

## 6<sup>TH</sup> Annual General Meeting

29<sup>th</sup> August, 2023

11.15 A.M to 11.35 A.M

Mr. Sudhir Kumar Goel	Independent Director
Mr. J. Balasubramanian	Independent Director
Mr. Vinay Madan	Additional Director
Mr. Sameer Patil	Director
Mr. Manoj Jain	Director
Ms. Nayana Ovalekar	Member & Director
Ms. Manisha Thakur	Authorized Representative of Multi Commodity Exchange of India Ltd.
Mr. Kamlesh Jagetiya	Authorized Representative of BSE Investments Ltd.
Mr. Farokh Patel	Member & Authorized Representative of Central Depository Services (India) Ltd.
Mr. Girish Amesara	Member
Mr. Pitambar Chowdhury	Managing Director & CEO

### **In Attendance:**

Ms. Aditi Shah	Company Secretary & Compliance Officer
Ms. Urvi Shah Gada	CFO

### **Statutory Auditor, Chairperson of the Committees and others**

Mr. Nikhil Surana	Representative - Lodha & Co - Statutory Auditors
Mr. Vatsal Doshi	Proprietor - Vatsal Doshi & Associates

*The Company Secretary informed the members that the Chairman is unable to join the VC due to technical difficulties. Since, we are still awaiting his presence and confirmation, 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 Shri Sudhir Goel as Chairman which was seconded by Mr. Girish Amesara followed by show of hand from other Directors.*

### **Good morning, esteemed shareholders, Members of the Board, Auditors and Management Members, Ladies and Gentlemen:**

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

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

It is a great pleasure for me to extend a hearty welcome to all of you to today's 6th Annual General Meeting of your Company. Like the previous three years, we are holding the meeting through Video

Conferencing for this year, as well, in accordance with the MCA circular dated the 5th of May 2020 and for the convenience of all members.

I welcome the esteemed shareholders and thank them for their participation in today's AGM. The CDSL, the MCX and the BSE, which are our shareholders, have been continuously overseeing the progress of our business, and are aware of our challenges and opportunities to expand. From among the Directors.

I also welcome members from the management of the Company, and representatives of Statutory Auditors and Secretarial Auditors 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. All of them are attending the AGM through video conferencing.

Three of them, Mr. J. Balasubramanian, an eminent Chartered Accountant, Dr. Sudhir Kumar Goel, a distinguished administrator and expert on agriculture and marketing and I, B.K. Bal, have been Independent Directors for the past 4 to 5 years - Mr. Balasubramanian since the 20th January 2018, Dr. Goel since the 30th of March 2019 and myself since the 1st of March 2018. You all know about us well.

Mr. Balasubramanian is the Chairman of the Audit Committee and Dr. Goel of the 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 Investments Ltd.

Ms. Nayana Ovalekar, Shareholder Director on the Board, is the Chief Regulatory Officer of the CDSL, who has decades of experience in the formulation of policies governing financial reforms in the depository segment, had joined the Board on the 22nd of July, 2021. Mr. Ramkumar from the CDSL, who had been a Director on our Board since the 22nd of July, 2021, resigned w.e.f 13th July 2023 for personal reasons, and in his place, Mr. Vinay Madan has been appointed as an Additional Director w.e.f the 2nd August 2023. It is being proposed to regularize his appointment as Director by seeking your consent at this meeting.

Mr. Manoj Jain, Shareholder Director on the Board, is the Chief Operating Officer (COO) of the MCX, who has about 25 years of experience in securities markets, joined the Board on 2nd August 2022.

Mr. Sameer Patil, Shareholder Director on the Board, is the Chief Business Officer of the BSE, who has decades of experience in financial sectors, joined the CCRL Board on the 29th August 2022.

Mr. Pitambar Chowdhury, with over 30 years of professional experience, including 20 years in senior leadership positions, has been the MD and CEO of the Company since 1st November 2019. He has been working, and guiding the Company, with sincerity and dedication.

Ms. Nayana Ovalekar, Mr. Patil, Mr. Jain and Mr. Chowdhury had attended one or more AGMs, and you know about them well.

Since this is the first AGM after Mr. Vinay Madan came on our Board, I would like to introduce him with a few words. Mr. Madan, a Qualified Chartered Accountant and is presently the Chief Risk Officer for the CDSL group. He is a Seasoned Risk Management Professional having more than 20 years of experience in Risk Advisory Services.

Mr. Madan has held senior management positions covering various business lines. Starting his career in the KPMG, he has worked with various financial services majors like American Express, Barclays and BNP Paribas Group.

It gives me great pleasure to say that all the Directors, past and present, 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.

Ms. Aditi Shah has been the Company secretary and Compliance Officer w.e.f. the 18th March, 2021. Ms. Urvi Shah Gada, the other KMP, has been the CFO since 1st March 2023.

I would now move to give you an overview of the performance of the Company during 2022-23, the challenges confronting the Company, and how the Company has been strategizing to meet them in times ahead.

The financial year 2022-23 was bit of a mixed bag of successes and setbacks. On the one hand, following our focus on growing the non-exchange business, and the positioning of nine business development personnel in ten important States, the non-exchange business grew sharply by 150%. Our market share of the non-exchange business too rose sharply, although it fell slightly short of the targeted 20% of the overall non-exchange business of both Repositories.

But, unfortunately for us, the exchange business fell sharply by 78%, owing to the new cotton contracts on the MCX being not as popular in the market place. Moreover, the much-awaited notification for

operationalizing the business for the non-agricultural commodities did not come through, and has been issued only recently on the 27th July 2023. A lot of preparatory measures are now required to be taken by the Regulator for the commencement of our business operations in the non-agri segment, for which we, on our part, are ready.

Overall, the operating income, given its dependence on exchange business, fell by 78%. Resultantly, the Company had a net loss of Rs. 106 lakhs, the first year of loss in its history. We also fell far short of our ambitious target of taking the operational income to the level of the two-third of the total expenditures.

For the current financial year, the company has embarked on continued and aggressive expansion of its market share in the non-exchange segment of agri commodities, aiming to achieve 30% in 2023-24, and parity in the market share with the other repository in about 3 years' time. The company is also continually preparing itself operationally to be able to exploit potential opportunities for the growth that could emerge, once the enablers for business in non-agri commodities are put in place by the Regulator.

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 2023 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,2023 and the Secretarial Audit Report for the year ended 31st March 2023 do not contain any qualifications, observations or comments on financial transactions or matters which have any adverse effect on the functioning of the Company. Hence pursuant to Section 145 of the Companies Act, 2013, the Auditor’s Report on the financial statements for the year ended 31st March 2023 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, 2023 including the Audited Balance Sheet as at 31st March, 2023 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 Sixth Annual General Meeting be and are hereby received, considered and adopted – Ordinary Resolution”

Mr. Girish Amesara “I Propose”

Mr. Farokh Patel “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 Ms. Nayana Ovalekar (DIN - 02195513), Shareholder Director, who retires from office by rotation and being eligible, offers herself for re-appointment” – Ordinary Resolution

Mr. Farokh Patel “I Propose”

Mr. Girish Amesara “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 Re-appointment of M/s Lodha & Co. as Statutory Auditors of the Company – Ordinary Resolution.”

Mr. Girish Amesara “I Propose”

Mr. Kamlesh Jagetiya “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 Extension of term of Mr. J. Balasubramanian as an Independent Director – Special Resolution."

Mr. Girish Amesara "I Propose"

Mr. Farokh Patel "I Second"

"I declare that the resolution is carried unanimously."

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

*(Item No. 5)*

The Chairman will then have to recuse himself to avoid conflict of interest and have any other Director to take the Chair for the next agenda item.

"I put the fifth item of the Notice for your consideration for Extension of term of Mr. Basanta Kishore Bal as an Independent Director – Special Resolution."

Mr. Farokh Patel "I Propose"

Mr. Manisha Thakur "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.6)*

"I put the sixth item of the Notice for your consideration and approval Appointment of Mr. Vinay Madan (DIN - 10264229) as Shareholder Director of the Company – Special Resolution."

Mr. Farokh Patel "I Propose"

Mr. Manisha Thakur "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.”

Vote of thanks to the Chair

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