received fund statement from LIC till March 21. Hence, for the purpose of calculation of plan asset as on March 21 company has prepared fund movement as per the company’s records and rate of return on plan asset is estimated @ 6.45% p.a. as per actuarial report.

	(₹ in Lakh)	
<b>Valuation Result as at</b>	<b>31.03.2021</b>	<b>31.03.2020</b>
<b>Reconciliation of defined benefit obligation</b>		
Opening Defined Benefit Obligation	599.61	312.65
Transfer in/(out) obligation	51.21	46.42
Current service cost	71.17	48.6
Interest cost	35.96	23.24
Due to Change in financial assumptions	31.13	168.9
Due to change in demographic assumption	0.14	(22.64)
Due to experience adjustments	(17.91)	43.66
Past service cost	-	97.76
Liabilities assumed in an amalgamation in the nature of purchase	(1.89)	-
Benefits paid	(17.61)	(118.98)
<b>Closing Defined Benefit Obligation</b>	<b>751.81</b>	<b>599.61</b>
<b>Other Comprehensive Income for the current period</b>		
Components of actuarial gain/losses on obligations:	-	0.01
Due to Change in financial assumptions	31.13	168.9
Due to change in demographic assumption	0.37	(22.91)
Due to experience adjustments	(17.91)	43.66
Return on plan assets excluding amounts included in interest income	(2.63)	1.76
<b>Amounts recognized in Other Comprehensive (Income) / Expense</b>	<b>10.96</b>	<b>191.41</b>
<b>Profit and loss account for the period</b>		
Service cost:		
Current service cost	71.17	48.6
Past service cost	-	97.63
Net interest cost	17.62	1.49
<b>Total included in 'Employee Benefit Expense'</b>	<b>88.79</b>	<b>147.72</b>
<b>Reconciliation of plan assets</b>		
Opening value of plan assets	253.94	289.29
Interest Income	18.35	21.5
Return on plan assets excluding amounts included in interest income	2.63	(1.76)
Contributions by employer	230.32	15.56
Benefits paid	(17.61)	(70.64)
<b>Closing value of plan assets</b>	<b>487.63</b>	<b>253.95</b>
<b>Funded status of the plan</b>		
Present value of funded obligations	751.78	599.61
Fair value of plan assets	(487.61)	(253.94)
<b>Net Liability (Asset)</b>	<b>264.17</b>	<b>345.67</b>
<b>Reconciliation of net defined benefit liability</b>		
Net opening provision in books of accounts	345.67	23.36
Transfer in/(out) obligation	1.89	
Adjustment to Opening Defined Benefit Obligation	49.32	46.42
Liabilities assumed in an amalgamation in the nature of purchase	(1.89)	-
Employee Benefit Expense	88.78	148.1
Amounts recognized in Other Comprehensive Income	10.73	191.67
Defined Benefit liability	494.50	409.55
Benefits paid by the Company	(0.08)	(48.34)
Contributions to plan assets	(230.32)	(15.56)
<b>Closing provision in books of accounts</b>	<b>264.10</b>	<b>345.65</b>
<b>Principle actuarial assumptions (for all employee benefits)</b>		
Discount Rate	6.45% p.a	6.80% p.a
Salary Growth Rate	7.00% p.a	7.00% p.a
Withdrawal Rates	3.63% p.a at all ages	4.16% p.a at all ages
Rate of Return on Plan Assets	6.45% p.a	6.80% p.a



**Sensitivity analysis**

Particular	31.03.2021		31.03.2020	
	Discount Rate	Salary Escalation Rate	Discount Rate	Salary Escalation Rate
Impact of increase of 1% on defined benefit obligation	(9.18%)	10.46%	(9.05%)	10.36%
Impact of decrease of 1% on defined benefit obligation	10.63%	(9.21%)	10.49%	(9.11%)

**34.2 Compensated absences**

The employees of the Group are entitled to compensated absences. The employees can carry forward a portion of the unutilised accumulating compensated absences and utilise it in future periods or receive cash at retirement or termination of employment. The Group records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. The Group measures the expected cost of compensated absences as the additional amount that the Group expects to pay as a result of the unused entitlement that has accumulated at the end of the reporting period. The Group recognizes accumulated compensated absences based on actuarial valuation. Non-accumulating compensated absences are recognized in the period in which the absences occur. The Group recognizes actuarial gains or losses immediately in the statement of profit and loss.

During the year ended March 31, 2021 an amount recognized as an expenses in respect of compensated leave absences is ₹ 263.58 lakh (Previous year ended March 31, 2020 is ₹ 363.17 lakh)

35. As per the rule the Securities and Exchange Board of India (Depositories and Participants) (Amendment) Regulations, 2016 (the "Amended Regulations"). The Company has determined the IPF contribution at 5% of profit from depository operation after making such contribution according to the Amended Regulations. The profit from depository operations has been determined by reducing the other income for the year from the Net profit before exceptional items and tax for the year after making such contribution. The movement of IPF provision is given below:

**Table showing movement of IPF provision:**

Particular	(₹ in lakh)	
	For the year ended 31.03.2021	For the year ended 31.03.2020
Rate %	5%	5%
Opening provision	269.67	367.65
Add: Provision made during the year	823.00	269.67
Less: Amount transferred to IPF Trust during the Year	269.67	367.65
Closing Provision	823.00	269.67

36. SEBI vide its circular no. CIR/MRD/DP/18/2015 dated December 9, 2015 (the "Circular") has revised the annual custody/issuer charges to be collected by the depositories from the issuers with effect from financial year 2015-16. With an objective of promoting financial inclusion and expanding the reach of depository services through depository participants (DPs) in tier II and tier III towns, the Circular recommends that the Depository Participants (DPs) be incentivised by way of two schemes. In the first scheme, the depositories shall pay the DPs an incentive of ₹ 100/- for every new Basic Services Demat Accounts (BSDA) opened by their participants in specified cities mentioned in the Circular. In the second scheme, the depositories may pay ₹ 2 per folio per ISIN to the respective depository participants (DPs), in respect of the ISIN positions held in BSDA across all BSDA accounts in the depository. In order to manage the aforementioned incentive schemes, the Circular has directed the Depositories to set aside 20% of the incremental revenue received from the issuers.

Pursuant to the Circular, the Company has set aside ₹ 437.29 lakh during the year ended March 31, 2021 (₹ 438 lakh during the year ended March 31, 2020) being 20% of the incremental revenue received from issuers during the respective years, towards the DP incentive scheme.

**Table showing movement of DP incentive provision:**

(₹ in lakh)

Particulars	As at 31.03.2021	As at 31.03.2020
Opening provision	1,003.45	569.14
Provision for DP incentive made during the year	437.29	438.00
Amount paid	(301.96)	(3.69)
Closing provision	1,138.78	1,003.45

**37. COVID-19 Pandemic:**

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

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

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

**38. Options permitted under Section 115BAA of the Income-tax Act, 1961:**

The Group other than CDSL Commodity Repository Limited had elected to exercise the option permitted under section 115BAA of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Act, 2019. Accordingly, the Company has recognised a Provision for Income Tax for the year ended March 31, 2020 and re-measured its Deferred Tax Assets basis the rate prescribed in the said section, resulted into a charge of ₹ 84.22 Lakh to statement of profit and loss during FY 2019-20. There is no such impact during the FY 2020-21.

**39. Corporate Social Responsibility**

As per the provisions of the Section 135 of the Companies Act, 2013, the Group is required to spend ₹ 254.05 lakh on CSR activities. To discharge its obligation, the Group has contributed ₹ 220.92 lakhs to PM CARES Fund and ₹ 31.50 lakhs paid for Creation of Online Learning Academy for Financial Literacy in the age group of 18-25 years in tier II and tier III cities through M/s. Awarathon Awareness Initiatives Private Limited. The project of Creation of Online Learning Academy has been categorized as an Ongoing Project by the Board of Parent company in their meeting held on March 25, 2021 and an amount of ₹ 1.63 Lakh as recognised has been transferred to a separate bank account on April 7, 2021 as per the provisions of the Companies Act, 2013 and Rules made thereunder.

**40. Long term contracts including derivative contracts**

Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses during the year ended March 31, 2021.

**41. Interest on income tax refund and tax provision write back.**

During the financial year 2019-20, the parent Company had written back an amount of ₹ 174.10 Lakh in respect of assessment year 2013-14 and the same was netted off from tax expense. Further, an amount of ₹ 223.45 Lakh, received as interest on refund has been included in other income during the year ended March 31, 2020.

**42. During the year Group has changed its estimate of useful life of property, plant and equipment and intangible assets with effect from January 1, 2021, such change has resulted in a higher profit before tax of ₹ 129.72 Lakh for the year ended 31st March 2021.**

## 43. Earmarked Assets and Liabilities

(₹ in Lakh)

Particulars	Reference Note		At at	
	Asset	Liabilities	31.03.2021	31.03.2020
Other Financial Liabilities – Deferred Performance Linked Bonus to KMPs	4. Other investments -Investments in mutual funds measured at FVTPL	14. Current Other financial liabilities	29.84	-
Bank Guarantee	11. Current Cash and cash equivalents and other bank balances	30. Contingent liability	5.00	5.00
Bank Guarantee	11. Current Cash and cash equivalents and other bank balances	30. Contingent liability	47.29	7.29
Bank Guarantee	11. Current Cash and cash equivalents and other bank balances	30. Contingent liability	500.00	500.00
Other Financial Liabilities – Deferred Performance Linked Bonus to KMPs	11. Current Cash and cash equivalents and other bank balances & accrued interest	14. Current Other financial liabilities	-	23.85
		<b>Sub Total</b>	<b>552.29</b>	<b>536.14</b>
Other Financial Liabilities – Deferred Performance Linked Bonus to KMPs	11. Current Cash and cash equivalents and other bank balances & accrued interest	14. Current Other financial liabilities	-	5.00
Bank Guarantee	6. Non-Current Other financial assets - Bank balance in deposit accounts & Accrued interest	30. Contingent liability	100.00	75.00
Bank Guarantee	6. Non-Current Other financial assets - Bank balance in deposit accounts	30. Contingent liability	75.00	50.00
Other Financial Liabilities – Deferred Performance Linked Bonus to KMPs	6. Non-Current Other financial assets - Bank balance in deposit accounts	14. Non-Current Other financial liabilities	130.40	75.48
		<b>Sub Total</b>	<b>305.40</b>	<b>200.48</b>
Other Financial Liabilities – Deferred Performance Linked Bonus to KMPs	6. Non-Current Other financial assets - Bank balance in Accrued interest	14. Non-Current Other financial liabilities	12.58	4.06

(₹ in Lakh)

Particulars	Reference Note		At at	
	Asset	Liabilities	31.03.2021	31.03.2020
Other Financial Liabilities – Deferred Performance Linked Bonus to KMPs	5. Other investments -Investments in mutual funds measured at FVTPL	14. Non-Current Other financial liabilities	-	28.00
Other Financial Liabilities – Deferred Performance Linked Bonus to Key Managerial Persons	7. Non-Current Other financial assets - Bank balance in deposit accounts	15. Non-Current Other financial liabilities	130.40	75.48
Other Financial Liabilities – Deferred Performance Linked Bonus to Key Managerial Persons	7. Non-Current Other financial assets - Bank balance in Accrued interest	15. Non-Current Other financial liabilities	12.58	4.06
Other Financial Liabilities – Deferred Performance Linked Bonus to Key Managerial Persons	5. Other investments -Investments in mutual funds measured at FVTPL	15. Non-Current Other financial liabilities	-	28.00
		<b>Sub Total</b>	<b>142.98</b>	<b>107.54</b>
Unpaid Dividend	11. Current Cash and cash equivalents and other bank balances	14. Current Other financial liabilities	34.26	16.42
G- Sec	11. Current Cash and cash equivalents and other bank balances	14. Current Other financial liabilities	45.05	33.27
Stamp Duty	11. Current Cash and cash equivalents and other bank balances	14. Current Other financial liabilities	260.33	-
Bidding Proceeds	11. Current Cash and cash equivalents and other bank balances	14. Current Other financial liabilities	3,481.00	-

44. 'The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.
45. Previous year's figures have been regrouped/ reclassified and rearranged wherever necessary to correspond with the current year's classification/ disclosure.

**Signatures to Notes 1 to 45 of notes forming part of Consolidated Financial Statements**
**In terms of our report of even date attached**
**For S. R. Batliboi & Co. LLP**

 Chartered Accountants  
 ICAI Firm Registration No. 301003E/E300005

**Per Jayesh Gandhi**

 Partner  
 Membership.no: 037924  
 Place : Mumbai  
 Date : May 1, 2021

**For and on behalf of the Board of Directors**
**Balkrishna V Chaulal**

 Chairperson  
 DIN: 06497832

**Nehal Vora**

 Managing Director & CEO  
 DIN: 02769054

**Girish Amesara**

Chief Financial Officer



Shri Nehal Vora briefing the entire audience in SEBI event held on 24th March, 2021 about the various investor awareness and education activities done by CDSL.



SEBI Whole-Time Member - Shri G. Mahalingam presenting Memento to Shri Nehal Vora & Shri Yogesh Kundnani in appreciation of the various investor awareness and education activities by CDSL



## Abbreviations

<b>Term</b>	<b>Description</b>	<b>Term</b>	<b>Description</b>
AGM	Annual General Meeting	IRDAI	Insurance Regulatory and Development Authority of India
AIF	Alternate Investment Fund	ISIN	International Securities Identification Number
AMC	Asset Management Company	ISMS	Information Security Management System
API	Application Program Interface	IST	Indian Standard Time
App	Application	IT	Information Technology
AS	Accounting Standards	KMP	Key Managerial Personnel
BCMS	Business Continuity Management System	KRA	KYC Registration Agency.
BO	Beneficial Owner	KYC	Know Your Client
BSE	BSE Ltd.	LODR	SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015
CAGR	Compounded Annual Growth Rate	MCA	Ministry of Corporate Affairs
CAS	Consolidated Account Statement	MCX	Multi Commodity Exchange of India Ltd.
CCRL	CDSL Commodity Repository Ltd.	MF	Mutual Fund
CFO	Chief Financial Officer	MLI	Multilateral Instrument
CIL	CDSL IFSC Ltd.	MOF	Ministry of Finance
CIN	Corporate Identification Number	MIIIs	Market Infrastructure Institutions
CIRL	CDSL Insurance Repository Ltd.	N.A / NA	Not Applicable
CM	Clearing Member	NBFC	Non-Banking Financial Company
CP	Commercial Paper	NCLT	National Company Law Tribunal
CPCB	Central Pollution Control Board	NGO	Non-Government Organization
CPE	Continuing Professional Education	NISM	National Institute of Securities Market
CSR	Corporate Social Responsibility	NSDL	National Securities Depository Ltd.
CVL	CDSL Ventures Ltd.	NSE	National Stock Exchange Ltd.
DIN	Director Identification Number.	OCI	Other Comprehensive Income
DP	Depository Participants	PAN	Permanent Account Number
DRS	Disaster Recovery System	PAT	Profit After Tax
DTAA	Double Taxation Avoidance Agreement	PBT	Profit Before Tax
E VOTING	Electronic Voting	PCS	Practicing Company Secretary
EASI	Electronic Access to Security Information	PFRDA	Pension Fund Regulatory and Development Authority
EASIEST	Electronic Access to Security Information and Execution of Secured Transaction	PID	Public Interest Director
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortisation	PIT Regulation	SEBI (Prohibition of Insider Trading) Regulation, 2015
E-CAS	Electronic Consolidated Account Statement	PMS	Portfolio Management Services
e-IA	Electronic Insurance Accounts	RBI	Reserve Bank of India
ENWR	Electronic Negotiable Warehouse Receipts	RD	Regional Director
FDI	Foreign Direct Investment	RI	Registered Intermediary
FEMA	Foreign Exchange Management Act, 1999	RMC	Risk Management Committee
FII	Foreign Institutional Investors	RONW	Return of Net Worth
FPI	Foreign Portfolio Investors	RTA	Registrar and Transfer Agent
FPO	Farmer Producer Organizations	SCRA	Securities Contracts (Regulation) Act, 1956
FVTPL	Fair Value Through Profit and Loss Account	SEBI	Securities and Exchange Board of India constituted under the SEBI Act
FVTOCI	Fair Value Through Other Comprehensive Income	SEBI (D & P)	Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018
FY	Financial Year	2018	
GDP	Gross Domestic Product	SEBI Act	Securities and Exchange Board of India Act, 1992.
GIFT	Gujarat International Finance Tec-City	SPCB	State Pollution Control Board
GNL	GST Network Ltd.	State	Government of a State of India
GSP	GST Suvidha Provider	Government	
GST	Goods and Services Tax	TDS	Tax Deducted at Source
IAP	Investor Awareness Programme	TM	Trading Member
ICAI	Institute of Chartered Accountants of India	UIDAI	Unique Identification Authority of India
ICEX	Indian Commodity Exchange Limited	WDRA	Warehouse Development and Regulatory Authority
ICSI	Institute of Company Secretaries of India	UIDAI	Unique Identification Authority of India
IFSC	International Financial Services Centre	WDRA	Warehouse Development and Regulatory Authority
INR	Indian National Rupees		
IPF	Investor Protection Fund		
IPO	Initial Public Offering		









## **Central Depository Services (India) Limited**

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