



**SECRETARIAL COMPLIANCE REPORT  
OF CENTRAL DEPOSITORY SERVICES (INDIA) LIMITED  
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021**

*[Pursuant to Regulation 24A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]*

I have examined:

- (a) all the documents and records made available to us and explanation provided by the **Central Depository Services (India) Limited** (“the listed entity”),
- (b) the filings/ submissions made by the listed entity to the stock exchanges,
- (c) website of the listed entity,
- (d) any other document/ filing, as may be relevant, which has been relied upon to make this certification,

for the year ended March 31, 2021 (“Review Period”) in respect of compliance with the provisions of:

- (a) the Securities and Exchange Board of India Act, 1992 (“SEBI Act”) and the Regulations, circulars, guidelines issued thereunder; and
- (b) the Securities Contracts (Regulation) Act, 1956 (“SCRA”), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India (“SEBI”);

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not applicable to the Company during the audit period)**
- (e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- (f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the audit period)**
- (g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013; **(Not applicable to the Company during the audit period)**
- (h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (i) Securities and Exchange Board of India (Depositories & Participants) Regulations, 2018;

and circulars/ guidelines issued thereunder;

and based on the above examination, I hereby report that, during the Review Period:

- (a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:

Sr. No.	Compliance Requirement (Regulations/ circulars /guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary
1.	<p>Regulation 30(6) - Disclosure of events or information read with sub-para 4 of Para A of Part A of Schedule III :</p> <p>4. Outcome of Meetings of the Board of Directors: The listed entity shall disclose to the Exchange(s), within 30 minutes of the closure of the meeting, held to consider the following:</p> <p>a) dividends and/or cash bonuses recommended or declared or the decision to pass any dividend and the date on which dividend shall be paid/dispatched;</p> <p>h) financial results;</p>	<p>The Board Meeting concluded on Saturday (Non-Trading Day), May 16, 2020 at 7:25 p.m. and the Company submitted the disclosure of outcome (Financial Results and Dividend) to the Stock Exchange on Saturday (Non-Trading Day), May 16, 2020 at 08:15:12 p.m. - Delay of 20 minutes in intimation to the Stock Exchange</p>	<p>The Management has submitted that the delay was due to the technical challenges faced by the Company due to lockdown imposed in view of the COVID-19 pandemic.</p> <p>Further, the said Board meeting was held on a Saturday i.e. Non-Trading Day. Hence, such delay did not in any manner had any effect on the share price of the Company.</p>
2.	<p>Regulation 18(1)(b) - Composition of Audit Committee, Two-thirds of the members of Audit Committee shall be Independent Directors.</p>	<p>Composition of Audit Committee of the Company:</p> <ul style="list-style-type: none"> <li>• Total Number of Members - 5</li> <li>• Number of Independent Directors - 3</li> </ul> <p>Requirement of Independent Directors in the Audit Committee of the Company - 3.33 (Rounded off to 4)</p>	<p>The Company had reconstituted the Audit Committee on April 30, 2020 and inducted Prof B. N. Patel (Public Interest Director) on the Audit Committee of the Company. During the reporting period i.e. F.Y. 2020-21, no meeting of the Audit Committee was held before April 30, 2020.</p> <p>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, the Company has paid the</p>

			amount of fine on September 04, 2020 in accordance with the NSE letter and applicable SEBI Circulars in this regard.
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- (b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder insofar as it appears from my/our examination of those records.
- (c) The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (*including under the Standard Operating Procedures issued by SEBI through various circulars*) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:

Sr. No.	Action taken by	Details of violation	Details of action taken E.g. fines, warning letter, debarment, etc.	Observations/ remarks of the Practicing Company Secretary, if any.
1.	National Stock Exchange of India Limited ("NSE")	<p>Regulation 18(1)(b) of the SEBI (LODR) Regulations, 2015 – Composition of Audit Committee, Two-thirds of the members of Audit Committee shall be Independent Directors.</p> <p>Composition of Audit Committee of the Company:</p> <ul style="list-style-type: none"> <li>• Total Number of Members – 5</li> <li>• Number of Independent Directors – 3</li> </ul> <p>Requirement of Independent Directors in the Audit Committee of the Company – 3.33 (Rounded off to 4)</p>	NSE vide its letter dated August 20, 2020 levied fine of ₹ 68,440 (Inclusive of taxes) for delayed compliance of Reg. 18(1) for a period of 29 days (April 01, 2021 to April 29, 2021).	<p>The Company had reconstituted the Audit Committee on April 30, 2020 and inducted Prof B. N. Patel (Public Interest Director) on the Audit Committee of the Company. Further, during the reporting period i.e. F.Y. 2020-21, no meeting of the Audit Committee was held before April 30, 2020.</p> <p>Further, the Company has paid the amount of fine on September 04, 2020 in accordance with the NSE letter and applicable SEBI Circulars in this regard. Further, the Company has requested NSE for personal hearing for the purpose of waiver of the fine. However, the requested personal hearing is yet to take place.</p>

(d) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No.	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended... (The years are to be mentioned)	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
Not Applicable during the year under review				

For Vatsal Doshi & Associates

Vatsal K. Doshi  
Proprietor  
Mem. No. : A50332  
CP No. : 22976  
UDIN : A050332C000356033  
PR No. : 1179/2021  
Place : Mumbai  
Date : May 21, 2021