



Central Depository Services (India) Limited

CDSL/CS/NSE/AJ/2023/132

May 24, 2023

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

Symbol: CDSL
ISIN: INE736A01011

Sub: Annual Secretarial Compliance Report for the year ended March 31, 2023

Ref: Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Madam / Sir,

In compliance with Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/CMD1/27/2019 dated February 08, 2019 and NSE Circular No. NSE/CML/ 2023/30 dated April 10, 2023, please find enclosed Annual Secretarial Compliance Report of Central Depository Services (India) Limited for the year ended March 31, 2023 issued by Vatsal Doshi & Associates, Practicing Company Secretaries (PCS).

Kindly take the same on record.

Thanking you,

Yours faithfully,

For Central Depository Services (India) Limited

**Nilay Shah
Group Company Secretary & Head Legal
ACS No. A20586**

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**



**SECRETARIAL COMPLIANCE REPORT
OF CENTRAL DEPOSITORY SERVICES (INDIA) LIMITED
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023**

[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, 2023 ("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 review period)**
- (e) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **(Not applicable to the Company during the review period)**;
- (f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the review 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 review 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;
- (j) 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;

and circulars/ guidelines issued thereunder;



I hereby report that, during the Review Period the compliance status of the listed entity is appended as below:

Sr. No.	Particulars	Compliance Status (Yes/No/NA)	Observations / Remarks by PCS
1.	Secretarial Standard: The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries India (ICSI).	Yes	--
2.	Adoption and timely updation of the Policies: <ul style="list-style-type: none"> • All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the listed entities • All the policies are in conformity with SEBI Regulations and has been reviewed & timely updated as per the regulations/circulars/ guidelines issued by SEBI 	Yes Yes	-- --
3.	Maintenance and disclosures on Website: <ul style="list-style-type: none"> • The Listed entity is maintaining a functional website • Timely dissemination of the documents/ information under a separate section on the website • Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which redirects to the relevant document(s)/ section of the website 	Yes Yes Yes	-- -- --
4.	Disqualification of Director: None of the Director of the Company are disqualified under Section 164 of Companies Act, 2013.	Yes	--
5.	Details related to Subsidiaries of listed entities have been examined w.r.t.: (a) Identification of material subsidiary companies (b) Disclosure requirement of material as well as other subsidiaries	Yes	--
6.	Preservation of Documents: The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under SEBI LODR Regulations, 2015.	Yes	--



Sr. No.	Particulars	Compliance Status (Yes/No/NA)	Observations / Remarks by PCS
7.	Performance Evaluation: The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year as prescribed in SEBI Regulations.	Yes	--
8.	Related Party Transactions: (a) The listed entity has obtained prior approval of Audit Committee for all Related party transactions; or (b) The listed entity has provided detailed reasons along with confirmation whether the transactions were subsequently approved/ratified/rejected by the Audit Committee, in case no prior approval has been obtained.	No Yes	The Audit Committee of the listed entity has subsequently approved/ratified related party transactions in all such cases where no prior approvals of the Audit Committee were obtained during the review period.
9.	Disclosure of events or information: The listed entity has provided all the required disclosure(s) under Regulation 30 alongwith Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed thereunder.	Yes	--
10.	Prohibition of Insider Trading: The listed entity is in compliance with Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015.	Yes	--
11.	Actions taken by SEBI or Stock Exchange(s), if any: No Actions taken against the listed entity/ its promoters/directors/subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/guidelines issued thereunder.	NA	No actions were taken against the listed entity/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges during the review period.
12.	Additional Non-compliances, if any: No any additional non-compliance observed for all SEBI regulation/circular/guidance note etc.	NA	No additional non-compliances observed during the review period.



Compliances related to resignation of statutory auditors from listed entities and their material subsidiaries as per SEBI Circular CIR/CFD/CMD1/114/2019 dated October 18, 2019:

Sr. No.	Particulars	Compliance Status (Yes/No /NA)	Observations/Remarks by PCS
1.	Compliances with the following conditions while appointing/re-appointing an auditor		
	<p>i. If the auditor has resigned within 45 days from the end of a quarter of a financial year, the auditor before such resignation, has issued the limited review/audit report for such quarter; or</p> <p>ii. If the auditor has resigned after 45 days from the end of a quarter of a financial year, the auditor before such resignation, has issued the limited review/ audit report for such quarter as well as the next quarter; or</p> <p>iii. If the auditor has signed the limited review/ audit report for the first three quarters of a financial year, the auditor before such resignation, has issued the limited review/ audit report for the last quarter of such financial year as well as the audit report for such financial year.</p>	<p>NA</p> <p>NA</p> <p>NA</p>	<p>No instance of resignation/ appointment/reappointment of the statutory auditor during the review period.</p>
2.	Other conditions relating to resignation of statutory auditor		
	<p>i. Reporting of concerns by Auditor with respect to the listed entity/its material subsidiary to the Audit Committee:</p> <p>a. In case of any concern with the management of the listed entity/material subsidiary such as non-availability of information / non-cooperation by the management which has hampered the audit process, the auditor has approached the Chairman of the Audit Committee of the listed entity and the Audit Committee shall receive such concern directly and immediately without specifically waiting for the quarterly Audit Committee meetings.</p> <p>b. In case the auditor proposes to resign, all concerns with respect to the proposed resignation, along with relevant documents has been brought to the notice of the Audit Committee. In cases where the proposed resignation is due to non-receipt of information / explanation from the company, the auditor has informed the Audit Committee the details of information/ explanation sought and not provided by the management, as applicable.</p>	<p>NA</p> <p>NA</p>	<p>No such instances during the review period.</p>



Sr. No.	Particulars	Compliance Status (Yes/No /NA)	Observations/Remarks by PCS
	<p>c. The Audit Committee / Board of Directors, as the case may be, deliberated on the matter on receipt of such information from the auditor relating to the proposal to resign as mentioned above and communicate its views to the management and the auditor.</p> <p>ii. Disclaimer in case of non-receipt of information:</p> <p>The auditor has provided an appropriate disclaimer in its audit report, which is in accordance with the Standards of Auditing as specified by ICAI / NFRA, in case where the listed entity/ its material subsidiary has not provided information as required by the auditor.</p>	NA	No such instances during the review period.
3.	The listed entity / its material subsidiary has obtained information from the Auditor upon resignation, in the format as specified in Annexure - A in SEBI Circular CIR/CFD/ CMD1/114/2019 dated 18th October, 2019.	NA	No instance of resignation of the statutory auditor during the review period.

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)	Regulation/ Circular No.	Deviations	Action Taken by	Type of Action	Details of violation	Fine Amount	Observations/ Remarks of the Practicing Company Secretary	Management Response	Remarks
1.	SEBI Circular on Committees at Market Infrastructure Institutions (MIIs) dated January 10, 2019: Clause C(II)(4) of Annexure A of the Circular - The Standing Committee on Technology ("SCOT") of a Depository shall have atleast two Independent External Persons ("IEP") proficient in technology.	SEBI Circular No. SEBI/HO/ MRD/DOP2 DSA2/CIR/ P/2019/13	The Company could not comply with the requirement w.r.t. composition of Standing Committee on Technology for a period from May 13, 2022 until January 30, 2023 as there was a vacancy of one Independent External Person.	NA	NA	During the period from May 13, 2022 until January 30, 2023, the Standing Committee on Technology was having a vacancy of one Independent External Person.	NA	The vacancy of one Independent External Person in the Standing Committee on Technology was filled on January 30, 2023 and thereafter the composition of the aforesaid Committee was in compliance with the aforesaid SEBI Circular.	The Management has submitted that the Company had approached various candidates to fill up the said vacancy. However, the said candidates expressed their inability to be appointed as an Independent External Person on the Committee for various reasons.	The Company has since complied with the said Clause/ observations.

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

Sr. No.	Compliance Requirement (Regulations/circulars /guidelines including specific clause)	Regulation/ Circular No.	Deviations	Action Taken by	Type of Action	Details of violation	Fine Amount	Observations/ Remarks of the Practicing Company Secretary	Management Response	Remarks
1.	Regulation 29 - Prior Intimations Submission of prior intimation to Stock Exchange about the Board meeting scheduled to consider declaration of dividend at least two working days in advance, excluding the date of the intimation and date of the Board Meeting.	Regulation 29 of the SEBI (LODR) Regulations, 2015	The prior intimation to Stock Exchange about the Board Meeting of the Company held on May 1, 2021, to consider declaration of dividend was submitted one working day prior to the scheduled Board Meeting as against the requirement of submission of prior intimation at least two working days in advance, excluding the date of the intimation and date of the Board Meeting.	National Stock Exchange of India Limited ("NSE")	Fine	Non-compliance of Reg. 29(2) of the SEBI (LODR) Regulations, 2015.	₹11,800/- (Inclusive of taxes)	The Company paid the fine levied by NSE on June 25, 2021 in accordance with the NSE letter and applicable SEBI Circulars in this regard. However, the Company had requested NSE to condone the delay of one day as the delay was due to the factors beyond Company's control due to COVID-19 pandemic and provide an opportunity of being heard in this matter. The NSE vide its letter dated November 22, 2021 has condoned the delay and refunded the fine paid by the Company.	The Company had requested NSE to condone the delay of one day as the delay was due to the factors beyond Company's control due to COVID-19 pandemic and provide an opportunity of being heard in this matter. The NSE vide its letter dated November 22, 2021 has condoned the delay and refunded the fine paid by the Company.	The Company has since complied with the said Regulations/observations.

Assumptions & Limitation of scope and Review:

1. Compliance of the applicable laws and ensuring the authenticity of documents and information furnished, are the responsibilities of the management of the listed entity.
2. Our responsibility is to certify based upon our examination of relevant documents and information. This is neither an audit nor an expression of opinion.
3. We have conducted verification & examination of records, as facilitated by the Company, for the purpose of issuing this Report.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. We have not verified the correctness and appropriateness of financial Records and Books of Accounts of the listed entity.
6. This Report is solely for the intended purpose of compliance in terms of Regulation 24A (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is neither an assurance as to the future viability of the listed entity nor of the efficacy or effectiveness with which the management has conducted the affairs of the listed entity.

For Vatsal Doshi & Associates
Company Secretaries



Vatsal Doshi

Vatsal K. Doshi
Proprietor

FCS No.: 12399 CP No.: 22976

PR No.: 3191/2023

UDIN : F012399E000356171

Date : May 23, 2023
Place : Mumbai