



## 3<sup>rd</sup> ANNUAL REPORT 2019-20



CDSL Commodity Repository Limited

A wing, Marathon Futurex, 25<sup>th</sup> Floor, N.M. Joshi Marg, Lower Parel, Mumbai 400 013.

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

## CDSL COMMODITY REPOSITORY LIMITED

### Board of Directors

Shri Basanta Kishore Bal	Independent Director (w. e. f. 1 <sup>st</sup> March, 2018)
Shri J. Balasubramanian	Independent Director (w. e. f. 20 <sup>th</sup> January, 2018)
Shri S K Goel	Independent Director (w.e.f. 30 <sup>th</sup> March, 2019)
Shri Neeraj Kulshreshta	Shareholder Director (w.e.f. 26 <sup>th</sup> October, 2018)
Shri Ajay Puri	Shareholder Director (w.e.f. 10 <sup>th</sup> August, 2019)
Shri Pitambar Chowdhury	Shareholder Director (w.e.f 1 <sup>st</sup> November, 2019)
Shri Amit Mahajan	Shareholder Director (w.e.f 20 <sup>th</sup> January, 2020)
Shri Girish Amesara	Shareholder Director (w.e.f. 29 <sup>th</sup> January, 2020)

### Management

Shri Pitambar Chowdhury	Chief Executive Officer & Managing Director
Shri Arnav Datta	Assistant Vice President
Smt Dipti Bativala	Company Secretary & Compliance Officer
Shri Dileep Shekhawat	Assistant Vice President

### Auditors

Lodha & Co.,  
Chartered Accountants  
6, Karim Chambers,  
40 A.D. Marg (Hamam Street),  
Mumbai - 400 001.

### Registered Office

A-Wing, Marathon Futurex, 25<sup>th</sup> Floor,  
Mafatlal Mills Compound,  
N.M. Joshi Marg, Lower Parel (E),  
Mumbai - 400 013

### Bankers

Axis Bank  
Jeevan Prakash Building, Ground Floor,  
Sir P. M. Road, Fort,  
Mumbai 400001

**CIN:** U74999MH2017PLC292113

## Directors' Report

To  
All Members,  
CDSL Commodity Repository Limited.

Your Directors are pleased to present the Third Annual Report along with Audited Financial Statements of your Company for the Financial Year ended 31<sup>st</sup> March, 2020.

### Financial Highlights:

Particulars	Year ended 31 <sup>st</sup> March, 2020 (₹ in Lakhs)	Year ended 31 <sup>st</sup> March, 2019 (₹ in Lakhs)
Income	505.40	455.94
Expenditure	435.56	305.37
Profit / (Loss) before Depreciation and Tax	69.84	150.57
Depreciation	39.50	55.36
Profit / (Loss) before Tax	30.34	95.21
Deferred Tax / Current Tax	12.76	(17.09)
MAT net of credit entitlement	-	-
Profit / (Loss) after Tax	17.58	112.30
Other comprehensive income (Net of Tax)	(0.66)	0.04
Total comprehensive income	16.92	112.34

During the year under review your Company has reported a total income of 16.92 lakhs. Though Total Income of the Company rose by about 11%, Net Profit was lower largely on account of reclassification of certain expenses and differential incidence of Taxes.

### Transfer to Reserves

During the year the Company transferred ₹ 16.92 Lakhs to the reserves.

### Capital Structure

The Company was incorporated on 7<sup>th</sup> March, 2017. The Authorised and Paid-up Equity Share Capital of your Company is ₹ 50 crores the present shareholding pattern of the Company is as tabulated below:

Shareholder	Percentage Shareholding
Central Depository Services (India) Limited(CDSL)	52%
Multi Commodity Exchange of India Ltd. (MCX)	24%
BSE Investments Ltd. (BSEIL)	24%

## Registration

Your Company, CDSL Commodity Repository Limited received a formal registration certificate as Commodity Repository on September 26, 2017.

## Warehouse Service Providers (WSPs) / Warehouses (WHs)

Warehouse Service Providers (WSPs) are entities who own / operate warehouses (WHs). WSPs/WHs are allowed to open and maintain demat accounts for depositors / clients. The primary function of the WSPs / WHs is to allow deposits of commodities, issuance of electronic negotiable warehouse receipts (eNWRs) or electronic non-negotiable warehouse receipts (eNNWRs), extension of eNWRs and withdrawal of eNNWRs / eNWRs. Your Company as on March 31, 2020 has registered 2824 WHs.

## Repository Participants

Repository Participants are entities appointed by your Company to service customers. The RPs are required to open, maintain and manage demat accounts for the depositors / clients. The RPs are also required to carry out all instructions of the clients / depositors. Your Company as on March 31, 2020 has registered 258 RPs, with a few more RPs in the pipeline for registration.

## Status & Business-review of 2019-20:

We are pleased to report that in the financial year 2019-20, your Company has shown good growth on most operating parameters. Number of Electronic Negotiable Warehouse Receipts (eNWR) issued by the Company more than doubled to 9928 compared to 4481 in the previous financial year. Number of warehouses issuing eNWRs doubled to 121. 107 new Repository Participants (RPs) appointed in the last financial year increasing their total number by 71% to 258. Similarly, 613 new client accounts were opened increasing the total number of client- accounts by 71% to 1477.

This has been possible is in spite of a less than productive first six-months when the organization was engaged in resolving an urgent issue involving a fraudulent transaction caused by a glitch in operating-software application.

Particulars	FY'19-20 (as on 31-03-20)	FY'18-19 (as on 31-03-19)	Growth in FY'20
1. Cumulative no. of eNWRs issued	14410	4482	222%
2. Number of eNWRs issued in the period	9928	4481	122%
3. Number of client accounts opened	613	864	71%
4. Number of RPs appointed	107	151	71%

### **Erroneous transaction, penalty by WDRA & Appeal against it by CCRL:**

In February 2019, one client (M/s Stambh Industries) of our RP, Karvy Comtrade, which had deposited 300 bales of cotton against 3 eNWRs, managed to sell the same stock twice to two different clients, owing to a glitch in CCRL computer system. On detection of the same in March 2019, CCRL pursued the fraudulent seller vigorously through its RP. After sustained pressure and legal notices, CCRL managed to square off the erroneous trade by making the seller pay back the second buyer the entire proceeds of sale thus avoiding loss to any party. On the other hand, CCRL immediately (in March'19) instituted an independent Root Cause Analysis, by a third-party vendor to diagnose root causes of the systems glitch and take corrective measures to prevent its recurrence. The Board of CCRL also ordered a comprehensive audit of its Systems and operating procedures to ensure that they are robust and prevent recurrence of the kind of error in future.

On reporting the incident to the regulator in June'19, WDRA sought detailed clarification from CCRL on the matter. All relevant details were transparently shared by CCRL-team with WDRA - both in writing and through in-person meetings at WDRA office. The office of WDRA issued a show cause notice and reply was sought from the Company to which detailed reply was submitted to WDRA in the said matter and after perusal of the reply the WDRA levied of ₹ 1 lakh penalty on CCRL with a right to appeal to the Appellate Authority in September'19. CCRL later exercised this right to appeal

Further, the matter was appealed to Appellate authority against the order of WDRA, however the Appellate authority dismissed the appeal on ground that WDRA had no jurisdiction to assign the right to appeal against its order.

### **Material changes and commitments if any:**

There are no material changes or commitments which would affect the financial position of the Company from the end of the financial year 2019-20 till the signing of financials.

### **Risk management of the Company**

The Company has robust strategy to identify, evaluate business risks and opportunities. This strategies seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage and helps in indemnifying risks trend, exposure and potential impact analysis at a Company level as also separately for different business segments.

### **Change in nature of business, if any**

There was no change in the nature of business of the Company.

### **Maintenance of Cost records**

The Company is not required to maintain the cost records as prescribed under section 148 of the Companies Act, 2013.

## Board Meetings

The Board of Directors of your Company met 8 times during the Year under review as under:

Name of the Director	02/05/2019	26/06/2019	01/07/2019	24/07/2019	10/08/2019	04/09/2019	17/10/2019	20/01/2020
Shri B. K. Bal	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Shri J. Balasubramanian	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Shri Hemang Raja	Yes	Yes	Yes	No	NA	NA	NA	NA
Shri Neeraj Kulshrestha	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Shri Sudhir Kumar Goel	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Shri Ajay Puri	NA	NA	NA	NA	NA	No	yes	No
Shri Bharat Sheth	NA	Yes	Yes	Yes	Yes	Yes	Yes	NA
Shri Dhanushkodi Sivanandhan	NA	No	No	NA	NA	NA	NA	NA
Shri Pitambar Chowdhury	NA	NA	NA	NA	NA	NA	NA	Yes
Shri Nehal Vora	NA	NA	NA	NA	NA	NA	NA	NA

## Directors and KMP

During the year the Company has appointed Shri Dhanushkodi Sivanandhan, Shri Ajay Puri and Shri. Neeraj Kulshrestha as Directors of the Company.

During the year the Company has appointed Shri Bharat Sheth, Shri Nehal Vora, Shri Pitambar Chowdhury, Shri Girish Amesara and Shri Amit Mahajan as additional Directors of the Company.

Brief profile of the Directors appointed during the year is given in **Annexure A**.

During the year under review Shri Dhanushkodi Sivanandhan, Shri Bharat Sheth, Shri Nehal Vora and Shri Hemang Raja tendered their resignation as Directors from the Governing Board of the Company. The Board has placed on record appreciation of the valuable services rendered by them during their tenure in the Company.

During the year Shri Pitambar Chowdhury was appointed as Managing Director and Chief Executive Officer of the Company.

During the year Shri Bharat Sheth, Chief Financial Officer of the Company, resigned on the 31<sup>st</sup> December, 2019.

During the year Shri Lalit Sharma (Company Secretary) resigned w.e.f. 30<sup>th</sup> September, 2019 and Smt. Dipti Bativala has been appointed as the Company Secretary & Compliance Officer of the Company w.e.f. 20<sup>th</sup> January, 2020.

## Annual Return:

In accordance with the provisions of Section 134(3)(a) of the Companies Act, 2013 the Annual Return referred in sub-section (3) of Section 92 will be placed on the website of the Company [www.ccrl.co.in](http://www.ccrl.co.in).

## Extract of Annual Return:-

As per Section 92 of the Companies Act, 2013 the extracts of Annual Return is in the form MGT 9 as enclosed in this report as **Annexure B** read with the Companies (Management and Administration) Rules, 2013, a copy of Annual Return of the Company is placed on the website of the Company [www.ccrl.co.in](http://www.ccrl.co.in)

## DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to sub-section (5) of Section 134 of the Companies Act, 2013 and to the best of their knowledge and belief and according to the information and explanations obtained

- (a) in the preparation of the annual financial statements for the year ended 31<sup>st</sup> March, 2020, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that 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;
- (c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the Directors had prepared the annual accounts on a going concern basis; and
- (e) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## DECLARATION BY INDEPENDENT DIRECTORS UNDER SECTION 149 (6) OF THE COMPANIES ACT, 2013:

Pursuant to Section 149 (4) of the Companies Act, 2013 read with The Companies (Appointment and Qualifications of Directors) Rules, 2014 the Central Government has prescribed that your Company shall have minimum two Independent Directors.

Following is the list of Independent Directors on the Board of Company:

Sr. No.	Name of the Independent Director	Date of appointment
1.	Shri J. Balasubramanian	20.01.2018
2.	Shri B. K. Bal	01.03.2018
3.	Shri Sudhir Kumar Goel	30.03.2019

All the above Independent Directors meet the criteria of ‘independence’ prescribed under section 149(6) and have submitted their declarations to that effect.

#### **NOMINATION AND REMUNERATION COMMITTEE:**

During the year your Company has reconstituted the Nomination and Remuneration Committee. The present constitution of the Nomination and Remuneration Committee is as under:

- i. Shri Sudhir Kumar Goel (Chairman)
- ii. Shri Neeraj Kulshrestha
- iii. Shri B. K. Bal
- iv. Shri J. Balasubramanian

#### **AUDIT COMMITTEE:**

During the year your Company has reconstituted the Audit Committee. The present constitution of the Audit Committee is as under:

- i. Shri J. Balasubramanian (Chairman)
- ii. Shri Sudhir Kumar Goel
- iii. Shri B. K. Bal
- iv. Shri Ajay Puri

The Audit Committee met four times during the Year under review as under:

<b>Name of the Member</b>	<b>02/05/2019</b>	<b>24/07/2019</b>	<b>17/10/2019</b>	<b>20/01/2020</b>
Shri J. Balasubramanian	Yes	Yes	Yes	Yes
Shri Sudhir Kumar Goel	Yes	Yes	Yes	Yes
Shri B. K. Bal	Yes	Yes	Yes	Yes
Shri Hemang Raja	Yes	No	NA	NA

The functions of the Audit Committee are broadly to:

- Overview Company’s financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- Review and monitor internal control system and compliance of audit observations of the Auditors.
- Review financial statements before submission to the Board.
- Supervise other financial and accounting matters as may be referred to by the Board.



- Review, with the management, performance of statutory and internal auditors, and adequacy of internal control systems.
- Discuss with statutory auditors before the audit commences, about the nature and scope of audit as well as have post-audit discussion to ascertain any area of concern.
- Review the Company's financial and risk management policies.
- Oversee vigil mechanism for adequate safeguards against victimisation of persons who use such mechanism and make provision for direct access to the chairperson of the Audit Committee in appropriate and exceptional cases.

#### **ANNUAL EVALUATION BY THE BOARD OF ITS OWN PERFORMANCE AND THAT OF ITS COMMITTEES AND INDIVIDUAL DIRECTORS:**

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, of the Board as a whole and its Committees and of the Chairperson of the Company has been carried out by your Company during the year under review.

For the purpose of carrying out performance evaluation exercise, five types of Evaluation forms were devised in which the evaluating authority has allotted to the individual Director, the Board as a whole, its Committees and the Chairperson, appropriate rating depending upon the performance.

#### **Loans and Investments**

The Company has made investments in mutual funds which are out of the purview of Section 185 and Section 186 of the Companies Act, 2013. The details of the same can be referred in the note No. 5 of the financials.

#### **Related Party Transactions:**

Your Company has entered into transactions with related and all such transactions were in the ordinary course of business and on an arm's length basis as per the audited financials of the Company and given in **Annexure C**.

#### **Dividend:**

The operations of your Company during the year under review have not generated adequate cash flow for consideration of declaration of Dividend for the year under review. As such, your Directors do not recommend Dividend for the year. However, it will be the endeavour of the Management of your Company to have a stable dividend policy in the future.

#### **Deposits:**

Your Company has not accepted any deposits within the meaning of Section 73(1) of the Companies Act, 2013 and the Rules made thereunder.

### **Auditors:**

M/s. Lodha & Co., Chartered Accountants, Mumbai, bearing Firm Registration No. 301051E 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 AGM of the Company held on August 20, 2018 at a fixed remuneration of ₹ 1,00,000/- for audit fees and ₹ 50,000/- for tax audit fees.

The Statutory Auditors have given a confirmation to the effect that they are eligible to continue with their appointment and they have not been disqualified from continuing as the Statutory Auditors.

### **Secretarial Audit:**

Your Directors had appointed M/s. Ragini Chokshi & Co., a firm of Company Secretaries in Practice to undertake the Secretarial Audit of your Company. They have submitted Secretarial Audit Report for the year 2019-20. A copy of the secretarial audit report issued in form MR-3 by M/s. Ragini Chokshi & Co., Secretarial Auditors is enclosed as an **Annexure D** to this report. It may be observed that the reports are clean reports with no adverse observations made by them.

### **Conservation of Energy, Technology Absorption:**

Considering the nature of operations of your Company, the provisions of Section 134(3)(m) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 relating to information to be furnished on conservation of energy and technology absorption are not applicable. The Company, however, will be using information technology for implementation of its commodity repository project.

### **Details of foreign exchange earnings and outgo:**

Your Company did not earn any foreign exchange, nor was there any outgo in foreign exchange during the year under review.

### **Particulars of Employees:**

None of the employees of the Company is drawing remuneration in excess of the limits prescribed under Rule (5)(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

### **Human Resources:**

Your Company has 15 employees as on 31<sup>st</sup> March, 2020.

### **Report by Internal Complaints Committee**

As per the Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013 and Company's Policy on Prevention of Sexual Harassment at Work Place, the Company has constituted internal Complaints Committee. During the year under review, the Internal Complaints Committee did not receive any complaint.

## Secretarial Standards

The Board of Directors of the Company have devised proper systems to ensure compliance with the applicable Secretarial Standards and that such systems are adequate and operating efficiently.

## Acknowledgements

Your Directors place on record their sincere gratitude for the assistance, guidance and co-operation the Company has received from Warehousing Development and Regulatory Authority (WDRA), Central Depository Services (India) Limited [CDSL], Multi Commodity Exchange of India Ltd, BSE Investments Ltd, Repository Participants (RPs) and all other stakeholders. The Board further places on record its appreciation for the dedicated services rendered by the employees of the Company.

**For and on behalf of the Board of CDSL Commodity Repository Limited**

**Basant Kishore Bal**  
(Chairman) (DIN 08068927)

Date: 23<sup>rd</sup> July, 2020  
Place :Bhubaneshwar

**Brief Profile of the Directors appointed during the year.****Shri Ajay Puri**

Shri Ajay Puri is a Company Secretary, Currently, working as Company Secretary & Compliance Officer of Multi Commodity Exchange of India Limited (MCX). Prior to joining (MCX), he worked as President in Artherstone Capital Market Limited wherein he was in charge of Merchant Banking activities i.e. Initial Public Offerings, Private Equity, FCCB etc. The position entails advising the companies on capital structuring, compliance with the regulatory requirements for accessing the capital market, interacting with corporates; networking with the market intermediaries and compliance with the statutory regulations as are applicable to the Company.

**Shri Pitambar Chowdhury**

Shri. Pitambar Chowdhury is B.Sc., Masters in Management (JBIMS), Certified Associate of Indian Institute of Bankers (Indian Institute of Bankers) Business Manager with 30 years of professional experience of which 19 years have been in leadership roles of a Business head / Functional head. Have worked predominantly in Asset Management industry with brief exposures in Life Insurance & Banking industries too. Previous responsibilities include senior positions in following companies.

- i) Tata Asset Management Ltd.
- ii) Aviva Insurance Plc.
- iii) SBI Funds Management Ltd.
- iv) Unit Trust of India

**Shri Girish Amesara**

Shri Girish Amesara is a Bcom, ACA from Institute of chartered Accountants of India Having more than 25 years of experience in handling Finance functions, Financials statements & Results, taxation, IPO, Budgeting, Internal System & Internal Controls, Enterprise Risk Management, Accounting Software, Internal audit, special audit, compliance audit, SEBI inspections, SEBI reports, and Ethics compliance.

Past Experience:

- i) BSE Limited
- ii) Bombay Swadeshi Stores Limited

**Shri Amit Mahajan**

Bachelor of Engineering from BITS Pilani, India and an MBA from Mumbai University. Amit Mahajan is a technocrat with sound business acumen, his areas of interest includes web technologies, IT Security, Deep learning, e-Commerce and mobile applications. Amit has over 2 decades of experience in management of IT application project portfolios across stock exchanges, depositories, eCommerce, telecom and retail sectors.

**Annexure B**  
**Form No. MGT-9**  
**EXTRACT OF ANNUAL RETURN**

**As on the financial year ended on 31<sup>st</sup> March, 2020**

**I. REGISTRATION AND OTHER DETAILS**

i)	CIN:-	U74999MH2017PLC292113
ii)	Registration Date –	07-03-2017
iii)	Name of the Company -	CDSL Commodity Repository Limited
iv)	Category / Sub-Category of the Company – Company having Share capital	Public Company / Non-Government Company
v)	Address of the Registered office and contact details	A-Wing, Marathon Futurex, 25 <sup>th</sup> Floor, Mafatlal Mills Compound, N.M. Joshi Marg, Lower Parel (E), Mumbai - 400 013
vi)	Whether listed company	No
Vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	NA

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
	CCRL is set up under Warehousing Development and Regulatory Authority (WDRA) ,to carry on the business of repository for Electronic Warehousing Negotiable Receipts (eNWR) or any other instrument related to commodities related to warehouse repository, to service eNWR market.	66190	100.00%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -**

Sr. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
1	Central Depository Services (India) Limited A-Wing, Marathon Futurex, 25 <sup>th</sup> Floor, Mafatlal Mills Compound, N.M. Joshi Marg, Lower Parel (E), Mumbai - 400 013	L67120MH1997PLC11244	Holding	52%	2(46) of the Companies Act, 2013

#### IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

##### i) Category-wise Share Holding

Category of Share holders	No. of Shares held at the beginning of the year 01.04.2019				No. of Shares held at the end of the year 31.03.2020				% Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
<b>A. Promoters</b>									
(1) Indian									
a) Individual/HUF	0	6	6		0	6	6		
b) Central Govt									
c) State Govt (s)									
d) Bodies Corp.	25999994	0	25999994	52	25999994	0	25999994	52	0
e) Banks / FI									
f) Any Other....									
<b>Sub-total (A) (1):-</b>	<b>25999994</b>	<b>6</b>	<b>26000000</b>	<b>52</b>	<b>25999994</b>	<b>6</b>	<b>26000000</b>	<b>52</b>	<b>0</b>
(2) Foreign									
a) NRIs - Individuals									
b) Other – Individuals									
c) Bodies Corp.									
d) Banks / FI									
a) Any Other....									
<b>Sub-total (A) (2):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>25999994</b>	<b>6</b>	<b>26000000</b>	<b>52</b>	<b>25999994</b>	<b>6</b>	<b>26000000</b>	<b>52</b>	<b>0</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds									
b) Banks / FI									
c) Central Govt									
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIs									
h) Foreign Venture Capital Funds									
i) Others (specify)									
Multi Commodity Exchange of India Limited	12000000	0	12000000	24	12000000	0	12000000	24	0
BSE Investments Limited	12000000	0	12000000	24	12000000	0	12000000	24	0
<b>Sub-total (B)(1):-</b>	<b>24000000</b>	<b>0</b>	<b>24000000</b>	<b>48</b>	<b>24000000</b>	<b>0</b>	<b>24000000</b>	<b>48</b>	<b>0</b>

Category of Share holders	No. of Shares held at the beginning of the year 01.04.2019				No. of Shares held at the end of the year 31.03.2020				% Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian									
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh									
ii) Individual shareholders holding nominal share capital in excess of ₹1 lakh									
c) Others (specify)									
<b>Sub-total (B)(2):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
Total Public Shareholding (B)=(B)(1)+(B)(2)"	24000000	0	24000000	48	24000000	0	24000000	48	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
<b>Grand Total (A+B+C)</b>	<b>49999994</b>	<b>6</b>	<b>50000000</b>	<b>100</b>	<b>49999994</b>	<b>6</b>	<b>50000000</b>	<b>100</b>	<b>0</b>

## (ii) Shareholding of Promoters

Sr. No.	Shareholders Name	Shareholding at the beginning of the year 01.04.2019			Share holding at the end of the year 31.03.2020		
		No. of Shares	% of total shares of company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total shares of company	%of Shares Pledged / encumbered to total shares
1	Central Depository Services (India) Limited	25999994	52	0	25999994	52	0
2	Farokh Patel	1	Negligible	0	1	Negligible	0
3	Joydeep Dutta	1	Negligible	0	1	Negligible	0
4	Ramkumar K.	1	Negligible	0	1	Negligible	0
5	Sunil G. Alvares	1	Negligible	0	1	Negligible	0
6	Nayana Mandar Ovalekar	1	Negligible	0	1	Negligible	0
7	Bharat Sheth	1	Negligible	0	1	Negligible	0
	<b>Total</b>	<b>26000000</b>	<b>100</b>	<b>0</b>	<b>26000000</b>	<b>52</b>	<b>0</b>

**(iii) Change in Promoters' Shareholding ( please specify, if there is no change)**

Sr. No.		Shareholding at the beginning of the year 01.04.2019		Cumulative Shareholding during the year 31.03.2020	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	26000000	52	26000000	52
	Reasons: shares transferred pursuant to share purchase agreement	0	0	0	0
	At the End of the year	26000000	52	26000000	52

**(iv) Shareholding Pattern of top ten Shareholders other than Directors, Promoters and Holders of GDRs and ADRs):**

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year 01.04.2019		Cumulative Shareholding during the year 31.03.2020	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Multi Commodity Exchange of India Limited	12000000	24	12000000	24
2	BSE Investments Limited	12000000	24	12000000	24

**(v) Shareholding of Directors and Key Managerial Personnel:**

Sr. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year 01.04.2019		Cumulative Shareholding during the year 31.03.2020	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	0	Negligible	0	NA
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):		NIL		
	At the End of the year	0	Negligible	0	NA



## V. INDEBTEDNESS

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	0	0	0	0
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Change in Indebtedness during the financial year</b>				
Addition	0	0	0	0
Reduction	0	0	0	0
<b>Net Change</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	0	0	0	0
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sr. No.	Particulars of Remuneration	Name of Manager	Total Amount
		<b>Shri Pitambar Chowdhury</b>	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	2,670,000	2,670,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	- as % of profit	-	-
	- others, specify...	-	-
5	Others, please specify		

Sr. No.	Particulars of Remuneration	Name of Manager	Total Amount
		<b>Shri Pitambar Chowdhury</b>	
	<b>Total (A)</b>	<b>2,670,000</b>	<b>2,670,000</b>
	Ceiling as per the Act	5% of net profit of the company	

**B. Remuneration to other directors:**

Sr. no.	Particulars of Remuneration	Name of Directors							Total Amount
		B.K.Bal	J. Balasubramanian	Hemang Shivanandhan Raja	Neeraj Kulshrestha	Sudhirkumar Goel	Ajay Puri	Dhansukodi Srivanandhan	
1	Independent Directors-Fee for attending board / committee meetings- Commission- Others, please specify	620000	540000	95000	0	580000	0	0	1835000
2	Other Non-Executive Directors • Fee for attending board / committee meetings • Commission • Others, please specify	0	0	0	380000	0	25000	50000	455000
	<b>Total (B)=(1+2)</b>								<b>2290000</b>

**C. Remuneration To Key Managerial Personnel Other Than MD / MANAGER / WTD**

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		
		Company Secretary	Chief Operating Officer	Total
1.	Gross salary (a) Salary (a) as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	239000	6624000	6863000
2	Stock Option	0	0	0
3	Sweat Equity	0	0	0
4	Commission - as % of Profit - others, specify...	0	0	0
5	Others, please specify	0	0	0
	<b>Total</b>	<b>239000</b>	<b>6624000</b>	<b>6863000</b>

**VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding/ fees imposed	Authority [RD/ NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty	NA	Glitch in Company's computer system	Warehousing and Development Authority levied penalty of ₹ 1,00,000/-	WDRA- Warehousing and Development Authority	The matter was appealed to Appellate authority against the order of WDRA, however the Appellate authority dismissed the appeal on ground that WDRA had no jurisdiction to assign the right to appeal against its order.
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
<b>B. DIRECTORS</b>					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
<b>C. OTHER OFFIERS IN DEFAULT</b>					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL

## Annexure-C to Directors' Report

### FORM NO. AOC-2

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

**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**

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

(a) Name(s) of the related party and nature of relationship	NIL
(b) Nature of contracts/arrangements/transactions	NIL
(c) Duration of the contracts / arrangements/transactions	NIL
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	NIL
(e) Justification for entering into such contracts or arrangements or transactions	NIL
(f) date(s) of approval by the Board	NIL
(g) Amount paid as advances, if any:	NIL
(h) 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) Name(s) of the related party and nature of relationship	Central Depository Services (India) Limited (Holding company)
(b) Nature of contracts/arrangements/transactions	Rent, administrative expenses and salary reimbursement of employees on deputation received
(c) Duration of the contracts / arrangements/transactions	Ongoing
(d) Salient terms of the contracts or arrangements or transactions including the value, if any:	154.57
(e) Date(s) of approval by the Board, if any:	Board approval dated 28.10.17/29.07.17 for rent and salaries on actual basis
(f) Amount paid as advances, if any:	NIL

**Annexure D**  
**FORM NO. MR-3**  
**SECRETARIAL AUDIT REPORT**

**(FOR THE PERIOD FROM 01-04-2019 TO 31-03-2020)**

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

To,  
The Members,  
CDSL COMMODITY REPOSITORY LIMITED  
A WING, MARATHON FUTUREX, 25TH FLOOR,  
MAFATLAL MILLS COMPOUND, N. M. JOSHI MARG,  
LOWER PAREL (E) MUMBAI - 400013

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **CDSL COMMODITY REPOSITORY LIMITED (CIN: U74999MH2017PLC292113)** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our 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, we hereby report that in our opinion, the company has, during the audit period covering **1<sup>st</sup> April, 2019 to 31<sup>st</sup> March, 2020** 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the audit period **1<sup>st</sup> April, 2019 to 31<sup>st</sup> March, 2020** according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (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; **(Not Applicable During The Period of Audit)**
- (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 During The Period Of Audit)**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): - **(Not Applicable During The Period Of Audit)**
  - (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, 2009;
  - (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;
  - (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; and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.
- (vi) We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under applicable Acts, Laws and Regulations to the Company.

We are of the opinion that the management has generally complied with the following laws specifically applicable to the Company:

1. Legal Metrology Act, 2009
2. Industrial Disputes Act, 1947
3. Employee State Insurance Act, 1948
4. Minimum Wages Act, 1948
5. Maharashtra shops and establishment Act, 2017
6. The Warehousing (Development and Regulation) Act, 2007

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

- (a) Secretarial Standards issued by The Institute of Company Secretaries of India, (SS-1 & SS-2).

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

- (a) Warehousing Development and Regulatory Authority (WDRA) has levied penalty of ₹ 1Lacs on the Company citing discrepancy in the operation of the its Repository system of having improper validations which was against the provisions of regulations and guidelines on e-NWR. The Company had appealed against the order of WDRA before the Appellate authority, however same was dismissed on account of Appellate authority having no jurisdiction in the matter.

**We 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.

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.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

**We 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.

**We further report that** During the year 2019-20 following actions/events reported having major bearing on the Operation of the company: -

Mr. Dhanushkodi Sivanandhan was appointed as Shareholder Director of the Company w.e.f. 02.05.2019.

- Mr. Bharat Sheth was appointed as Shareholder Director of the Company w.e.f. 07.05.2019.
- Mr. Dhanushkodi Sivanandhan resigned as Shareholder Director of the Company w.e.f. 18.07.2019.
- Mr. Hemang Raja resigned as Shareholder Director of the Company w.e.f. 18.07.2019.
- Mr. Ajay Puri was appointed as Director of the Company w.e.f. 13.09.2019.
- Mr. Neeraj Kulshreshta was appointed as Director of the Company w.e.f. 13.09.2019.
- Mr. Sudhir Kumar Goel was appointed as Independent Director of the Company w.e.f. 13.09.2019.
- Mr. Lalitmohan Girdhar Sharma resigned as Company Secretary w.e.f. 30.09.2019
- Mr. Nehal Vora was appointed as Shareholder Director w.e.f. 17.10.2019.
- Mr. Pitambar Chowdhury was appointed as Additional Director and Managing Director w.e.f. 01.11.2019
- Mr. Bharat Sheth resigned as Shareholder Director of the Company w.e.f. 31.12.2019.
- Mr. Nehal Vora resigned as Shareholder Director of the Company w.e.f. 09.01.2020.
- Mr. Amit Mahajan was appointed as an Additional Director of the Company w.e.f. 20.01.2020.
- Mrs. Dipti Bativala was appointed as a Company Secretary w.e.f. 20.01.2020.
- Mr. Girish Amesara was appointed as an additional Director of the Company w.e.f. 29.01.2020.

**For Ragini Chokshi & Co.**

**Umashankar Hegde  
(Partner)**

**Date: 09/05/2020**

**Place: Mumbai**

**ACS No.22133# C.P. No.11161**

**UDIN: A022133B000219616**

## INDEPENDENT AUDITORS' REPORT

**TO,  
THE MEMBERS OF  
CDSL COMMODITY REPOSITORY LIMITED**

### Report on the Audit of the Ind AS Financial Statements

#### Opinion

We have audited the accompanying Ind AS financial statements of **CDSL Commodity Repository Limited**, which comprise the Balance Sheet as at 31<sup>st</sup> March, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement for the year then ended, and a summary of the 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 Ind AS financial statements give the information required by 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 31<sup>st</sup> March, 2020 and its profit, total comprehensive income, change in equity and cash flows for the year ended on that date.

#### Basis of opinion

We conducted our audit in accordance with the Standards on Auditing 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 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 Companies Act, 2013 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 financial statements.

#### Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.



If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to state that fact. We have nothing to report in this regard.

### **Responsibility of Management for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, change in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the ability of the Company 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.

The Board of Directors is responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibility for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the 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. 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 financial statements.

Our objectives are to obtain reasonable assurance about whether the financial statements 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 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 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 control system 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 the 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 entity'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 entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the 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 and its associate entities to express an opinion on the consolidated 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 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.

Materiality is the magnitude of misstatements in the financial statements that individually or in aggregate makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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.

### 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 A" 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, Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2020 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 over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
  - g) With respect to the other matters to be included in Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended:

In our opinion and to best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of 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, in our opinion and to the best of our information and according to the explanations given to us:

- a. The Company does not have any pending litigations which would impact its financial position.
- b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For LODHA & COMPANY**  
**Chartered Accountants**  
**Firm Registration No. 301051E**

**R. P. Baradiya**  
**Partner**  
**Membership No : 44101**  
**UDIN: 20044101AAAACE4692**

**Place: Mumbai**  
**Date: 12<sup>th</sup> May, 2020**

## “Annexure A”

### **ANNEXURE A REFERRED TO IN “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF THE CDSL COMMODITY REPOSITORY LIMITED.**

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we state that:

- i. a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment.
- b) The Company has carried out physical verification of all its Property, Plant & Equipment during the year. In our opinion, the frequency of verification is reasonable considering the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- c) The Company does not own any immovable property. Therefore, Para 3(i) (c) of the Order is not applicable to the Company.
- ii. The Company does not have any inventory. Therefore, the Para 3(ii) of the Order is not applicable to the Company.
- iii. During the year 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 Act.
- iv. The Company has neither given any loans nor provided any guarantee or security during the year. In respect of investments, the provisions of section 185 and 186 of the Act have been complied with.
- v. No deposits within the meaning of directives issued by RBI (Reserve Bank of India) and Sections 73 to 76 or any other relevant provisions of the Act and rules framed thereunder have been accepted by the Company.
- vi. According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, in respect of the services rendered by the Company. Therefore, the Para 3(vi) of the Order is not applicable to the Company.
- vii. a) The Company is generally regular in depositing undisputed statutory dues including provident fund, employees’ state insurance, income tax, sales-tax, service tax, Goods & Service tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues applicable to the Company with the appropriate authorities. No undisputed amounts payable in respect of the aforesaid statutory dues were outstanding as at the last day of the financial year for a period of more than six months from the date they became payable.

- b) According to the records of the Company, there are no dues of income tax or sales tax or service tax or Goods & Service tax or duty of customs or duty of excise or value added tax which have not been deposited on account of any dispute.
- viii. The Company has not taken any loan or borrowing from a financial institution, bank, government or debenture holders. Therefore, Para 3 (viii) of the Order is not applicable to the Company.
- ix. The Company has not raised any money by way of initial public offer or further public offer during the year or in the recent past and has not taken any term loan. Therefore, Para 3 (ix) of the Order is not applicable to the Company.
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of fraud by or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of such case by the management.
- xi. The Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
- xii. The Company is not Nidhi Company. Therefore, Para 3 (xii) of the Order is not applicable to the Company.
- xiii. All transactions with the related parties are in compliance with section 177 and 188 of Act where applicable and the details have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- xiv. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause 3(xiv) of the order is not applicable to the Company.
- xv. The Company has not entered into any non-cash transactions with directors or persons connected with him under section 192 of the Act.
- xvi. As the Company is governed by the provisions of Warehousing Development and Regulatory Authority, the Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934. Para 3 (xvi) of the Order is not applicable to the Company.

**For LODHA & COMPANY**  
**Chartered Accountants**  
**Firm Registration No. 301051E**

**R. P. Baradiya**  
**Partner**  
**Membership No : 44101**  
**UDIN: 20044101AAAACE4692**

**Place: Mumbai**  
**Date: 12<sup>th</sup> May, 2020**

## “Annexure B”

### ANNEXURE B REFERRED TO IN “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF THE CDSL COMMODITY REPOSITORY LIMITED

1. We have audited the internal financial controls over financial reporting of **CDSL Commodity Repository Limited** (“the Company”) as of March 31, 2020 in conjunction with our audit of Ind AS financial statements of the Company for the year ended March 31, 2020.

#### Management’s Responsibility for Internal Financial Controls

2. 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 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.

#### Auditors’ Responsibility

3. Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting 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 deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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.
5. 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 system over financial reporting.

### Meaning of Internal Financial Controls over Financial Reporting

6. A Company's internal financial control over financial reporting 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 over financial reporting 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 over Financial Reporting

7. Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Opinion

8. In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, 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 ICAI.

**For LODHA & COMPANY**  
**Chartered Accountants**  
**Firm Registration No. 301051E**

**R. P. Baradiya**  
**Partner**  
**Membership No : 44101**  
**UDIN: 20044101AAAACE4692**

**Place: Mumbai**  
**Date: 12<sup>th</sup> May, 2020**



## CDSL COMMODITY REPOSITORY LIMITED

CIN : U74999MH2017PLC292113

Balance Sheet as at March 31, 2020

(₹ in Lakh)

Particulars	Note No.	As at 31.03.2020	As at 31.03.2019
<b>ASSETS</b>			
<b>1 Non-current assets</b>			
a. Property, Plant and Equipment	3	19.70	1.45
b. Intangible assets	4	1.57	37.56
c. Financial assets			
i. Investments	5	1,113.67	1,013.95
d. Other non current assets	9	45.32	40.26
<b>Total Non-Current Assets</b>		<b>1,180.26</b>	<b>1,093.22</b>
<b>2 Current assets</b>			
a. Financial assets			
i. Investments	5	2,414.51	2,418.03
ii. Trade receivables	7	39.27	56.49
iii. Cash and cash equivalents	6	3.91	35.12
iv. Bank balances other than (iii) above	6	1,579.62	1,522.73
b. Current tax Assets (Net)	8	16.75	-
c. Other current assets	9	93.93	68.11
<b>Total Current Assets</b>		<b>4,147.99</b>	<b>4,100.48</b>
<b>Total Assets (1+2)</b>		<b>5,328.25</b>	<b>5,193.70</b>
<b>EQUITY AND LIABILITIES</b>			
<b>1 Equity</b>			
a. Equity share capital	10	5,000.00	5,000.00
b. Other equity	11	151.15	134.23
<b>Total Equity</b>		<b>5,151.15</b>	<b>5,134.23</b>
<b>LIABILITIES</b>			
<b>2 Non-current liabilities</b>			
Deferred tax liabilities (Net)	12	32.32	19.82
<b>Total Non-Current Liabilities</b>		<b>32.32</b>	<b>19.82</b>
<b>3 Current liabilities</b>			
a. Financial liabilities			
i. Trade payables	13		
a) Total outstanding dues of micro enterprises and small enterprises		-	-
b) Total outstanding dues of creditors other than micro enterprises and small enterprises		31.89	10.08
ii. Other financial liabilities	14	58.21	9.00
b. Other current liabilities	15	48.96	8.71
c. Provisions	16	5.72	1.91
d. Current tax liabilities (Net)	8	-	9.95
<b>Total Current Liabilities</b>		<b>144.78</b>	<b>39.65</b>
<b>Total Equity and Liabilities (1+2+3)</b>		<b>5,328.25</b>	<b>5,193.70</b>
<b>Significant accounting policies</b>	<b>2</b>		
<b>See accompanying notes forming part of the financial statements</b>	<b>1-32</b>		

As per our attached report of even date

**For Lodha and Company**  
Chartered Accountants

**R. P. Baradiya**  
Partner  
Membership No. 44101  
Place : Mumbai  
Date : May 12, 2020

For and on behalf of the Board of Directors

**Basanta K. Bal**  
Chairman  
DIN no. 08068927

**Pitambar Chowdhury**  
Managing Director  
DIN no. 08600785

**Dipti Bativala**  
Company Secretary  
M No. A33811

## CDSL COMMODITY REPOSITORY LIMITED

CIN : U74999MH2017PLC292113

### Statement of Profit and Loss for the year ended March 31, 2020

(₹ in Lakh)

PARTICULARS	Note No.	For the year ended 31.03.2020	For the year ended 31.03.2019
1. Revenue From Operations	17	88.62	67.83
2. Other Income	18	416.78	388.11
<b>3. Total Income</b>		<b>505.40</b>	<b>455.94</b>
<b>4. Expenses</b>			
Employee benefits expense	19	255.53	160.77
Depreciation and amortization expense	3&4	39.50	55.36
Administration and other expenses	20	180.03	144.60
<b>Total expenses</b>		<b>475.06</b>	<b>360.73</b>
<b>5. Profit/(loss) before tax (3-4)</b>		<b>30.34</b>	<b>95.21</b>
<b>6. Tax expense:</b>	21		
Current tax		-	-
Deferred tax		12.76	(17.09)
MAT		5.06	30.03
MAT Credit Entitlement		(5.06)	(30.03)
<b>Total tax expenses</b>		<b>12.76</b>	<b>(17.09)</b>
<b>7. Profit/(loss) for the year (5-6)</b>		<b>17.58</b>	<b>112.30</b>
<b>8. Other comprehensive income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
i. Remeasurements of the defined benefit plans;		(0.92)	0.05
ii. Income tax relating to items that will not be reclassified to profit or loss		0.26	(0.01)
<b>Other comprehensive income (net of tax)</b>		<b>(0.66)</b>	<b>0.04</b>
<b>9. Total Comprehensive Income/(loss) for the year (7+8)</b>		<b>16.92</b>	<b>112.34</b>
<b>10. Earnings per equity share(EPS) :</b>	22		
Basic and Diluted EPS (₹) (Not annualised except yearly data)		0.04	0.22
Face value of share (₹)		10.00	10.00
Weighted average number of shares		50,000,000	50,000,000
<b>Significant accounting policies</b>	2		
See accompanying notes forming part of the financial statements	1-32		

As per our attached report of even date

**For Lodha and Company**  
Chartered Accountants

**R. P. Baradiya**  
Partner  
Membership No. 44101  
Place : Mumbai  
Date : May 12, 2020

For and on behalf of the Board of Directors

**Basanta K. Bal**  
Chairman  
DIN no. 08068927

**Pitambar Chowdhury**  
Managing Director  
DIN no. 08600785

**Dipti Bativala**  
Company Secretary  
M No. A33811

## CDSL COMMODITY REPOSITORY LIMITED

CIN : U74999MH2017PLC292113

### Statement of Changes in Equity for the year ended March 31, 2020

	₹ in Lakh
<b>A. Equity Share Capital</b>	5,000.00
Balance as at April 1, 2018	5,000.00
Changes in equity share capital during the year	-
<b>Balance as at March 31, 2019</b>	5,000.00
Changes in equity share capital during the year	-
<b>Balance as at March 31, 2020</b>	5,000.00

#### B. Other Equity

		(₹ in Lakh)
Particulars	Note No.	Retained Earnings
<b>Balance as at April 1, 2018</b>		21.89
Profit for the year		112.30
Other comprehensive income for the year		0.04
<b>Balance at March 31, 2019</b>		<b>134.23</b>
Profit for the year		17.58
Other comprehensive income for the year		(0.66)
<b>Balance as at March 31, 2020</b>		<b>151.15</b>
<b>Significant accounting policies</b>	2	
<b>See accompanying notes forming part of the financial statements</b>	1-32	

As per our attached report of even date

**For Lodha and Company**  
Chartered Accountants

**R. P. Baradiya**  
Partner  
Membership No. 44101  
Place : Mumbai  
Date : May 12, 2020

For and on behalf of the Board of Directors

**Basanta K. Bal**  
Chairman  
DIN no. 08068927

**Pitambar Chowdhury**  
Managing Director  
DIN no. 08600785

**Dipti Bativala**  
Company Secretary  
M No. A33811

## CDSL COMMODITY REPOSITORY LIMITED

CIN : U74999MH2017PLC292113

### Cash Flow Statement for the year ended March 31, 2020

(₹ in Lakh)

Particulars	For the year ended 31.03.2020	For the year ended 31.03.2019
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Profit for the year</b>	<b>17.58</b>	<b>112.30</b>
<b>Adjustments for</b>		
Income tax expenses recognised in profit and loss account	12.76	(17.09)
Depreciation and Amortisation Expenses	39.50	55.36
Provision for gratuity and compensated absences	3.80	1.91
Net gain arising on financial assets measured at FVTPL	(298.19)	(323.19)
Interest Income	(118.59)	(59.81)
Acturial Liability Recognized	(0.92)	0.05
Expected credit loss	3.33	-
Dividend Income	-	(5.11)
<b>Operating profit before working capital changes</b>	<b>(340.73)</b>	<b>(235.58)</b>
<b>Movements in Working Capital</b>		
(Increase) / Decrease in Trade Receivables	13.89	(56.49)
(Increase) / Decrease in Other Assets	(25.82)	(30.90)
Increase / (Decrease) in Trade Payables	21.81	12.96
Increase / (Decrease) in Other Liabilities /Provisions	89.47	8.90
<b>Cash Generated from / (used in) Operations</b>	<b>(241.38)</b>	<b>(301.11)</b>
Direct taxes paid	(31.76)	(16.63)
<b>Net Cash from / (used in) Operating Activities</b>	<b>(273.14)</b>	<b>(317.74)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of PPE, including intangible assets, capital work in progress and capital advances	(21.77)	(7.72)
Purchase of investments	(50.00)	(2,705.23)
Sale of investments	252.00	3,982.51
Investments in fixed deposits with banks	(1,543.28)	(1,479.97)
Proceeds from maturity of fixed deposits with banks	1,479.97	500.00
Interest Received	125.01	36.15
Dividend Received	-	5.11
<b>Net Cash generated from / (used in) Investing Activities</b>	<b>241.93</b>	<b>330.85</b>

Particulars	For the year ended 31.03.2020	For the year ended 31.03.2019
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
<b>Net Cash from / (used in) Financing Activities</b>	-	-
<b>Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>(31.21)</b>	<b>13.11</b>
Cash and Cash Equivalents at the beginning of the year	35.12	22.01
<b>Cash and cash equivalents at the end of the year</b>	<b>3.91</b>	<b>35.12</b>
Cash and cash equivalents at the end of the year comprises		
i) Cash on Hand	0.01	0.15
ii) Cheques in Hand		
ii) Balances with Banks-Current Accounts	3.90	34.97
Significant accounting policies	2	
See accompanying notes forming part of the financial statements	1-32	

1. The Cash Flow Statement has been prepared under the “Indirect Method” as set out in Ind AS - 7 “Cash Flow Statement”.
2. Previous year’s figures have been regrouped/rearranged/reclassified wherever necessary.

**As per our attached report of even date**

**For Lodha and Company**  
Chartered Accountants

**R. P. Baradiya**  
Partner  
Membership No. 44101  
Place : Mumbai  
Date : May 12, 2020

**For and on behalf of the Board of Directors**

**Basanta K. Bal**  
Chairman  
DIN no. 08068927

**Pitambar Chowdhury**  
Managing Director  
DIN no. 08600785

**Dipti Bativala**  
Company Secretary  
M No. A33811

## CDSL COMMODITY REPOSITORY LIMITED

CIN: U74999MH2017PLC292113

Notes forming part of the Financial Statements for the year ended 31st March, 2020.

### 1. Corporate Information

CDSL Commodity Repository Limited. (CCRL) is a Company promoted by Central Depository Services (India) Limited [CDSL] and is currently a subsidiary of CDSL. The Company was incorporated under the provisions of Companies Act, 2013.

CCRL allows the Farmer, Farmers Producer Organizations (FPOs), Manufacturers, etc., to obtain electronic warehouse receipts (negotiable or non-negotiable) [eNWRs or eNNWRs] in a demat account against deposit of commodities in any of the warehouses registered with Warehousing Development and Regulatory Authority (WDRA). The depositor/client thereafter can sell the same or pledge the commodities through the eNWR to obtain finance from the banks, NBFC's and other financial institutions. CCRL has received "Certificate of Registration" from Warehousing Development and Regulatory Authority (WDRA) for Commodity Repository on September 26, 2017.

### 2. Significant Accounting Policies:

#### a) Statement of compliance

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standard) Rules, 2015 and amendments thereon.

The financial statements for the year ended March 31, 2020 were approved by the Board of Directors and authorize for issue on May 12, 2020.

#### b) Basis of preparation

These financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting year, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

#### c) Functional and presentation currency

The financial statements are presented in Indian rupees, which are 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 to the nearest lakh except share and per share data.

**d) Use of Estimates:**

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the years presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised and future years are affected.

**e) Property, plant & equipment**

Plants and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Capital work-in-progress, plant and equipment are stated at cost net of accumulated depreciation and accumulated impairment losses, if any. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to Statement of Profit and Loss during the reporting period in which they are incurred.

**f) Intangible assets**

Intangible assets purchased are measured at cost as of the date of acquisition less accumulated amortization and accumulated impairment, if any.

Intangible assets are amortised on a straight line basis over economic useful life of asset and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization expense on intangible assets is recognized in the Statement of Profit and Loss

Intangible assets consist of computer software.

**g) Depreciation/Amortization/Impairment Loss**

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on tangible fixed assets 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.

Description of asset	Useful life as per the Schedule II (in years)	Useful life applied (in years)
Computer Hardware	3	2
Computer software – Perpetual	3	2
Computer software – Subscription License	3	As per useful life or whichever is less
Office Equipment	5	5
Vehicles	8	4

The carrying amounts of assets are reviewed at each Balance Sheet date if there is an indication of impairment based on internal and external factors. The asset is treated as impaired when its carrying cost exceeds the recoverable amount. Impairment loss, if any, is charged to the Statement of Profit and Loss for the year in which the asset is identified as impaired. Reversal of impairment loss recognized in the prior years is recorded when there is an indication that impairment losses recognized for the asset no longer exist or have decreased.

#### **h) Fair Value Measurement**

The Company measures financial instruments at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability

In an orderly transaction between market participants at the measurement date. The fair Value measurement is based on the presumption that the transaction to sell the asset or Transfer the liability takes place either:

- (a) In the principal market for the asset or liability, or
- (b) In the absence of a principal market, in the most advantageous market for the Asset or liability.

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market Participants would use when pricing the asset or liability, assuming that market Participants act in their best economic interest.

A fair value measurement of a non-financial asset takes into account a market Participant's ability to generate economic benefits by using the asset in its highest and Best use or by selling it to another market participant that would use the asset in its Highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of Unobservable inputs.



All assets and liabilities for which fair value is measured or disclosed in the financial Statements are categorized 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:

- Level 1 - Inputs are quoted market prices (unadjusted) in active markets for Identical assets or liabilities that the entity can access at the measurement date;
- Level 2 - Valuation techniques for which the lowest level input that is Significant to the fair value measurement is directly or indirectly observable; and
- Level 3 - Valuation techniques for which the lowest level input that is Significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level of input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair value for measurement and /or disclosure purposes in this financial information is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

## **i) Financial Instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognized when a Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities 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 recognized immediately in Statement of Profit and Loss.

### **I. Classification of financial assets**

Company has classified and measured Financial Assets into following:

#### **i. Amortized cost** if both of the following conditions are met:

- a) the financial asset is held within a business model whose objective is to hold Financial assets in order to collect contractual cash flows and
- b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

ii. **Fair value through other comprehensive income** if both of the following conditions are met:

- a) the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
- b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Assets under this category are measured at fair value and gains and losses arising out of such measurement are carried through other comprehensive income.

iii. **Fair value through profit or loss** if asset is not classified at amortized cost or fair value through other comprehensive income.

## II. **Classification of Financial Liabilities**

Company has classified financial liabilities as subsequently measured at amortized cost. For trade and other payable maturing within one year from the date of Balance Sheet the carrying amount approximate fair value due to short maturity of these instruments.

### j) **Employee Benefits**

Short term Employee Benefits are estimated and provided for Performance linked bonus is provided as and when the same is approved by the management.

Post-Employment Benefits and Other Long term Employee Benefits are treated as follows:

#### (i) **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 Statement of Profit and Loss for the respective financial year as and when services are rendered by the employees.

#### (ii) **Defined Benefits Plans:**

##### **Gratuity:**

Gratuity for employees is covered by Gratuity Scheme with Life Insurance Corporation of India and the contribution thereof is paid/provided for. The Company's liabilities under Payment of Gratuity Act are determined on the basis of actuarial valuation made at the end of each financial year using the projected unit credit method. Obligation is measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to market yields at the Balance Sheet date on Government bonds where the terms of the Government bonds are consistent with the estimated terms of the defined benefit obligation. The net interest cost is calculated by applying

the discount rate to the net balance of the defined benefit obligation and fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss. Re-measurement gains or losses arising from experience adjustments changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the Statement of changes in Equity and in the Balance Sheet. Re-measurements are not reclassified to Statement of Profit and Loss in subsequent periods.

- a) **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 other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year.

Actuarial gains/losses at the end of the year accrued to the defined benefit plans are taken to Other Comprehensive Income for the respective financial year.

**k) Current tax and deferred tax**

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws. Deferred tax is recognized using balance sheet approach. The deferred tax for timing differences between the book and tax profits for the year is accrued for, using the tax rates and laws those have been substantively enacted as of the balance sheet date. Deferred tax assets arising from differences are recognized to the extent that there is reasonable certainty that these would be realized in future.

Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

Current tax and deferred tax relating to items recognized outside Statement of Profit and Loss is recognized outside Statement of Profit and Loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

**l) Foreign Currency Translation**

The functional currency of CDSL Commodity Repository Limited is Indian rupees.

All foreign currency transactions are recorded at exchange rate prevailing on the date of the transaction. All foreign currency current assets/liabilities are translated at the rates prevailing on the date of the Balance Sheet. Foreign exchange rate difference arising on settlement/ conversion is recognized in the Statement of Profit and Loss.

**m) Revenue Recognition**

In contracts involving the rendering of services, revenue is measured using the proportionate completion method and are recognized net of tax provided that at the time of performance it is not unreasonable to expect ultimate collection. If at the time of rising of any claim it is unreasonable to expect ultimate collection, revenue recognition is postponed till the time the ultimate collection is made.

Interest is recognized on a time proportionate basis taking into account the amount outstanding and the rate applicable.

Dividend is recognized when the unconditional right to receive payment is established.

**n) Provisions and Contingencies**

A provision is recognized when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are neither recognized nor disclosed in the financial statements.

**o) Cash and cash equivalents (for the purpose of Cash Flow Statement)**

Cash and cash equivalents in the Balance Sheet and for the purpose of Statement of Cash Flows comprise cash in hand and cash at bank including fixed deposit with original maturity period of three months and short term highly liquid investments with an original maturity of three months or less net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

**p) Cash flow statement**

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

**q) Earnings per share**

Basic earnings per share are computed by dividing the profit for the year by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares that have changed the number of equity shares outstanding, without a

corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

**r) Impairment**

**Financial assets carried at amortised cost and FVTOCI**

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.

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.

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.

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 on individual basis.

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income / expense in the Statement of Profit and Loss.

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.

s) **Leases –**

**As a Lessee:**

The Company's lease asset classes primarily consist of leases for space provided by holding company. 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.

To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- (i) the contract involves the use of an identified asset;
- (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease; and
- (iii) the Company has the right to direct the use of the asset.

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.

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.

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.

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.

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.

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.

**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.

**t) Current / Non-current classification**

The company presents assets and liabilities to be classified as either Current or Non-current.

**Assets:** An asset is classified as current when it satisfies any of the following criteria:

1. it is expected to be realized in, or is intended for sale or consumption in, the entity's normal operating cycle;
2. it is held primarily for the purpose of being traded;
3. it is expected to be realized within twelve months after the balance sheet date; or
4. 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;
5. All other assets are classified as non-current.

**Liabilities:** A liability is classified as current when it satisfies any of the following criteria:

1. it is expected to be settled in, the entity's normal operating cycle;
2. 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
3. the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the balance sheet date.
4. All other liabilities are classified as non-current.

**u) 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.

**v) Recent accounting pronouncements**

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, 2020.

**w) Segment Reporting**

The Company is engaged in the business of providing Commodity Repository services and the operations are carried out within India and hence there is no separate reportable segment as per Indian Accounting Standard 108 on “Operating Segment” prescribed in Companies (Accounting Standards) Rules, 2015.

**x) Rounding off Amounts**

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakh as per the requirement of Schedule III, unless otherwise stated



### 3 Property, Plant and Equipment

(₹ in Lakh)

Particulars	Computers Hardware	Office Equipments	Motor Vehicles	Total
<b>At Cost</b>				
Balance as at April 1, 2018	16.83	-	-	16.83
Additions during the year ended March 31, 2019	-	0.94	-	0.94
Deductions / adjustments	-	-	-	-
<b>Balance as at March 31, 2019</b>	<b>16.83</b>	<b>0.94</b>	-	<b>17.77</b>
Balance as at April 1, 2019	16.83	0.94	-	17.77
Additions during the year ended March 31, 2020	-	0.66	20.80	21.46
Deductions / adjustments	-	-	-	-
<b>Balance as at March 31, 2020</b>	<b>16.83</b>	<b>1.60</b>	<b>20.80</b>	<b>39.23</b>

Particulars	Computers Hardware	Office Equipments	Motor Vehicles	Total
<b>Accumulated depreciation and impairment</b>				
Balance as at April 1, 2018	7.46	-	-	7.46
Depreciation for the year ended March 31, 2019	8.41	0.45	-	8.86
Deductions / Adjustments	-	-	-	-
<b>Balance as at March 31, 2019</b>	<b>15.87</b>	<b>0.45</b>	-	<b>16.32</b>
Balance as at April 1, 2019	15.87	0.45	-	16.32
Depreciation for the year ended March 31, 2020	0.96	0.53	1.72	3.21
Deductions / Adjustments	-	-	-	-
<b>Balance as at March 31, 2020</b>	<b>16.83</b>	<b>0.98</b>	<b>1.72</b>	<b>19.53</b>

Particulars	Computers Hardware	Office Equipments	Motor Vehicles	Total
<b>Net Book Value</b>				
As at March 31, 2020	-	0.62	19.08	19.70
As at March 31, 2019	0.96	0.49	-	1.45

#### 4 Intangible assets

(₹ in Lakh)

Particulars	Software	Total
<b>At Cost</b>		
Balance as at April 1, 2018	88.83	88.83
Additions during the year ended March 31, 2019	6.78	6.78
Deductions / adjustments	-	-
<b>Balance as at March 31, 2019</b>	<b>95.61</b>	<b>95.61</b>
Balance as at April 1, 2019	95.61	95.61
Additions during the year ended March 31, 2020	0.31	0.31
Deductions / adjustments	-	-
<b>Balance as at March 31, 2020</b>	<b>95.92</b>	<b>95.92</b>

Particulars	Software	Total
<b>Accumulated amortisation and impairment</b>		
Balance as at April 1, 2018	11.56	11.56
Amortisation for the year ended March 31, 2019	46.49	46.49
Deductions / Adjustments	-	-
<b>Balance as at March 31, 2019</b>	<b>58.05</b>	<b>58.05</b>
Balance as at April 1, 2019	58.05	58.05
Amortisation for the year ended March 31, 2020	36.30	36.30
Deductions / Adjustments	-	-
<b>Balance as at March 31, 2020</b>	<b>94.35</b>	<b>94.35</b>

Particulars	Software	Total
<b>Net Book Value</b>		
As at March 31, 2020	1.57	1.57
As at March 31, 2019	37.56	37.56

## 5 Investments

Particulars	No. of Units		(₹) In Lakh	
	As at 31.03.2020	As at 31.03.2019	As at 31.03.2020	As at 31.03.2019
<b>Non current investments</b>				
<b>Investment in units of mutual funds</b>				
(Non Trade, Quoted and fully paid up)				
Nippon India Fixed Horizon Fund XXXX Sr17 - Direct - Growth	5,000,000.00	5,000,000.00	560.10	510.05
Nippon India Fixed Horizon Fund XLI Sr1 - Direct - Growth	5,000,000.00	5,000,000.00	553.57	503.90
<b>Total of non current investments (a)</b>			<b>1,113.67</b>	<b>1,013.95</b>
<b>Current investments</b>				
<b>Investment in units of mutual funds</b>				
(Non Trade, Unquoted & Fully Paid up)				
Axis Banking & PSU Debt Fund - Direct - Growth	66,629.08	64,005.94	1,293.27	1,132.64
HDFC Floating Rate Income Fund-Short Term Plan - Direct - Growth	2,151,927.65	2,151,927.65	761.41	703.76
Nippon India Liquid Fund - Direct - Growth	7,418.03	12,749.70	359.83	581.63
<b>Total of current investments (b)</b>			<b>2,414.51</b>	<b>2,418.03</b>
<b>Total of investments (a+b)</b>			<b>3,528.18</b>	<b>3,431.98</b>

Particulars	As at 31.03.2020	As at 31.03.2019
	(₹) in Lakh	(₹) in Lakh
Aggregate market value of quoted investments	1,113.67	1,013.95
Aggregate market value of unquoted investments	2,414.51	2,418.03

## 6 Cash and cash equivalents

For the purpose of statement of cashflows, cash and cash equivalents includes cash on hand and bank balances, cash and cash equivalents at the end of the reporting year as shown in the statement of cashflow is reconciled to the related items on the balance sheet as follows:

(₹ in Lakh)

Particulars	As at 31.03.2020	As at 31.03.2019
<b>Current</b>		
Cash on hand	0.01	0.15
<b>Balance with Banks</b>		
<b>Owned fund</b>		
In Current Accounts	3.90	34.97
<b>Total</b>	<b>3.91</b>	<b>35.12</b>
<b>Bank Balance other than above</b>		
<b>Balance with Banks</b>		
<b>Owned fund</b>		
In Deposit Accounts (Earmarked against bank guarantee of ₹ 500.00 Lakh, Previous year ₹ 500.00 Lakh)	1,543.28	1,479.97
Accrued Interest	36.34	42.76
<b>Total</b>	<b>1,579.62</b>	<b>1,522.73</b>

## 7 Trade receivables

(₹ in Lakh)

Particulars	As at 31.03.2020	As at 31.03.2019
Trade receivable considered good - Secured	-	-
Trade receivable considered good - Unsecured	39.27	56.49
Trade receivable - credit impaired	3.33	-
Less: Allowance for doubtful debts	(3.33)	-
<b>Total</b>	<b>39.27</b>	<b>56.49</b>

### Movement in the expected credit loss allowance

(₹ in Lakh)

Particulars	As at 31.03.2020	As at 31.03.2019
Balance at beginning of the year	-	-
Add - Trade receivable - credit impaired	3.33	-
<b>Balance at end of the year</b>	<b>3.33</b>	<b>-</b>

## 8 Income tax asset and liabilities

(₹ in Lakh)

Particulars	As at 31.03.2020	As at 31.03.2019
<b>Current tax assets</b>		
Advance Income Tax (net of provision for ₹ 45.74 Lakh)	16.75	-
<b>Total</b>	<b>16.75</b>	<b>-</b>
<b>Current tax liabilities</b>		
Income Tax payable (Previous year - net of advance tax for ₹ 30.31 Lakh)	-	9.95
<b>Total</b>	<b>-</b>	<b>9.95</b>

## 9 Other assets

(₹ in Lakh)

Particulars	As at 31.03.2020	As at 31.03.2019
<b>Non - Current</b>		
MAT Credit Entitlement	45.32	40.26
	<b>45.32</b>	<b>40.26</b>
<b>Current</b>		
RTA Deposit with holding company (refer note 27)	1.50	1.50
Prepaid Expenses	14.63	10.70
CENVAT / GST credit receivable	77.45	55.19
Advance to Creditors	0.17	0.72
Staff Advance	0.18	-
<b>Total</b>	<b>93.93</b>	<b>68.11</b>

## 10 Equity Share Capital

(₹ in Lakh)

Particulars	As at 31.03.2020	As at 31.03.2019
<b>Equity Share Capital</b>		
<b>Authorised share capital:</b>		
50,000,000 Equity Shares of ₹ 10/- each with voting rights	5,000.00	5,000.00
<b>Subscribed and Fully Paid-up share capital</b>		
50,000,000 Equity Shares of ₹ 10/- each with voting rights	5,000.00	5,000.00
<b>Total</b>	<b>5,000.00</b>	<b>5,000.00</b>

**Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year**

Particulars	Opening Balance	Fresh issue	Closing Balance
Equity shares with voting rights			
<b>As at March 31, 2019</b>			
- Number of shares	50,000,000	-	50,000,000
- Amount (₹) In lakh	5,000.00	-	5,000
<b>As at March 31, 2020</b>			
- Number of shares	50,000,000	-	50,000,000
- Amount (₹) In lakh	5,000.00	-	5,000

**Details of shares held by each shareholder holding more than 5% shares**

Particulars	As at 31.03.2020		As at 31.03.2019	
	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>				
Central Depository Services (India) Limited (Parent Company)	26,000,000	52.00	26,000,000	52.00
BSE Investments Limited	12,000,000	24.00	12,000,000	24.00
Multi Commodity Exchange of India Limited	12,000,000	24.00	12,000,000	24.00

**Terms/rights attached to equity shares**

- i) The Company has only one class of equity shares having a face value of ₹ 10 each per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pay dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting.
- ii) In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.
- iii) As per records of the Company, including its register of shareholders/members and other declaration received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.
- iv) The Company has not issued any shares by way of bonus or for consideration other than cash and has not bought back any shares during the period of five years immediately preceding the reporting date.

## 11 Other equity

(₹ in Lakh)

Particulars	As at 31.03.2020	As at 31.03.2019
Opening Balance	134.23	21.89
Profit for the year	17.58	112.30
Other comprehensive income / (loss) arising from remeasurement of defined benefit obligation (net of income tax)	(0.66)	0.04
<b>Total</b>	<b>151.15</b>	<b>134.23</b>

## 12 Deferred tax balances

(₹ in Lakh)

Particulars	As at 31.03.2020	As at 31.03.2019
Deferred tax assets	29.22	10.79
Deferred tax liabilities	61.54	30.61
<b>TOTAL</b>	<b>(32.32)</b>	<b>(19.82)</b>

### Deferred tax (liabilities) / assets in relation to:

(₹ in Lakh)

Particulars	Opening balance as at 01.04.2018	Recognised in Profit and loss for year ended 31.03.2019	Recognised in Other Comprehensive Income for year ended 31.03.2019	Closing balance as at 31.03.2019	Recognised in Profit and loss for year ended 31.03.2020	Recognised in Other Comprehensive Income for year ended 31.03.2020	Closing balance as at 31.03.2020
<b>1. Deferred tax Assets</b>							
Provision for compensated absences, gratuity and other employee benefits	-	1.92	(0.01)	1.92	13.58	0.26	15.76
On difference between book balance and tax balance of fixed assets	-	8.87	-	8.87	4.59	-	13.46
<b>Total</b>	-	<b>10.79</b>		<b>10.79</b>	<b>18.17</b>	<b>0.26</b>	<b>29.22</b>
<b>2. Deferred Tax Liabilities</b>							
On Changes in Fair Value of Investment	32.02	(6.29)	-	25.73	30.93	-	56.66
On difference between book balance and tax balance of fixed assets	4.88	-	-	4.88	-	-	4.88
<b>Total Liabilities</b>	<b>36.90</b>	<b>(6.29)</b>	-	<b>30.61</b>	<b>30.93</b>	-	<b>61.54</b>
<b>Net Asset/ (Liabilities)</b>				<b>(19.82)</b>	<b>(12.76)</b>	<b>0.26</b>	<b>(32.32)</b>

### 13 Trade Payables

(₹ in Lakh)

Particulars	As at 31.03.2020	As at 31.03.2019
<b>Current</b>		
a) Total outstanding dues of micro enterprises and small enterprises (refer note 28.2)	-	-
b) Total outstanding dues of creditors other than micro enterprises and small enterprises:-		
Trade payables (refer note below)	11.36	10.08
Payable to Holding Company (refer note 26)	20.53	-
<b>Total</b>	<b>31.89</b>	<b>10.08</b>

#### Note:

As at March 31, 2020, no supplier has intimated the company about its status as Micro or Small Enterprises or its Registration with appropriate authority under the Micro, Small and Medium Enterprises Development Act, 2006

### 14 Other Financial liabilities

(₹ in Lakh)

Particulars	As at 31.03.2020	As at 31.03.2019
<b>Current</b>		
Security deposits	-	4.00
Accrued Employee Benefits expense	47.60	5.00
Other Liabilities (refer note 26)	10.61	-
<b>Total</b>	<b>58.21</b>	<b>9.00</b>

### 15 Other Current liabilities

Particulars	As at 31.03.2020	As at 31.03.2019
Advance from customers	38.49	-
Statutory Dues	10.47	8.71
<b>Total</b>	<b>48.96</b>	<b>8.71</b>

### 16 Provisions

(₹ in Lakh)

Particulars	As at 31.03.2020	As at 31.03.2019
Provision for Compensated absences	2.77	0.75
Provision for Gratuity (refer note 29)	2.95	1.16
<b>Total</b>	<b>5.72</b>	<b>1.91</b>



**17 Revenue from operations**

(₹ in Lakh)

Particulars	For the year ended 31.03.2020	For the year ended 31.03.2019
<b>Sale of services comprise :</b>		
Annual Maintenance Charges (AMC) CM/TM	9.16	2.70
Application processing fees (for RP admission)	-	1.20
Custody Charges (Refer Note 30)	28.76	54.96
Withdrawal Charges	20.48	0.12
Transaction charges	11.82	8.85
Deposit Charges	18.40	-
<b>Total</b>	<b>88.62</b>	<b>67.83</b>

**18 Other income**

(₹ in Lakh)

Particulars	For the year ended 31.03.2020	For the year ended 31.03.2019
<b>a) Interest income earned on financial assets that are not designated as at fair value through profit or loss</b>		
Bank deposits	118.59	59.59
Investments in debt instruments	-	0.22
<b>b) Dividend income</b>		
<b>Dividends from investment in Mutual Funds</b>		
Dividend income	-	5.11
<b>c) Other gains or losses:</b>		
Net gains / (loss) arising on financial assets measured at FVTPL	298.19	323.19
<b>TOTAL</b>	<b>416.78</b>	<b>388.11</b>

**19 Employee benefits expense**

(₹ in Lakh)

Particulars	For the year ended 31.03.2020	For the year ended 31.03.2019
Salaries and allowances	180.38	81.44
Contribution to provident and other funds	8.03	3.84
Staff welfare expenses	0.88	0.79
Reimbursement of Salaries to staff on deputation from Holding Company	66.24	74.70
<b>TOTAL</b>	<b>255.53</b>	<b>160.77</b>

## 20 Administration and other expenses

(₹ in Lakh)

Particulars	For the year ended 31.03.2020	For the year ended 31.03.2019
Travel & Conveyance	26.00	23.66
Communication, Telephone & Courier charges	0.56	0.29
Insurance	9.25	6.52
Directors Sitting fees	22.90	6.90
Rates and taxes	1.73	2.59
Rent	37.54	24.00
Legal & Professional Fees	6.12	6.41
<b>Auditor's Remuneration</b>		
Audit Fees	1.00	1.00
Auditors Out of Pocket Expense	0.07	0.07
Computer Maintenance Charges	31.05	30.24
Administrative expenses	18.00	18.00
Business Development Expenses	0.02	3.07
Printing and Stationery	0.64	0.55
Office Maintenance	2.78	2.55
Provision for Expected Credit Loss	3.33	-
Training Expenses	0.09	0.27
WDRA Annual Fees	10.01	15.12
Miscellaneous Expenses	8.94	3.36
<b>Total</b>	<b>180.03</b>	<b>144.60</b>

## 21. Taxes

### 21.1. Income tax expense

The major components of income tax expense for the year ended March 31, 2020 and 2019 are as under:

#### 21.1.1 Under Profit or loss

(₹ in Lakh)

Particulars	For the year ended 31.03.2020	For the year ended 31.03.2019
Current tax expense	0.00	0.00
Deferred tax	12.76	(17.09)
<b>Total income tax expense recognised in profit or loss</b>	<b>12.76</b>	<b>(17.09)</b>

### 21.1.2 Under Other comprehensive income

(₹ in Lakh)

Particulars	For the year ended 31.03.2020	For the year ended 31.03.2019
Remeasurement of the defined benefit plans	(0.92)	0.05
<b>Total income tax expense recognised in other comprehensive income</b>	<b>0.26</b>	<b>(0.01)</b>

### 21.2 The income tax expense for the year has been reconciled to the accounting profit as follows:

(₹ in Lakh)

Particulars	For the year ended 31.03.2020	For the year ended 31.03.2019
(A) Profit before tax	30.34	95.21
(B) Enacted tax rate in India	27.82%	27.82%
(C) Expected tax expenses (A*B)	8.44	26.49
(D) Other than temporary differences		
Effect of different tax rate	(62.17)	64.18
Effect of income that is exempt from taxation	0.00	(1.42)
Expenses disallowed / (allowed)	0.00	0.33
Effects due to unabsorbed losses	66.49	(106.67)
Total adjustments	4.32	(43.58)
(E) Tax expenses after adjustments (C+D)	12.76	(17.09)
(F) Tax expenses recognised in Profit or Loss	12.76	(17.09)

### 22. 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 March 31, 2020	For the year ended March 31, 2019
Weighted average number of equity shares (issued share capital) outstanding during the year for the calculation of basic EPS	50,000,000	50,000,000
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	50,000,000	50,000,000
Face Value per Share (₹)	10/- Each	10/- Each
Profit after tax (₹)	17.58	112.30
Basic and Diluted EPS (₹)	0.04	0.22

## 23 Financial instruments

### Financial instruments by category:

(₹ in Lakh)

Particulars	Carrying Value March 31, 2020	Carrying Value March 31, 2019
<b>i) Financial assets</b>		
<b>a) Amortised Cost</b>		
Trade Receivable	39.27	56.49
Cash and cash equivalents	3.91	35.12
Bank balances other than cash and cash equivalents	1,579.62	1,522.73
<b>Total</b>	<b>1,622.80</b>	<b>1,614.34</b>
<b>b) FVTPL</b>		
Investment in mutual funds	3,528.18	3,431.98
<b>Total</b>	<b>3,528.18</b>	<b>3,431.98</b>
<b>ii) Financial liabilities</b>		
<b>Amortised Cost</b>		
Trade payables	31.89	10.08
Other financial liabilities	58.21	9.00
<b>Total</b>	<b>90.10</b>	<b>19.08</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:

Financial assets	Fair value as at	Fair value as at	Fair value hierarchy	Valuation technique(s) and key input(s)
	March 31, 2020	March 31, 2019		
Investments in mutual funds	3,528.18	3,431.98	Level 1	Quoted bid prices in an active market

There were no transfers between Level 1 and 2 during the years.

The management assessed that fair value of cash and bank balances, fixed 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.

## 24. 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: market risk, credit risk and liquidity 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.

Company provides the Commodity Repository services to its listed customers and registered members (who have provide the collaterals and other securities for trading done on its platform), hence company operates with large number of customers portfolio and its revenue is not concentrated on small number of customers.

- None of the customers accounted for more than 10% of the receivables and revenue for the years ended March 31, 2020 and March 31, 2019.

- **Investments**

The Company limits its exposure to credit risk by making investment as per the investment policy. 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 forecast on the basis of expected cash flow.

The table below provides details regarding the contractual maturities of significant financial liabilities as at March 31, 2020 and March 31, 2019

(₹ in Lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Trade payables</b>		
< 1 year	31.89	10.08
1-5 years	-	-
> 5 years	-	-
<b>Other financial liabilities</b>		
< 1 year	58.21	9.00
1-5 years	-	-
> 5 years	-	-
<b>Total</b>	<b>90.10</b>	<b>19.08</b>

The table below provides details regarding the contractual maturities of significant financial assets as at March 31, 2020 and March 31, 2019.

(₹ in Lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Investments</b>		
< 1 year	2,414.51	2,418.03
1 - 5 years	1,113.67	1,013.95
> 5 years	-	-
<b>Total</b>	<b>3,528.18</b>	<b>3,431.98</b>
<b>Trade receivables</b>		
< 1 year	39.27	56.49
1 - 5 years	-	-
> 5 years	-	-
<b>Total</b>	<b>39.27</b>	<b>56.49</b>
<b>Cash and cash equivalents</b>		
< 1 year	3.91	35.12
1 - 5 years	-	-
> 5 years	-	-
<b>Total</b>	<b>3.91</b>	<b>35.12</b>
<b>Bank balances other than cash and cash equivalents</b>		
< 1 year	1,579.62	1,522.73
1 - 5 years	-	-
> 5 years	-	-
<b>Total</b>	<b>1,579.62</b>	<b>1,522.73</b>

The Company manages contractual financial liabilities and contractual financial assets on net basis.

- **Market risk**

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables.

- **Foreign Currency risk**

The Company's exchange risk arises from its foreign operations, foreign currency revenues and expenses, (primarily in U.S. dollars and Euros). Company's revenues insignificant portion are in these foreign currencies, 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 revenues measured in rupees may decrease. The exchange rate between the Indian rupee and these foreign currencies has changed substantially in recent periods and may continue to fluctuate substantially in the future. Due to lesser quantum of revenue and expenses from foreign currencies 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 market 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.

Interest rate risk primarily arises from floating rate investment. The Company's investments in floating rate are primarily short-term, which do not expose it to significant interest rate risk.

- **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 from Warehousing Development Regulatory Authority (WDRA). 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 Commodity market environment. The Company's compliance team constantly monitors the compliance with these rules and regulations.

## 25. **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 liquid and short term mutual funds being far in excess of financial liabilities.



**26. Related Party Details:**

(₹ in Lakh)

<b>(a) List of related parties and their relationship:</b>			
<b>(i) Entity where control exists:</b>	Central Depository Services (India) Limited (CDSL) – Holding Company		
<b>(ii) Entity having significant influence</b>	BSE INVESTMENTS LTD		
	Multi Commodity Exchange of India Ltd		
<b>(iii) Fellow Subsidiary :</b>	CDSL Ventures Limited (CVL)		
	CDSL Insurance Repository Limited (CIRL)		
<b>(iv) Associate :</b>	BSE Limited		
<b>(v) Directors:</b>	Shri B.K. Bal, Director Shri J. Balasubramanian, Director Shri Sudhir K. Goel, Director Shri Neeraj Kulshrestha, Director Shri D. Sivanandhan (from 02.05.19 to 18.07.2019) Shri Hemang Raja, Director (upto 24.07.2019) Shri Ajay Puri, Director (from 10.08.2019) Shri Nehal Vora, Director (from 17.10.19 to 09.01.2020) Shri Bharat Sheth (upto 31.12.2019) Shri Girish Amesara (from 29.01.2020) Shri Amit Mahajan (from 20.01.2020)		
<b>(vi) Key Management Personnel:</b>	Shri Bharat Sheth-CFO (up to 31.12.2019) Shri Pitambar Chowdhury – MD and CEO (from 01.11.2020) Shri Ramkumar K. – Chief Operating Officer (up to September 30, 2019) Smt. Dipti Bativala – Company Secretary (from January 20, 2020)		
<b>(b) Transactions during the year:</b>			
	<b>Particulars</b>	<b>March 31, 2020</b>	<b>March 31, 2019</b>
		<b>(₹) In Lakhs</b>	<b>(₹) In Lakhs</b>
	<b>Central Depository Services (India) Limited</b>		
	Receiving of services	154.57	145.16
	Other liability –Expenses paid on behalf of company and interest on the same	9.81	-
	Deposit Received	-	4.00
	Deposit Paid	4.00	
	<u>Balances outstanding at the end of the year</u>		
	Trade payables	20.53	-
	Other liability –Expenses paid on behalf of company and interest on the same	9.81	
	Deposit (Liability)	-	4.00
	Deposit (Assets)	1.50	1.50

Particulars	March 31, 2020	March 31, 2019
	(₹) In Lakhs	(₹) In Lakhs
<b>BSE Investments Limited</b>		
Receiving of services	3.80	0.25
<u>Balances outstanding at the end of the year</u>		
Trade payables	0.23	-
<b>BSE Limited</b>		
Receiving of services	0.18	-
<b>Compensation to KMP's</b>		
Ramkumar K., Chief Operating Officer (up to September 30, 2019) Salaries, Allowances and Bonus	66.24	74.70
Pitambar Chowdhury, Managing Director & CEO (from October 01, 2020) Salaries, Allowances and Bonus	26.70	-
Dipti Bativala, Company Secretary (from January 20, 2020) Salaries, Allowances and Bonus	2.39	-

**Notes:**

- No amounts in respect of the related parties has been provided for as doubtful debts or written off/ back during the year.
- Related party relationship is as identified by the Company and relied upon by the auditors.
- All the above transactions are in the ordinary course of the business of the Company.

**27. Contingent liabilities and Commitments**

Particulars	As at March 31, 2020	As at March 31, 2019
	(₹) In Lakh	(₹) In Lakh
<b>Contingent liabilities</b>		
Claims against the Company not acknowledged as debt:	Nil	Nil
<b>Commitments :</b>		
Estimated amount of contracts remaining to be executed on capital account and not provided for	Nil	10.19

**There is no pending litigation as on March 31,2020.**

## 28. Additional information to the financial statements

### 28.1 Expenditure in foreign currency:

Particulars	As at	As at
	31.03.2020	31.03.2019
	(₹) In Lakh	(₹) In Lakh
Others (Software license)	0.86	-

### 28.2 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Particulars	As at	As at
	31.03.2020	31.03.2019
	(₹) 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	-	-
(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	-	-

**28.3 Lease** - Based on the assessment of Company and considering absence of clear demarcation of space provided by holding company, there is no identified assets as covered under Ind AS 116.

**29.** The Company has determined the liability for Employee Benefits As at March 31, 2020 in accordance with the IND AS 20 on "Employee Benefits".

a) Defined benefit plans-Gratuity-As per Actuarial Valuation on March 31, 2020

(₹ in Lakh)

Valuation Result as at	March 31, 2020	March 31, 2019
<b>Reconciliation of defined benefit obligation</b>		
Opening Defined Benefit Obligation	1.16	0.47
Transfer in/(out) obligation	0.00	0.00
Current service cost	0.75	0.70
Interest cost	0.09	0.04
Components of actuarial gain/losses on obligations:	0.00	0.00
Due to Change in financial assumptions	0.71	0.01
Due to change in demographic assumption	(0.58)	0.00
Due to experience adjustments	0.80	(0.06)

<b>Valuation Result as at</b>	<b>March 31, 2020</b>	<b>March 31, 2019</b>
Past service cost	0.02	0.00
Loss (gain) on curtailments	0.00	0.00
Liabilities extinguished on settlements	0.00	0.00
Liabilities assumed in an amalgamation in the nature of purchase	0.00	0.00
Exchange differences on foreign plans	0.00	0.00
Benefits paid	0.00	0.00
<b>Closing Defined Benefit Obligation</b>	<b>2.95</b>	<b>1.16</b>
<b>Other Comprehensive Income for the current period</b>		
Components of actuarial gain/losses on obligations:	0.00	0.00
Due to Change in financial assumptions	0.71	0.01
Due to change in demographic assumption	(0.58)	0.00
Due to experience adjustments	0.80	(0.06)
Return on plan assets excluding amounts included in interest income	0.00	0.00
<b>Amounts recognized in Other Comprehensive (Income) / Expense</b>	<b>0.92</b>	<b>(0.05)</b>
<b>Profit and loss account for the period</b>		
Service cost:	0.00	0.00
Current service cost	0.75	0.70
Past service cost	0.02	0.00
Net interest cost	0.09	0.04
<b>Total included in 'Employee Benefit Expense'</b>	<b>0.86</b>	<b>0.74</b>
<b>Reconciliation of plan assets</b>		
Opening value of plan assets	0.00	0.00
Transfer in/(out) plan assets	0.00	0.00
Interest Income	0.00	0.00
Return on plan assets excluding amounts included in interest income	0.00	0.00
Assets distributed on settlements	0.00	0.00
Contributions by employer	0.00	0.00
Assets acquired in an amalgamation in the nature of purchase	0.00	0.00
Exchange differences on foreign plans	0.00	0.00
Benefits paid	0.00	0.00
Adjustment to the Opening fund	0.00	0.00
<b>Closing value of plan assets</b>	<b>0.00</b>	<b>0.00</b>
<b>Funded status of the plan</b>		
Present value of funded obligations	2.95	1.16
Fair value of plan assets	0.00	0.00
<b>Net Liability (Asset)</b>	<b>2.95</b>	<b>1.16</b>

Valuation Result as at	March 31, 2020	March 31, 2019
<b>Reconciliation of net defined benefit liability</b>		
Net opening provision in books of accounts	1.16	0.47
Transfer in/(out) obligation	0.00	0.00
Transfer (in)/out plan assets	0.00	0.00
Employee Benefit Expense as per	0.86	0.74
Amounts recognized in Other Comprehensive (Income)	0.92	(0.05)
	2.95	1.16
Benefits paid by the Company	0.00	0.00
Contributions to plan assets	0.00	0.00
<b>Closing provision in books of accounts</b>	<b>2.95</b>	<b>1.16</b>
<b>Principle actuarial assumptions</b>		
Discount Rate	5.75% p.a	7.65% p.a
Salary Growth Rate	7.00% p.a	4.00% p.a
Withdrawal Rates	22.20% p.a at all ages	.50% p.a at all ages
Rate of Return on Plan Assets	Not Applicable	Not Applicable
<b>Summary Data</b>		
Number of Employees	15	10
Total Monthly Salary (₹)	6.61	2.52
Average Monthly Salary (₹)	0.44	0.25
Average Age (Years)	36.52	36.00
Average Past Service (Years)	1.50	1.40
Average Future Service (Years)	23.48	24.00
Weighted Average Duration (Years)	4.34	21.70
Number of Employees	15	10

- b) Gratuity is administered through Group 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. Hence the company obtains separate actuarial valuation report as required under IND AS 19 from an independent Actuary. The maximum amount as per these two valuation reports is recognized as liability in the books of accounts. 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.

### 30. Revenue From Operations

Particulars	(₹ in Lakh)	
	For the year ended 31.03.2020	For the year ended 31.03.2019
Revenue from operations	149.51	67.83
Less: Credit/Debit Note issued for reversal of custody fees	60.89	-
<b>Revenue from operations</b>	<b>88.62</b>	<b>67.83</b>

### Quarter wise reconciliation for consolidation

Particular	For the quarter ended Mar 31, 2020	For the quarter ended Dec 31, 2019	For the quarter ended Sep 30, 2019	For the quarter ended Jun 30, 2019	For the year ended Mar 31, 2020	For the year ended Mar 31, 2019
Revenue from Operations	20.95	9.57	42.17	76.82	149.51	67.83
Add/(Less): Debit/Credit note for Custody fees	-	83.86	(144.75)	-	(60.89)	-
<b>Revenue from operations</b>	<b>20.95</b>	<b>93.43</b>	<b>(102.58)</b>	<b>76.82</b>	<b>88.62</b>	<b>67.83</b>

Current year custodial charges is net of ₹ 54.96 Lakh being reversal of custodial charged during the period from Aug 2018 to March 2019 in view of WDR directions

### 31. Estimation of uncertainties relating to the global health pandemic from COVID-19

The novel coronavirus (COVID-19) pandemic continues to spread rapidly across the globe including India. On March 11, 2020, the COVID-19 outbreak was declared a global pandemic by the World Health Organization. COVID-19 has taken its toll on not just human life, but business and financial markets too. Various governments have introduced a variety of measures to contain the spread of the virus. The Indian government had announced countrywide lockdown which is continued at present.

In this nation-wide lock-down period, though all the services across the nation were suspended (except the specified essential services), some establishments including securities market intermediaries could operate and were exempted from the lock-down.

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 not likely to be material.

32. Figures for the previous year have been regrouped / reclassified and rearranged wherever necessary to correspond with the current year classification / disclosure.

### Signatures to Notes 1 to 32 forming part of financial statements

#### For and on behalf of the board of directors

**Basanta K. Bal**  
Chairman  
DIN no. 08068927

**Pitambar Chowdhury**  
Managing Director  
DIN no. 08600785

**Dipti Bativala**  
Company Secretary  
Membership No. A33811

Place: Mumbai  
Date: May 12, 2020











CDSL Commodity Repository Limited  
A wing, Marathon Futurex, 25<sup>th</sup> Floor, N. M. Joshi Marg, Lower Parel, Mumbai 400 013.