



CDSL Commodity Repository Limited

5th Annual General Meeting”

29th August, 2022

11.15 A.M. IST to 11:45 P.M. IST

Present:

Mr. B. K. Bal	Chairman
Mr. Farokh Patel	Member & Authorized Representative of Central Depository Services
Mr. Satyajeet Bolar	Authorized Representative of Multi Commodity Exchange of India Ltd
Mr. Jayesh Shah	Authorized Representative of BSE Investments Limited
Mr. Girish Amesara	Member
Mr. Amit Mahajan	Member
Mr. Sunil Alvares	Member
Ms. Nayana Ovalekar	Member & Director
Mr. Ramkumar K.	Member & Director
Mr. Sameer Patil	Director
Mr. Manoj Jain	Director
Mr. Sudhir Kumar Goel	Director
Mr. Pitambar Chowdhury	Managing Director & CEO

In Attendance:

Ms. Aditi Shah	Company Secretary & Compliance Officer
Ms. Krishna Kadam	CFO

Statutory Auditor, Chairperson of the Committees and others

Mr. A M Hariharan	Partner- Lodha & Co - Statutory Auditors
Mr. Vatsal Doshi	Vatsal Doshi & Associates
Mr. Sudhir Kumar Goel	Chairman – Nomination & Remuneration Committee

The 3-year tenure of Chairman has ended on 23rd July, 2022. The Board in its 29th meeting has approved the appointment of Mr. BK Bal as Chairperson subject to approval from WDRA. Since we are still awaiting the approval, per regulation 5.1 of SS-2, the Directors present at the meeting can elect one of themselves as the Chairman of the meeting. The Company Secretary asked the Directors to elect by show of hands.

MD at this stage proposed the name of Mr. BK Bal as Chairman which was seconded by Ms. Nayana Ovalekar followed by show of hand from other Directors.

Good morning, my esteemed colleagues, Ladies and Gentlemen:

“The requisite quorum being present, I declare the meeting validly constituted and, therefore, call the meeting to order.



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The statutory registers are available for inspection by any member anytime by writing an email to the Company secretary.

It gives me considerable pleasure to extend a warm welcome to all of you to today's 5th Annual General Meeting of your Company. Like the previous two years, we are holding the meeting through VC for this year, as well, in accordance with the MCA circular dated the 5th May 2022 and for the convenience of all members.

Some of you or members of your families have surmounted difficult health conditions during the last two years and have overcome them. However, we cannot afford to lower our guard.

Our shareholders have been overseeing our business progress. I welcome them and thank them for their presence in the AGM. From among the Directors, Mr. Balasubramanian could not attend the meeting because of his other commitments, and has sought the leave of absence, which may be granted. I also welcome members from the management of the Company, representatives of Statutory Auditors and Secretarial Auditor who have joined the meeting through VC.

As you are aware, your Company has a Board of eight Directors from diverse fields, with relevant professional experience and domain knowledge.

Three of them, including me, are Independent Directors. You all know us well because we have been on our Board for a few years. Mr. J. Balasubramanian, an eminent Chartered Accountant with long years of experience on many Boards, has been an Independent Director since the 20th January 2018. He is the Chairman of the Audit Committee. Since he could not attend today's meeting, he has nominated Mr. Sudhir Kumar Goel, a member on the Audit Committee to represent him.

Dr. Sudhir Kumar Goel, a distinguished administrator and an eminent expert on agriculture with Directorship on many other Boards, has been an Independent Director since the 30th March 2019. He is the Chairman of our Nomination and Remuneration Committee.

Our Board has four Shareholder Directors - two from the holding company, CDSL, and one each from the MCX and the BSE.

Mr. Ramkumar from the CDSL has been with it since September 2000. He had worked as the COO of your Company from its inception in March' 2017 till September' 2019 when he created, nurtured and managed your Company. He has been a Director on our Board since 22nd July, 2021.

Ms. Nayana Ovalekar from the CDSL had joined it in 2003 and is presently its Chief Regulatory Officer. She has been involved in the formulation of policies governing financial reforms in the depository segment. She has also been on our Board since 22nd July, 2021.

Regd. Office: A Wing, Marathon Futurex, 25th Floor, Mafatlal Mills Compound, N. M. Joshi Marg, Lower Parel (E) Mumbai-400013

• Phone: 91-22-2302 3333 • CIN: U74999MH2017PLC292113 • Website: www.ccril.co.in

Head Office: Unit No. 4B- 16 & 17, Phoenix Paragon Plaza, Phoenix Market City, LBS Marg, Kurla (W) Mumbai- 400070

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Mr. Neeraj Kulshrestha who was the nominee Director of the BSE resigned on 18-01-2022 and in his place BSE nominated Mr. Sameer Patil. Mr. Ajay Puri who was the nominee Director of the MCX resigned on 20-07-2022 and in his place the MCX nominated Mr. Manoj Jain. The Board has appointed both of them as Additional Directors of the Company w.e.f. the 19th January 2022 and the 2nd August 2022 respectively. It is being proposed to regularize their appointments as Directors by seeking your consent at this meeting.

Since this is the first AGM after Mr. Sameer Patil and Mr. Manoj Jain came on our Board, I would like to speak a few words about them. Mr. Patil has about 21 years of experience in financial sectors, such as, commodities, currency derivatives, indices, trading and hedging strategies, product designing, business development, etc. He had been associated with MCX since inception for more than a decade as Senior Vice President. He is currently the Chief Business Officer of the BSE. He is instrumental in setting up, and responsible for Business Development of, INDIA INX at GIFT CITY IFSC.

Mr. Manoj Jain is currently the Chief Operating Officer (COO) of the MCX. He has about 25 years of experience in securities markets covering regulatory affairs and policy making, capital market operations, business development, fund accounting operations and IT project management. In the past, he had been associated with Axis Bank, IL&FS Securities, Perot Systems (now NTT Data) WIPRO, ICRA and SEBI.

The eighth Director on our Board is Mr. Pitambar Chowdhury, a Business Manager with over 30 years of professional experience, including 20 years in senior leadership positions. He has been the Managing Director and CEO since 1st November 2019 and steering the Company efficiently.

It gives me great pleasure to say that all the Directors have been quite involved in providing policy directions, enforcing corporate governance norms and regulatory standards, attending Board and Committee meetings, and reviewing the progress of business to move your company forward in the right direction as fast as possible.

Ms Aditi Shah has been the Company secretary and Compliance Officer w.e.f. the 18th March, 2021.

I would now take a few minutes of your time to give you an overview of the performance of the Company during 2021-22, the challenges confronting the Company and how the Company has been strategizing to meet them in times ahead.

I am pleased to report that your Company has shown good performance during 2021-22 and registered growth on most operating parameters. In spite of a very challenging business environment, it managed to surpass business achievements of 2020-21, in terms of quantity and value of various commodities. Significantly, our non-exchange business volume (in MT) grew by 145% over that of the previous year. Non-exchange business thus accounted for 43% of the total business (by weight) in 2021-22, up from 21% in 2020-21. However, the non-exchange business accounted for only 6% of our total operating revenue as non-exchange tariff are kept low by the Regulator.

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

The Company has been confronted with many challenges and has been strategizing to overcome them. As you are aware, our competitor has been promoted by a Commodity Exchange, which handles over 90% of the agri trading. The CCRL's request for a level playing field for both Repositories to issue eNWRs for trading was not accepted. Since the WDRA has not mandated interoperability between the two Repositories, those over 90% of agri exchange-businesses go to the competitor, while the meagre balance handled by other Exchanges come to the CCRL. It is hoped that as metal-trade on the exchanges is onboarded on the repository system, the CCRL will enjoy similar differential advantages.

Secondly, the W (D&R) Act has many deficiencies, which have been limiting the efficacy of the regulatory environment and the registration of more and more warehouses. There is a long-standing proposal to amend the Act in order to empower the WDRA to enhance its regulatory effectiveness akin to other Regulators. We are awaiting its passage.

Going forward, the strategic action-agenda of the CCRL shall be focused on exploiting significant opportunities emerging from 3 important developments namely, i) amendments to the W (D&R) Act, ii) trading of notified metals through WDRA accredited storage and iii) Banks adopting eNWR based finance as the preferred route for pledge-finance. In that direction, the Company been pursuing an action-agenda to quickly ramp-up the team at chosen locations of potential business to exploit emerging opportunities for the non-exchange segment and engage and integrate with state-owned warehouse companies and private WSPs. The objective is to aggressively grow our market-share in the non-exchange business segment to equal with our competitor and surpass it in the long run.

Your continued trust and confidence in us have helped our performance, and will continue to encourage us to do better, going forward. Thank you for your support.

Now we may move on to the statutory functions and approvals.

“The Notice convening the meeting, Directors' Report and audited accounts for the year ended 31st March 2022 have been circulated to the members, in advance, and with your permission, I take them as read.”

“The Auditor's Report on the financial statements for the year ended 31st March,2022 and the Secretarial Audit Report for the year ended 31st March 2022 do not contain any qualifications, observations or comments on



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financial transactions or matters which have any adverse effect on the functioning of the Company. The Secretarial Audit Report does contain a minor observation regarding non-compliance with SS-1 w.r.t. sending of Agenda at least seven days before the Meeting. Hence pursuant to Section 145 of the Companies Act, 2013, the Auditor's Report on the financial statements for the year ended 31st March 2022 is not required to be read at the Meeting and with your permission, I take them as read."

"The Annual Report of the Company has already been circulated to you and, with your permission, I will take it as read".

(Item No.1)

Chairman - "I now recommend the following Resolution:

"RESOLVED THAT the Audited Financial Statements of the Company for the financial year ended 31st March, 2022 including the Audited Balance Sheet as at 31st March, 2022 and Statement of Profit & Loss for the year ended on that date and the Reports of the Board of Directors and Auditors thereon along with all annexures as laid before this Fifth Annual General Meeting be and are hereby received, considered and adopted – Ordinary Resolution"

Ms. Nayana Ovalekar "I Propose"

Mr. Satyajeet Bolar "I Second"

I now invite the members to put forward any questions that they may have on the accounts.

"As no queries were raised by any member on the Annual accounts, I now put the resolution for voting to the members by show of hand."

"I declare that the resolution is carried unanimously"

(Item No.2)

"I put the second item of the Notice for your consideration for appointment of a Director in place of Mr. Ramkumar K. (DIN - 09129008), Shareholder Director, who retires from office by rotation and being eligible, offers himself for re-appointment" – Ordinary Resolution

Mr. Jayesh Shah "I Propose"

Mr. Satyajeet Bolar "I Second"



Chairman - "I now put the resolution for voting to the members by show of hands."

"I declare that the resolution is carried unanimously"

(Item No.3)

"I put the third item of the Notice for your consideration for approval of the extension of the term of Dr. Sudhir Kumar Goel as Independent Director - Special Resolution."

Mr. Sunil Alvares "I Propose"

Ms. Nayana Ovalekar "I Second"

Chairman - "I now put the resolution for voting to the members by show of hands."

"I declare that the resolution is carried unanimously"

(Item No.4)

"I put the fourth item of the Notice for your consideration for appointment Mr. Sameer Patil (DIN – 08103042) as Shareholder Director of the Company – Ordinary Resolution."

Mr. Jayesh Shah "I Propose"

Mr. Satyajeet Bolar "I Second"

Chairman - "I now put the resolution for voting to the members by show of hands."

"I declare that the resolution is carried unanimously"

(Item No. 5)

"I put the fifth item of the Notice for your consideration for Appointment of Mr. Manoj Jain (DIN – 09694205) as Shareholder Director of the Company – Ordinary Resolution."

Mr. Satyajeet Bolar "I Propose"

Mr. Farokh Patel "I Second"

Chairman - "I now put the resolution for voting to the members by show of hands."

"I declare that the resolution is carried unanimously"



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(Item No.6)

“I put the sixth item of the Notice for your consideration and approval of place other than the registered office where books of accounts, registers, returns etc. of the company may be kept – Special Resolution.”

Mr. Girish Amesara “I Propose”

Mr. Amit Mahajan “I Second”

Chairman - “I now put the resolution for voting to the members by show of hands.”

“I declare that the resolution is carried unanimously”

Chairman - Since we have completed the agenda before the AGM, I now declare that the meeting is concluded.